

June 10, 2025

The Honorable John Joyce  
Co-Chair  
GOP Doctors Caucus  
2102 Rayburn House Office Building  
Washington, D.C. 20515

The Honorable Greg Murphy  
Co-Chair  
GOP Doctors Caucus  
407 Cannon House Office Building  
Washington, D.C. 20515

Dear Chairmen Joyce and Murphy and Members of the GOP Doctors Caucus,

Thank you for all you do to keep important health care issues front and center on Capitol Hill. We write to you today on behalf of millions of patients and tens of thousands of small health care businesses on which they rely to voice our concern about a glitch found in the One Big Beautiful Bill Act (H.R. 1) which we believe would harm access to and further diminish choice and competition in health care. We are supportive of and urge the entire Doctors Caucus to join Rep. Buddy Carter on a letter to U.S. House and Senate leadership urging a fix to the H.R. 1 glitch that would limit the ability of small health care businesses to deduct state and local taxes at the entity level.

As you know, most small health care businesses operate as pass-through entities. These businesses, their communities, and patients have benefited from the 199A pass-through tax deduction made possible under the Tax Cuts and Jobs Act (TCJA) of 2017. In part, the 199A deduction has helped these community-based small health care businesses weather the pandemic, supply-chain disruptions, inflation, labor shortages, interest rate hikes, and so much more. We are thankful that Congress is working to make the 199A deduction permanent. We are concerned, however, that the H.R. 1 glitch limiting the ability of Specified Service Trade or Businesses (SSTB) to deduct state and local taxes at the entity level could cause irreparable harm by raising roughly \$80 billion in new taxes on these entities.

This glitch also raises serious tax neutrality issues that could seriously disadvantage small health care businesses. These entities are under immense market pressures, including from historic consolidation and vertical integration in health care. Allowing C corporations and some pass-through businesses to continue to deduct state and local taxes while disallowing small health care practices from doing so at the entity level could lead to significant distortions in the overall health care market, leading to a shrinking number of small business competitors and diminished access to care for patients that most need it. It concerns us to

think that if not fixed this glitch would allow large corporate health care chains to deduct state and local taxes, but not small, local health care businesses.

Through reconciliation, Congress' goal was to make permanent the tax benefits of the TCJA, including for small health care businesses and their patients in need of care. Facing historic market pressures and increasing patient demand for services, now is the time for Congress to support small health care businesses, not single them out and put them at a competitive disadvantage. Our communities need more choice and competition in health care, not less. Please consider joining Rep. Carter on his letter to U.S. House and Senate leadership urging a fix to this glitch in H.R. 1.

We thank you for your consideration of this crucial issue. Please contact Matt Willette with the American Optometric Association at [mwillette@aoa.org](mailto:mwillette@aoa.org) with any questions or requests for further information.

Sincerely,

American Optometric Association

American Podiatric Medical Association

American Physical Therapy Association

American Physical Therapy Association Private Practice

American College of Nurse Midwives

American Chiropractic Association

National Association of Social Workers