



H.R. 160— Protect Medical Innovation Act of 2015 (Paulsen, R-MN)

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FLOOR SCHEDULE: JUNE 18, 2015 UNDER A [CLOSED RULE](#) AND PROVIDES THAT THE [AMENDMENT](#) PRINTED IN THE RULES COMMITTEE REPORT SHALL BE CONSIDERED AS ADOPTED.

TOPLINE SUMMARY: [H.R. 160](#) would repeal the 2.3 percent excise tax on medical devices created by the Affordable Care Act (ACA).

CONSERVATIVE CONCERNS: There are no substantive conservative concerns.

- **Expand the Size and Scope of the Federal Government?** No.
- **Encroach into State or Local Authority?** No.
- **Delegate Any Legislative Authority to the Executive Branch?** No.
- **Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?** No.

COST: The Congressional Budget Office (CBO) and the Joint Committee on Taxation (JCT) [estimate](#) that enacting H.R. 160 would reduce revenues, thus increasing federal deficits, by about \$24.4 billion over the 2015-2025 period.

DETAILED SUMMARY AND ANALYSIS: The 2.3 percent medical device tax imposed by the ACA was included as an additional revenue-raising provision intended to help finance the law. Traditionally, excise taxes have been used to achieve specific objectives such as discouraging certain activities such as through the taxes on tobacco, instead of simply raising revenue for a particular policy goal. The excise tax took effect on January 1, 2013, and applies to manufacturers and importers of final medical devices for sale in the U.S. market. Eyeglasses, contact lenses, and hearing aids were all exempted from this tax.

It is [estimated](#) the tax has resulted in 14,000 job losses and the forgone hiring of 19,000 workers. In addition, manufactures have begun relocating outside of the U.S. to avoid the excise tax. According to the [American Action Forum](#), this tax could be especially devastating to small and medium-sized firms which make up 91 percent of medical device companies.

This bill would amend the Internal Revenue Code to repeal the medical device excise tax and would apply to sales in calendar quarters beginning after the date of enactment.

OUTSIDE GROUPS SUPPORT:

- [United Spinal Association](#)
- [The Aids Institute](#)
- [Research America](#)
- [National Association of Manufacturers](#)
- [Device Tax Repeal Coalition](#)

- [The United States Chamber of Commerce](#)
- [Alliance for Aging Research](#)
- [American Association of Neurological Surgeons and Congress of Neurological Surgeons](#)
- [Americans for Prosperity](#) will include this vote on their congressional score card.
- [National Taxpayers Union](#) will be consider a ‘yes’ vote the pro-taxpayer vote and will be included in their annual Rating of Congress

COMMITTEE ACTION: This bill was introduced by Representative Paulson on January 6, 2015, and referred to the House Committee on Ways and Means. On June 2, 2015, the committee held a mark-up and the bill was reported out, as amended, by a vote of [25-14](#).

ADMINISTRATION POSITION: If the President were presented with H.R. 160, his senior advisors would recommend that he [veto the bill](#).

CONSTITUTIONAL AUTHORITY: According to the sponsor, Congress has the power to enact this legislation pursuant to the following: “Article 1, Section 8 of the U.S. Constitution.”

H.R. 1190 — Protecting Seniors’ Access to Medicare Act of 2015 (Roe, R-TN)

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FLOOR SCHEDULE: JUNE 18, 2015 UNDER A [CLOSED RULE](#) AND PROVIDES THAT THE [AMENDMENT](#) PRINTED IN THE RULES COMMITTEE REPORT SHALL BE CONSIDERED AS ADOPTED.

TOPLINE SUMMARY: [H.R. 1190](#) would repeal Medicare’s Independent Payment Advisory Board created by the Affordable Care Act (ACA).

CONSERVATIVE CONCERNS: There are no substantive conservative concerns.

- **Expand the Size and Scope of the Federal Government?** No.
- **Encroach into State or Local Authority?** No.
- **Delegate Any Legislative Authority to the Executive Branch?** No.
- **Contain Earmarks/Limited Tax Benefits/Limited Tariff Benefits?** No.

DETAILED SUMMARY AND ANALYSIS: The [IPAB](#), created by the ACA, was established to develop proposals to “reduce the per capita rate of growth in Medicare spending.” The secretary has the authority to implement these proposals unless Congress acts to achieve the same savings. IPAB action is triggered if the projected five-year average growth in per capita Medicare program spending exceeds a specified target. There are numerous concerns with how the IPAB is structured and the amount of [power](#) an unelected board of 15 members would have over the Medicare system. The IPAB would

COST: The Congressional Budget Office (CBO) [estimates](#) that enacting H.R. 1190 would not have any budgetary impact between 2015 and 2021, but would increase direct spending by \$7.1 billion over the 2022-2025 period.

However, that estimate is extremely uncertain because it is not clear whether the mechanism for spending reductions under the IPAB authority will be triggered under current law for most of the next ten years; under CBO’s current baseline projections such authority is projected to be triggered in 2025.

remove Medicare spending decisions from Congress and place them with an unelected board that has no obligation to engage in public notice or comment.

This bill would fully repeal the IPAB, and any associated costs would be offset by rescinding funds from the prevention and public health fund.

OUTSIDE GROUPS SUPPORT:

- [American Association of Mature Citizens](#)
- [Medical Organization Coalition Letter](#)
- [U.S. Chamber of Commerce](#)
- [Small Business and Entrepreneurship Council](#)
- [American Medical Association](#)
- [Citizens Against Government Waste](#)
- [Coalition Letter representing Medicare beneficiaries and patients](#)
- [Americans for Prosperity](#) will include this vote on their congressional score card.
- [National Taxpayers Union](#) will significantly weigh this vote in their annual Rating of Congress.

COMMITTEE ACTION: This bill was introduced by Representative Roe on March 2, 2015, and referred to the Committee on Ways and Means, Energy and Commerce, and Rules. On June 2, 2015, the Ways and Means committee held a mark-up on and the bill was reported out by a vote of [31-8](#).

ADMINISTRATION POSITION: If the president were presented with H.R. 1190, his senior advisors would recommend that he [veto the bill](#).

CONSTITUTIONAL AUTHORITY: According to the sponsor, Congress has the power to enact this legislation pursuant to the following: “The repeal of this provision is consistent with the powers that are reserved to the States and to the people as expressed in Amendment X to the United States Constitution.”

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