

MDMA Washington Update - November 2009

Finance Committee Passes Health Reform Bill with Device Tax

The Senate Committee on Finance passed the America's Healthy Future Act out of Committee in October, mostly along a party-line vote. The final vote was 14-9, with Republican Senator Olympia Snowe voting with Democrats. Included in the bill passed out of Committee was a \$40 billion tax on medical device manufacturers over 10 years. In addition, the bill also includes the creation of a Medicare Commission, requirements for manufacturer payment disclosures to healthcare providers, an extension of the gainsharing demonstration project, and comparative effectiveness provisions.

Over the course of the next month, the Finance Committee and the HELP Committee will work to merge the two respective Committee bills. Senate floor action will likely take place shortly thereafter.

MDMA is continuing to fight for the complete removal of the proposed tax on medical device manufacturers by meeting with lawmakers and urging Members to contact their elected officials. In addition, MDMA is working with lawmakers to improve other areas of health reform legislation including physician sunshine and payment reforms.

MDMA also recently cosigned a letter of opposition to the device tax in addition to over 240 other trade groups, device companies and venture capital firms.

<http://www.theepochtimes.com/n2/content/view/23917/>

Commerce Department Announces Position on Patent Reform

The Department of Commerce recently released a letter to Congressional leaders stating the Department's position on patent reform legislation currently being considered before Congress. The Commerce Department was supportive of granting the Patent and Trademark Office more fee-setting authority in order to improve efficiencies. In addition, the letter expresses that the Department is supportive of recent efforts related to the apportionment of damages and is in favor of a "gatekeeper" role for judges; a proposal offered in compromise by the Senate Judiciary Committee and one that MDMA believes is a better approach than original legislation. However, the Department also expresses support for current provisions related to post-grant review. MDMA does not support current post-grant review proposals as they would indefinitely extend the period of challenge to legitimate patents and ultimately affect small device manufacturers.

MDMA has met with the Commerce Department over the past few months to express concerns with the various provisions within patent reform legislation that would threaten the intellectual property of small, innovative device manufacturers.

<http://www.reuters.com/article/businessNews/idUSTRE59561I20091006>