

August 17, 2016

Dear Senators King, Cardin, Crapo, Shaheen, and Udall:

The undersigned organizations, representing healthcare groups, associations, patients, and employers, would like to express our support for the Preventive Health Savings Act.

We share the conviction that the way in which the Congressional Budget Office (CBO) currently “scores” legislation severely constrains the ability of policymakers to accurately assess legislation that would prevent chronic disease. We agree wholeheartedly with existing bipartisan agreement on the need for a continued focus on wellness and disease prevention if healthcare costs are to be contained. We believe this legislation represents a significant step toward this goal.

**Chronic disease places a significant burden on our health and economy, but it can be reversed.**

- Chronic diseases are responsible for 7 of 10 deaths among Americans each year, and they account for more than 80 percent of the \$2.7 trillion our nation spends annually on medical care. These figures will worsen as the population ages.
- Much of the illness, suffering, and early death related to chronic diseases is caused by modifiable health risk behaviors such as lack of physical activity, poor nutrition, and tobacco use.
- Preventing or delaying the onset of new cases and mitigating the progression of chronic disease will improve the health of Americans while lowering healthcare costs and overall spending.

**The current scoring process does not give Congress a complete picture of efforts to combat chronic disease.**

- Research has demonstrated that certain expenditures for preventive medicine generate savings when considered in the long term, but those cost savings may not be apparent when assessing only the first ten years—those in the “scoring” window.
- Long-term benefits from current preventive health expenditures may not be fully reflected, if at all, in cost estimates from CBO.
- Lawmakers need sound information, and today’s methods and procedures may not work as well as needed in analyzing certain efforts to prevent costly complications of chronic diseases.

## **CBO has already begun to examine prevention in new ways.**

- In 2012, CBO published long-term estimates of the effect of a hypothetical tobacco tax on the federal budget.
- In 2013, CBO published a study which found greater prescription drug access and adherence can reduce healthcare costs in other areas.
- Beginning in the 114<sup>th</sup> Congress, CBO has responded to a new House of Representatives requirement to score certain large bills by taking into account projected impacts on revenue and spending from assumed economic effects of the bills.

## **The Preventive Health Savings Act will permit leaders in Congress to request that CBO estimate the long-term health savings that are possible from preventive health initiatives.**

- This legislation provides that the Chairman or Ranking member of either budget or health-related committees can request an analysis of the two 10-year periods beyond the existing 10-year window.
- The bill requires CBO to conduct an initial analysis to determine whether the provision would result in substantial savings outside the normal scoring window.
  - CBO must include a description of those future-year savings in its budget projections, but would retain the option of creating a formal projection that includes some or all of the budgetary outyears.
  - This bill is necessary to bring greater attention to the longer-term value of wellness and prevention policies specifically.
- The bill defines preventive health as an action designed to avoid future healthcare costs that is demonstrated by credible and publicly available epidemiological projection models, incorporating clinical trials or observational studies in humans.
- This narrow, responsible approach discourages abuse while encouraging a sensible review of health policies and programs Congress believes will further public health.

As the chronic disease epidemic continues to worsen, so does the need for legislation that will properly allow Congress to see the full savings of enacting prevention-focused measures. We applaud your efforts in sponsoring this important legislation and look forward to joining with you in transforming our nation to one that prioritizes efforts to achieve wellness and well-being.

Sincerely,

Academy of Nutrition and Dietetics  
ACT | The App Association

Aetna  
Alliance for Aging Research  
Allscripts  
Alzheimer's Association  
America's Essential Hospitals  
America's Health Insurance Plans (AHIP)  
American Association for Respiratory Care  
American Association of Cardiovascular and Pulmonary Rehabilitation (AACVPR)  
American Association of Clinical Endocrinologists (AACE)  
American Association of Diabetes Educators  
American Clinical Laboratory Association  
American College of Gastroenterology  
American College of Occupational and Environmental Medicine  
American College of Osteopathic Family Physicians  
American College of Preventive Medicine  
American College of Radiology  
American Council on Exercise  
American Diabetes Association  
American Osteopathic Association  
American Pharmacists Association  
American Podiatric Medical Association  
American Society for Metabolic and Bariatric Surgery  
American Society of Bariatric Physicians  
AmerisourceBergen Corporation  
Amgen  
Ascension Health  
athenahealth  
Baxter  
Biocom  
BioReference Laboratories  
BlueCross BlueShield of Tennessee  
Boehringer Ingelheim  
Campaign to End Obesity Action Fund  
Cancer Support Community  
Cardinal Health  
Cleveland Clinic  
Connected Health Initiative  
Council for Affordable Health Coverage  
Diabetes Hands Foundation  
Dialysis Patient Citizens  
Eisai

Eli Lilly and Company  
Healthcare Information and Management Systems Society (HIMSS)  
Healthcare Leadership Council  
Healthways  
IHRSA: International Health, Racquet & Sportsclub Association  
Indiana University Health  
Johnson & Johnson  
LifeWIRE Corp.  
Marshfield Clinic  
McKesson Corporation  
MemorialCare Health System  
Merck  
National Alliance of State Pharmacy Associations  
National Alliance on Mental Illness  
National Association of ACOs  
National Association of Chain Drug Stores (NACDS)  
National Association of Pediatric Nurse Practitioners  
National Association of Spine Specialists  
National Business Coalition on Health  
National Business Group on Health  
National Center for Weight and Wellness  
National Kidney Foundation  
National Retail Federation  
Nestle Health Science  
Novartis  
Novo Nordisk  
NTCA–The Rural Broadband Association  
Obesity Action Coalition  
Omada Health  
Ovarian Cancer Research Fund Alliance  
Partnership for Prevention  
Partnership to Fight Chronic Disease  
Pfizer  
Population Health Alliance  
Premier healthcare alliance  
Prescriptions for a Healthy America  
Prevent Cancer Foundation  
Rite Aid  
Sanofi US  
SCAN Health Plan  
Society for Women’s Health Research

Spine Foundation  
Sports & Fitness Industry Association  
Stroll Health  
Takeda Pharmaceuticals  
Texas Health Resources  
The Endocrine Society  
The Obesity Society  
Third Way  
Underwriters Laboratories Inc.  
University of Mississippi Medical Center – Center for Telehealth  
Vizient  
VNAA  
VSP Vision Care  
Weight Watchers  
Women Heart: The National Coalition for Women with Heart Disease  
YMCA of the USA

Cc: Representatives Burgess and DeGette