

December 14, 2020

The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Kevin McCarthy  
Minority Leader  
U.S. House of Representatives  
Washington, DC 20515

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

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

Dear Speaker Pelosi, Majority Leader McConnell, Minority Leader McCarthy, Minority Leader Schumer:

We, the undersigned organizations, write to request that any end-of-year legislative package include a permanent extension of the 7.5 percent threshold for the medical expense deduction. The current extension expires on Dec. 31, 2020. With the added impact of an unprecedented public health emergency and unknown long term health impacts, this deduction is more important than ever.

As you know, for more than 75 years, Americans with high health care costs have been able to deduct medical expenses from their taxes. For the approximately 4.4 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, assisted living, and nursing homes. Medical expenses that qualify for this deduction can include amounts paid for prevention, diagnosis, treatment, equipment, qualified long-term care services costs and long term care insurance premiums. Families across the country with high health care costs 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. 70% of the taxpayers who claim this deduction have income between \$23,100 and \$113,000 per year.

Even with Medicare, beneficiaries 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 often face high costs for long term services and supports, which are generally not covered by Medicare, as well as hospitalizations and prescription drugs. Tax relief in this area can provide needed resources, especially important to middle income seniors with high medical costs.

We thank you for your consideration and once again urge inclusion in any forthcoming end-of-year-package this important provision to ensure that tax filers with high out-of-pocket health care costs can continue to claim the medical expense deduction at the 7.5 percent of income

threshold. We thank you in advance for your support of protecting this important tax deduction. If you have any questions or need additional information you can reach out to Brendan Rose with AARP at 202-434-3922 or [brose@aarp.org](mailto:brose@aarp.org).

Sincerely,

AARP  
ACCSES – The Voice of Disability Service Providers  
Alliance for Aging Research  
ALS Association  
Alzheimer's Association  
Alzheimer's Impact Movement  
AMDA- The Society for Post-Acute and Long-Term Care Medicine  
American Association on Health and Disability  
American Cancer Society Cancer Action Network  
American Health Care Association (AHCA)  
American Heart Association  
American Psychological Association  
American Seniors Housing Association  
Autistic Self Advocacy Network  
Cancer Support Community  
Children's Cancer Cause  
Christopher & Dana Reeve Foundation  
Colon Cancer Coalition  
Cystic Fibrosis Foundation  
Disability Rights Education and Defense Fund (DREDF)  
Family Voices  
Fight Colorectal Cancer  
FORCE: Facing Our Risk of Cancer Empowered  
HealthyWomen  
Justice in Aging  
Lakeshore Foundation  
LeadingAge  
Leukemia & Lymphoma Society  
Living Beyond Breast Cancer  
Lupus Foundation of America  
Lymphoma Research Foundation  
March of Dimes  
National Academy of Elder Law Attorneys  
National Adult Day Services Association (NADSA)  
National Association of Councils on Developmental Disabilities  
National Association of Nutrition and Aging Services Programs (NANASP)  
National Center for Assisted Living (NCAL)  
National Coalition for Cancer Survivorship

National Committee to Preserve Social Security and Medicare  
National Council on Aging  
National Disability Rights Network (NDRN)  
National Patient Advocate Foundation  
National Respite Coalition  
Paralyzed Veterans of America  
Pioneer Network  
Susan G. Komen  
The Arc of the United States  
The Michael J. Fox Foundation for Parkinson's Research  
The Well Spouse Association  
Triage Cancer  
United Spinal Association

CC: The Honorable Richard Neal, The Honorable Chuck Grassley, The Honorable Kevin Brady,  
The Honorable Ron Wyden