



Better health through
laboratory medicine.

January 17, 2017

The Honorable Erik Paulsen
United States House of Representatives
127 Cannon House Office Building
Washington, DC 20515

Dear Representative Paulsen:

The American Association for Clinical Chemistry (AACC) endorses H.R.184, the “Protect Medical Innovation Act,” which would repeal the 2.3 percent excise tax imposed on medical devices as part of the 2010 Affordable Care Act (ACA). AACC believes it is critical that Congress repeal this tax, otherwise the tax could adversely affect the development of new technologies crucial to improving patient care.

AACC is a global scientific and medical professional organization dedicated to clinical laboratory science and its application to healthcare. AACC brings together more than 50,000 clinical laboratory professionals, physicians, research scientists, and business leaders from around the world focused on clinical chemistry, molecular diagnostics, mass spectrometry, translational medicine, lab management, and other areas of laboratory science to advance healthcare collaboration, knowledge, expertise, and innovation.

Over the past few decades, advances in medical technology have contributed to significant gains in patient health outcomes. This progress, according to the Advanced Medical Technology Association (AdvaMed), has contributed to a 16% reduction in annual mortality, a 25% cut in disability rates, a 56% cut in hospital days, and a 3.2 year increase in life expectancy.

Higher taxes on device manufacturers jeopardize these improvements. A 2013 survey of medical device manufacturers conducted by AdvaMed—during the first year of the tax—showed that nearly one in three manufacturers had cut investment in research and development in light of this tax. The good news is that Congress intervened and temporarily suspended the tax. Unfortunately, this tax deferment ends at the end of 2017. AACC strongly supports H.R.184, which would permanently repeal the medical device excise tax.

We look forward to working with you on this important matter. If you have any questions, please email Vince Stine, PhD, AACC Director of Government Affairs, at vstine@aacc.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael J. Bennett", is written over a horizontal line.

Michael J. Bennett PhD, FRCPath, FACB, DABCC
President, AACC