



March 3, 2017

The Honorable Orrin Hatch  
104 Hart Senate Office Building  
Washington, DC 20510

The Honorable Erik Paulsen  
127 Cannon House Office Building  
Washington, DC 20515

The Honorable Marco Rubio  
284 Russell Senate Office Building  
Washington, DC 20510

Dear Senators Hatch and Rubio and Representative Paulsen:

The National Business Group on Health (Business Group) writes in strong support of your legislation ([S.403](#) and [H.R.1175](#)) that would make important health account improvements and increase their value to employees.

The National Business Group on Health represents approximately 413, primarily large, employers (including 70 of the Fortune 100) who voluntarily provide generous health benefits and other health programs to over 55 million American employees, retirees, and their families.

Our members strongly support consumer-directed health plans, which encourage employees and their families to be prudent health care consumers and to save for future health care expenses. According to our most recent [NBGH Health Plan Design Survey](#), in 2017 84% of large employers offer a consumer-directed or HSA-qualified health plan.

The Business Group strongly supports the following provisions of your legislation that would:

- Increase HSA contribution limits to meet max HDHP OOP limits;
- Increase flexibility for catch-up contributions by older spouses;
- Allow people to rollover unused funds from HRAs and FSAs to HSAs;
- Allow people enrolled in Medicare/Indian Health Service to contribute to HSAs;
- Allow HSA-qualified plans to more broadly cover preventive over-the-counter and prescription drugs before the deductible regardless of whether people have an existing illness, injury, or condition;
- Allow people to use HSAs to pay for premiums, exercise equipment/gym memberships, and nutritional/dietary supplements;
- Specify services people can be treated at an onsite-clinics without cost-sharing and maintain HSA-eligibility (physicals, immunizations, OTC medications, treatment for worksite injuries, infectious disease tests, chronic disease monitoring, drug testing, hearing/vision screening and similar tests);

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- Repeal the ACA requirement requiring a prescription to purchase OTC medications with health accounts;
- Change current HSA rules to allow people to enroll in HSAs and non-limited FSAs/HRAs, provided that if people make HSA distributions that they rollover FSA/HRA funds to post-deductible FSAs/HRAs, limited purpose FSA/HRAs, retirement HRAs or suspended HRAs;
- Provide a grace period to use HSAs to pay for costs incurred before account opening; and
- Allow for embedded individual deductibles within HSA-qualified family coverage and other changes.

If enacted, your legislation would make it easier for people to use their accounts for needed preventive and primary care as well as medications. It would also make it easier for them to save money in their accounts and reduce the administrative complexity for employers.

The National Business Group on Health appreciates your efforts to enact (S.403 and H.R.1175). Please contact Steven Wojcik, the National Business Group on Health's Vice President of Public Policy, at (202) 558-3012, if you would like to discuss our comments in more detail.

Sincerely,

A handwritten signature in black ink that reads "Brian J. Marcotte". The signature is written in a cursive style with a long, sweeping underline.

Brian J. Marcotte  
President and CEO

The Honorable Mike Kelly (R-PA)  
The Honorable Lynn Jenkins (R-KS)