

Congress of the United States
Washington, DC 20515

June 24, 2019

The Honorable Nancy Pelosi
Speaker of the House of Representatives
H-232, The Capitol
Washington, DC 20515

The Honorable Kevin McCarthy
Republican Leader
H-204, The Capitol
Washington, DC 20515

The Honorable Steny Hoyer
Majority Leader
H-107, The Capitol
Washington DC, 20515

The Honorable Steve Scalise
Republican Whip
H-307, The Capitol
Washington DC, 20515

Dear Speaker Pelosi, Leader McCarthy, Leader Hoyer, and Whip Scalise:

We thank you for your ongoing leadership and commitment to supporting investment in American innovation and job creation. As a bipartisan group of newly elected House Members, we write to urge action to repeal the medical device tax before the end of the year. The current suspension of the medical device tax expires on January 1, 2020. This looming tax will diminish investment in American medical technology innovation and job creation, threatening to destabilize the marketplace for this industry, its workers, and patients in our districts.

Patient access to advanced medical technology improves their health, generates efficiencies, and saves costs. Studies have shown that appropriate use of advanced medical technology can improve health outcomes and provide benefits to the economy due to improved treatment, better chronic condition management, and increased labor force participation and productivity.

Patients in our districts who rely upon medical technologies may suffer further medical costs and lost innovation if the device tax goes back into effect. Legislation to repeal the tax enjoys broad bipartisan support as members from both parties recognize the impact this tax has on our constituents, both in their care and in the hundreds of thousands employed by the industry.

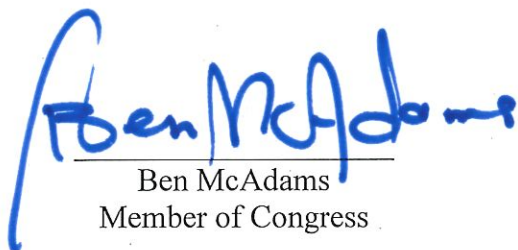
The medical device industry directly employs 400,000 Americans, including many of our constituents. The industry is primarily comprised of small businesses, approximately 80% of the 6,500 manufacturers employ fewer than 50 employees. Overall, the U.S. medical technology industry saw its employment fall by nearly 29,000 while the medical device excise tax was in effect from 2013-2015, according to data from the U.S. Department of Commerce. Now, a resumption of the tax could erode the regained jobs in the medtech sector over the last three years since the tax's suspension.

Medical device patients, employees, and companies need certainty for the future of this health care sector. The tax, which is imposed on revenue rather than income, deters innovation, company formation, and economic growth. Absent Congressional action, companies will move

forward with decisions assuming the tax will return and will need to make substantial administrative outlays to prepare for that uncertainty. Research and development dollars are one of the first items to go to offset the tax, which undermines the future of the industry and erodes the long-run economic competitiveness of an important domestic manufacturing sector with facilities in 44 states, including ours.

We therefore voice our support for taking action now to stop the resumption of the medical device tax in the House of Representatives to ensure that we do not lose research investment, new good-paying jobs, and patient access to care. We thank you for your attention to this issue, and we look forward to working with you to accomplish this goal by the end of the year.

