

September 28, 2023

The Honorable Jason Smith (R-MO) Chairman Committee on Ways and Means U.S. House of Representative 1139 Longworth House Office Building Washington, DC 20515 The Honorable Richard Neal (D-MA) Ranking Member Committee on Ways and Means U.S. House of Representatives 1139 Longworth House Office Building Washington, DC 20515

Dear Chairman Smith and Ranking Member Neal:

The Partnership for Employer-Sponsored Coverage (P4ESC) writes in support of your scheduled markup on Health Savings Account (HSA) legislation today. Given the wide prevalence of HSAs and high-deductible plan coverage across the country, it is commendable that the Committee is working to improve that coverage.

P4ESC is a nonpartisan advocacy alliance of employment-based organizations and trade associations representing businesses of all sizes and sectors, and the millions of Americans and their families who rely on employer-sponsored coverage every day. Employer-sponsored health insurance is the single largest source of coverage in our nation.

P4ESC finds positive elements in the two HSA bills to be marked up and supports passage of the *Bipartisan HSA Improvement Act* (H.R. 5688), and the *HSA Modernization Act* (H.R. 5687).

This includes provisions in H.R. 5688 regarding treatment of direct primary care arrangements, employee clinics, and clarifying that a spousal FSA will not disqualify contributions to the other spouse's HSA.

We also support provisions in H.R. 5687 that would: widen veteran access to HSAs; allow those eligible for Medicare Part A to continue to contribute to HSAs; allow both spouses to make catch-up contributions at age 55; clarify that HSA funds can purchase long-term care services; and provide a safe harbor for mental health services without a deductible.

Again, thank you for your Committee's leadership on these important issues. We look forward to working with you and your colleagues to enact bipartisan HSA legislation. If we can be of help

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to you, please ask your staff to contact P4ESC's Executive Director Neil Trautwein at neil@trautweinstrategies.com.

Sincerely,

Partnership for Employer-Sponsored Coverage

www.p4esc.org

cc: Members, Ways and Means Committee