

November 7, 2017

Dear Representative:

We, the undersigned organizations write today to express our opposition to elimination of the Medical Expense Deduction in H.R. 1, the *Tax Cuts and Jobs Act of 2017*.

For the past 75 years, Americans with high health care costs have been able to deduct medical expenses from their taxes. For the approximately 8.8 million Americans who annually take this deduction, it provides important tax relief which helps offset the costs of acute and chronic medical conditions for older Americans, children, pregnant women and other adults as well as the costs associated with long term care and assisted living. Medical expenses that qualify for this deduction can include amounts paid for prevention, diagnosis, treatment, equipment, qualified long-term care services costs as well as long term care insurance premiums. Low and middle-income families and individuals with significant disabilities face a constant stream of deductibles and high co-pays, and also pay out-of-pocket for various services and devices that enable the individual to live a productive life in the community.

In addition, the medical expense deduction- with a threshold based on a percentage of income- is truly middle class tax relief. According to 2014 estimated IRS data:

- 6.3 million (69%) of those claiming the deduction reported income of \$75,000 or less;
- 4.5 million (49%) of those claiming it reported income of \$50,000 or less;
- 55% of all households claiming the deduction (almost 5 million taxpayers) had at least one member of the household age 65 or older; and
- At least 18% of all returns claiming the deduction had at least one member of the household who was age 50-64.

Even those with Medicare can spend a large portion of their income on out-of-pocket expenses. The average Medicare beneficiary spends about \$5,680 out-of-pocket on medical care. Furthermore, older Americans and individuals with disabilities or chronic illnesses often face high costs for long term services and support, which are generally not covered by Medicare or private insurance, as well as hospitalizations and prescription drugs, which may have significant copayments. It should also be noted that the average annual cost of a private nursing home room is over \$97,000. Tax relief in this area provides needed resources to Americans with high medical costs.

We thank you for the opportunity to share our views on this vital tax issue. We urge Congress to restore the Medical Expense Deduction and continue to support millions of middle class Americans with high health care costs. If you have any questions please contact Brendan Rose at 202-434-3922 or [brose@aarp.org](mailto:brose@aarp.org).

Sincerely,

AARP

ACCSES

Alliance for Aging Research

Allies for Independence

The Arc of the United States

American Association on Health and Disability

American Cancer Society Cancer Action Network

American Psychological Association

American Senior Housing Association

Argentum

Autistic Self Advocacy Network

Christopher & Dana Reeve Foundation

Disability Rights Education and Defense Fund

Family Voices

HealthyWomen

Justice in Aging

Lakeshore Foundation

Leading Age

Lupus Foundation of America

Lutheran Services of America

The Michael J. Fox Foundation for Parkinson's Research

March of Dimes

Muscular Dystrophy Association

National Academy of Elder Law Attorneys

National Alliance on Mental Illness

National Association of Councils on Developmental Disabilities

National Association of State Head Injury Administrators

National Coalition for Cancer Survivorship

National Committee to Preserve Medicare and Social Security

National Council on Aging

National Council for Behavioral Health

National Disability Rights Network

National Multiple Sclerosis Society

National Respite Coalition

Paralyzed Veterans of America

United Spinal Association

UsAgainstAlzheimer's