



December 12, 2017

The Honorable Orrin Hatch  
Chairman, Senate Finance Committee  
Washington, D.C. 20510

The Honorable Kevin Brady  
Chairman, House Ways & Means Committee  
Washington, D.C. 20515

The Honorable Ron Wyden  
Ranking Member  
Senate Finance Committee  
Washington, D.C. 20510

The Honorable Richard Neal  
Ranking Member  
House Ways & Means Committee  
Washington, D.C. 20515

Dear Chairman Hatch, Ranking Member Wyden, Chairman Brady and Ranking Member Neal:

The American Medical Informatics Association (AMIA) is a professional association representing the interests of academic researchers, clinicians, industry, and others committed to improving health through the systematic collection, analysis, and application of data, known as informatics. Throughout the more than 50-year history of research into the use of computing in health care, graduate students have played vital roles in conducting research critical for progress in the field. With the future of our national health and competitiveness in mind, we are writing to express our concerns with provisions in the Tax Cuts and Jobs Act (H.R.1) that may have significant and detrimental impacts on the viability of fields such as informatics that flourish through the participation of graduate student researchers.

Health informatics is the quintessential 21<sup>st</sup> Century profession. With more than 25 PhD programs and more than 75 Master degree programs at the nation's top universities, health informatics is an emerging, multidisciplinary profession. Graduates of these programs go on to work in basic science, designing simulations to better understand how a new drug might work; they help translate new discoveries from the bench to the bedside, using vast computer networks to better understand both common and rare diseases; and they enroll in an accredited program to become a Board Certified Clinical Informatician or they use informatics in their positions as nurses, pharmacists, radiologists and other clinical settings. Students also further our understanding of population and public health, by developing standards and systems to understand how environmental data impact individuals, and they evolve and expand the field through research and through educating the next generation of health informatics professionals.

Specifically, we are concerned that proposed changes that would count graduate student tuition waivers as taxable income would discourage participation in graduate programs. Many graduate fellowships in medical informatics offer stipends of less than \$30,000/year. Taxes that would reduce modest income to a net of less than \$20,000/year (as projected by some observers) would leave very little room beyond living expenses, making graduate studies impossible for many students who have no other means of financial support. As health informatics students graduate from highly-respected schools in biology, medicine, and computing-related fields, we anticipate that a disincentive of this magnitude would drive potential students from pursuing graduate research, initiating a deleterious effect across both academia and industry, which increasingly relies on high-quality graduate training.

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Discouraging graduate research in health informatics would have potentially long-reaching impacts on our healthcare and our economy. In an era of increased computerization of medical care, including the promise of precision medicine guided by machine learning and artificial intelligence, the need for skilled informaticians capable of understanding both medical care and information systems will only continue to increase. Without a continued supply of capable, well-trained professionals, opportunities to develop new technologies – and new industries – capable of improving care and saving money will be missed.

Within the past year, Congress demonstrated its commitment to the STEM workforce by passing the overwhelmingly bipartisan 21<sup>st</sup> Century Cures Act (P.L. 114-255) and the American Innovation and Competitiveness Act of 2017 (P.L. 114-329). The 21<sup>st</sup> Century Cures Act established the Next Generation of Researchers Initiative (Section 2021 in Title II, Subtitle C), which requires the National Institutes of Health to “promote opportunities for new researchers and earlier research independence [...]” The American Innovation and Competitiveness Act, meanwhile, created an interagency working group to “summarize available research and best practices on how to promote diversity and inclusions in STEM fields [...] (Section 308 in Title III).” Any policy that will discourage the next generation of STEM professionals would run counter to the spirit of these important pieces of bipartisan legislation.

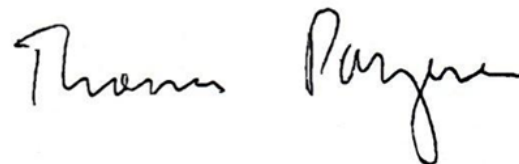
We certainly understand that tax policy is a complex process involving considerations of many tradeoffs. Nonetheless, we urge you to carefully consider changes in the taxation of graduate student researchers, and we respectfully request you remove the tax on tuition waivers included in H.R. 1.

Should you have any questions or require additional information, please contact AMIA Vice President for Public Policy Jeffery Smith at [jsmith@amia.org](mailto:jsmith@amia.org) or (301) 657-1291 ext. 113.

Sincerely,



Douglas B. Fridsma, MD, PhD, FACP, FACMI  
President and CEO  
AMIA



Thomas H. Payne, MD, FACP, FACMI  
AMIA Board Chair  
Medical Director, IT Services, UW Medicine  
University of Washington

cc: Conference Committee Members