Sincerely,



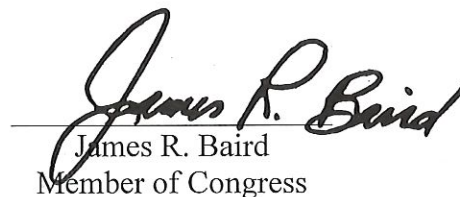
Ben McAdams
Member of Congress



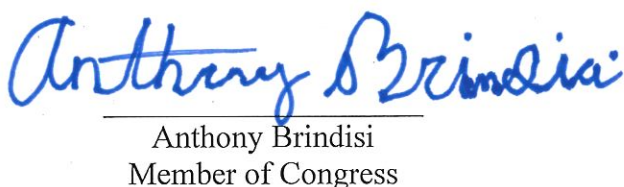
Ben Cline
Member of Congress



Kelly Armstrong
Member of Congress



James R. Baird
Member of Congress



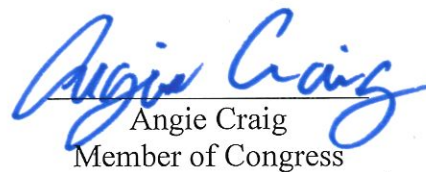
Anthony Brindisi
Member of Congress



Tim Burchett
Member of Congress



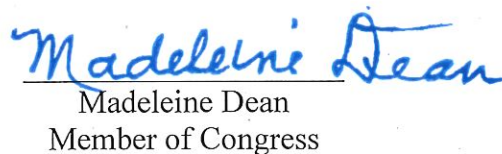
TJ Cox
Member of Congress



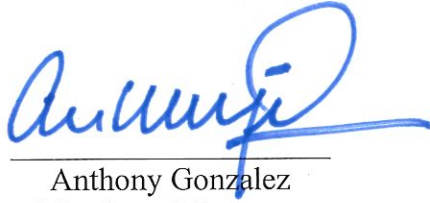
Angie Craig
Member of Congress



Dan Crenshaw
Member of Congress



Madeleine Dean
Member of Congress



Anthony Gonzalez
Member of Congress



Mark Green
Member of Congress



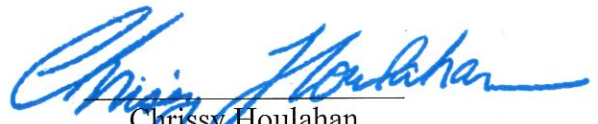
Michael Guest
Member of Congress



Jim Hagedorn
Member of Congress



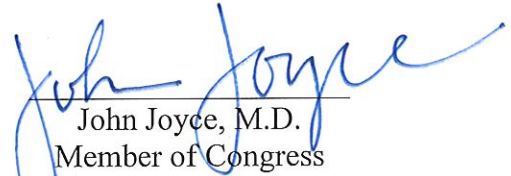
Kevin Hern
Member of Congress



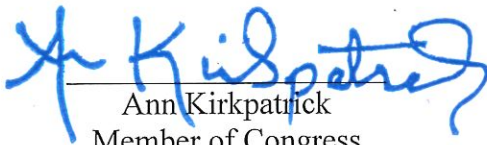
Chrissy Houlahan
Member of Congress



Dusty Johnson
Member of Congress



John Joyce, M.D.
Member of Congress



Ann Kirkpatrick
Member of Congress




Susie Lee
Member of Congress



Lucy McBath
Member of Congress



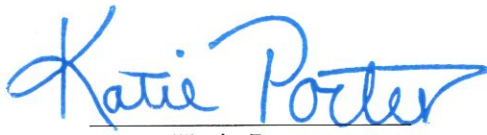
Daniel P. Meuser
Member of Congress



Greg Pence
Member of Congress



Dean Phillips
Member of Congress



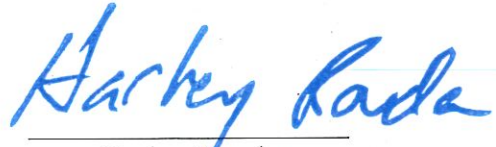
Katie Porter
Member of Congress



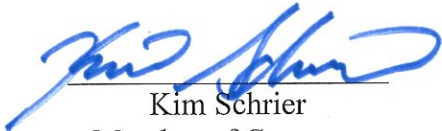
Guy Reschenthaler
Member of Congress



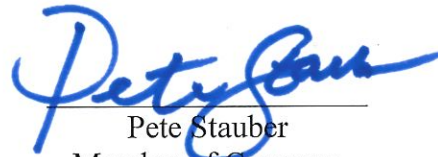
Denver Riggleman
Member of Congress



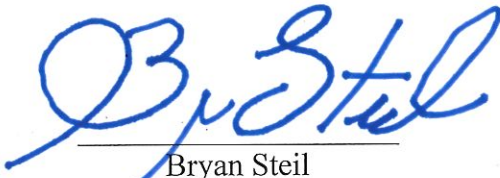
Harley Rouda
Member of Congress



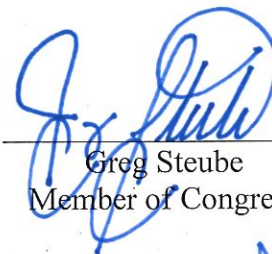
Kim Schrier
Member of Congress



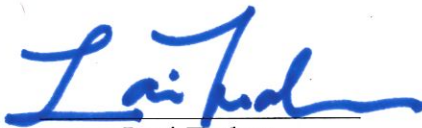
Pete Stauber
Member of Congress



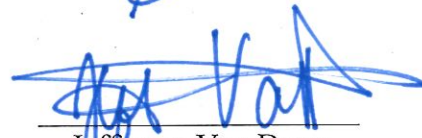
Bryan Steil
Member of Congress



Greg Steube
Member of Congress



Lori Trahan
Member of Congress



Jefferson Van Drew
Member of Congress



Steve Watkins
Member of Congress



Ron Wright
Member of Congress