

RELEASE IN PART B6

From: H <hrod17@clintonemail.com>
Sent: Sunday, September 9, 2012 9:23 PM
To: 'Russov@state.gov'
Subject: Fw: Fwd: Message for President Clinton
Attachments: Small Business Demand for SBUX.DOCX

Pls print.

From: Cheryl Mills [mailto:cheryl.mills@]
Sent: Wednesday, September 05, 2012 09:53 PM
To: H
Subject: Fwd: Message for President Clinton

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FYI

----- Forwarded message -----

From: Nancy Kent < >
Date: Wed, Sep 5, 2012 at 5:56 PM
Subject: Message for President Clinton
To: "Doug(<Doug >), "cheryl.mills@ <cheryl.mills@ >

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Dear Mr. President and Madam Secretary:

First of all, Sheri and I very much enjoyed our time together in East Hampton. We would love to spend time with you again if the opportunity arises.

I wanted to follow up on a couple of items we discussed.

First, let me respond to you on the question of the recent health care legislation and its impact on Starbucks.

As I mentioned to you, Starbucks has been providing health insurance as an option to our full and part time employees since 1992. We made a decision to extend the health care option to any partner (we call our employees partners) who works 20 hours a week at that time and it has been a core benefit and an example of the kind of values we embody. We anticipate that the Affordable Care Act will increase benefits costs to Starbucks because the individual mandate will cause many partners who currently waive our coverage to join our benefit plan. Eligibility for other coverage, including Medicaid, could mitigate the additional cost, but we anticipate that the initial impact will be an additional cost to Starbucks. There is some irony to this as the ACA mandates plan coverage to employees who work 30 hours a week. We could change our eligibility to map to

the new law, but that is not something we want to sacrifice. Our legacy of health coverage for part-time partners is deeply rooted in our mission, and aligned with our commitment to the Partner experience and the customer experience. Offering affordable health insurance to all partners who work an average of 20 hours a week will continue at Starbucks and will remain an important part of our culture.

Approximately 92,000 partners are eligible for benefits and historically some portion have waived coverage. With the mandate extension this will change the equation for us and add to our cost basis. Further, in the initial years of the Affordable Care Act implementation, we believe that partners will prefer the Starbucks plans to Medicaid due to lack of understanding of the Medicaid coverage and/or due to a negative stigma associated with Medicaid. The Starbucks coverage will comply with the Act precluding partners from getting any federal subsidy to purchase coverage on an exchange. Given this, we expect that the number of partners on the Starbucks plan will increase—also increasing costs to us. We were supportive of the ACA and would oppose its repeal. At the same time, it is far from perfect and will result in greater expense to us....a somewhat counterintuitive result, given that we have tried to do the right thing for all these years.

As to the other matter you asked for information about, I'm passing along a memo from Mark Pinsky, President and CEO of the Opportunity Finance Network that outlines the evidence that there is an unmet demand for small business financing.

Good luck on the convention speech tonight. The picture you collectively painted for our future as a nation will no doubt be reflected in the speech this evening and contribute greatly to this re-election effort. The country is blessed to have both of you continue to give so much. And Sheri and I loved every minute of your company.

Until our paths cross again, our very best to you both.

Warm regards,

Sheri and Howard