



COUNCIL FOR AFFORDABLE
HEALTH COVERAGE

March 18, 2024

The Honorable Jodey Arrington
Chairman
Committee on the Budget
Washington, D.C. 20515

The Honorable Bendan Boyle
Ranking Member
House Budget Committee
Washington, D.C. 20515

Dear Chairman Arrington and Ranking Member Boyle,

The Council for Affordable Health Coverage (CAHC) writes to express our support for H.R. 766, the *Dr. Michael C. Burgess Preventive Health Savings Act* because it will begin to change how Congress views preventing health illnesses before they become expensive chronic conditions.

In any given year, the healthiest half of the population accounts for less than 3 percent of health care spending. Most spending goes toward the treatment of chronic conditions, such as heart failure or diabetes, which are long in duration and have no definite cure. Patients with two or more chronic diseases account for 84 percent of health spending. Left untreated, chronic conditions multiply. For example, diabetes carries high risks of heart disease and hypertension, which in turn carry high risks of heart attacks and strokes. For this reason, self-neglect is a major driver of medical spending. Many patients under care for chronic conditions fail to take their medicines—a problem that could cost as much as \$6 trillion over the next decade. Obesity, a precursor to diabetes, is among the most expensive cost drivers.

When Congress first enacted the Medicare Modernization Act, Medicare Part D, CBO gave Congress no savings that would accrue to the benefits of taking medicines that prevent heart attacks, stroke, cancers, diabetes, obesity, and other chronic conditions. None. Faced with mountains of evidence, CBO revised their methodology in 2012 to reflect the benefit of adherence to medications as a way to lower spending on medical services, giving partial savings to increased drug utilization. That change reflects common sense – people take medicines to stay healthy and treat disease.

The way CBO scores legislation downplays the long term benefit of preventing illness in the first place. This constrains the ability of Congress to judge the merits of health legislation by skewing costs in favor of benefits. A balanced approach is required to allow sound decisions.

The Preventive Health Savings Act will permit leaders in Congress to request that CBO estimate the long-term health savings that are possible from preventive health initiatives. Without an independent and unbiased understanding of how these benefit mandates impact premiums, we cannot understand how policy changes may impact taxpayer and individual costs.

We applaud your leadership on this critical issue and encourage Congress to pass the legislation quickly to bring more clarity to its deliberations.

Sincerely,

A handwritten signature in black ink, appearing to read "Joel White", written in a cursive style.

Joel C. White
President

CC: Congressman Michael Burgess