WASHINGTON, D.C. – **U.S. Rep. Richard Hanna** (NY-24) today issued the following statement on the vote to repeal the 2.3 percent medical device tax, which will be imposed on the sale of medical devices by manufacturers or importers as a result of the president's health care law. H.R. 436, the Health Care Cost Reduction Act of 2012, would repeal several provisions of the health care law that are already limiting individual choice and will actually increase health care costs:

"The United States is a global leader in the medical device industry and allowing this punitive tax to take effect would irreparably harm our global competitiveness and put thousands of high-tech manufacturing jobs right here in America at risk," **U.S. Rep. Richard Hanna said**. "Furthermore, this tax will only serve to raise the price of medical devices, drive overall health care costs even higher, and stifle the research and development of new life-saving technologies.

"Health care reform should be focused on improving and encouraging the use of these patient-centered products, which put consumers in charge of their own health care decisions. H.R. 439 reverses the limitation on the use of health-related savings accounts to purchase over-the-counter medications and puts an end to the 'use-it-or-lose-it' nature of these accounts by allowing participants to 'cash-out' their own unused money at the end of the year.

"This bill repeals some of the most onerous provisions of the health care law. I look forward to continuing to support more commonsense reforms that increase health care access through lower costs, without compromising the ability of our economy to create jobs and put New Yorkers back to work."

BILL AT A GLANCE

H.R. 436, the Health Care Cost Reduction Act of 2012 would:

- Repeal the law's 2.3 percent tax on medical devices – everything from pacemakers to dental braces – that's scheduled to take place in 2013.

- Repeal the law's limitation on reimbursement of over-the-counter medications from health savings accounts (HSAs), flexible spending arrangements (FSAs), health reimbursement arrangements (HRAs) or Archer medical savings accounts (MSAs) that took effect in 2011.

- Allow money left in a participant's FSA at the end of a plan year to be distributed back to the individual (capped at $500) and treated as normal, taxable income

- Close a loophole to ensure the government can recoup overpayments to individuals who receive federal health insurance subsidies to which they are not entitled. This common-sense provision will save taxpayer dollars and fix a significant flaw in the new health care law.

- Reduce the federal deficit by $6.7 billion.

The House of Representatives approved this vote by 270-146.