



February 8, 2018

The Honorable John Thune
511 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Tom Carper
513 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Diane Black
1131 Longworth House Office Building
Washington, D.C. 20515

The Honorable Earl Blumenauer
1111 Longworth House Office Building
Washington, D.C. 20515

Dear Senators Thune and Carper and Representatives Black and Blumenauer:

On behalf of the Smarter Health Care Coalition (Coalition) and the undersigned organizations, we are writing to applaud the *Chronic Disease Management Act of 2018*. This critical legislation will help patients with chronic conditions access high-value health care services and medications that ensure optimal health and well-being.

The Coalition represents a broad-based and diverse group of health care innovators, including health plans, consumer groups, provider-related organizations, employer groups, trade associations, academia centers and professors, foundations, and life science companies. Our goal is to leverage our combined perspectives and experiences to achieve smarter health care that improves the patient experience through better benefit design and the alignment of coverage, quality, and value-based payment goals.

As you know, approximately half of all Americans have at least one chronic condition and about a quarter suffer from two or more. Each year, millions of Americans struggle to receive the appropriate care due to onerous cost burdens. Studies show that chronic conditions account for \$.86 of every dollar spent on health care and, without appropriate management, lead to adverse effects on health outcomes and quality of life.

This problem can be exacerbated for employees and individuals enrolled in high-deductible health plans (HDHPs), a rapidly growing segment of the insurance marketplace. Studies show that the percentage of employers offering HDHPs grew by 20 percent between 2005 and 2017, and that the percentage of employees covered by HDHPs over the same period grew by 24 percent.¹ Plans coupling HDHPs with Health Savings Accounts (HSAs) are currently prohibited from offering services and medications to manage chronic conditions on a pre-deductible basis, creating cost barriers to care for chronically ill patients.

The *Chronic Disease Management Act of 2018* addresses this problem by allowing HSA-HDHPs to provide plan members access to health care services and medications that manage chronic conditions on a pre-deductible basis, consistent with the principles of value-based insurance design. Doing so will yield an enormous benefit to patients, employers, and payers alike, including improved health, enhanced workplace

¹ Kaiser Family Foundation, 2017 Employer Health Benefits Survey, September 2017, available at, <https://www.kff.org/report-section/ehbs-2017-section-8-high-deductible-health-plans-with-savings-option/>.
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productivity, and the avoidance of unnecessary emergency care visits and hospitalizations to the benefit of patients and will ensure a more rational and sustainable health care system.

Once again, thank you for your leadership in authoring this important legislation and we look forward to working with you toward its passage. Please contact Coalition Co-Directors, Andrew MacPherson at andrew@healthsperien.com, Ray Quintero at rquintero@healthsperien.com, and Katy Spangler at katy@spanglerstrategies.com with any questions.

Sincerely,
American Benefits Council
American Heart Association
America's Health Insurance Plans
American Osteopathic Association
Amgen
Blue Cross Blue Shield Association
Blue Shield of California
Cambia Health Solutions
Evolent Health
Families USA
Medicaid Health Plans of America
National Coalition on Health Care
Public Sector HealthCare Roundtable
United States Chamber of Commerce
University of Michigan Center for Value-Based Insurance Design