

116TH CONGRESS  
1ST SESSION

# S. 1948

To amend the Internal Revenue Code of 1986 to permit high-deductible health plans to provide chronic disease prevention services to plan enrollees prior to satisfying their plan deductible.

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## IN THE SENATE OF THE UNITED STATES

JUNE 24, 2019

Mr. THUNE (for himself and Mr. CARPER) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 to permit high-deductible health plans to provide chronic disease prevention services to plan enrollees prior to satisfying their plan deductible.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; FINDINGS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the  
5 “Chronic Disease Management Act of 2019”.

6 (b) **FINDINGS.**—Congress finds the following:

1           (1) A small number of chronic diseases account  
2 for the majority of health care spending in the  
3 United States.

4           (2) The Office of the Assistant Secretary for  
5 Health of the Department of Health and Human  
6 Services used a deliberative process involving the  
7 Multiple Chronic Conditions working group subject  
8 matter experts in clinical medicine, epidemiology,  
9 and public health to develop a list of 20 chronic con-  
10 ditions that are prevalent and potentially amenable  
11 to public health or clinical interventions, or a com-  
12 bination of both.

13           (3) Limited and targeted interventions for  
14 many chronic diseases prevent the need for addi-  
15 tional, more costly therapies associated with un-  
16 treated or unmanaged chronic diseases that lead to  
17 adverse effects on quality of life for patients.

18           (4) These types of chronic care preventive serv-  
19 ices should be encouraged to maximize the effective-  
20 ness and positive outcomes of the care provided  
21 under high-deductible health plans.

22           (5) Section 223(c)(2)(C) of the Internal Rev-  
23 enue Code of 1986 explicitly grants the Secretary of  
24 the Treasury flexibility in defining the scope of pre-  
25 ventive care for purposes of the preventive care safe

1 harbor. As of the date of introduction of this Act,  
2 the Secretary of the Treasury has refrained from ex-  
3 ercising existing authority under such section to ex-  
4 pand the preventive care safe harbor to include  
5 chronic disease prevention.

6 (6) In the absence of an expansion of the pre-  
7 ventive care safe harbor by the Secretary of the  
8 Treasury, the Chronic Disease Management Act of  
9 2019 would expressly permit high-deductible health  
10 plans to provide chronic disease prevention and  
11 treatment, subject to certain limitations, prior to a  
12 plan enrollee having met their plan deductible.

13 (7) Allowing health savings account-eligible  
14 high-deductible health plans to cover chronic disease  
15 prevention and treatment on a pre-deductible basis  
16 promotes the concept of Value-Based Insurance De-  
17 sign, which is an effective tool to improve the quality  
18 and reduce the cost of care for Americans with  
19 chronic diseases, with improved outcomes via in-  
20 creased medication adherence, reduced complica-  
21 tions, and decreased emergency department visits.

22 **SEC. 2. CHRONIC DISEASE PREVENTION.**

23 (a) IN GENERAL.—Section 223(c)(2) of the Internal  
24 Revenue Code of 1986 is amended by redesignating sub-

1 paragraph (D) as subparagraph (E) and by inserting after  
2 subparagraph (C) the following new subparagraph:

3           “(D) SAFE HARBOR FOR ABSENCE OF DE-  
4           DUCTIBLE FOR CARE RELATED TO CHRONIC  
5           CONDITIONS.—A plan shall not fail to be treat-  
6           ed as a high-deductible health plan by reason of  
7           failing to have a deductible for care related to  
8           the treatment of any chronic condition, as de-  
9           termined by the Assistant Secretary for Health  
10          of the Department of Health and Human Serv-  
11          ices.”.

12          (b) EFFECTIVE DATE.—The amendments made by  
13 this section shall apply to coverage for months beginning  
14 after the date of the enactment of this Act.

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