

November 20, 2017

The Honorable Orrin G. Hatch  
Chairman, Senate Finance Committee  
U.S. Senate  
219 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Ron Wyden  
Ranking Member, Senate Finance Committee  
U.S. Senate  
219 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Hatch and Ranking Member Wyden:

As Congress looks to address a series of important health care policy issues this year, we, the undersigned groups representing employers and employees, urge you to include some modest but important policy changes concerning the treatment of Health Savings Accounts (HSAs) in legislation that will make it to the President's desk this year.

More than 177 million Americans receive their health insurance through their employer. There are now 20 million Americans covered by HSAs, with significant growth of 13 percent in 2015 and 20 percent in 2016. Consumer demand for increased HSA offerings is likely to continue to increase, and as such, statutory reforms are needed to accommodate medical advances and ensure that HSAs work well for patients and their families.

The proposals listed below have been introduced in a variety of legislative measures and each has bipartisan cosponsors and support from a broad spectrum of industry and consumer stakeholder groups. As the workplace transforms to meet new trends – ranging from wellness incentives to delivery of benefits – we encourage you to include HSA reforms in end-of-year legislation so that employees can proactively engage in improving their health. 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 representatives excited about the gains employers have made to enhance coverage for their employees, we see the promise of these proposed changes first-hand. The workplace has been a continuous source of innovation as benefits and coverage policies adapt to new delivery models while promoting better health practices and containing costs.

We look forward to working with you to reduce these barriers and expand the use of HSAs for employees and employers. Thank you for your consideration.

Sincerely,

ABA HSA Council  
 adidas America  
 America's Health Insurance Plans  
 American Benefits Council  
 American College of Sports Medicine  
 American Council on Exercise  
 American Rental Association  
 American Staffing Association  
 American Supply Association  
 Associated General Contractors of America  
 ATA International (Martial Arts)  
 Auto Care Association  
 Bite Tech, Inc  
 Body-Solid Inc  
 Boys & Girls Club of America  
 Brooks Running  
 Brunswick Corporation  
 Business Roundtable  
 College and University Professional Association for Human Resources  
 Corporate Health Care Coalition  
 Council for Affordable Health Coverage  
 Council of Independent Insurance Agents and Brokers  
 Employers Council on Flexible Compensation  
 Empower Fitness  
 ERISA Industry Committee  
 Food Marketing Institute  
 Healthcare Leadership Council  
 Home Furnishings Association  
 HR Policy Association  
 International Franchise Association  
 International Health & Racquet Sports Association (IHRSA)  
 Molten USA, Inc.  
 National Association for Health and Fitness

National Association for the Self-Employed  
National Association of Health Underwriters  
National Association of Home Builders  
National Association of Wholesaler-Distributors  
National Athletic Trainers Association  
National Basketball Association (“NBA”)  
National Business Group on Health  
National Club Association  
National Coalition for Promotion of Physical Activity  
National Council of Chain Restaurants  
National Council of Youth Sports (NCYS)  
National Retail Federation  
National Sporting Goods Association  
New Balance Athletic Inc.  
Nike, Inc.  
NIRSA: Leaders in College Recreation  
Pacific Business Group on Health  
Pop Warner Little Scholars, Inc.  
Rawlings Sporting Goods  
Retail Industry Leaders Association  
Riddell All American Sports Inc.  
Small Business & Entrepreneurship Council  
Society for Health and Physical Education “SHAPE” America  
Society for Human Resource Management  
Society of American Florists  
Sports & Fitness Industry Association  
Technogym USA  
The Cooper Institute  
U.S. Chamber of Commerce  
Under Armour

cc: Members of the Senate Committee on Finance