

August 17, 2016

Dear Senators King, Cardin, Crapo, Shaheen, and Udall:

The undersigned organizations, representing healthcare groups, associations, patients, and employers, would like to express our support for the Preventive Health Savings Act.

We share the conviction that the way in which the Congressional Budget Office (CBO) currently “scores” legislation severely constrains the ability of policymakers to accurately assess legislation that would prevent chronic disease. We agree wholeheartedly with existing bipartisan agreement on the need for a continued focus on wellness and disease prevention if healthcare costs are to be contained. We believe this legislation represents a significant step toward this goal.

Chronic disease places a significant burden on our health and economy, but it can be reversed.

- Chronic diseases are responsible for 7 of 10 deaths among Americans each year, and they account for more than 80 percent of the \$2.7 trillion our nation spends annually on medical care. These figures will worsen as the population ages.
- Much of the illness, suffering, and early death related to chronic diseases is caused by modifiable health risk behaviors such as lack of physical activity, poor nutrition, and tobacco use.
- Preventing or delaying the onset of new cases and mitigating the progression of chronic disease will improve the health of Americans while lowering healthcare costs and overall spending.

The current scoring process does not give Congress a complete picture of efforts to combat chronic disease.

- Research has demonstrated that certain expenditures for preventive medicine generate savings when considered in the long term, but those cost savings may not be apparent when assessing only the first ten years—those in the “scoring” window.
- Long-term benefits from current preventive health expenditures may not be fully reflected, if at all, in cost estimates from CBO.
- Lawmakers need sound information, and today’s methods and procedures may not work as well as needed in analyzing certain efforts to prevent costly complications of chronic diseases.

CBO has already begun to examine prevention in new ways.

- In 2012, CBO published long-term estimates of the effect of a hypothetical tobacco tax on the federal budget.
- In 2013, CBO published a study which found greater prescription drug access and adherence can reduce healthcare costs in other areas.
- Beginning in the 114th Congress, CBO has responded to a new House of Representatives requirement to score certain large bills by taking into account projected impacts on revenue and spending from assumed economic effects of the bills.

The Preventive Health Savings Act will permit leaders in Congress to request that CBO estimate the long-term health savings that are possible from preventive health initiatives.

- This legislation provides that the Chairman or Ranking member of either budget or health-related committees can request an analysis of the two 10-year periods beyond the existing 10-year window.
- The bill requires CBO to conduct an initial analysis to determine whether the provision would result in substantial savings outside the normal scoring window.
 - CBO must include a description of those future-year savings in its budget projections, but would retain the option of creating a formal projection that includes some or all of the budgetary outyears.
 - This bill is necessary to bring greater attention to the longer-term value of wellness and prevention policies specifically.
- The bill defines preventive health as an action designed to avoid future healthcare costs that is demonstrated by credible and publicly available epidemiological projection models, incorporating clinical trials or observational studies in humans.
- This narrow, responsible approach discourages abuse while encouraging a sensible review of health policies and programs Congress believes will further public health.

As the chronic disease epidemic continues to worsen, so does the need for legislation that will properly allow Congress to see the full savings of enacting prevention-focused measures. We applaud your efforts in sponsoring this important legislation and look forward to joining with you in transforming our nation to one that prioritizes efforts to achieve wellness and well-being.

Sincerely,

Academy of Nutrition and Dietetics
ACT | The App Association

Aetna
Alliance for Aging Research
Allscripts
Alzheimer's Association
America's Essential Hospitals
America's Health Insurance Plans (AHIP)
American Association for Respiratory Care
American Association of Cardiovascular and Pulmonary Rehabilitation (AACVPR)
American Association of Clinical Endocrinologists (AACE)
American Association of Diabetes Educators
American Clinical Laboratory Association
American College of Gastroenterology
American College of Occupational and Environmental Medicine
American College of Osteopathic Family Physicians
American College of Preventive Medicine
American College of Radiology
American Council on Exercise
American Diabetes Association
American Osteopathic Association
American Pharmacists Association
American Podiatric Medical Association
American Society for Metabolic and Bariatric Surgery
American Society of Bariatric Physicians
AmerisourceBergen Corporation
Amgen
Ascension Health
athenahealth
Baxter
Biocom
BioReference Laboratories
BlueCross BlueShield of Tennessee
Boehringer Ingelheim
Campaign to End Obesity Action Fund
Cancer Support Community
Cardinal Health
Cleveland Clinic
Connected Health Initiative
Council for Affordable Health Coverage
Diabetes Hands Foundation
Dialysis Patient Citizens
Eisai

Eli Lilly and Company
Healthcare Information and Management Systems Society (HIMSS)
Healthcare Leadership Council
Healthways
IHRSA: International Health, Racquet & Sportsclub Association
Indiana University Health
Johnson & Johnson
LifeWIRE Corp.
Marshfield Clinic
McKesson Corporation
MemorialCare Health System
Merck
National Alliance of State Pharmacy Associations
National Alliance on Mental Illness
National Association of ACOs
National Association of Chain Drug Stores (NACDS)
National Association of Pediatric Nurse Practitioners
National Association of Spine Specialists
National Business Coalition on Health
National Business Group on Health
National Center for Weight and Wellness
National Kidney Foundation
National Retail Federation
Nestle Health Science
Novartis
Novo Nordisk
NTCA–The Rural Broadband Association
Obesity Action Coalition
Omada Health
Ovarian Cancer Research Fund Alliance
Partnership for Prevention
Partnership to Fight Chronic Disease
Pfizer
Population Health Alliance
Premier healthcare alliance
Prescriptions for a Healthy America
Prevent Cancer Foundation
Rite Aid
Sanofi US
SCAN Health Plan
Society for Women’s Health Research

Spine Foundation
Sports & Fitness Industry Association
Stroll Health
Takeda Pharmaceuticals
Texas Health Resources
The Endocrine Society
The Obesity Society
Third Way
Underwriters Laboratories Inc.
University of Mississippi Medical Center – Center for Telehealth
Vizient
VNAA
VSP Vision Care
Weight Watchers
Women Heart: The National Coalition for Women with Heart Disease
YMCA of the USA

Cc: Representatives Burgess and DeGette