

December 5, 2018

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
317 Russell Senate Office Building
Washington, DC 20510

The Honorable Paul Ryan
Speaker
U.S. House of Representatives
1233 Longworth House Office Building
Washington, DC 20515

The Honorable Charles Schumer
Minority Leader
U.S. Senate
322 Hart Senate Office Building
Washington, DC 20510

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
233 Cannon House Office Building
Washington, DC 20515

Leader McConnell, Speaker Ryan, Leaders Schumer and Pelosi, and Members of Congress:

There are millions of Americans who struggle to manage complex, chronic and rare diseases. They, as well as their families and caregivers, rely on medical technology to not only save and extend lives, but also improve quality of life. On their behalf, the undersigned patient advocacy, disability, research, community, and healthcare industry organizations are writing to express our deep concern about the impact of the medical device excise tax, which will soon be reinstated, and the future of vital medical technology innovation.

From molecular diagnostics and advanced imaging systems to implantable devices like pacemakers and artificial joints, medical technologies are critical to diagnosing and treating diseases and conditions that significantly impact patients' lives – illnesses like cancer and heart disease and debilitating autoimmune conditions like arthritis and chronic pain. Medical technology is also combatting America's opioid epidemic, providing alternatives to pain management, new approaches to addiction, as well as medication management devices and apps.

Medical technology touches every aspect of the health care continuum. For people with cancer, diagnostic tests and imaging technologies offer vital information that guides more precise treatment, while radiotherapies and surgical oncology tools provide treatment options with fewer side effects, giving patients hope for a better quality of life. For people suffering spinal cord injury and disease, medical technology is an essential element to improving mobility and living independently. And for people with neurological conditions like epilepsy, medical technology is providing monitoring solutions that can predict and prevent seizures before they happen, a technology that would have seemed unimaginable even ten years ago.

Because of medical technology, Americans are living longer, healthier and more productive lives. Over the past three decades, rapid technological advances have helped increase life expectancy in the U.S. by over five years. Mortality rates for major diseases have been reduced significantly: including stroke and heart disease by nearly 60 percent, and breast cancer by over a third.

But while there have been many such innovations in recent decades, tomorrow's breakthroughs promise even greater benefits to patient care. Ongoing development of advanced in vivo diagnostics, for example, will allow for more real-time and rapid analysis of blood samples, and could be a breakthrough in the management of chronic conditions. Augmented reality technologies hold huge potential in helping surgeons become more efficient, by creating 3-dimensional reconstructions of tumors. Medical 3-D printing may someday allow organs to be created at the bedside.

We are concerned that the impending reinstatement of the medical device tax would result in the curtailing of investment in development of such life-changing innovations, and creation of fewer next-generation treatments and cures for individuals in need.

Americans living with medical conditions deserve better.

Since the tax is levied on revenues, not profits, it is particularly challenging for smaller companies, which make up more than 80 percent of the industry and are the source of so much innovation, and many of which generate revenue but no profit. This has a downstream effect on the entire innovation ecosystem for medtech. It is also worth noting that the U.S. medical technology industry saw its jobs ranks fall by nearly 29,000 while the medical device excise tax was in effect, according to data from the U.S. Department of Commerce.

We are grateful for the steps Congress has taken to suspend the tax on two previous occasions, which provided important short-term benefits. In July of this year, the U.S. House of Representatives overwhelmingly passed H.R.184, the Protect Medical Innovation Act of 2017, which permanently repeals the device tax, with a large margin of bi-partisan support. Full repeal of the device tax would mean that the medical technology industry can continue innovating new approaches to managing chronic health issues, improving the overall quality of life, and developing technologies that could revolutionize the way we treat disease and illness in this country.

We urge you to act before the end of this year to permanently repeal the device tax, so that individuals with life-threatening conditions will continue to benefit from the promise of advanced medical technology to extend and improve lives.

