

April 28, 2016

The Honorable Sylvia Mathews Burwell
U.S. Department of Health and Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Madam Secretary:

A problem has arisen in the exchanges the Affordable Care Act created, which requires your attention. A March 2016 regulation issued by the Department of Health and Human Services (HHS) will have the effect of eliminating Health Savings Account (HSA) qualified health plans from the insurance exchanges next year. Currently, twenty percent of plans offered through the exchanges are HSA-qualified so we estimate that about 2.8 million Americans will lose their coverage.

The final design requirements HHS has put in place for exchange-based plans are at odds with the design requirements the Internal Revenue Service (IRS) establishes for HSAs. In the case of Bronze plans the new mandated deductible is \$100 too high, in the case of the Gold plan the new mandated deductible is \$50 too low. The most popular Silver plans are mandated to have an out-of-pocket maximum that is \$600 higher than what IRS allows for an HSA-qualified health plan.

President Obama's support for including HSAs in the exchanges is widely known, greatly appreciated and has helped fuel the growth of these popular, consumer-friendly accounts. Tens of millions of Americans currently finance both their present and future health care needs through HSAs. As a result of the HHS rule, many of our customers are feeling some level of alarm and we will have to advise them they are losing coverage within six months of the expiration of their current plan year.

We would like to work with your team on a solution to avoid this outcome.

We respectfully request that you use your offices to reverse these mandates so that Bronze, Silver and Gold plans can be HSA-qualified in the exchanges.

Sincerely,



CC: The Honorable Jack Lew
U.S. Department of the Treasury
1500 Pennsylvania Avenue, NW
Washington, D.C. 20220

The Honorable Denis McDonough
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500