



October 14, 2021

The Honorable Brad Schneider
300 Cannon House Office Building
Washington, D.C. 20515

The Honorable Brad Wenstrup
2419 Rayburn House Office Building
Washington, D.C. 20515

Dear Representatives Schneider and Wenstrup:

On behalf of National Taxpayers Union (NTU), the nation's oldest taxpayer advocacy organization, I write to offer NTU's endorsement of the "Primary and Virtual Care Affordability Act" (H.R. 5541).¹ This legislation would expand the universe of American workers and families who can open and contribute to a Health Savings Account (HSA), while also helping ensure health plans are designed to improve access to primary care and telehealth services.

Though telehealth use in Medicare is declining after experiencing a COVID-related surge in 2020, telehealth use is still well above pre-COVID levels.² In other words, telehealth is here to stay, likely for public programs like Medicare and Medicaid, and for private health coverage.³ While lawmakers should keep a careful eye on cost growth in telehealth services, and guard against the potential for abuse or misuse of taxpayer funds, it is clear that the Internal Revenue Service (IRS) should also not *punish* plans and patients who choose telehealth services by locking those patients out of HSA eligibility. The Primary and Virtual Care Affordability Act would extend the HSA safe harbor for plans that provide no-deductible telehealth services for two years, through 2023.

Your legislation would also create a new safe harbor, allowing patients in a high-deductible plan who have a \$0 deductible for primary care services to *also* open or continue contributing to an HSA. Given primary care use has the potential to lower health care costs in the long run⁴ and lead to better health outcomes for patients,⁵ this type of HSA expansion has considerable merit.

¹ Congress.gov. "H.R.5541 - To amend the Internal Revenue Code of 1986 to extend the exemption for telehealth services from certain high deductible health plan rules, and for other purposes." Introduced October 8, 2021. Retrieved from: <https://www.congress.gov/bill/117th-congress/house-bill/5541> (Accessed October 13, 2021.)

² See Figure 2: Government Accountability Office. "Medicare and Medicaid: COVID-19 Program Flexibilities and Considerations for Their Continuation." GAO-21-575T. May 19, 2021. Retrieved from: <https://www.gao.gov/assets/gao-21-575t.pdf> (Accessed October 13, 2021.)

³ Levey, Noam N. "Covid Was a Tipping Point for Telehealth. If Some Have Their Way, Virtual Visits Are Here to Stay." *Kaiser Health News*, June 7, 2021. Retrieved from: <https://khn.org/news/article/covid-was-a-tipping-point-for-telehealth-if-some-have-their-way-virtual-visits-are-here-to-stay/> (Accessed October 13, 2021.)

⁴ Franks, P., and Fiscella, K. "Primary care physicians and specialists as personal physicians. Health care expenditures and mortality experience." *The Journal of Family Practice*, August 1998. Retrieved from: <https://pubmed.ncbi.nlm.nih.gov/9722797/> (Accessed October 13, 2021.)

⁵ Fong, Kyna. "The U.S. Health Care System Isn't Built for Primary Care." *Harvard Business Review*, September 28, 2021. Retrieved from: <https://hbr.org/2021/09/the-u-s-health-care-system-isnt-built-for-primary-care> (Accessed October 13, 2021.)

Overall, the Primary and Virtual Care Affordability Act would expand HSA eligibility in a way that aligns with how health care is being delivered in the 21st century. We thank you for introducing this important bill, and look forward to working with you on this and other HSA expansion efforts in the 117th Congress.

Sincerely,

Andrew Lautz
Director of Federal Policy