



Health Savings Accounts Only Work For The Wealthy and Healthy

The President and Republicans in Congress want to offer Health Savings Accounts (HSAs) to consumers as a part of their replacement for the Affordable Care Act (ACA). **HSAs are not health insurance.** They only work for people with higher incomes and good health.

- **HSAs are tax-exempt bank accounts for people with enough money to save.**

HSAs are usually paired with high deductible insurance plans. Low- and moderate-income consumers who are working and living paycheck to paycheck cannot afford to save money in an HSA to cover high out-of-pocket costs. The current proposal does not offer adequate subsidies to ease this burden.

- **HSAs are bad for people with chronic conditions or unexpected illness.**

The cost of complex and chronic conditions cannot be reasonably covered by savings from an HSA. Even young and healthy people unexpectedly have accidents or serious illnesses that will require personal spending well beyond what is likely to be accumulated in a health savings account.

- **HSAs will cause more people to be uninsured or underinsured.**

HSAs will increase the number of people with medical debt that they cannot afford to pay back. Credit problems and medical bankruptcies will rise again after decreasing for the first time in recent years.

- **HSAs may discourage people from getting preventative care.**

One of the benefits guaranteed in the ACA is no-cost preventative services and screening, which save millions of dollars in medical costs and increase work productivity. If consumers cannot afford preventative services, costly medical illnesses can result. If this provision is repealed and replaced with HSAs and high deductible plans, some people will lose access to services like check-ups, immunizations, and mammograms. Costs increase when consumers wait until they are sick to get care.

- **HSAs and high deductible plans cost everyone more.**

Employer costs will rise, or they will pass on costs to their employees. Providers and hospitals are left with increased bad debt and demands for charity care, forcing them to pass those unreimbursed costs onto other patients with better insurance.

Protect Our Care Illinois is a statewide coalition of health care advocates, providers, consumers, and workers, standing together to protect and expand access to quality affordable health care provided by the Affordable Care Act and Medicaid.

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