



AMERICAN BENEFITS COUNCIL

March 1, 2018

The Honorable Mike Kelly
U.S. House of Representatives
Washington, DC 20515

The Honorable Erik Paulsen
U.S. House of Representatives
Washington, DC 20515

The Honorable Earl Blumenauer
U.S. House of Representatives
Washington, DC 20515

The Honorable Ron Kind
U.S. House of Representatives
Washington, DC 20515

Dear Representatives Kelly, Blumenauer, Paulsen and Kind,

I write in strong support of your bill, the Bipartisan HSA Improvement Act, which will make health savings accounts (HSAs) even more useful and effective for employers who wish to extend meaningful and affordable health coverage to their workforce. We hope your legislation will be included in the omnibus spending measure to be considered in the next few weeks.

The American Benefits Council (the Council) is a national association dedicated to protecting and fostering privately-sponsored health and retirement plans. The Council's approximately 425 members are primarily large, multistate U.S. employers that provide employee benefits to active and retired workers and their families. Collectively, the Council's members sponsor directly or provide services to health and retirement plans covering more than 100 million Americans.

Employer-provided health insurance, which covers more than 178 million people nationwide, is predicated on smart tax incentives and companies' ability to design and offer plans that best suit the needs of a modern workforce. HSAs are the direct descendants of this sound public policy, allowing employees and their families to take greater control of their health care. These vehicles also help make health coverage more affordable by encouraging wiser consumption of health services.

The Bipartisan HSA Improvement Act would make a number of critical improvements to help employers offer these plans, including a number of provisions

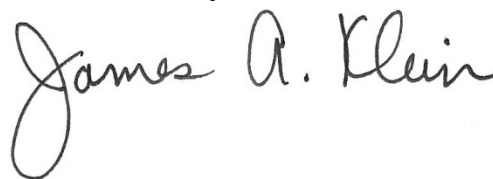
recommended in the Council's 2015 report, [Magnifying A 2020 Vision: A Closer Look at Selected Proposals to Strengthen Employer-Sponsored Health Benefits](#). Specifically, the bill includes provisions that would:

- Clarify that certain services and prescription drugs that prevent chronic disease progression are preventive care that will not be subject to a deductible.
- Allow employers to provide primary care, chronic disease prevention, and other high-value services at on-site and near-site medical clinics without imposing a deductible.
- Permit the use of HSA funds to pay for medical expenses for adult children up to age 26.
- Permit HSA contributions if a spouse has a health FSA.

We applaud your bipartisan leadership in improving these vitally important health coverage vehicles. We also greatly appreciate your receptiveness to recommendations from employers during the development of the legislation, including provisions permitting pre-deductible coverage of preventive care and chronic health conditions, as well as care received through onsite and near-site health facilities. These and other provisions will help promote employer innovation in providing affordable, quality care to working families.

You can rely on our continued engagement and assistance as the Bipartisan HSA Improvement Act advances through Congress toward swift enactment.

Sincerely,

A handwritten signature in black ink that reads "James A. Klein". The signature is written in a cursive style with a large, looping initial "J".

James A. Klein
President