



## **Bipartisan Telehealth Expansion Act**

*Introduced by Rep. Susie Lee (D-NV) and Rep. Steel (R-CA)*

### **The need:**

- Current IRS regulation prohibits employees from contributing to Health Savings Accounts (HSAs) if they hold a High Deductible Health Plan (HDHP) that waives the deductible for telehealth services.
- This means that the 35 million Americans who have HDHP health insurance plans typically must pay out-of-pocket for telehealth services.
- At the beginning of the COVID-19 pandemic, Congress passed the bipartisan CARES Act which temporarily waived this rule, allowing 35 million Americans with HDHP-HSAs to access telehealth benefits from their employer or insurer pre-deductible.
- This pandemic-driven telehealth waiver greatly expanded access to quality, affordable health care for millions of Americans, but is set to expire at the end of this year (Dec. 2021) unless Congress acts.

### **What this bill does:**

- This bill would permanently extend the CARES Act telehealth waiver for HDHP-HSAs to ensure that the 35 million Americans with HDHP-HSAs can continue to have the option to receive their care via telehealth during this pandemic and beyond.
- Other telehealth flexibilities in the CARES Act were tied to the Public Health Emergency (PHE) and are not set to expire as soon. The HDHP-HSA telehealth waiver will be one of the first pandemic-driven telehealth flexibilities to expire, leaving millions of Americans without first-dollar access to telehealth unless Congress acts.
- The pandemic pushed Congress to test out telehealth flexibilities that have proven to be effective tools for expanding access to quality, consistent, and affordable health care nationwide.
- Allowing this proven telehealth policy to expire would take our nation's health care system a step backward and would leave millions of Americans suddenly without access to the virtual care that they've been able to receive during the pandemic.
- This bipartisan legislation will make it easier for families to get telehealth appointments, including for mental and behavioral health care, for the remainder of the pandemic and beyond.

### **Endorsements:**

- Healthcare Leadership Council
- American Telemedicine Association
- American Bankers Association (HSA Council)
- Included Health

- Business Group on Health
- Anthem
- The ERISA Industry Committee (ERIC)
- Partnership to Advance Virtual Care
- Teledoc Health, Inc.
- Alliance for Connected Care
- Health Innovation Alliance
- Partnership for Employer-Sponsored Coverage (P4ESC)
- Noom

## What Health Care Stakeholders are Saying About This Bill:

- “The American Telemedicine Association applauds Rep. Michelle Steel and Rep. Susie Lee for introducing this bipartisan legislation to allow first-dollar coverage of virtual care under high-deductible health plans, which **would ensure patients nationwide have access to safe, quality care via telehealth** without the burden of first meeting a deductible. It is essential that this legislation is passed to **address significant barriers that prevent many Americans from accessing effective and appropriate care.**”
  - *Kyle Zebley, Vice President of Public Policy at the American Telemedicine Association*
- “Approximately **51 percent of the American workforce would benefit** from permanently allowing high-deductible health plans to cover telehealth services before a beneficiary’s deductible is met. The pandemic forced changes in our way of life and in healthcare delivery, **necessitating a meaningful expansion of healthcare access through telehealth.** Lessons learned from the pandemic should be applied to the healthcare system for the long term and **permanently extending this safe harbor is one of many steps in the right direction.**”
  - *Mary Grealy, President at Healthcare Leadership Council*
- “During the pandemic, Congress took steps to **remove barriers to virtual care** to mitigate the risk of exposure to COVID-19 infection. Those policies have **allowed millions of Americans to receive care** while staying home...We write today to encourage you to maintain the policy changes that allowed **35 million Americans** with high-deductible health plans coupled with Health Savings Accounts (HDHP-HSAs) to receive telehealth benefits from their employer or insurer pre-deductible...**We strongly encourage you to consider extending this provision** before the end of this year, when existing access will end.”
  - *Coalition letter signed by over 70 health organizations and employers including Alliance to Fight for Health Care, American Benefits Council, Health Action Council, American Academy of Physician Assistants, National Nurse-Led Care Consortium, Business Roundtable, and the U.S. Chamber of Commerce*

- “The Partnership to Advance Virtual Care thanks Representatives Steel and Lee for their important work on this **time-sensitive virtual care issue**, which is not tied to the duration of the COVID-19 public health emergency the way other telehealth provisions are. By permanently extending the safe harbor allowing those with HSA-eligible HDHPs to have telehealth services covered on a first-dollar basis, **this bipartisan legislation will ensure access to valuable telehealth services for millions of Americans** with employment-based health coverage.”

- *Mara McDermott, Executive Director at Partnership to Advance Virtual Care*

- “During the COVID-19 pandemic, Congress enabled employers to offer pre-deductible coverage for telehealth services, expanding access to care **and reducing out-of-pocket costs for millions of Americans**. The bipartisan Telehealth Expansion Act of 2021 will ensure individuals with HDHP-HSAs continue to have **ready access to virtual-care services** while remaining eligible to make and receive contributions to an HSA.”

- *Krista Drobac, Executive Director at Alliance for Connected Care*

- “Patients like telehealth, and the silly rules limiting access to telehealth and its use should be changed. **Health Innovation Alliance is glad to see the leadership from Reps. Steel and Lee introducing the Telehealth Expansion Act** in the House. Patients with health savings accounts should be able to use those accounts to pay for telehealth services, plain and simple. We support this legislation and ask Congress to take it up and pass it before the end of the year.

- *Brett Meeks, Vice President at Health Innovation Alliance*

## **Nevada Statistics:**

- An estimated 440,000 Nevadans are covered by a HSA-HDHP health plan.<sup>i</sup>
- Nevadans enjoy HDHP health coverage either through their employer-sponsored health insurance or by signing up for coverage via the Nevada Health Link exchange.
- Nevada has 210,000 HSA accounts with an average balance of \$2,177.<sup>ii</sup>
- Nationwide, over 50% of individuals with HSAs live in zip codes where the median income is below \$75,000, making it difficult for families to reach the \$1,400 individual and \$2,800 deductible thresholds that trigger coverage.<sup>iii</sup>
- For Nevada Health Link’s Open Enrollment plan year 2022, 21 plans throughout the state are eligible for HSAs.<sup>iv</sup>

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<sup>i</sup> 2020 Devenir & HSA Council Demographic Survey

<sup>ii</sup> 2020 Devenir & HSA Council Demographic Survey

<sup>iii</sup> <https://mhealthintelligence.com/news/new-bill-targets-telehealth-provisions-in-high-deductible-health-plans>

<sup>iv</sup> Per Nevada Health Link.