



January 25, 2021

The Honorable Ted Budd
United States House of Representatives
118 Cannon House Office Building
Washington, DC 20515

Dear Representative Budd:

I write in support of H.R. 295, the “Pandemic Healthcare Access Act.” Your legislation expands Health Savings Accounts (HSA) to allow all Americans to pay for their healthcare tax free for the duration of the Coronavirus pandemic. This legislation will increase access to healthcare and cut taxes for millions of Americans and should be supported by members of Congress.

Today, hundreds of millions of Americans do not have access to an HSA because of the government mandate that says HSAs are only available when paired with a high deductible health plan (HDHP). The Pandemic Healthcare Access Act [suspends](#) this requirement for as long as the coronavirus emergency declaration is in effect, which will allow Americans on Medicare, Medicaid, those that receive care through the VA, Indian health plans, Obamacare, and any employer plan to have an HSA.

Not only will the Pandemic Healthcare Access Act increase healthcare access choice, it will also cut taxes for American families. HSAs offer [triple](#) tax benefits to users – contributions made are tax free, interest and investment are earned tax free, and payments made to qualifying health expenses are tax free. Expanding HSAs will provide additional tax reduction for American families and will promote saving and investment.

In fact, HSAs are a significant vehicle to pay for healthcare expenses. An HSA user can [accumulate](#) as much as \$360,000 after contributing to an account for 40 years assuming a rate of return of just 2.5 percent, according to the Employee Benefit Research Institute. With a rate of return of 5 percent, an HSA user can accumulate \$600,000 over 40 years.

These tax benefits mean HSAs help Americans saving for retirement and long-term health care costs in the same way that 401(k)s are used by [roughly](#) 100 million Americans. The bottom line is HSAs allow Americans to save, invest, and spend healthcare dollars tax free.

I applaud your work to introduce the Pandemic Healthcare Access Act and urge all Members of Congress to support this important, pro-taxpayer legislation to allow Americans to pay for their healthcare tax free during this global pandemic.

Onward,

Grover Norquist
President, Americans for Tax Reform

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