

115TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To amend the Internal Revenue Code of 1986 to permit high deductible health plans to provide chronic disease prevention services to plan enrollees prior to satisfying their plan deductible.

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IN THE SENATE OF THE UNITED STATES

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Mr. THUNE (for himself and Mr. CARPER) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Internal Revenue Code of 1986 to permit high deductible health plans to provide chronic disease prevention services to plan enrollees prior to satisfying their plan deductible.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; FINDINGS.**

4 (a) **SHORT TITLE.**—This Act may be cited as the  
5 “Chronic Disease Management Act of 2018”.

6 (b) **FINDINGS.**—Congress finds the following:

1           (1) A small number of chronic diseases account  
2 for the majority of health care spending in the  
3 United States.

4           (2) Limited and targeted interventions for  
5 many chronic diseases prevent the need for addi-  
6 tional, more costly therapies associated with un-  
7 treated or unmanaged chronic diseases that lead to  
8 adverse effects on quality of life for patients.

9           (3) These types of chronic care preventive serv-  
10 ices should be encouraged to maximize the effective-  
11 ness and positive outcomes of the care provided  
12 under high deductible health plans.

13           (4) Section 223(c)(2)(C) of the Internal Rev-  
14 enue Code of 1986 explicitly grants the Secretary of  
15 the Treasury flexibility in defining the scope of pre-  
16 ventive care for purposes of the preventive care safe  
17 harbor. As of the date of introduction of this Act,  
18 the Secretary of the Treasury has refrained from ex-  
19 ercising existing authority under such section to ex-  
20 pand the preventive care safe harbor to include  
21 chronic disease prevention.

22           (5) In the absence of an expansion of the pre-  
23 ventive care safe harbor by the Secretary of the  
24 Treasury, the Chronic Disease Management Act of  
25 2018 would expressly permit high-deductible health

1 plans to provide chronic disease prevention and  
2 treatment, subject to certain limitations, prior to a  
3 plan enrollee having met their plan deductible.

4 (6) Allowing health savings account-eligible  
5 high-deductible health plans to cover chronic disease  
6 prevention and treatment on a pre-deductible basis  
7 promotes the concept of Value-Based Insurance De-  
8 sign, which is an effective tool to improve the quality  
9 and reduce the cost of care for Americans with  
10 chronic diseases, with improved outcomes via in-  
11 creased medication adherence, reduced complica-  
12 tions, and decreased emergency department visits.

13 **SEC. 2. CHRONIC DISEASE PREVENTION.**

14 (a) IN GENERAL.—Section 223(c)(2) of the Internal  
15 Revenue Code of 1986 is amended by redesignating sub-  
16 paragraph (D) as subparagraph (E) and by inserting after  
17 subparagraph (C) the following new subparagraph:

18 “(D) SAFE HARBOR FOR ABSENCE OF DE-  
19 DUCTIBLE FOR CARE RELATED TO CHRONIC  
20 CONDITIONS.—A plan shall not fail to be treat-  
21 ed as a high deductible health plan by reason  
22 of failing to have a deductible for care and pre-  
23 scription medications related to the treatment  
24 of medically complex chronic conditions which—

1                   “(i) are substantially disabling or life  
2                   threatening,

3                   “(ii) have a high risk of hospitaliza-  
4                   tion or other significant adverse health  
5                   outcomes, and

6                   “(iii) require specialized delivery sys-  
7                   tems across domains of care.”.

8           (b) **EFFECTIVE DATE.**—The amendments made by  
9 this section shall apply to coverage for months beginning  
10 after the date of the enactment of this Act.