

October 22, 2019

The Honorable Ron Kind
U.S. House of Representatives
1502 Longworth House Office Building
Washington, DC 20515

The Honorable Jackie Walorski
U.S. House of Representatives
419 Cannon House Office Building
Washington, DC 20515

The Honorable Grace Meng
U.S. House of Representatives
2209 Rayburn House Office Building
Washington, DC 20515

The Honorable Darin LaHood
U.S. House of Representatives
1424 Longworth House Office Building
Washington, DC 20515

Dear Representatives Kind, Walorski, Meng, and LaHood:

On behalf of the Health Choices Coalition representing physicians, dentists, consumers, retailers, manufacturers, pharmacies, pharmacists, patients, insurers, small businesses, and large employers, we write to applaud your efforts to restore over-the-counter (“OTC”) medications to full tax-preferred status, eliminating the need to first obtain a prescription. Your legislation, H.R. 1922, will create efficiencies and improve access to care within the U.S. healthcare system.

The goal of the Affordable Care Act (“ACA”) was to expand access to affordable care. Unfortunately, the provision that limits coverage of OTC medicines instead increases overall costs to the healthcare system and places an administrative burden on already over-burdened physician offices.

Millions of American families rely on flexible spending arrangements (“FSAs”), health savings accounts (“HSAs”), and other tax-preferred accounts to purchase these cost-effective medications. This issue is of critical importance to the estimated 50 million working Americans who rely on voluntary contributions of pre-tax dollars to FSAs and HSAs to help meet their basic healthcare needs, including the purchase of safe, affordable OTC medicines.

Consumers depend on OTC medicines as a first-line option for meeting their families’ healthcare needs. OTC medicines provide Americans with effective, affordable, convenient and accessible means to alleviate the symptoms of minor to moderate ailments. A study by the Consumer Healthcare Products Association found that the availability of OTC medicines leads to \$146 billion in annual savings relative to alternatives. This is accomplished through reducing unnecessary doctors’ visits, less time away from work, and the cost advantage of OTC medicines. This means that for every dollar spent on OTC medications in the U.S., the healthcare system saves \$7.20. Prohibiting the use of HSA/FSA funds to purchase these medicines or requiring documentation from a doctor that OTCs are being used to treat a medical condition, limits access and reduces the cost-efficiencies associated with these medicines.

Additionally, this legislation increases the affordability of basic women’s healthcare by adding feminine hygiene products to HSA/FSA eligibility. Research from a feminine hygiene product manufacturer finds that one in four women surveyed struggled to purchase feminine hygiene products in the past year due to lack of income. One in five low-income women reported missing work, school, or similar events due to lack of access to menstrual supplies. Allowing families to use their HSA/FSA dollars on feminine hygiene products eases the financial burden of this basic healthcare need.

Americans' concerns about rising healthcare costs are growing. More than 60 percent of Americans surveyed in a recent Gallup poll said they were concerned about rising healthcare costs with nearly half reporting that they did not expect to have enough money to pay for their healthcare needs. H.R. 1922 is a common-sense policy that will help American families better manage their healthcare needs.

We thank you for your efforts to restore consumers' ability to pay for OTC medicines with tax preferred account funds without the need for a prescription and for broadening support for this legislation by crafting a bipartisan bill that extends HSA/FSA eligibility to feminine hygiene products. We remain committed to working with you and others in Congress to advance this legislation that will increase cost efficiencies in the healthcare system and give consumers control of their healthcare choices.

Sincerely,

AARP
America's Health Insurance Plans (AHIP)
American Academy of Dermatology Association (AADA)
American Association of Family Physicians (AAFP)
American College of Physicians (ACP)
American Medical Association (AMA)
American Optometric Association
American Osteopathic Association (AOA)
American Society of Association Executives (ASAE)
Anthem, Inc.
Arthritis Foundation
Associated Builders and Contractors Association (ABC)
Asthma & Allergy Foundation of America (AAFA)
BlueCross BlueShield Association (BCBSA)
Center for Baby and Adult Hygiene Products (BAHP)
Consumer Healthcare Products Association (CHPA)
Employers Council on Flexible Compensation (ECFC)
Food Marketing Institute (FMI)
HealthEquity
Health-e Commerce
Lupus Foundation of America
Kimberly-Clark
National Association of Chain Drug Stores (NACDS)
National Community Pharmacists Association (NCPA)
National Federation of Independent Business (NFIB)
National Grocers Association (NGA)
Procter & Gamble
Retail Industry Leaders Association (RILA)
Sjögren's Syndrome Foundation
U.S. Chamber of Commerce
WageWorks
Wex Health

CC: Chairman Richard Neal
Ranking Member Kevin Brady
Members of the Ways & Means Committee