December 8, 2023

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

Dear Chairman Arrington and Ranking Member Boyle:

We, the 53 undersigned organizations, would like to express our support for the Preventive Health Savings Act, which removes outdated statutory constraints which currently prevent Congressional Budget Office (CBO) estimates from correctly assessing preventive health initiatives that might achieve long-term health savings in federal programs.

As leaders in health care representing patients, providers, associations, and employers, we all agree on the need for a continued focus on wellness and disease prevention if healthcare costs are to be contained. We share a bipartisan, bicameral view with many in Congress that to move forward with policy solutions to address the growing burden of long-term chronic disease, Congress needs new tools to rise above traditional legislative approaches to health care.

Simply put, we know we can't "cut" our way to a healthier America by shaving dollars from federal programs that provide care to people in need every time Congress finds a new approach. As such, we all agree that the statutory constraints that CBO must currently follow to "score" legislation severely constrains the ability of policymakers to accurately assess legislation that would prevent chronic disease. We believe this legislation represents a significant step toward the goal of including new ideas and tactics to improve care that have proven successful in the private sector, or in health systems abroad that don't have the same regulatory or budgetary constraints.

Chronic disease places a significant burden on our health and economy, but it can be reversed.

- We know that chronic diseases are responsible for 7 of 10 deaths among Americans each year, and they account for 90 percent of the \$4.1 trillion our nation spends annually on medical care. [1] These figures will worsen as the population ages.
- Much of the illness, suffering, and early death related to chronic diseases is caused by modifiable health risk behaviors such as lack of physical activity, poor nutrition, tobacco use, and alcohol and substance misuse.
- Preventing or delaying the onset of new cases and mitigating the progression of chronic disease will improve the health of people in America while lowering healthcare costs and overall spending.

The current scoring process does not give Congress a complete picture of efforts to combat chronic disease.

- Research has demonstrated that certain expenditures for preventive health interventions generate savings when considered in the long term, but those cost savings may not be apparent when assessing only the first ten years—those in the "scoring" window.
- Long-term benefits from current preventive health expenditures may not be fully reflected, if at all, in cost estimates from CBO.
- Lawmakers need sound information, and today's methods and procedures may not work as well as needed in analyzing certain efforts to prevent costly complications of chronic diseases.

CBO has already begun to examine prevention in new ways.

- In 2012, CBO published long-term estimates of the effect of a hypothetical tobacco tax on the federal budget. [2]
- Also, in 2012, CBO published a study which found greater prescription drug access and adherence can reduce healthcare costs in other areas. [3]
- In the 118th Congress, the House of Representatives continues to require CBO to score certain large bills by considering projected impacts on revenue and spending from assumed economic effects the bills. [4]

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.

- This legislation provides that the Chairman or Ranking member of either budget or health-related committees can request an analysis of the two 10-year periods beyond the existing 10-year window.
- The bill requires CBO to conduct an initial analysis to determine whether the provision would result in substantial savings outside the normal scoring window.
 - CBO must include a description of those future-year savings in its budget projections but would retain the option of creating a formal projection that includes some or all the budgetary out years.
 - This bill is necessary to bring greater attention to the longer-term value of wellness and prevention policies specifically.
- The bill defines preventive health as an action designed to avoid future healthcare costs that are demonstrated by credible and publicly available epidemiological projection models, incorporating clinical trials or observational studies in humans.
- This narrow, responsible approach discourages abuse while encouraging a sensible review of health policies and programs Congress believes will further the public's health.

As the chronic disease epidemic continues to worsen, so does the need for legislation that will properly allow Congress to see the full savings of enacting prevention-focused policy measures. We applaud your efforts in sponsoring this important legislation and look forward to joining with you in transforming our nation to one that prioritizes efforts to achieve wellness and well-being for all.

Sincerely,

Academy of Nutrition and Dietetics

Alliance for Aging Research

American Academy of Family Physicians

American Association of Clinical Endocrinology

American Association of Nurse Practitioners

American College of Gastroenterology

American College of Lifestyle Medicine

American College of Occupational and Environmental Medicine

American College of Preventive Medicine

American Society for Nutrition

Ascension

Association of Diabetes Care & Education Specialists

Avery's Hope

Biocom California

Blooming Health, Inc.

California Chronic Care Coalition

Caregiver Action Network

Chronic Care Policy Alliance

Connected Health Initiative

COPD Foundation

Council For Affordable Health Coverage

Determined Health Fight Colorectal Cancer **FundPlay Foundation** Geneoscopy Gerontological Society of America **Global Liver Institute** Healthcare Leadership Council HealthyWomen **HIV + Hepatitis Policy Institute** Johnson & Johnson Marshfield Clinic Health System MemorialCare Health System Merck National Minority Quality Forum Nevada Chronic Care Collaborative NourishedRx NTM Info & Research **Obesity Action Coalition Obesity Medicine Association** Partnership to Fight Chronic Disease Partnership to Fight Infectious Disease PLAY Sports Coalition Premier Inc.

Sports & Fitness Industry Association

Team Titin

Texas Health Resources

The Obesity Society

Tivity Health

UsAgainstAlzheimer's

Vizient

Wellvana

YMCA of the USA

[2] https://www.cbo.gov/publication/43319

[3] https://www.cbo.gov/sites/default/files/cbofiles/attachments/43741-Medic...

