



BENEFIT BULLETIN

Keeping your business informed and prepared

August 5, 2019

IRS expands preventive care benefits for HSA-compatible HDHPs

Because of the tax-favored treatment of a high-deductible health plan (HDHP) integrated with a health savings account (HSA), individuals are required to pay out-of-pocket for all medical expenses, with the exception of qualified preventive care, until the plan deductible is satisfied. In [Notice 2019-45](#), the IRS expanded the list of allowed preventive services to include medical care and prescription drugs prescribed for specific chronic conditions.

The standard used to expand this list includes three characteristics:

- The service or item is low-cost.
- There is medical evidence supporting high-cost efficiency of preventing exacerbation of the chronic condition or the development of a secondary condition.
- There is a strong likelihood, documented by clinical evidence, that with respect to the class of individuals prescribed the item or service, the specific service or use of the item will prevent the exacerbation of the chronic condition or the development of a secondary condition that requires significantly higher-cost treatments.

It's important to note that the IRS did not require these services be provided without cost sharing. Nor does it suggest the same characteristics could be used to expand the scope of preventive care beyond the defined list.

It remains to be seen how fully insured carriers will respond to the expansion of preventive care. It's possible fully insured individuals needing these services will continue to pay-out-of-pocket and be reimbursed through available HSA funds. Sponsors of self-insured plans have the latitude to include these services without any or partial cost-sharing.



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The expanded preventive care services are defined below.

PREVENTIVE CARE FOR SPECIFIED CONDITIONS	DIAGNOSIS
angiotensin converting enzyme (ACE) inhibitors	congestive heart failure, diabetes and/or coronary artery disease
anti-resorptive therapy	osteoporosis and/or osteopenia
beta-blockers	congestive heart failure and/or coronary artery disease
blood pressure monitor	hypertension
inhaled corticosteroids	asthma
insulin and other glucose lowering agents	diabetes
retinopathy screening	diabetes
peak flow meter	asthma
glucometer	diabetes
hemoglobin A1c testing	diabetes
international normalized ratio (INR) testing	liver disease and/or bleeding disorders
low-density lipoprotein (LDL) testing	heart disease
selective serotonin reuptake inhibitors (SSRIs)	depression
statins	heart disease and/or diabetes

If you have any questions, please reach out to your Bukaty benefits consultant at **913.345.0440**.