



The ERISA Industry Committee

Driven By and For Large Employers

701 8th Street NW, Suite 610, Washington, DC 20001 • (202) 789-1400 • www.eric.org

James Gelfand, Senior Vice President of Health Policy

July 24, 2018

Dear Member of Congress,

Tomorrow, the House is expected to vote on H.R. 6199, the “*Restoring Access to Medication and Modernizing Health Savings Accounts Act of 2018*.” The ERISA Industry Committee (ERIC), the only national trade association that advocates exclusively on behalf of large employers on health, retirement, and compensation public policies on the federal, state, and local levels, urges you to support this legislation.

This bill, largely based on H.R. 5138, the “*Bipartisan HSA Improvement Act*,” by Representatives Mike Kelly (R-PA) and Earl Blumenauer (D-OR), would make a number of important improvements to Health Savings Accounts (HSAs) – including many improvements that would make life better for people with high-deductible health plans (HDHPs) who may have little to no money to actually deposit into an HSA. Some of these changes include:

- Allowing plans and plan sponsors to designate up to \$250 per year (\$500 for families) in first-dollar, pre-deductible coverage for services they deem high value;
- Allowing HDHPs and HSAs to be paired with direct primary care arrangement, and allowing the costs of these arrangements to be paid with HSA dollars;
- Allowing employers or plans to offer free or subsidized care to HDHP beneficiaries at on-site or retail health clinics, without jeopardizing beneficiaries’ HSA contribution eligibility;
- Ensuring that an individual can still have an HSA even if his or her spouse has a flexible spending arrangement (FSA);
- Enabling one-time terminations and conversions from FSAs and health reimbursement arrangements (HRAs) into HSAs;
- Allowing the purchase of over-the-counter medications, including menstrual care products, with HSA funds, without requiring a prescription; and
- Permits up to \$500 per year (\$1,000 for families) of HSA funds to be spent on physical activity or equipment.

Employers have been asking to modernize HDHPs and HSAs for many years, which will improve the lives of those who have these plans. The legislation before the House is the first pragmatic, bipartisan opportunity to improve HSAs since they were first passed into law in 2003. It is not about adding more to bank accounts but modernizing the rules for HDHPs so that HSAs are more useful to employees in all income classes.

As such, should H.R. 6199 come to a vote, ERIC urges members to vote yes. We look forward to working with Congress to make critical improvements to HDHPs and HSAs – not only those included in H.R. 6199, but also others that were left out, including enabling full coverage of chronic condition management prior to a beneficiary hitting his or her HDHP deductible, and fixing the “adult child glitch.”

Sincerely,

A handwritten signature in blue ink that reads "James P. Gelfand".

James Gelfand
Senior Vice President, Health Policy

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