

June 5, 2018

The Honorable Kevin Brady
Chairman
U.S. House Ways & Means Committee
1102 Longworth House Office Building
Washington, DC 20515

The Honorable Peter Roskam
Chairman, Subcommittee on Health
U.S. House Ways & Means Committee
2246 Rayburn House Office Building
Washington, DC 20515

The Honorable Richard E. Neal
Ranking Member
House Ways & Means Committee
1139-E Longworth House Office Building
Washington, DC 20515

The Honorable Sander Levin
Ranking Member
House Ways & Means Committee
1236 Longworth House Office Building
Washington, DC 20515

Dear Messrs. Brady, Roskam, Neal and Levin:

Health Savings Accounts (HSAs) have experienced significant growth in the commercial insurance market since they were created in 2003. There are now more Americans with HSAs than are enrolled in Medicare Advantage -- 22 million vs. 20 million respectively -- with growth projections up to 30 million by the end of 2019.

We are pleased to see that the Committee is holding a hearing on the issue, especially given that statutory reforms are needed to accommodate medical advances and innovations in benefit design. We would like you to support modest but important changes that will ensure that HSAs work well for patients and their families.

Specifically, there is a set of bipartisan proposals that have broad stakeholder support, and champions on both sides of the political aisle. With your help, these provisions can make it to the President's desk this year.

The proposals listed below have been introduced in a variety of legislative measures, as well as part of a comprehensive bill called the Bipartisan HSA Improvement Act, which is sponsored by a bipartisan group led by Reps. Mike Kelly, Earl Blumenauer, Erik Paulsen and Ron Kind. We encourage you to emphasize these doable reforms so holders of HSAs feel the impact of real reform soon. These reforms include:

- Greater flexibility to offer first-dollar coverage of health services at an onsite employee clinic and retail health clinic;
- Clarifying that "excepted benefits," which are non-major medical benefits like telehealth and second opinion services, do not jeopardize a beneficiary's eligibility to contribute to an HSA;
- Correcting the definition of "dependents" to include adult children, domestic partners, and non-traditional dependents;
- Greater flexibility to offer first-dollar coverage of services and medications for chronic disease prevention;
- Streamlining conversion from a Medical Savings Account (MSA), Flexible Spending Arrangement (FSA), or Health Reimbursement Arrangement (HRA) to an HSA;

- Permitting the use of HSA dollars toward wellness benefits, including exercise and other expenses associated with the sole purpose of participating in physical activity;
- Clarifying that direct primary care arrangements are not insurance and may be offered alongside an HSA; and
- Permitting an employee to contribute to an HSA even if his or her spouse has a health Flexible Spending Account.

As the workplace transforms to meet new trends and HSAs grow in the marketplace, we urge you to support legislation that can pass this year and begin helping Americans with HSAs. Thank you for your consideration.

Sincerely,

American Benefits Council
 American College of Sports Medicine
 American Council on Exercise
 Auto Care Association
 Boys & Girls Club of America
 Direct Primary Care Coalition
 ERISA Industry Committee
 HR Policy Association
 International Health & Racquet Sports Association
 National Association for Health and Fitness
 National Association of Health Underwriters
 National Association of Wholesaler-Distributors
 National Athletic Trainers Association
 National Basketball Association (“NBA”)
 National Club Association
 National Council of Youth Sports
 National Hockey League
 National Interscholastic Amateur Athletics Association.
 National Restaurant Association
 National Retail Federation
 National Sporting Goods Association
 Partnership for Employer-Sponsored Coverage
 Retail Industry Leaders Association
 Society for Health and Physical Education “SHAPE” America
 Society for Human Resource Management
 Sports and Fitness Industry Association
 U.S. Chamber of Commerce
 U.S. Lacrosse

cc: Members of the House Ways and Means Committee