[4] https://www.congress.gov/bill/118th-congress/house-resolution/5/text

^[1] https://www.cdc.gov/chronicdisease/about/costs/index.htm



james.madara@ama-assn.org

February 5, 2024

The Honorable Jodey Arrington Chairman U.S. House Budget Committee 204 Cannon House Office Building Washington, DC 20515

The Honorable Brendan Boyle Ranking Member U.S. House Budget Committee 507 Cannon House Office Building Washington, DC 20515

Dear Chairman Arrington and Ranking Member Boyle:

On behalf of the physician and medical student members of the American Medical Association (AMA), I am writing in support of H.R. 766, the "Preventive Health Savings Act." This bipartisan bill would provide leaders in Congress with the ability to request that the Congressional Budget Office (CBO) provide an estimate of the long-term health savings that are possible from preventive health initiatives.

Chronic disease is a leading cause of death and disability in the United States. According to the Centers for Disease Control and Prevention, each year more than 877,500 Americans died of heart disease or stroke, more than 1.7 million people were diagnosed with cancer, and more than 37.3 million Americans have diabetes, with an additional 96 million adults diagnosed with prediabetes, which puts them at risk for type 2 diabetes. These diseases, along with other conditions such as obesity, Alzheimer's, and mental health issues, place a significant burden on the economy, accounting for 90 percent of our nation's \$4.1 trillion in annual health care spending.¹ These figures will undoubtedly worsen as the population ages.

Congress should be able to consider the long-term economic benefits of legislation that would promote wellness and disease prevention initiatives that reduce chronic conditions. However, the way in which the CBO currently "scores" legislation severely constrains the ability of policymakers to accurately assess legislation that would prevent chronic disease. For example, while research has demonstrated that certain expenditures for preventive medicine generate savings when considered in the long term, those cost savings may not be evident when evaluating only the first 10-year "scoring" window.

We believe this legislation represents a significant step towards providing Congress with the means to obtain a more relevant long-term economic picture of the benefits of legislation to prevent chronic diseases. The legislation would allow, among other things, the Chair and Ranking member of either budget or health-related committees in the House and Senate with the ability to request an analysis of the two 10-year periods beyond the existing initial 10-year window. Furthermore, the legislation's definition of "preventive health" appropriately captures the unique nature of this concept by including actions that focus on the health of the public, individuals, and defined populations to protect, promote, and maintain health and wellness, as well as prevent disease, disability, and premature death as demonstrated in credible, publicly available studies and data.

¹ <u>https://www.cdc.gov/chronicdisease/about/costs/index.htm</u>.

The Honorable Jodey Arrington The Honorable Brendan Boyle February 5, 2024 Page 2

The AMA applauds your leadership in bringing this important legislation to the Budget Committee for consideration and looks forward to working with you on this and other efforts to promote wellness and increase chronic disease prevention.

Sincerely,

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James L. Madara, MD

cc: The Honorable Michael Burgess The Honorable Diana DeGette



February 5, 2024

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

Dear Chairman Arrington, Ranking Member Boyle, and members of the House Budget Committee:

On behalf of the Healthcare Leadership Council (HLC), I am writing to express our strong support for H.R. 766, the "Preventive Health Savings Act," in advance of your markup.

HLC is a coalition of chief executives from all disciplines within American healthcare. It is the exclusive forum for the nation's healthcare leaders to jointly develop policies, plans, and programs to achieve their vision of a 21st century healthcare system that makes affordable high-quality care accessible to all Americans. Members of HLC – hospitals, academic health centers, health plans, pharmaceutical companies, medical device manufacturers, laboratories, biotech firms, health product distributors, post-acute care providers, group purchasing organizations, home care providers, and information technology companies – advocate for measures to increase the quality and efficiency of healthcare through a patient-centered approach.

HLC has long championed the transition of the U.S. healthcare system from an emphasis on volume towards patient-centered, value-based care. Improving access to preventive health services and factoring these investments into budget scoring are critical elements to reducing healthcare spending and improving patient health outcomes. Chronic diseases are responsible for 7 of 10 deaths among Americans each year, and they account for 90 percent of the \$4.1 trillion our nation spends annually on medical care.¹

H.R. 766 will allow Congress to more easily request Congressional Budget Office (CBO) estimates of preventive health initiatives for the two 10-year periods beyond the existing 10-year window in order to capture potential long-term health savings in federal programs. Research has demonstrated that certain expenditures for preventive health interventions generate savings when considered in the long term, but those cost

¹ Health and Economic Costs of Chronic Diseases, Centers for Disease Control and Prevention (October 2023), <u>https://www.cdc.gov/chronicdisease/about/costs/index.htm</u>.

savings may not be apparent when assessing only the first ten years—those in the "scoring" window.²

Passage of H.R. 766 is needed to allow Congress to see the full savings of enacting prevention-focused policy measures and is an important step to addressing the chronic disease epidemic.

HLC looks forward to continuing to collaborate with you on this important issue. If you have any questions, please do not hesitate to contact Debbie Witchey at <u>dwitchey@hlc.org</u> or 202-449-3435.

Sincerely,

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Maria Ghazal President and CEO

² Raising the Excise Tax on Cigarettes: Effects on Health and the Federal Budget, Congressional Budget Office (2012), <u>https://www.cbo.gov/publication/43319</u>.