



December 8, 2022

This has been quite a year, my first full year at CEA, and the challenges for our members and the nation have been significant. Inflation remains high, interest rates continue to climb, supply chains remain tight, hiring continues to be a struggle, and Christian values are attacked daily.

The Biden Administration continues its "[long march through the institutions](#)" as it now requires employers to provide benefits that violate their Christian values and conscience. Additionally, just today, the House passed the Senate-passed legislation, euphemistically called the "[Respect for Marriage Act](#)," to eliminate the Defense of Marriage Act, a law passed overwhelmingly in 1996 by a bipartisan Congress and signed into law by then President Bill Clinton.

It seems the rate of decline is ever increasing, and many are discouraged at what they observe, and the various and numerous threats posed to their businesses.

However, as believers in a good God, **we have security in His provision for every need.** In this day of increasing challenge, **part of that provision is the existence of the Christian Employers Alliance (CEA).** It is our privilege to stand on your behalf as a voice for your concerns and values and a shield against the unlawful and expansive intrusion of Congress and the federal bureaucracy.

"Every good gift and every perfect gift is from above, coming down from the Father of lights, with whom there is no variation or shadow due to change."

James 1:17 (ESV)

By God's grace and your generosity, we have had several significant achievements this year in our efforts to represent you well.

Legal and Regulatory

We started the year amid the COVID 19 vaccine mandate the Administration imposed on businesses with more than 100 employees. Thirty percent of CEA members have more than 100 employees. They go to great lengths to care for the health and wellness of their employees and believe every person has the God-given right of conscience to do what's in the best interest of themselves and their families. We prayerfully went to work on discovering ways to help members navigate the mandate while maintaining their convictions. As a result, [CEA filed a lawsuit arguing that the OSHA mandate was an authoritarian attempt](#) to interfere with employers' efforts to protect their employees' private health decisions and religious convictions. The U.S. Supreme Court confirmed the overreach in a consolidated case that left the Administration quietly

withdrawing the mandate. **We thank God for this victory and for our members who supported us financially and prayerfully as we stood firmly for freedom.**

Another legal victory came in May when [we won a Preliminary Injunction in the U.S. District Court in Bismarck, North Dakota in our case against the Equal Employment Opportunity Commission](#) (EEOC) and the Department of Health and Human Services (HHS). The EEOC and HHS mandates coerce for-profit and nonprofit employers and healthcare providers to either pay for or perform gender-transition surgeries, procedures, counseling, or other treatments — all of which are in direct violation of their deeply-held religious beliefs. The lawsuit, [Christian Employers Alliance v. Equal Employment Opportunity Commission](#) (*CEA v. EEOC*), clarifies that the EEOC — which exists to enforce federal workplace laws, guidelines, and regulations — is misinterpreting and improperly enforcing Title VII’s definition of sex-based discrimination. As such, the EEOC is improperly compelling religious employers to pay for health insurance coverage for gender transition surgeries, treatments, and more. *CEA v. EEOC* also challenges a similar mandate being enforced by HHS, which improperly reinterprets “sex” in the Affordable Care Act (“ACA”) to include gender identity. In doing so, the agency is forcing religious healthcare providers to physically perform, facilitate, or promote gender transition surgeries and procedures that are contrary to their deeply-held religious beliefs and expert medical judgment or face crippling fines.

The case has been appealed by the Biden Administration and those papers have been filed recently with the Eighth Circuit Court of Appeals. **We will continue to defend our members’ constitutional right to live out their faith publicly in the way they run their businesses, not just privately in their homes and churches.**

We have also been involved in other legal cases to address the religious freedom of Christian employers. We were privileged to sign on as Amici to [303 Creative](#), an Alliance Defending Freedom (ADF) case involving a website designer who does not wish to create websites promoting LGBT messages. The Court, which [heard oral arguments](#) on Dec. 5, granted *certiorari* on the limited question whether applying a public accommodation law to compel an artist to speak or stay silent violates the Free Speech Clause of the First Amendment. **We stand with our ally ADF in this case since it represents the freedom of Christian business owners to promote the messages with which they agree and decline to promote messages that violate their conscience.**

