December 16, 2019

The Honorable Mitch McConnell, Majority Leader
The Honorable Chuck Schumer, Minority Leader
United States Senate
Washington, DC  20510

Dear Majority Leader McConnell, Minority Leader Schumer:

The Leadership Council of Aging Organizations (LCAO) is a coalition of 69 national nonprofit organizations concerned with the well-being of America's older population and committed to representing their interests in the policy-making arena. We are writing to ask you to co-sponsor S.110, the Medical Expense Savings Act. This bipartisan legislation would restore the lower threshold for the medical expense tax deduction to 7.5 percent of income, as it was in 2017 and 2018, rather than the 10 percent threshold that is now in effect. Moreover, we urge you to implement this lower 7.5 percent threshold in end-of-year legislation, thereby preventing an unaffordable tax increase for 4.4 million Americans with high medical costs.

For more than 75 years, millions of Americans with high health care costs have been able to deduct medical expenses from their taxes. This deduction has provided an important tax benefit that helps offset the costs of serious medical conditions. Families often struggle with high deductibles, copayments, and expenses for prevention, diagnosis, and treatment of disabilities and serious illnesses.

They also struggle with the cost of medical equipment, qualified long-term care costs, and long-term care insurance premiums. Older Americans often must pay dearly for long-term services and supports, which are generally not covered by Medicare, in addition to bills for hospital stays and prescription drugs. An increase in the threshold for the deduction from 7.5 percent to 10 percent of income will increase taxes on many people with large expenses and modest budgets. For example, 70 percent of the taxpayers who claimed this deduction in 2016 had incomes between $23,100 and $113,000 per year.

Returning the medical expense tax deduction to 7.5 percent of adjusted gross income would provide needed resources to Medicare beneficiaries, who often spend a large portion of their income on out-of-pocket expenses. In 2016, the average Medicare beneficiary paid about $5,460 on unreimbursed medical care, and half of all Medicare beneficiaries had incomes less than $26,200 per person.

Please cosponsor S. 110 and include the Medical Expense Savings Act in any end-of-year legislative package. Your support would enable millions of Americans to pay for needed health expenses rather than being hit with a tax increase that would jeopardize their health.
Sincerely,

Undersigned by the Leadership Council of Aging Organizations

AARP
Aging Life Care Association
Alliance for Retired Americans
Alzheimer's Association
Alzheimer's Impact Movement
AMDA Society for Post-Acute and Long-Term Care Medicine
American Geriatrics Society
American Society on Aging
Association for Gerontology and Human Development in Historically Black Colleges and Universities
Association of Service Coordinators
B'na'i B'rith International
Caring Across Generations
Justice in Aging
LeadingAge
Medicare Rights Center
National Academy for Elder Law Attorneys
National Adult Day Services Association NADSA
National Alliance for Caregiving
National Association of Area Agencies on Aging (n4a)
National Association of Nutrition and Aging Services Programs (NANASP)
National Association of Social Workers (NASW)
National Caucus and Center on Black Aging
National Committee to Preserve Social Security and Medicare
National Consumer Voice for Quality Long-Term Care
National Council on Aging
National Senior Corps Association
Social Security Works
The Gerontological Society of America
The Jewish Federations of North America
Women’s Institute for Secure Retirement (WISER)

cc: Members of the Senate