

November 8, 2017

Dear Senator:

We, the undersigned organizations write today to express our support of the Medical Expense Deduction and urge you to protect the deduction in any forthcoming tax reform legislation.

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 protect 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

Alliance for Retired Americans

Allies for Independence

Alzheimer's Association

Alzheimer's Impact Movement

The Arc of the United States

American Association on Health and Disability

American Cancer Society Cancer Action Network

American Psychological Association

American Seniors Housing Association

Argentum

Autistic Self Advocacy Network

*CancerCare*

The Cancer Support Community

Children's Cause for Cancer Advocacy

Christopher & Dana Reeve Foundation

Consumers Union

Critical Mass: The Young Adult Cancer Alliance

Disability Rights Education and Defense Fund

Disability Rights Legal Center

Family Voices

Fight Colorectal Cancer

FORCE: Facing Our Risk of Cancer Empowered

HealthyWomen

Justice in Aging

Lacuna Loft

Lakeshore Foundation  
Leading Age  
Leukemia & Lymphoma Society  
Living Beyond Breast Cancer  
Lupus Foundation of America  
Lutheran Services in America  
Lymphoma Research Foundation  
The Michael J. Fox Foundation for Parkinson's Research  
March of Dimes  
Medicare Rights Center  
Muscular Dystrophy Association  
National Academy of Elder Law Attorneys  
National Adult Day Services Association  
National Alliance on Mental Illness  
National Association of ACOs  
National Association of Councils on Developmental Disabilities  
National Association of Nutrition and Aging Services Programs  
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  
Pioneer Network  
The Susan G. Komen Breast Cancer Foundation

Triage Cancer

United Spinal Association

UsAgainstAlzheimer's

Well Spouse Association

ZERO - The End of Prostate Cancer