

At a Glance | January 6, 2022

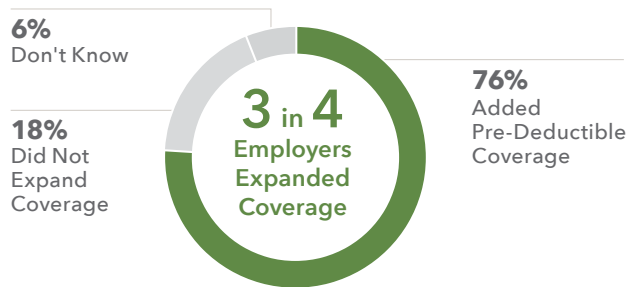
Employers Have Enhanced Health Benefits Under New IRS Rules

Since July 2019, high-deductible health plans can provide pre-deductible coverage for certain items and services to help manage chronic conditions without jeopardizing a participant’s health savings account (HSA) eligibility.

COVERAGE EXPANDED

Since July 2019, IRS Notice 2019-45 allows HSA-eligible health plans the flexibility to cover 14 medications and services used to prevent the exacerbation of chronic conditions prior to meeting the plan deductible. As a result, a significant number of employers have added pre-deductible coverage.

Employers Have Embraced Pre-Deductible Coverage and Expressed Interest in Expansion of Benefits If Permitted



81% of Employers Would Add Pre-Deductible Coverage for Additional Health Care Services If Allowed by Law

COVERED AND AT NO COST

Health care services least likely to have pre-deductible coverage include peak flow meters and INR testing. Those most likely to have such coverage are blood pressure and insulin.

The percentage of employers that eliminated cost sharing for the pre-deductible services ranges from a low of 25 percent to a high of 40 percent.

Percentage of Services or Medications Now Covered as Well as Those With Zero Cost to Employees as a Result of IRS Rule 2019-45

Service / Medication	Managed Condition	Percentage of Employers That Offer Coverage...	...at Zero Cost to Employees
Inhaled corticosteroids	Asthma	43%	26%
Peak flow meter		25%	34%
INR Testing	Blood / Liver	25%	30%
SSRIs	Depression	35%	25%
Insulin and other agents	Diabetes	66%	30%
Glucometer		61%	36%
Hemoglobin A1c testing		50%	36%
Retinopathy screening		35%	36%
ACE inhibitors	Diabetes / Heart	39%	25%
Statins		38%	40%
Beta-blockers	Heart health	54%	33%
LDL testing		44%	36%
Blood pressure monitor	Hypertension	66%	38%
Anti-resorptive therapy	Osteoporosis	29%	40%

SOURCE: Fronstin, Paul, and A. Mark Fendrick, "Employer Uptake of Pre-Deductible Coverage for Preventive Services in HSA-Eligible Health Plans," *EBRI Issue Brief*, no. 542 (October 14, 2021). This study was conducted with the funding support of the National Pharmaceutical Council.