We also stood on your behalf in filing formal comments to two regulations that could impact Christian business owners. The first was on the [Patient Protection and Affordable Care Act; HHS Notice of Benefit and Payment Parameters for 2023](#). The proposed regulation would require affirmation of sexual orientation and gender identity (SOGI) in health care plan designs by adding “sexual orientation and gender identity” to several non-discrimination provisions. The Notice of Public Rule Making (NPRM) suggests that not including the range of “gender-affirming care” services is *presumptively discriminatory*. The NPRM cites the Colorado Essential Health Benefits (EHB) plan as an example of a plan that complies with the “updated nondiscrimination policies.”

Despite an ongoing debate in the medical community, HHS has looked to one of the most aggressive states, Colorado, as a model for requirements nationwide. As [approved by HHS](#), Colorado's EHB plan *must* include following "gender-affirming care services" *at minimum*: hormone therapy; genital and non-genital surgical procedures (hysterectomy, penectomy, mastectomy); blepharoplasty (eye and lid modification); face/forehead and/or neck tightening; facial bone remodeling for facial feminization; genioplasty (chin width reduction); Rhytidectomy (cheek, chin, and neck); cheek, chin, and nose implants; lip lift/augmentation; mandibular angle augmentation/creation/reduction (jaw); orbital recontouring; rhinoplasty (nose reshaping); laser or electrolysis hair removal; and breast/chest augmentation, reduction, construction.^[1]

We clarified that CEA members are committed to the health and safety of their valued employees precisely *because* of their religious beliefs and seek to provide quality health care benefits consistent with this commitment. Members further believe to be required to provide, subsidize, or promote treatments or procedures that directly contradict their deeply held religious beliefs is unconscionable, unconstitutional, and violates laws protecting the exercise of conscience and religion, including the [Religious Freedom Restoration Act \(RFRA\)](#).

We also [filed a formal comment on the Non-Discrimination in Health Programs and Activities \(1557\) proposed regulation](#). We clarified that HHS' proposed Non-Discrimination in Health Programs and Activities rule, if imposed on CEA's members, would impermissibly burden our members' religious faith. The Proposed Rule also exceeds the statutory authority granted to HHS by Congress in section 1557 of the ACA.

The Proposed Rule, if applied to CEA's members, would mandate those who are doctors who participate in Federal Health Care programs to perform gender-transition services. To take one example, "a gynecological surgeon may be in violation of the rule if she accepts a referral for a hysterectomy but later refuses to perform the surgery upon learning the patient is a transgender man."^[2] **No clinical-based objection to this practice is allowed under the proposed rule**, as HHS explains: "[A] provider's view that no gender transition or other gender-affirming care can ever be beneficial for such individuals (or its compliance with a state or local law that reflects a similar judgment) is *not a sufficient basis* for a judgment that a health service is not clinically appropriate."^[3] Under HHS' Proposed Rule, if applied to CEA's members, the default rule for physicians is that they must perform the gender transition service.

HHS' definition of "health program or activity," if applied to CEA's members, would have a significant impact. Under the Proposed Rule, a substantial portion of the private health insurance marketplace would be required to cover gender-transition services, including mastectomies, hysterectomies, and penectomies under the rubric of gender-affirming healthcare. **Further, because employers, including some of CEA's members, are required under the ACA to provide**

^[1] <https://www.cms.gov/CCIIO/Resources/Data-Resources/ehb>, p. 38.

^[2] 87 Fed. Reg. at 47867.

^[3] *Id.* Emphasis added.

health insurance to their employees, our members could also be required to pay health insurance premiums to finance procedures to which they conscientiously object.

For these and other reasons outlined in our letter, [CEA asked that HHS withdraw the Proposed Rule.](#)

We are working hard to stay abreast of all such threats to your business and to your religious liberties. We cannot do this without your generous financial support. [Please consider a special end-of-the-year gift to help us start 2023 stronger than ever.](#)

Iron Sharpens Iron: CEA Fall Summits and More

While we definitely addressed many challenging concerns, we were also blessed with opportunities to sharpen and encourage each other as we gathered for enriching times of fellowship and fun.

