



Building Success. Together.

CHAIRMAN
James S. Gandolfo
PNC

CHAIRMAN EMERITUS
Craig Keohan
First Horizon MSaver, Inc

STAFF

J. Kevin A. McKechnie
Executive Director
202-663-5172
kmckechn@aba.com

Renee Galbraith
Manager, Health Policy
202-663-5520
rgalbrai@aba.com

July 21, 2011

The Honorable Claire McCaskill
717 Hart Senate Office Building
United States Senate
Washington, D.C. 20510

Dear Senator McCaskill:

On behalf of the members of the HSA Council¹, thank you for your March 31, 2011 letter to Chairman Bernanke regarding the Federal Reserve Board's proposed regulation on interchange fees.

Thanks to your support on this issue, the Federal Reserve Board (Board) adopted a final rule (Regulation II) that exempts HSAs from the interchange fee cap and the network exclusivity and routing requirements. As you are well aware these fees would have had a profound impact on health-related accounts, including Health Savings Accounts (HSAs).

For additional information on our conclusions, please see the attached memo.

Thank you for addressing the concerns related to HSAs in your letter. We look forward to working with you on the continued protection and expansion of HSAs.

Sincerely,

A handwritten signature in black ink that reads 'J. Kevin A. McKechnie'.

J. Kevin A. McKechnie
Executive Director
HSA Council

¹ The HSA Council is a joint project of the American Bankers Association and its insurance affiliate, the American Bankers Insurance Association. Its members are banks and their insurance and technology advisors dedicated to improving American healthcare by improving the distribution of HSAs through banks.