

Congress of the United States
House of Representatives
Washington, DC 20515-0552

May 1, 2015

The Honorable John Boehner
Speaker of the House
US House of Representatives
H-232, US Capitol
Washington, DC 20515

The Honorable Nancy Pelosi
Office of the Democratic Leader
US House of Representatives
H-204, US Capitol
Washington, DC 20515

The Honorable Paul Ryan
Chairman, Committee on Ways and Means
1102 Longworth House Building
Washington, DC 20515

The Honorable Sander Levin
Ranking, Committee on Ways and Means
1106 Longworth House Office Building
Washington, DC 20515

Dear Speaker Boehner, Leader Pelosi, Chairman Ryan, and Ranking Member Levin,

We write in support of prompt consideration of H.R. 160, the Protect Medical Innovation Act, introduced by our colleagues Erik Paulsen and Ron Kind. This bill has broad bipartisan support from 277 members in the House and timely passage is critical to ensure continued access to innovative health medical technology.

The medical technology industry directly employs over 400,000 Americans. The industry is primarily comprised of small and medium-sized businesses and American companies represent 38% of the global market. Of the 6,500 medical device manufacturers in the United States, 80% employ fewer than 50 employees.

The 2.3% tax on revenue, rather than income, means that the U.S. device industry is subject to one of the highest corporate tax rates in the world. And many smaller early-stage companies must pay the tax even though they are years away from becoming profitable. As companies look to make cuts to offset the tax, one of the first items to go is research and development. This undermines the future of the industry, and puts the discovery of new breakthrough medical technologies at risk. This consequence, in turn, jeopardizes advancements in patient care that have the potential to improve outcomes, lower costs, and offer a better quality of life for millions of patients.

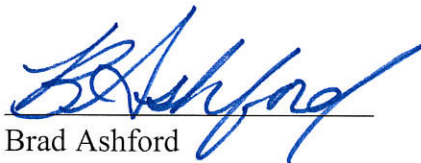
The tax on medical devices was included in the Affordable Care Act (ACA) as a funding mechanism for its provisions but we're continuing to see the costs come in below expectations. The Congressional Budget Office, for example, recently found that estimates of the cost of the coverage provisions in the ACA decreased by \$176 billion since its 2014 estimate.

As members of the Freshman and Sophomore Democratic class, we made a promise to our constituents to usher in a new era of cooperation in order to restore faith in our government institutions. Repealing the medical device tax is one area where we have come together with a common sense solution to ensuring job growth and continued access to innovative medical technology. We ask that you consider moving H.R. 160 prior to the Memorial Day recess and work with us to include repeal in any legislative packages that develop this year to give our leading innovators, our nation's small businesses, and patients the certainty they need.

Sincerely,



Scott H. Peters
Member of Congress



Brad Ashford
Member of Congress



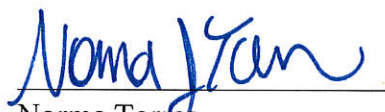
Ann McLane Kuster
Member of Congress



Patrick Murphy
Member of Congress



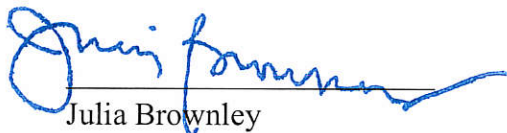
Suzan DelBene
Member of Congress



Norma Torres
Member of Congress



Cheri Bustos
Member of Congress



Julia Brownley
Member of Congress



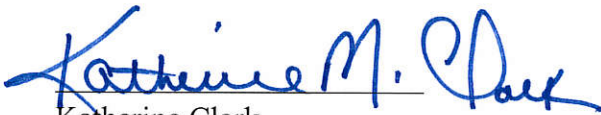
Gwen Graham
Member of Congress



Pete Aguilar
Member of Congress



Ami Bera
Member of Congress



Katherine Clark
Member of Congress



Derek Kilmer
Member of Congress



Sean Patrick Maloney
Member of Congress



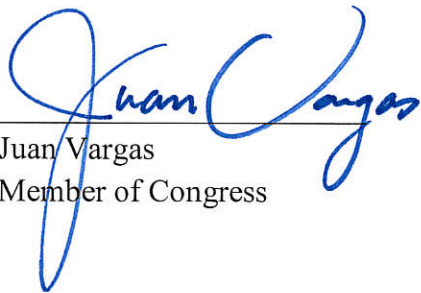
Seth Moulton
Member of Congress



Raul Ruiz
Member of Congress



Kyrsten Sinema
Member of Congress



Juan Vargas
Member of Congress