

Untitled document

More than 3,700 jobs in New Hampshire would be directly impacted if tax is not repealed

June 7, 2012

WASHINGTON – Congressman Charles F. Bass (NH-02) supported bipartisan legislation in the House of Representative this afternoon that will protect more than 3,700 direct jobs in New Hampshire by repealing the 2.3 percent medical device tax that is included in the new health care law.

The Health Care Cost Reduction Act (H.R. 436) passed by a vote of 270 to 146 this afternoon and now awaits consideration by the Senate.

Bass, a cosponsor of the bill, said:

"The medical device tax is another example of just how far-reaching and costly the new health care plan truly is. This tax will have a devastating effect on an industry that makes a wide range of medical devices from wheelchairs to pacemakers, particularly in New Hampshire, which is one of the top 10 states with the highest percentage of employment in this field.

"Instead of imposing outrageous and job-killing taxes on this industry, we should encourage innovation and growth. I hope the Senate follows suit and the President changes his tune about this bill, which will protect tens of thousands of jobs across the country and ensure our nation remains the leading innovator and exporter of medical technology."

Several studies have concluded that the medical device tax will increase costs and stifle competition within the industry. According to the chief actuary at the Centers for Medicare and Medicaid Services (CMS), the tax will be passed onto consumers in the form of higher drug and device prices and higher insurance premiums. Another [study](#) concluded that the tax could result in job losses of more than 43,000.

Bass supports the medical device industry and its contributions to our economy. He is the sponsor of legislation, which was included in a larger legislative package that passed the House last week, to repeal the outdated profit cap on Humanitarian Use Devices (HUDs) for adult patients, which are used to treat rare diseases. The "no-profit" cap on the sale of these devices discourages manufacturers, particularly smaller companies, from pursuing new developments in the industry and growing their businesses.

-- 30 --