



February 10, 2020

The Honorable Bill Cassidy
502 Hart Senate Office Building
Washington D.C. 20510

The Honorable Doug Jones
330 Hart Senate Office Building
Washington D.C. 20510

The Honorable Jerry Moran
521 Dirksen Senate Office Building
Washington D.C. 20510

The Honorable Jeanne Shaheen
506 Hart Senate Office Building
Washington D.C. 20510

Dear Senators Cassidy, Jones, Moran, and Shaheen:

On behalf of National Taxpayers Union, I write to thank you for introducing S. 2999, the Primary Care Enhancement Act.¹ This legislation would extend the benefits of personal, portable health savings accounts (HSAs) to direct primary care (DPC) arrangements, empowering individuals and their families to take charge of their relationship with their preferred primary care physician.

DPC arrangements, which did not even exist until the 1990s, currently serve some 300,000 Americans in 48 states.² The growing demand for DPC arrangements and the growing supply of DPC practices across the country have been good for consumers: services that used to cost thousands of dollars per year now average just \$93 a month.³ Health experts will stress, too, that it is important for all patients to have a strong, consistent relationship with their primary care physician.⁴ Regular visits can help prevent greater costs and worse health outcomes for both patients and the American health care system down the road.

However, for the one in five U.S. adults with employer-sponsored coverage and an HSA, DPC arrangements are too inaccessible.⁵ Under current law, a DPC arrangement can prevent an individual from contributing to an HSA if it is treated as a health plan, and an individual with HSA dollars to spend cannot use those funds on a DPC arrangement since it is not a “qualified medical expense.”⁶ This limits the growth of both DPC arrangements and HSA utilization.

¹ “S. 2999 - Primary Care Enhancement Act of 2019.” Congress.gov, introduced December 9, 2019. Retrieved from: <https://www.congress.gov/bill/116th-congress/senate-bill/2999/text> (Accessed February 4, 2020.)

² Simmons-Duffin, Selena. “Concierge’ Medicine Gets More Affordable But Is Still Not Widespread.” *NPR*, January 13, 2020. Retrieved from:

<https://www.npr.org/sections/health-shots/2020/01/13/788897710/concierge-medicine-gets-more-affordable-but-is-still-not-widespread> (Accessed February 5, 2020.)

³ *Ibid.*

⁴ “The importance of a primary care provider.” Mayo Clinic Health System, April 7, 2015. Retrieved from:

<https://www.mayoclinichealthsystem.org/hometown-health/speaking-of-health/the-importance-of-a-primary-care-provider> (Accessed February 5, 2020.)

⁵ Hamel, Liz; Muñana, Cailey; Brodie, Mollyann, “Section 5: Views and experiences related to Health Savings Accounts.” Kaiser Family Foundation, May 2, 2019. Retrieved from:

<https://www.kff.org/report-section/kaiser-family-foundation-la-times-survey-of-adults-with-employer-sponsored-insurance-section-5-views-and-experiences-related-to-health-savings-accounts/> (Accessed February 4, 2020.)

⁶ 26 U.S.C. § 223.

The Primary Care Enhancement Act would fix these problems. It would make clear that an individual with a DPC arrangement is eligible to contribute to an HSA. It would also make clear that a DPC arrangement is a qualified medical expense for use of HSA dollars.⁷ The Congressional Budget Office estimated the identical House version of this bill (H.R. 3708) will have a negligible cost, in part because the legislation places prudent limits on what constitutes a DPC arrangement for purposes of contributing to and using an HSA.⁸ The \$150 per month upper limit (\$300 per month for family arrangements) keeps the cost of the legislation down while still offering a generous HSA benefit, well above the \$97 per month cost of the average DPC arrangement. The limit is also wisely indexed to inflation.

This bill holds the promise of expanding both DPC arrangements and HSAs, giving hard-working Americans and their families more opportunities to take charge of their health care and exercise their rights as cost-conscious consumers. With the recent introduction S. 2999, and the existing bipartisan momentum for H.R. 3708, the time is now for Congress to send this bill to the President's desk.⁹

Your leadership on this issue is much appreciated, and we stand ready to assist you in your efforts to ensure the Primary Care Enhancement Act becomes law. Thank you for introducing this legislation, and please let us know how we can be of service.

Sincerely,

Andrew Lautz
Policy and Government Affairs Associate

CC: The Honorable Cory Gardner

⁷ "S. 2999 - Primary Care Enhancement Act of 2019." Congress.gov, introduced December 9, 2019. Retrieved from: <https://www.congress.gov/bill/116th-congress/senate-bill/2999/text> (Accessed February 4, 2020.)

⁸ "H.R. 3708, Primary Care Enhancement Act of 2019." Congressional Budget Office, October 31, 2019. Retrieved from: <https://www.cbo.gov/system/files/2019-10/hr3708.pdf> (Accessed February 5, 2020.)

⁹ "H.R.3708 - Primary Care Enhancement Act of 2019." Congress.gov, introduced July 11, 2019. Retrieved from: <https://www.congress.gov/bill/116th-congress/house-bill/3708/text> (Accessed February 4, 2020.)