

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