

New Research Finds That Expanding Pre-Deductible Coverage in Health Savings Account–Eligible Health Plans Increased Patient Compliance with Medication Regimens

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(Washington, D.C.) – A new research report published today by the Employee Benefit Research Institute (EBRI) finds evidence that expanding pre-deductible coverage in health savings account (HSA)-eligible health plans in 2022 increased medication adherence.

IRS Notice 2019-45 allows HSA-eligible health plans the flexibility to cover 14 drug classes and other health services used to prevent the exacerbation of chronic conditions prior to meeting the plan deductible. Research examined claims data to quantify the effect of expanding pre-deductible coverage on medication adherence among enrollees with certain chronic conditions.

Key findings in the new report, “The Impact of Expanding Pre-Deductible Coverage in HSA-Eligible Health Plans on Medication Adherence” include:

- By 2022, there was evidence of a rebound in medication adherence. Research found that the percentage of enrollees with diabetes using insulin increased 4 percentage points and the percentage of enrollees with heart disease or diabetes using statins increased by one percentage point. While the magnitude of the effect may seem small, it is important to remember that past research found that when medication adherence fell because of the introduction of an HSA-eligible health plan, the magnitude of the declines was relatively small as well.
- The lack of a large increase in medication adherence may also be due to the fact that adherence rates were already relatively high, averaging 77% to 89%.
- Overall employer response to the notice was overwhelming with three-quarters reporting expanded pre-deductible coverage for at least one of the 14 services. The largest impact on medication adherence was for diabetes medications and beta blockers, as 66% and 54% added pre-deductible coverage for those services, respectively. Less than one-half added pre-deductible coverage for the other drug classes.

“Our analysis confirms that medication adherence improved among enrollees using statins and insulin. Adherence may have improved even more if the majority of employers had eliminated cost sharing completely instead of substituting copayments or coinsurance for deductibles. It may also be due to lack of enrollee knowledge about plan design changes that were introduced to incentivize the use of preventive services,” explained Paul Fronstin, Ph.D., report co-author and director, Health Benefits Research, EBRI. “Employers would exclude additional preventive services if allowed by the IRS, according to EBRI’s survey results. However, if an employer’s goal is to increase use of those services, cost sharing should be considered.”

To view the complete research report, “The Impact of Expanding Pre-Deductible Coverage in HSA-Eligible Health Plans on Medication Adherence,” visit <https://www.ebri.org/publications/research-publications/issue-briefs/content/the-impact-of-expanding-pre-deductible-coverage-in-hsa-eligible-health-plans-on-medication-adherence>.

“Employers and policymakers have an appetite for more flexible plan designs or smarter deductibles, because rising health care spending has created serious fiscal challenges. For example, a deductible that accommodates services preventing the exacerbation of chronic conditions might be a natural evolution of health plans. Value-based reimbursement promotes the delivery of evidence-based, high-quality care that encourages use of, rather

than creating barriers to, high value services. Interventions that improve patient-centered outcomes while maintaining affordability may be found in the form of a clinically nuanced HSA-eligible health plan that better meets workers' clinical and financial needs," said M. Christopher Roebuck, Ph.D., report co-author and CEO, RxEconomics, LLC.

This study was conducted through the EBRI Center for Research on Health Benefits Innovation with the funding support of Aon, Blue Cross Blue Shield Association, Johnson & Johnson, JPMorgan Chase & Co and the Pharmaceutical Research and Manufacturers of America.

The Employee Benefit Research Institute is a non-profit, independent and unbiased research organization that provides the most authoritative and objective information about critical issues relating to employee benefit programs in the United States. The organization also coordinates activities for the Center for Research on Health Benefits Innovation, Financial Wellbeing Research Center, and Retirement Security Research Center, and produces a variety of leading industry surveys during the year. For more information, visit www.ebri.org.

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(Media Note: To receive the complete research report, email Ron Dresner at dresner@ebri.org).