

March 1, 2018

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Chuck Schumer
Minority Leader
U.S. Senate
Washington, DC 20510

The Honorable Orrin G. Hatch
Chairman, Finance Committee
U.S. Senate
Washington, DC 20510

The Honorable Ron Wyden
Ranking Member, Finance Committee
U.S. Senate
Washington, DC 20510

Dear Senators McConnell, Schumer, Hatch, and Wyden:

As you know, bipartisan legislation of modest but important updates to Health Savings Accounts (HSAs) has been introduced in both the House and Senate with enormous stakeholder support. We are writing to urge you to consider including it in the upcoming omnibus spending bill.

Today, a growing number of consumers have high-deductible health plans coupled with an HSA to defray the costs of medical services. Since HSAs were created in 2003, there have been advances in employee benefits that were not conceived of when the statute was written. As the workplace transforms to meet new trends, legislative changes are required to ensure that HSAs work well for patients and their families. Employers are offering benefits to provide more access to primary care and chronic disease management, and promote wellness, but changes are needed to ensure that all employees have equal access to these benefits regardless of whether they have an HSA, and thus Congress should make necessary technical corrections to the IRS code. We urge Congress to make the following bipartisan changes to improve HSAs:

- 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 incurred for the sole purpose of participating in physical activity; and
- Permitting an employee to contribute to an HSA even if his or her spouse has a health Flexible Spending Account.

As representatives who are excited about the gains employers have made to enhance coverage for their employees, we see the promise of these proposed changes first-hand. The workplace has

been a continuous source of innovation as benefits and coverage policies adapt to new delivery models while promoting better health practices and containing costs.

We look forward to working with you to reduce these barriers and expand the use of HSAs for employees and employers. Thank you for your consideration.

Sincerely,

adidas America
America's Health Insurance Plans
American Benefits Council
American College of Sports Medicine
American Council on Exercise
American Rental Association
Associated Builders and Contractors
Associated General Contractors
Auto Care Association
Bite Tech, Inc
Body-Solid Inc
Boys & Girls Club of America
Brooks Running
Brunswick Corporation
College and University Professional Association for Human Resources
Council for Affordable Health Coverage
ECFC
Empower Fitness
ERISA Industry Committee
HR Policy Association
International Health, Racquet & Sportsclub Association (IHRSA)
Lockton
Molten USA, Inc.
National Association for Health and Fitness
National Association of Health Underwriters
National Association of Wholesaler-Distributors
National Association of Worksite Health Centers
National Athletic Trainers Association
National Basketball Association ("NBA")
National Business Group on Health
National Club Association
National Coalition for Promoting Physical Activity (NCPA)
National Council of Chain Restaurants
National Council of Youth Sports (NCYS)
National Retail Federation
National Sporting Goods Association
New Balance Athletic Inc.
Nike, Inc.
NIRSA: Leaders in College Recreation
Outdoor Amusement Business Association

Pacific Business Group on Health
Partnership for Employer Sponsored Coverage
Pop Warner Little Scholars, Inc.
Rawlings Sporting Goods
Retail Industry Leaders Association (RILA)
Riddell All American Sports Inc.
Small Business & Entrepreneurship Council
Society for Health and Physical Education "SHAPE" America
Society for Human Resource Management
Sports & Fitness Industry Association
Technogym USA
The Cooper Institute
Under Armour
U.S. Chamber of Commerce

Cc: Members of Senate Finance Committee

