SmarterHealthCareCoalition

Multi-Stakeholder Coalition Applauds Introduction of Bipartisan Legislation to Help Chronically Ill

Washington, DC – Earlier today, Senators John Thune (R-S.D.) and Tom Carper (D-Del.), introduced the *Chronic Disease Management Act of 2023,* critical legislation that would remove barriers to high-value chronic disease prevention. The bill allows employers and health plans to offer more drugs and services that manage chronic conditions on a pre-deductible basis in health plans that are coupled with Health Savings Accounts (HSAs). The Smarter Health Care Coalition (SHCC), representing patient groups, employers, providers, health plans, public sector purchasers, and life science companies strongly supports this important legislation to ensure that individuals with chronic illnesses have robust access to needed care.

"For years, we said 'if you build it, they will come'! We are delighted that's exactly what happened with the Treasury and IRS guidance from 2019," said Katy Spangler, co-director of the Smarter Health Care Coalition (SHCC). Spangler referred to Notice 2019-45, which allows pre-deductible coverage of 14 specific items and services in Health Savings Account-eligible plans. A 2021 Employee Benefit Research Institute (EBRI) survey found three in four employers responding (76%) said they added pre-deductible coverage as a result of IRS Notice 2019-45**.** Given the strong response to Notice 2019-45, it is very likely this legislation could lead to millions of Americans receiving additional high-value care with lower out-of-pocket costs**.**

Additionally, a survey conducted by SHCC and America's Health Insurance Plans (AHIP) found that 75% of health insurance plans responding covered additional services pre-deductible in their fully insured products and 80% of plans covered additional services pre-deductible in their self-insured products.

Approximately six in ten Americans have at least one chronic condition[1] and millions struggle to receive the appropriate care due to onerous cost burdens. Studies show that chronic conditions account for $0.90 of every dollar spent on health care and, without appropriate management, can lead to adverse effects on quality of life [2]. Many middle-class and low-income Americans currently enrolled in Health Savings Account-eligible plans could greatly benefit from this new flexibility. The *Chronic Disease Management*

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[1] Centers for Disease Control and Prevention. (2023, March 2). *Chronic Disease Center (NCCDPHP)*. Centers for Disease Control and Prevention. Retrieved March 6, 2023, from
https://www.cdc.gov/chronicdisease/index.htm#:~:text=CDC's%20NCCDPHP%20believes%20that%20all,to%20live%20their%20healthiest%20life.&text=Six%20in%20ten%20Americans%20live,stroke%2C%20cancer%2C%20or%20diabetes

[2] *About the partnership to fight chronic disease: Keeping education active: Partnership to fight chronic disease*. Partnership to Fight Chronic Disease. (n.d.).
https://www.fightchronicdisease.org/about

Act of 2023 builds upon the success of Notice 2019-45 and expands the chronic disease prevention that may be covered pre-deductible. ***"This common-sense legislation will help patients, employers, and payers alike, including through improved health, enhanced workplace productivity, and the avoidance of unnecessary emergency care visits and hospitalizations",*** said Spangler.

"We applaud the leadership of Senators Thune and Carper in authoring this critical legislation to help Americans get more out of every health care dollar we spend," said Andrew MacPherson, Co-Director of the Smarter Health Care Coalition.

The Coalition strongly encourages swift passage of this critically important legislation that will help patients with chronic illnesses access high-value health care services and medications that ensure optimal health and well-being.

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