



November 2, 2017

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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

Dear Leader McConnell, Leader Schumer, Speaker Ryan, and Leader Pelosi,

On behalf of Research!America, a nonprofit alliance of patient advocacy organizations, universities, academic health centers, industry, scientific societies and independent research institutes committed to advancing health through research, I am writing to urge you to repeal the medical device excise tax as soon as possible this year.

The 115<sup>th</sup> Congress has demonstrated a rock solid, bipartisan commitment to speeding the pace of medical progress. We believe the groundwork you are laying now can usher in a new era of unprecedented advancement against Alzheimer’s disease, cancer, paralysis and other threats to the health and well-being of the American people.

We firmly believe that if accelerating the pace of medical progress, bolstering U.S. innovation output and capacity, and growing jobs are American objectives, the nation would be blocking its own path by sustaining the medical device excise tax. By disincentivizing investment in medical device R&D, the medical device tax works against progress toward new medical technologies that can save lives and provide transformative support to individuals with disabilities.

Not only would reinstatement of the tax divert capital from medical device R&D at the expense of patients, it negatively impacts some patients more than others. That is because medical devices are particularly important for certain health conditions, such as cardiovascular disease, paralysis, combat-related

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injury and organ failure. A tax targeting medical devices biases investment decisions away from these conditions, an unintended consequence.

Another public policy concern is the negative impact of the device tax on the development of new diagnostic tools. According to a 2015 National Academy of Medicine report, an estimated 12 million American patients are misdiagnosed each year and diagnostic errors are a factor in 10% of patient deaths. A 2013 study published in the *Journal of British Medicine* found that over a ten-year period, diagnostic error was the most common, costly and dangerous medical mistake, accounting for the highest proportion of medical malpractice claims and payouts. To advance the health of Americans and responsibly reduce health care costs, our nation should be encouraging, not discouraging, investment in new diagnostics.

Medical device R&D drives medical progress in profoundly important ways. Repealing the medical device excise tax is a pragmatic means of putting more medical innovation to work for Americans. Thank you for your considered leadership and for considering our views.

Sincerely,

A handwritten signature in cursive script that reads "Mary Woolley".

Mary Woolley  
President and CEO

cc

Senate Finance Committee Chairman Orrin Hatch  
Senate Finance Committee Ranking Member Ron Wyden  
House Financial Services Committee Chairman Jeb Hensarling  
House Financial Services Committee Ranking Member Maxine Waters