

COUNCIL ON GOVERNMENTAL AFFAIRS (COGA)

The first aspect of this report needs to reflect the gratitude we all share for Dr. **Deb Lien** and her service on this important council. Deb has worked tirelessly in advancing the cause of our Association. Her insight, hard work and valuable input has made COGA the effective mechanism that is today. A heartfelt thanks is due to her from every member, new....and not so new. Her ongoing service to our profession is unsurpassable. I will do my best to follow the example she has set. Thank you Deb!

This May in Washington D.C., after the Annual Session, COGA/AAOPAC made visits to our Federal Legislators on Capitol Hill. We had over 100 participants and were well received by many familiar faces as a credible source of information. I'm happy to report that several of our "asks" have gained real traction in the Halls of Congress. They are as follows:

- 1. THE RAISE ACT:** On July 12, The House Ways and Means Committee approved key elements of the Raise Act which eliminates the "Use it or lose it" component of FSA's. This allows for individuals to retain their hard earned money and not have it pass back to their employer. Then on July 25, The House passed H.R. 6311, The "Increasing Access to Lower Premium Plans and Expanding Health savings Accounts Act of 2018" which includes the elimination of the "Use it, or lose it" rule governing FSA's while allowing expansion of HAS savings. These are significant steps forward in advancing our cause and advocating for the public. Special thanks are due to House Members **Steve Stivers** (R-OH) and **Michelle Grisham** (D-NM), original bipartisan sponsors of this bill.
- 2. Repeal of Medical Device Tax:** Congress has agreed to suspend thru calendar year 2019. Additionally, the House passed the Protect Medical Innovation Act (H.R. 184) with bipartisan support. This Bill will permanently eliminate the 2.3% medical device tax. Thanks to Reps **Erik Paulsen** (R-MN) and **Ron Kind** (D-WI) for their bipartisan co-sponsorship.
- 3. Reauthorization of The Higher Education Act (HEA):** The AAO has offered input about maintaining the Federal Grad Plus Loan, which has no cap. Currently, the average resident has over \$428,000 of debt after leaving their programs. The Prosper Act would cap these loans at \$235,000. This would force our residents out into the private market, thus increasing their debt burden over time. The AAO strongly opposes this aspect. We have asked congress to keep borrowing affordable by: Preserving the In School Interest Subsidy, Eliminating Origination Fees and Reducing Interest Rates, and Support Student Loan Refinancing.
- 4. Consider Adjustments to New Tax Reform This Year:** The AAO has asked congress to keep in mind The Small Business Model and, especially, healthcare providers while trying to improve tax law and making sure that we are not disadvantaged by the law as it exists today.

The AAO, thru the efforts of both COGA and AAOPAC, have been working very hard to protect the best interests of the public, patients and providers in a broad comprehensive manor. We ask for your continued and ongoing support.

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