



January 14, 2020

Support the Personalized Care Act, S. 3112 and H.R. 5596

On behalf of our activist community, I urge you to contact your representative and senators and ask them to cosponsor the Personalized Care Act, S. 3112 and H.R. 5596. Introduced by Sens. Ted Cruz (R-Texas) and Mike Braun (R-Ind.) in the Senate and Rep. Chip Roy (R-Texas), Andy Biggs (R-Ariz.), and Mike Johnson (R-La.) in the House, the Personalized Care Act would expand health savings accounts and make several other key reforms to empower patients when making choices in their healthcare.

Health savings accounts (HSAs) have become an increasingly attractive health coverage option for Americans. According to Devenir Research, the number of Americans with an HSA has grown from 6.3 million in 2011 to more than 25 million in 2018.¹ Although the market share of HSAs has shown consistent growth, steps can be taken by Congress to unleash the power of the market in healthcare by expanding HSAs.

The Personalized Care Act would increase the maximum annual contribution limit for HSAs from \$3,550 for individuals and \$10,800 for families to \$7,100 for individuals and \$29,500 for families. The bill would decouple HSAs from high-deductible health plans (HDHPs) and extend HSAs as an option for those enrolled in Medicare, Medicaid, and the Children's Health Insurance Program (CHIP).

Most crucially, this bill would drastically expand their choice in selecting health coverage by allowing them to use their tax-free HSA dollars to be used to purchase their own health insurance plan. This is key because it effectively corrects the disparity in tax treatment between employer-provided health coverage and plans on the individual market.

¹ Devenir Research, "2018 Year-End HSA Market Statistics and Trends Executive Summary, February 27, 2019
<https://www.devenir.com/wp-content/uploads/2018-Year-End-Devenir-HSA-Research-Report-Executive-Summary.pdf>

The Personalized Care Act also allows the purchase of over-the-counter prescription drugs using HSA funds and allows users to purchase alternative coverage arrangements, such as health sharing ministries and direct primary care plans.

With the recent focus on price transparency, HSAs are a market-minded way to help accomplish this goal, without coercion from the federal government. As more Americans enroll in HSAs, consumer demand for price transparency will grow. Additionally, because HSAs are a direct way for Americans to pay for healthcare, rather than solely going through a third-party payer, this may have the positive effect of making Americans more cost-conscious in their healthcare choices.

For these reasons, I urge you to contact your representative and senators and ask them to cosponsor the Personalized Care Act, S. 3112 and H.R. 5596.

Sincerely,

A handwritten signature in black ink, appearing to read 'Adam Brandon', with a stylized flourish at the end.

Adam Brandon
President, FreedomWorks