The Fall Summit was one such occasion. Our theme, *Navigating Uncharted Waters: Appointed for the Journey*, was perfect for the season. We were joined by members of Congress, experienced litigators and advocates, and business and worship leaders — all who helped us consider the theme in ways that were educational, equipping, encouraging, and challenging.

We doubled our attendance from less than one year before and the energy and enthusiasm in the room was palpable. **We have already booked the Museum of the Bible for Sept. 28-29, 2023, and we hope you will make it a priority to attend what will be another incredible event.**

Save the date now!

We had the privilege of representing you in meetings on Capitol Hill and around the nation. **Our goal in attending these events is simple:** We are representing your perspectives, asking tough questions, providing alternative solutions, and making connections. **All for you.** We want to free *you* up to focus on *your* business.

In the New Year, we will be reaching out to CEA members to gain further insight and understanding on alternative solutions that would best address your current and foreseeable pain points. For instance, what if your bank cancels you and your funding dries up in one day? What solutions are available to help meet payroll, etc.? What resources exist to protect your business' website from being taken down due to your position on biblical marriage or transgender ideology? Realizing there's strength in numbers, we believe *now* is the time to leverage our collective knowledge base and creatively prepare for and overcome issues that are common to us all. **With this in mind, we are building a repository of alternative solutions,** so you are prepared for challenges you may face.

Member Services

We have also taken several steps to better connect with and serve our members.

We expanded our [Covenant Choice healthcare](#) captive offerings to include mid-tier (50-100) and smaller companies (25-50), **effective Jan. 1, 2023!** We hired a contractor to work with us and we're prepared to provide monthly aggregate reports in the coming year, as well as quarterly reports for each Covenant Choice member to understand how your program is working. **Covenant Choice has been a remarkable success to date**, and we are grateful to God for His blessing on the plan.

We continued our weekly emails to members and interested others. With an average open rate at 42% (significantly above the 20% industry standard), we are encouraged that the information gathered resonates well with members. The weekly News and Updates email is intended to be a snapshot of what is happening in the Administration, Congress, Legal, etc., and can be perused in short order for what interests you.

As you may have noticed, we updated our logo and brand identity, and we look forward to launching our new website in the next few weeks. **We are excited to see this secure, functional, engaging, informative, and interactive website finally come to fruition after months of effort and investment.**

Did you know we are communicating with you on *six* social channels? We added [LinkedIn](#) to our growing social media presence on [Facebook](#), [Twitter](#), Rumble, [Parler](#), and [Gettr](#). And, after the New Year, when we add a new staff member, we plan to launch our *Signal Corps* alert system. If you have not signed up for the [Signal app](#) yet, please do so soon.

We added four (4) **new partnerships** this year to round out to a dozen partners to better serve you:

- [Relational Values Alliance](#)
- [1792 Exchange](#)
- [First Liberty Institute](#)
- [C12](#)

Our membership continues to grow, despite these changing and challenging economic times. We are grateful to have added another 65% in new members from last year. We have grown dramatically since I joined CEA in March of 2021. Nevertheless, **we need your help to increase our membership, now more than ever! One-to-one referrals are the best drivers to membership**, and we hope you will take the challenge in 2023 to share the benefits of CEA membership with other Christian business owners, entrepreneurs, and leaders.

Thank you for standing with us as we stand for you. We are grateful for your support and partnership in prayer and financial giving. If you are interested in an end-of-year donation please

use our secure [donation portal](#) or mail your donation to CEA, 6101 Associated Blvd., Suite 101, Everett, WA 98203. We encourage you to **give through your donor advised fund if you have one to protect your anonymity.**

None of our work would be possible without the generous and prayerful support of our members. Thank you again, and may the Lord richly bless you — now and always.

Warmly,

Shannon O. Royce, J.D.
President
Christian Employers Alliance