

# MEMORANDUM

To: All House Members

From: Tony DeLuca

Date: February 28, 2011

Subject: Tax Exemption for Health Insurance

In the near future I will be introducing important legislation that will provide an incentive to purchase health insurance. Specifically, my legislation will exempt individuals from paying PA income tax on the dollar amounts paid for qualified health insurance premiums not reimbursed from another source. Qualified health insurance premiums would be payments made to a licensed insurance company or one of the Blues.

There is no doubt that in today's world, health insurance is a necessity and, unfortunately, premium costs have been on the rise. Therefore, it is incumbent on the General Assembly to do everything we can to ensure that the price of this product is minimized, and that is precisely what this legislation will do. Beyond our responsibility to do this, it makes good business sense. Small business will be helped by the bill since it suffers most when employees are unable to get to work because they haven't taken care of themselves. Also, promoting incentives to purchase health insurance will help reduce uncompensated care when uninsured individuals use hospital emergency rooms for their health care needs. Finally, this legislation will help those individuals harmed by the recent demise of the adultBasic program.

I invite you to cosponsor this important legislation by contacting Linda Dolfi in my office at 783-1011 or at [ldolfi@pahouse.net](mailto:ldolfi@pahouse.net).