



AMERICANS *for* TAX REFORM

May 26, 2016

The Honorable Dave Brat
United States House of Representatives
330 Cannon House Office Building
Washington, D.C. 20515

The Honorable Jeff Flake
United States Senate
413 Russell Senate Office Building
Washington, D.C. 20510

Dear Congressman Brat & Senator Flake,

I write in support of H.R. 5324 and S. 2980, the Health Savings Account Expansion Act of 2016, legislation to make HSAs simpler and more user-friendly.

Health savings accounts, or HSAs are tax-advantaged accounts which are used to pay for routine, out-of-pocket medical expenses. They are used in conjunction with insurance plans which tend to cover large and/or unexpected health events and allow individuals to make choices that best fit their needs. **This important legislation contains a number of important reforms to increase choices to HSA users.**

First, the legislation more than doubles HSA contribution limits. Current HSA contribution limits are \$3,350 for a single filer and \$6,750 for a joint filer, and this legislation increases that to \$9,000 for single filer and \$18,000 for joint filers per year.

Second, the HSA expansion act lifts Obamacare restrictions on over the counter purchases and penalties placed on certain withdrawals.

Third, the bill allows HSA funds to be used to pay premiums and direct primary care expenses.

Lastly, superfluous regulatory requirements would be streamlined with the high deductible health plan mandate eliminated.

In addition to these important reforms, the HSA Expansion act protects existing tax provisions that enable people to pay for and access their healthcare in the way that they prefer, prevents the removal of HSA-eligible plans from Obamacare exchanges, streamlines health care financing, and expands choices for personalized medicine including direct primary care.

Expanding and protecting HSAs is one component to ensuring Americans have access to patient centered health care that best fits their needs and keeps costs low. This legislation makes many important, and commonsense improvements to HSAs to give individuals healthcare freedom. ATR supports this important legislation and encourages all Members of the House and Senate to co-sponsor and support the Health Savings Account Expansion Act.

Onward,

Grover G. Norquist
President, Americans for Tax Reform

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