June 6, 2013

The Honorable Orrin Hatch  The Honorable Marco Rubio
United States Senate United States Senate
Washington, DC 20510 Washington, DC 20510

Dear Senators Hatch and Rubio:

The U.S. Chamber of Commerce, the world’s largest business federation representing the interests of more than 3 million businesses of all sizes, sectors, and regions, as well as state and local chambers and industry associations, and dedicated to promoting, protecting, and defending America’s free enterprise system, strongly supports S. 1031, the “Family and Retirement Health Investment Act of 2013.” The Chamber thanks you for your leadership on this legislation which would help increase access to quality, low-cost health care coverage and encourage savings for health care expenses by strengthening consumer-oriented health products.

With health care costs continuing to rise, both employers and employees value consumer-driven health products like Health Savings Accounts (HSAs) and Flexible Spending Arrangements (FSAs) as options to ensure access to quality care at an affordable price. Not only are these products available at substantially lower premiums, but they offer opportunities for tax-free savings on everyday medical expenses while empowering individuals to take charge of their health care. S. 1031 would strengthen HSAs and FSAs by removing the new restrictions on the use of these dollars to be used for the purchase of over-the-counter drugs, as well as allowing HSA dollars to be used for the purchase of low-premium health insurance and long-term care insurance.

Additionally, this legislation contains a provision which would allow employees to use stand-alone Health Reimbursement Arrangements (HRAs) to purchase insurance through a health insurance exchange. Currently, the health care law prohibits the use of annual dollar limits on group health plans, including HRAs. S. 1031 would also clarify that the use of prescription drugs qualifies as preventive care that would not be subject to an HSA-eligible plan deductible.

The Chamber has long advocated for the critical changes included in S. 1031 that would allow American workers and retirees to maximize the money they spend on health care. The Chamber supports S. 1031 and looks forward to working with you to advance this critical legislation in order to improve the employer-sponsored health care system and ensure quality health care is readily available at an affordable price.

Sincerely,

R. Bruce Josten