

July 28, 2021

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
Washington, District of Columbia 20515

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
Washington, District of Columbia 20515

Dear Speaker Pelosi and Leader McCarthy:

We strongly support language included in the FY2022 Financial Services and General Government (FSGG) appropriations bill report, which calls for the Internal Revenue Service (IRS) to consider covering life-saving wearable devices and digital health tools as “medical care” for the purposes of flexible spending accounts (FSAs) and health savings accounts (HSAs).

ACT | The App Association’s Connected Health Initiative (CHI) represents a broad consensus of healthcare and technology leaders seeking a policy environment that encourages the use of connected health innovations. We seek essential policy changes that will help all Americans benefit from an information and communications technology-enabled American healthcare system. For more information, see www.connectedhi.com.

Digital health tools, including wearable devices, have played a critical role in mitigating the spread of COVID-19 and they are central to public health efforts to prevent serious illness and death in future public health crises. For example, people with chronic conditions—over 75 percent of people over the age of 65 have more than one¹—required intensive care unit (ICU) admission at five times the rate and died at 12 times the rate of patients without underlying conditions as a result of contracting COVID-19.² A patient population that is able to better manage and prevent these chronic conditions is much better positioned to survive and avoid serious illness during a pandemic like the one we face today. Studies show clearly that wearable devices and apps can help reduce A1C levels for diabetic patients,³ increase activity and improve body composition for at-risk consumers,⁴ and reduce healthcare costs for insurance beneficiaries from a variety of demographics.⁵ Lastly, wearable devices have helped consumers and caregivers detect the onset

¹ CTRS. FOR DISEASE CONTROL, PREVALENCE OF MULTIPLE CHRONIC CONDITIONS AMONG US ADULTS, 2018, Research Brief Vol. 17 (Sept. 17, 2020), available at https://www.cdc.gov/pcd/issues/2020/20_0130.htm.
² See, e.g., CTRS. FOR DISEASE CONTROL, MORBIDITY AND MORTALITY WEEKLY RPT. (Jul. 24, 2020), available at https://www.cdc.gov/mmwr/volumes/69/wr/mm6929a1.htm?s_cid=mm6929a1_w.
³ See Testimony of Dr. Karen S. Rheuban, Hearing on “Telehealth: Lessons from the COVID-19 Pandemic,” before the U.S. Senate Committee on Health, Education, Labor, and Pensions, at 3 (116th Cong.), Jun. 17, 2020, available at <https://www.help.senate.gov/imo/media/doc/Rheuban.pdf>; CLINICAL OUTCOMES: UNIV. OF MISSISSIPPI MED. CTR. DIABETES TELEHEALTH NETWORK, CARE INNOVATIONS (2018), available at https://connectwithcare.org/wp-content/uploads/2017/06/2016_Outcomes_Clinical-1.pdf.
⁴ Joanne DiFrancisco-Donoghue, et al., “Utilizing wearable technology to increase physical activity in future physicians: A randomized trial,” PREVENTIVE MEDICINE REPTS., Vol. 12 (Dec. 2018), available at <https://www.sciencedirect.com/science/article/pii/S2211335518301876?via%3Dihub>.
⁵ Christina Farr, “A giant insurer is offering free Apple Watches to customers who meet walking goals,” CNBC (Nov. 14, 2018), available at <https://www.cnbc.com/2018/11/14/unitedhealthcare-gives-free-apple-watches-if-walking-goals-met.html>.

of COVID-19 early, enabling them to start treatment and adjust plans accordingly and mitigate the spread of the disease.⁶

The report language encouraging the IRS to make healthcare wearable devices and software more affordable would better empower consumers, patients, and innovators to control costs and expand access to quality care. Tech-driven tools play a vital role in the improvement in the quality and cost-effectiveness of healthcare, and that role has only broadened during the pandemic. We urge that this language remain in the report to help create a legal landscape that supports—rather than hinders—the use of and access to these tools is, therefore, of utmost importance.

Sincerely,



Morgan W. Reed
Executive Director
Connected Health Initiative

The Connected Health Initiative (CHI), an initiative of ACT | The App Association, is the leading multistakeholder group spanning the connected health ecosystem seeking to effect policy changes that encourage the responsible use of digital health innovations throughout the continuum of care, supporting an environment in which patients and consumers can see improvements in their health. CHI is driven by its Steering Committee, which consists of the American Medical Association, Apple, Boston Children’s Hospital, Cambia Health Solutions, Dogtown Media, George Washington University Hospital, Healthcare Information and Management Systems Society, Inc. (HIMSS), Intel Corporation, Kaia Health, Microsoft, Noom Inc., Novo Nordisk, The Omega Concern, Otsuka Pharmaceutical, Podometrics, Rimidi, Roche, United Health Group, the University of California-Davis, the University of Mississippi Medical Center (UMMC) Center for Telehealth, the University of New Orleans, and the University of Virginia Center for Telehealth.

For more information, see www.connectedhi.com.

⁶ See Giorgio Quer et al., “Wearable sensor data and self-reported symptoms for COVID-19 detection,” NATURE (Oct. 29, 2020), available at <https://www.nature.com/articles/s41591-020-1123-x#Abs1>.