



June 7, 2018

The Honorable Erik Paulsen
Chairman
Joint Economic Committee
United States Senate
Washington, D.C. 20510

Dear Chairman Paulsen:

Thank you for holding a hearing on health savings accounts (HSAs). The Healthcare Leadership Council (HLC) appreciates the opportunity to share its thoughts with you on this important issue.

HLC is a coalition of chief executives from all disciplines within American healthcare. It is the exclusive forum for the nation's healthcare leaders to jointly develop policies, plans, and programs to achieve their vision of a 21st century healthcare system that makes affordable, high-quality care accessible to all Americans. Members of HLC – hospitals, academic health centers, health plans, pharmaceutical companies, medical device manufacturers, laboratories, biotech firms, health product distributors, post-acute care providers, and information technology companies – advocate for measures to increase the quality and efficiency of healthcare through a patient-centered approach.

To give consumers choice and flexibility in their healthcare, HLC strongly believes that the Committee should support the expanded use of HSAs. Increasing the flexible use of these accounts will provide consumers with better tools to manage their funds and cover healthcare expenses.

HLC is pleased to support H.R. 5138, the "Bipartisan HSA Improvement Act." This bill would modernize HSA plans by:

- Allowing pre-deductible coverage of services at onsite employee clinics and retail health clinics;
- Enabling pre-deductible coverage for services and medications that manage chronic health conditions;
- Clarifying that employers can offer excepted benefits like telehealth and second opinion services to employees with an HSA; and
- Making technical changes to correct the definition of dependents, streamline FSA conversion, and fix the prohibition on spouse usage of HSAs.

Additionally, H.R. 5138 would permit the use of HSA dollars for wellness benefits and physical activity expenses. Chronic disease prevention is an essential component of healthcare. Many of these illnesses, including obesity and diabetes, are caused by modifiable health risk behaviors such as poor nutrition and a lack of physical activity. If not prevented, these diseases and their complications raise healthcare costs. Americans need access to comprehensive and evidence-based wellness and physical activity programs that assist them in making healthy choices and preventing these diseases. "The Bipartisan HSA Improvement Act" would expand this access and make these programs more affordable.

HLC asks the Committee to support H.R. 5138 and include it in the Committee's consideration of HSA legislation. Should you have any questions, please do not hesitate to contact Debbie Witchey at (202) 449-3435 or dwitchey@hlc.org.

Sincerely,

A handwritten signature in cursive script that reads "Mary R. Grealy". The signature is written in black ink and is positioned above the printed name and title.

Mary R. Grealy
President