Americans are increasingly required to pay high out-of-pocket costs for necessary care.

Percent of Americans With the Deductible

<table>
<thead>
<tr>
<th></th>
<th>Individual Coverage</th>
<th>Average Deductible by Plan Type in 2019</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$5,000</td>
<td>$1,206</td>
</tr>
<tr>
<td></td>
<td>$10,000</td>
<td>$2,413</td>
</tr>
<tr>
<td>Family</td>
<td>$20,000</td>
<td>$4,826</td>
</tr>
</tbody>
</table>

Requiring enrollees to pay high out-of-pocket costs to access high-value care results in lower care utilization, poorer health outcomes, and potentially higher overall costs.

Policies to Expand Pre-Deductible Coverage

Section 2713 of the Affordable Care Act

This section of the ACA mandates non-grandfathered private health insurance plans to provide specified preventive care services with zero patient cost-sharing.

IRS Guidance Notice 2019-45

On July 17, 2019, IRS code was amended to allow HDAs to provide the flexibility to provide pre-deductible coverage of 15 chronic disease management services, including insulin and other glucose lowering agents.

Chronic Disease Management Act of 2021

Introduced on April 28th, 2021, if passed this bill would permit HSA-HDHPs to cover chronic disease prevention to enrollees prior to meeting their plan deductible.

More generous coverage of high-value care can be paid for by reducing the utilization of low-value care

$345 BILLION

is spent annually on low-value or harmful care in the United States.

Examples include:

- Vitamin D screening tests
- Diagnostic tests before low-risk surgery
- PSA screening tests for men 50 and older
- Branded drugs when identical generic is available
- Low-back pain imaging within 6 weeks of onset

Clinically driven plan designs, like V-BID X, reduce spending on low-value care

LOW-VALUE CARE

HIGH-VALUE CARE

BEFORE

LOW-VALUE CARE

HIGH-VALUE CARE

AFTER

...creating headroom to reallocate spending to high-value services without increasing premiums or deductibles

CENTER FOR VALUE-BASED INSURANCE DESIGN