

Health Policy in Transit: HSA Modernization

April 2018 Update

Since releasing our “Health Policy in Transit – A Purchaser Viewpoint” in early March 2018, the omnibus spending bill passed by Congress and signed into law on Friday, March 23 did not contain any of the HSA improvements that had been discussed. However, we believe the effort to enact at least some HSA improvements this year is not completely dead.

March 2, 2018

Health Policy in Transit
A Purchaser Viewpoint

National Alliance of Healthcare Purchaser Coalitions is a national, non-profit, membership association of employer led coalitions across the country collectively serving 12,000 purchasers and 41 million Americans.



HSA Modernization Possible in Upcoming Budget Legislation

Today, the *Bipartisan HSA improvement Act, H.R.5138*, was introduced to the omnibus spending bill Congress is expected to pass by March 23, 2018. This Health Reform in Transit explains these proposed changes and includes a list of actions you and your members can take to get your voices heard.

- Allow HDHP + HSA plans to cover certain chronic disease management services and medications prior to hitting the deductible. This turns these types of plans into strong value-based insurance designs, with employers being able to shape how these services are provided.
- Streamlining rules and eliminating the confusion around how the different types of accounts (e.g. HSAs, HRAs, FSAs) interact with each other when family members have access to different accounts.
- Ensure that all excepted benefits (e.g. telehealth, on-site clinics) are allowed without jeopardizing HSA contribution eligibility.
- Allow some HSA funds to be used for physical activity such as exercise equipment and fitness classes.

ACT NOW!

After this spending bill is passed, Congress will switch into “election mode” for the upcoming 2018 mid-term elections, and very little substantive legislative work will be done. This is an important opportunity to modernize and re-brand HSAs as an integral part of health care for average American families, rather than a tax shelter for the “wealthy.”

- Voice your support for these changes: write op-eds, letters to the editor, use social media, sign onto letters.
- Contact Congress: schedule meetings (either in DC or in districts), phone calls, emails, social media.
- Gather anecdotes: ask your members if they have stories about how outdated HSA rules have caused problems for employees, or if an employer has wanted to do something innovative but was unable to because of outdated HSA rules.

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The ERISA Industry Committee (ERIC) has convened a working group of interested parties, including organizations such as AHIP and SHRM, to continue advocating for changes. The approach has changed to accommodate the shift on Capitol Hill toward members focusing on the 2018 mid-term elections. To enable “quick wins” heading into the election season, it may be necessary that the package of proposals get split up into separate pieces of legislation.

The ERIC-led coalition is also looking to build upon existing efforts at the grassroots level to build support for the proposals. This is where the National Alliance can play a pivotal role. The coalition is planning to build a toolkit based upon the same kinds of activities outlined in the Health Reform in Transit we published in early March. Coalitions will be asked to help “test” some of the items in the toolkit, such as op-ed letters, and materials for use with employers.

The National Alliance and its health policy partners are committed to continue to push to modernize health savings account parameters to be consistent with value based design principles.

Access the March 2, 2018 HSA Modernization Health Policy in Transit.