

Expanding FSA-HSA Eligibility for Oral Care

Proposed legislation to expand FSA-HSA eligibility to certain over-the-counter (OTC) oral care products, giving American consumers increased flexibility to use their pre-tax savings to improve their oral health and overall well-being.

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Background:

- > Costs on everyday, essential self-care items can add up quickly, and Congress can help make beneficial OTC consumer healthcare products more accessible for millions of Americans through legislative action.
- > For example, under current law, employees may put aside money in Flexible Spending Accounts (FSAs) and Health Savings Accounts (HSAs) before it has been taxed to pay for certain healthcare costs related to medical care, prescription drugs, OTC medications, and feminine care products.
- > However, even though the Centers for Disease Control and Prevention (CDC) considers tooth decay to be a “common chronic disease...” that when left untreated “can progress and lead to infection, tooth loss, and more complex and expensive treatments,” current law does not recognize certain oral healthcare products - such as manual toothbrushes, electric toothbrushes, water flossers, mouthwash, or OTC anti-cavity toothpaste - as “qualified medical expenses.”
- > Additionally, nearly half (46%) of Americans ages 30 and older show signs of gum disease and one-in-five low-income adults - two times higher than the overall rate - admit their oral health is poor. Rural Americans face even worse oral health outcomes throughout their lives, are less likely to receive preventive dental services, and are more likely to seek dental care in an emergency department.

Solution:

- > In 2020, Congress reinstated FSA-HSA eligibility for OTC medicines and, for the first time, feminine care products. By expanding FSA-HSA eligibility to also include certain oral healthcare products, this legislation would give millions of Americans increased flexibility in how they manage their oral health expenses, while at the same time, reducing the strain on the healthcare system overall.
- > In addition to the Consumer Healthcare Products Association (CHPA), the legislation is supported by the American Dental Association (ADA).

Who This Legislation Would Help:

- > Approximately **60 million** consumers already use FSAs and HSAs to save money on eligible healthcare expenses, including OTC medicines and feminine care products. These accounts are used by Americans from every income level.
- > Data shows that FSAs and HSAs are **associated** with reductions in overall healthcare spending. Promoting access to oral healthcare products for Americans with FSAs or HSAs is better for our healthcare system overall and for taxpayers.
- > Helping consumers save money on their oral health expenses can help improve oral health outcomes in underprivileged communities and reduce oral health disparities.

About the Consumer Healthcare Products Association:

The Consumer Healthcare Products Association (CHPA) is the leading voice fighting to ensure that Americans have access to over-the-counter medications, dietary supplements, and consumer medical devices they can count on to be reliable, save money and time, and deliver new and better ways to get and stay healthy. CHPA's mission is to empower self-care by preserving and expanding choice and availability of consumer healthcare products. Learn more at www.chpa.org