

Harold P. Wimmer  
National President and  
CEO

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The Honorable Paul D. Ryan  
Speaker  
U.S. House of Representatives  
S-232, The Capitol  
Washington, DC 20515

The Honorable Mitch McConnell  
Majority Leader  
U.S. Senate  
S-230, The Capitol  
Washington, DC 20510

The Honorable Kevin McCarthy  
Majority Leader  
U.S. House of Representatives  
S-107, The Capitol  
Washington, DC 20515

The Honorable Chuck Schumer  
Minority Leader  
U.S. Senate  
S-221, The Capitol  
Washington, DC 20510

The Honorable Nancy Pelosi  
Minority Leader  
U.S. House of Representatives  
S-204, The Capitol  
Washington, DC 20515

Dear Speaker Ryan, Leader McConnell, Leader McCarthy, Leader Schumer  
and Leader Pelosi:

As you and other members of the Senate and House move forward with a  
conference committee to reconcile HR. 1, the Tax Cuts and Jobs Act, the  
American Lung Association urges you to exclude provisions that would  
undermine key protections that will harm the 32 million Americans with  
lung disease.

First, the Lung Association urges leaders and conferees to **reject the  
provision in the Senate-passed legislation that would repeal the individual  
healthcare mandate.** According to the Congressional Budget Office's (CBO)  
most recent report, 13 million fewer Americans will have health insurance if  
Congress repeals the requirement that all individuals carry adequate health  
coverage. In addition, premiums would increase on average by 10 percent.  
Older Americans – including those with chronic obstructive pulmonary  
disease (COPD) who do not receive a subsidy would be particularly harmed  
by this premium increase. We are deeply concerned that premium increases  
will fall disproportionately on patients with pre-existing conditions who  
have little choice but to remain in a much smaller market, provided they can  
even afford to do so.

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The Lung Association also **opposes the weakening or elimination of the Orphan Drug Tax Credit (ODTC)** and urges any changes to this lifesaving tax credit be eliminated in the final bill. Currently, the ODTC allows drug manufacturers to claim a tax credit of 50 percent of the qualified costs of clinical research and drug testing of orphan drugs. Since 1983, more than 3,500 potential treatments have been designated as an orphan drug, and more than 500 orphan therapies have been approved by the FDA. Eliminating or weakening this tax credit would result in a significant setback and increased loss of life for Americans with rare diseases, including rare lung diseases.

The American Lung Association urges Congress to **maintain the medical expense deduction at 7.5 percent** to help middle- and low-income Americans pay high, out of pocket medical costs. Currently 8.8 million Americans take this deduction, almost 70 percent of who make less than \$75,000 annually. Long-term care and services, especially for older Americans and those with chronic diseases, such as COPD, is costly. This tax deduction is aimed at providing some relief to families who are facing serious and expensive medical condition.

Finally, the American Lung Association is gravely concerned about the impact both the House-and Senate-passed versions of H.R. 1 would have on charitable giving. The Lung Association **urges that a universal "above-the-line" deduction be included in the final bill.** The Indiana University Lilly School of Philanthropy estimates that increasing the standard deduction as part of the Tax Cuts and Jobs Act would likely result in a \$13 billion reduction in charitable giving. Donations from the American public allow the American Lung Association to deliver key programs to the 32 million Americans with chronic lung disease, including funding research to improve treatments and find cures for lung cancer, asthma, COPD and influenza; giving children the tools they need to manage their asthma so that they can stay healthy in school and be ready to learn; fighting for healthy air and keeping kids from smoking.

As the House and Senate work to reconcile a final version of H.R. 1, the Tax Cuts and Jobs Act, the American Lung Association urges you to prioritize the health and well-being of the 32 million Americans with lung disease.

Sincerely,



Harold P. Wimmer  
National President and CEO

Cc: The Honorable Kevin Brady, Chairman, House Committee on Ways and Means  
The Honorable Richard Neal, Ranking Member, House Committee on Ways and Means  
The Honorable Orrin Hatch, Chairman, U.S. Senate Committee on Finance  
The Honorable Ron Wyden, Ranking Member, U.S. Senate Committee on Finance

