

February 25, 2015

The Honorable Paul Ryan
Chairman
House Committee on Ways and Means
1102 Longworth House Office Building
Washington, DC 20515

The Honorable Sander Levin
Ranking Member
House Committee on Ways and Means
1106 Longworth House Office Building
Washington, DC 20515

Dear Chairman Ryan and Ranking Member Levin:

The health professional associations listed below write to encourage your support for the Responsible Additions and Increases to Sustain Employee (RAISE) Health Benefits Act of 2015.

As you know, Flexible Spending Arrangements (FSAs) allow consumers to set aside pretax dollars to pay for healthcare services and items that are not covered by insurance - such as vision and dental services, doctor copayments, prescription drugs, and medical supplies. FSAs allow families to efficiently save money for medical care, encourage active engagement in healthcare decision-making, and incentivize informed consumers of healthcare services.

Under current law, FSAs have three drawbacks that limit their effectiveness for families. First, the current cap of \$2,500 on FSA contributions is insufficient to help families meet their medical needs. Second, the “one size fits all” nature of the FSA cap punishes larger families by allowing them to save less money on a per capita basis than an individual or smaller family can do. Finally, the “use it or lose it” nature of FSAs, even after the Treasury Department’s recent decision allowing \$500 a year to be carried over, means families can’t use FSAs to build savings needed to address large-scale medical costs in their future.

We are delighted that the RAISE Act will address all three of these issues and make FSAs an even more attractive option for healthcare consumers going forward. The RAISE Health Benefits Act cancels the “use-it-or-lose-it” rule for all FSAs, allowing families to build balances over several years. The bill also doubles the current FSA annual contribution cap to \$5,000 and allows families with more than two dependents to save an additional \$500 a year for each additional dependent. Families that need more resources can thus save towards these costs and larger families will not be disadvantaged from savings for their potentially larger healthcare needs.

Passage of the RAISE Health Benefits Act is a step forward in helping families nationwide use Flexible Spending Accounts to take greater control of their healthcare costs and decisions in the future.

We hope the Ways and Means Committee will give strong consideration to incorporating the RAISE Health Benefits Act into its discussions and legislative packages to improve the quality, delivery and cost of healthcare in our country.

Sincerely,

Robert Varner, DMD
President, American Association of Orthodontists

Maxine Feinberg, DDS
President, American Dental Association

W. Carter Brown, DMD, FAGD
President, Academy of General Dentistry

Edward H. Moody Jr., DDS
President, American Academy of Pediatric Dentistry

Joan Otomo-Corgel, DDS
President, American Academy of Periodontology

Robert S. Roda, DDS
President, American Association of Endodontists

William J. Nelson, DDS
President, American Association of Oral and Maxillofacial Surgeons

Frank Tuminelli, President, DDS
President, American College of Prosthodontists

Carrie B. Brown, DMD
President, National Dental Association