

SmarterHealthCareCoalition

November 15, 2021

The Honorable Ron Wyden
Chairman, Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Mike Crapo
Ranking Member, Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, D.C. 20510

Delivered by Email to: mentalhealthcare@finance.senate.gov

RE: Request for Information – Unmet Behavioral Health Care Needs Exacerbated by COVID-19

On behalf of the Smarter Health Care Coalition (the Coalition), we appreciate the opportunity to provide input on the Request for Information (RFI) on the unmet behavioral health care needs exacerbated by COVID-19. The Coalition represents a broad-based, diverse group of health care stakeholders, including consumer groups, employers, health plans, life science companies, provider organizations, and academic centers. **We urge Congress to pass the bipartisan Chronic Disease Management Act (S. 1424) this year as one way to improve access to critical mental and behavioral health prescription drugs and services.**

A key area of focus for the Coalition is ensuring patients have access to high-value health care services. Based on research conducted over several decades, many employers and health plans have changed their plan designs to remove cost-sharing for high-value drugs and services that treat populations with chronic conditions, who recent studies have suggested are more likely to also suffer from behavioral health disorders such as depression.¹ Regulatory and legislative barriers, however, have continued to inhibit some of these value-based plan designs. Specifically, Health Savings Account (HSA)-eligible plans have limited ability to offer services and medications to manage chronic conditions on a pre-deductible basis.

Guidance issued in 2019 by the Internal Revenue Service², Notice 2019-45, was a helpful step in granting more flexibility to employers and health plans to offer certain chronic disease prevention pre-deductible, but more work remains. S. 1424, the *Chronic Disease Management Act of 2021*, bipartisan legislation championed by Senators Thune and Carper, builds on and expands the flexibility included in Notice 2019-45 by granting health plans and employers more flexibility to vary their benefit designs and offer high-value care pre-deductible. The rapid expansion of plans with high deductibles, in conjunction with the global COVID-19 pandemic, makes enacting this policy even more timely and important.

The COVID-19 pandemic has claimed more than 700,000 lives in the United States, and its stressors have exacerbated the behavioral health crisis, affecting thousands.³ More than 42% of people surveyed by

¹ http://www.cdc.gov/pcd/issues/2005/jan/04_0066.htm

² <https://www.irs.gov/pub/irs-drop/n-19-45.pdf>

³ <https://www.kff.org/coronavirus-covid-19/issue-brief/the-implications-of-covid-19-for-mental-health-and-substance-use/>

the US Census Bureau in December 2020 reported symptoms of anxiety or depression, an increase from 11% the previous year.⁴ Notably, this crisis disproportionately affects certain populations, such as those that have historically been underserved within the health care system. Nearly half of all Black, Hispanic, Asian, Native American and LGBTQ+ individuals say they have personally experienced increased mental health challenges over the past 12 months, but few received treatment, according to a poll by the National Council for Mental Wellbeing.⁵ For those who have tried to seek treatment, many are faced with challenges related to inaccessibility and unaffordability.

In 2013 mental disorders topped the list of most costly conditions, with spending at \$201 billion.⁶ Despite over 90% of general health care services being billed through insurance plans, an estimated 45% of psychiatrists do not accept any form of insurance and a much larger portion accept only a very limited set of plans.⁷ These statistics illustrate the need for additional flexibility allowing employers and health plans to offer mental and behavioral health drugs and services pre-deductible for Health Savings Account-eligible plans.

Recent survey results from three publications have shown an overwhelming, positive response to Notice 2019-45 in the form of employers and health plans making changes to their plan designs to cover more high-value services pre-deductible, including:

- [**The 2020 Kaiser Family Foundation Employer Health Benefits Survey \(EHBS\)**](#) found that 29% of employers with 200 or more employees say they “changed the services or products that individuals with chronic conditions could receive without first meeting their deductibles” and 48% of employers with more than 5,000 employees say they expanded pre-deductible coverage.⁸
- [**The 2021 AHIP and Smarter Health Care Coalition survey**](#) found that 75% of health insurance plans covered additional services pre-deductible in their fully insured products and 80% of plans covered additional services pre-deductible in their self-insured products.⁹ The survey found diabetes and heart disease are the two most commonly targeted conditions for reducing or eliminating cost sharing. Importantly, most respondents communicated premiums increased by less than 1% or did not change at all.
- [**The 2021 Employee Benefit Research Institute \(EBRI\) survey**](#) of employers found three in four employers (76%) say they added pre-deductible coverage as a result of IRS Notice 2019-45.¹⁰ Pre-deductible coverage was often added for health care services related to heart disease and diabetes care. Two-thirds added pre-deductible coverage for blood pressure monitors and insulin/glucose lowering agents, 61% added coverage for glucometers, and 54% added coverage

⁴ <https://www.nature.com/articles/d41586-021-00175-z>

⁵ <https://www.thenationalcouncil.org/wp-content/uploads/2021/07/National-Council-Minority-Mental-Health-PPT-Analysis-July-2021-.pdf?daf=375ateTbd56>

⁶ <https://www.healthaffairs.org/doi/full/10.1377/hlthaff.2015.1659>

⁷ <https://jamanetwork.com/journals/jamapsychiatry/article-abstract/1785174>

⁸ <https://www.kff.org/report-section/ehbs-2020-section-8-high-deductible-health-plans-with-savings-option/>

⁹ https://www.ahip.org/wp-content/uploads/202109-AHIP_HDHP-Survey-v03.pdf

¹⁰ https://www.ebri.org/docs/default-source/ebri-issue-brief/ebri_ib_542_hsaemployersur-14oct21.pdf?sfvrsn=73563b2f_2

for beta blockers. Most employers said they would add pre-deductible coverage for additional health care services if allowed by law.

These results highlight how much interest exists among health plans and employers to make it easier for their enrollees and employees with chronic conditions to access high-value health care that will prevent exacerbation of their conditions, especially those related to mental and behavioral health, including depression, anxiety, opioid use disorder, and many other conditions.

The Smarter Health Care Coalition greatly appreciates your leadership requesting proposals that will improve access to health care services for Americans with mental health and substance use disorders.

Given the overwhelming, positive response to Notice 2019-45, the very high number of employers and health plans who modified their benefits to make it easier for patients with chronic disease to afford care, as well as the nation's growing mental and behavioral health needs tied to COVID-19, we urge Congress to pass the Chronic Disease Management Act of 2021 this year as one small step to improve access to critical mental and behavioral health drugs and services.

Sincerely,

Andrew MacPherson, Ray Quintero, and Katy Spangler
Co-Directors, Smarter Health Care Coalition