



November 7, 2017

The Honorable Paul Ryan  
Speaker  
United States House of Representatives  
Washington, DC 20515

The Honorable Nancy Pelosi  
Minority Leader  
United States House of Representatives  
Washington, DC 20515

Dear Speaker Ryan and Minority Leader Pelosi:

On behalf of the American College of Physicians (ACP), I am writing to share our views about the Tax Cuts and Jobs Act, H.R. 1, that is being considered this week by the House Ways and Means Committee and that could soon be considered by the full House of Representatives. ACP has concerns about several provisions either in the bill or under discussion that we believe would undermine vital health care and education programs and negatively impact the daily lives of millions of Americans. Specifically, ACP opposes the elimination of the deduction for student-loan interest, the Lifetime Learning Credit, and the medical-expense deduction. ACP is also greatly concerned that the repeal of the individual mandate under the Affordable Care Act (ACA) could be included in future amendments to the Act. Lastly, ACP would oppose the offsetting—statutorily or otherwise—of the Act’s tax cuts through cutting Medicare, Medicaid, the ACA and other vital healthcare programs. In the interest of the millions of Americans who are not only our patients, but who depend on these tax provisions and programs not for great personal advantage, but in many cases just to survive day-to-day, we urge you to reconsider enacting these changes to federal law.

The American College of Physicians is the largest medical specialty organization and the second-largest physician group in the United States. ACP members include 152,000 internal medicine physicians (internists), related subspecialists, and medical students. Internal medicine physicians are specialists who apply scientific knowledge and clinical expertise to the diagnosis, treatment, and compassionate care of adults across the spectrum from health to complex illness.

We believe that the elimination of the student-loan interest deduction and the Lifetime Learning Credit could hinder access to higher education and especially dissuade students from considering continuing their education to become physicians. The United States is facing a growing shortage of physicians in key specialties and the College is particularly concerned about the supply of internal medicine specialists in primary care. By 2025, it is anticipated that there will be a [shortage](#) of 24,000 primary-care physicians nationally. ACP believes that the federal government should not be changing the law in ways that would discourage students from choosing to continue their studies in medicine at a time when there is an increasing primary-care physician shortage.

We also have concerns about the proposed elimination of the deduction of medical expenses from an individual’s income if those costs reached 10 percent of their income. Almost [nine million](#) Americans, many of them seniors despite being Medicare beneficiaries, incur high out-of-pocket health costs that

are not covered by insurance, totaling [\\$87 billion](#) in allowable deductions. For low- and middle-income households, the medical-expense deduction is an important way to keep their tax bill more reasonable in years with high health-costs. According to [AARP](#), “Nearly half (49 percent) of those who took the medical expense deduction had income less than \$50,000, and nearly seven out of 10 (69 percent) had income less than \$75,000,” and, “Taxpayers with income less than \$75,000 deducted an average of \$8,990 in medical expenses.” We are especially concerned that our patients could defer or even forgo needed treatment if this deduction were not available.

While currently not included in the bill, the College would oppose future attempts to use tax-cut legislation to repeal portions of the ACA, including the individual mandate. ACP has repeatedly opposed previous attempts by Congress to “repeal and replace” the ACA and cut the Medicaid program because those efforts violated our *first, do no harm* [criteria](#). Repealing the insurance mandate will lead directly to enrollment rates dropping among enrollees, especially healthy enrollees who may be less inclined to purchase health insurance, enroll in Medicaid or accept employer-based coverage. The Congressional Budget Office (CBO) has [estimated](#) that 15 million fewer people would have health insurance and the average premium for a benchmark plan would rise 20 percent in 2018 if the individual mandate were repealed. Including the repeal of the individual mandate in any tax-cut legislation would prove disastrous, leading to adverse selection as older and sicker individuals retained ever more costly coverage while younger and healthier individuals would opt out of purchasing coverage.

We further urge that tax cuts and other initiatives should not come at the cost of cutting programs that serve the public health, such as Medicare, Medicaid, and the ACA as well as other important healthcare programs. With up to \$1.5 trillion in possible needed offsets, there is the potential that the enactment of tax-cut legislation, either through specific offsets contained in the bill or through statutory budget requirements, could lead to dramatic cuts to these safety-net programs. By some [estimates](#), almost \$30 billion could potentially be cut from Medicare, and there could also be drastic cuts to other programs as well, including the ACA.

The College strongly believes in the *first, do no harm* principle and has consistently applied this principle in an evidenced-based manner to determine if proposed initiatives will harm our patients. We believe that the above policies could do considerable harm to our patients by undermining and destabilizing the healthcare system and urge you to find other alternatives to enacting these policies.

Sincerely,



Jack Ende, MD, MACP  
President

Cc: The Honorable Mitch McConnell, The Honorable Charles Schumer, Members of the United States House of Representatives, and Members of the United States Senate