Sincerely,
180 Medical
3M
AAOMS
Abiomed
Academy of General Dentistry
AdvaMed (Advanced Medical Technology Association)
Allergan
Alliance of Specialty Medicine
Alzheimer's Arkansas
Amada Senior Care
American Association for Respiratory Care
American Association of Clinical Urologists
American Association of Neurological Surgeons

American Autoimmune Related Diseases Association
American Behcet's Disease Association (ABDA)
American Dental Association
American GI Forum of California
American Osteopathic Academy of Orthopedics
American Podiatric Medical Association, Inc.
American Society for Dermatologic Surgery Association (ASDSA)
American Urological Association
America's Blood Centers
AMVETS - Department of California
Arizona Bioindustry Association, Inc. (AZBio)
Atlanta Black Nurses Association, Inc.
Avanos Medical
Bayer
BD
Biocom Life Science Association of California
BioFlorida
BioForward Wisconsin
BioKansas
BioNJ
BioOhio
Bioscience Association of Maine
BioUtah
Boston Scientific
California Association of County Veteran Service Officers
California Council of Chapters - Military Officers Association of America
California Hepatitis C Task Force
California Life Sciences Association - CLSA
California State Firefighters' Association (CSFA)
Cardinal Health
Caregiver Action Network
Caregiver Voices United
Coloplast Corp.
Colorado BioScience Association
Congress of Neurological Surgeons
ConvaTec
Cook Group
Corning Incorporated
Council for Affordable Health Coverage
CSRA Area Agency on Aging
Delaware Ecumenical Council on Children and Families
Dogtown Media
Edwards Lifesciences
Elekta Inc.
ELITE Strategic Services
Epilepsy Association of the Big Bend

Ferring Pharmaceuticals
Florida Medical Manufacturers Consortium (FMMC)
Fresenius Medical Care North America
Gary J. Soverow, MD, PC
GE Healthcare
Georgia Bio
Health Industry Distributors Association (HIDA)
HealthCare Institute of New Jersey (HINJ)
Healthcare Leadership Council
Healthcare Nutrition Council
Hill-Rom
Hobbs Medical
Illinois Biotechnology Innovation Organization (iBIO)
ICAN, International Cancer Advocacy Network
IFAA - International Foundation for Autoimmune & Autoinflammatory Arthritis
Indiana Health Industry Forum
Indiana Medical Device Manufacturers Council
Integra LifeSciences Corporation
J & R Medical
Jewish War Veterans of America-Department of California
John M. Peterson, DO
Josiah Bartlett Center for Public Policy
Life Science Tennessee
Life Science Washington
Life Sciences Pennsylvania
Living Hope for Mental Health
Lupus and Allied Diseases Association
Lupus Foundation of Arkansas, Inc.
Mallinckrodt Pharmaceuticals
Masimo
Massachusetts Medical Device Industry Council (MassMEDIC)
MassBio
Medical Alley Association
Medical Device Manufacturers Association (MDMA)
Medical Imaging & Technology Alliance
MedTech Association
Medtronic
Mended Hearts
Merit Medical Systems, Inc.
Michigan Biosciences Industry Association (MichBio)
Montana Chamber of Commerce
Myriad Genetics, Inc.
National Association for the Support of Long Term Care (NASL)
National Association of Manufacturers
National Association of Spine Specialists
National Certification Commission for Acupuncture and Oriental Medicine

National Grange
NeuroPace
NM Biotechnology & Biomedical Association (NMBio)
North Carolina Biosciences Organization
Olympus Corporation of the Americas
Oregon Bioscience Association
Oregon Podiatric Medical Association
Pennsylvania State Grange
Philips North America
Reserve Officers Association-Department of the Golden West
ResMed
RetireSafe
Roche Diagnostics
SCBIO (South Carolina BIO)
Scoliosis Research Society
Scottish American Military Association
Small Business & Entrepreneurship Council
South Carolina Podiatric Medical Association
South Dakota Biotech
South Shore Medical Supply
STERIS Corporation
Stryker
Symbius Medical
Texas Healthcare and Bioscience Institute (THBI)
The AIDS Institute
The Benefits Consultancy
Transplant Recipients International Organization (Pacific Northwest)
U.S. Chamber of Commerce
United Spinal Association
US Pain Foundation
Virginia Bio
W.L. Gore & Associates
Wilmington Medical Supply
Woodbury Health Products
Wound Care Clinic-ESU
Wyoming Epilepsy Association
ZERO - The End of Prostate Cancer
Zimmer Biomet