



A Passionate Voice for Compassionate Care

December 12, 2017

The Honorable Orrin Hatch
Chairman, Finance Committee
U.S. Senate
Washington, D.C. 20515

The Honorable Kevin Brady
Chairman, Ways & Means Committee
U.S. House of Representatives
Washington, D.C. 20510

Dear Chairmen Hatch and Brady:

As you and the members of the conference committee for tax legislation work along with your colleagues in the House and Senate to reconcile the bills recently passed in Congress, I would like to share some thoughts and concerns on behalf of the more than 2,000 Catholic health care systems, hospitals, long-term care facilities, sponsors, and related organizations represented by the Catholic Health Association of the United States.

As organizations guided by the social teachings of the Catholic Church, our greatest priority regarding any federal legislation is to make sure that everyone—the poor and vulnerable in particular—has access to quality and affordable health care. Given the estimates that the legislation as passed would increase the national debt by nearly \$1.5 trillion, we remain gravely concerned that a loss of revenue of that scope will most assuredly threaten future funding for federal safety net programs. The Medicaid and Medicare programs in particular will be at grave risk of devastating cuts, which will hamper our ability to serve low-income families, children and the elderly. We urge the conference committee to reconsider the level of tax cuts to ensure a deficit neutral agreement.

We also continue to oppose the Senate bill's provision to repeal the individual insurance coverage mandate penalty under the Affordable Care Act. According to the Congressional Budget Office, eliminating the individual mandate penalty would lead to the loss of health coverage for 13 million people and an annual 10 percent increase in premiums across the country. This will further destabilize the individual health insurance market and reverse the gains of the last few years in reducing the number of uninsured, leading to higher costs in uncompensated care for health providers. Such a provision has no place in tax legislation, and we urge you not to include the repeal in the final conference agreement.

Lastly, we commend the Senate tax reform bill for maintaining the medical expense deduction, which enables individuals and families with children with high medical costs to receive a deduction for those expenses exceeding 10 percent of their income. This is a vital resource for those with chronic conditions requiring expensive care, and we urge its inclusion in the final legislation. We also urge you to maintain the Senate provision on tax-exemption of private activity bonds, which enables hospitals to access low-cost capital financing for hospital improvements. These improvements help our ministry adapt to the changing needs of those we serve and expand access to care.



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Thank you for taking the time to consider these suggestions, and please do not hesitate to contact me or a member of our advocacy staff if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Sr. Carol Keehan". The signature is written in a cursive, flowing style.

Sr Carol Keehan, DC
President and CEO

cc: U.S. House of Representatives
U.S. Senate