

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

R. BRUCE JOSTEN
EXECUTIVE VICE PRESIDENT
GOVERNMENT AFFAIRS

1615 H STREET, N.W.
WASHINGTON, D.C. 20062-2000
202/463-5310

March 22, 2011

The Honorable Erik Paulsen
United States House of Representatives
Washington, DC 20515

Dear Representative Paulsen:

The U.S. Chamber of Commerce, the world's largest business federation representing the interests of more than three million businesses and organizations of every size, sector, and region, strongly supports H.R. 436, the "Protect Medical Innovation Act of 2011," which repeals the onerous \$20 billion excise tax on medical device manufacturers enacted as part of the health care reform legislation.

This new 2.3 percent tax on virtually all medical devices beginning in 2013 will lead to increased health care costs, undercutting one of the primary goals of health care reform. Further, by driving up the cost of medical technology, the tax will undermine America's global leadership position in product innovation, clinical research, and patient care. In the current weak economy, this tax will undermine the industry's ability to create and maintain well paying jobs in the United States and hinder the development of breakthrough treatments.

Finally, the tax singles out the medical technology industry to help pay for the cost of the health care reform law. The Chamber opposes punitive taxes that target a particular industry, sector, or income group.

The Chamber looks forward to working with you and your colleagues to advance H.R. 436 and repeal this onerous tax on the medical technology industry.

Sincerely,



R. Bruce Josten

cc: The Members of the House Committee on Ways and Means