

FSA, HSA & Dietary Supplements: Current Coverage & Future Opportunities

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FSA, HSA & Dietary Supplements: Current Coverage & Future Opportunities



Luke Huber
CRN



Michelle Stout
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Consultant
and former President,
SIGIS Corporation



Steve Mister
CRN

FSAs, HSAs & Dietary Supplements: Current Coverage & Future Opportunities



Moderator: Luke Huber



Luke Huber

Vice President, Scientific & Regulatory Affairs
Council for Responsible Nutrition (CRN)

Dr. Huber focuses on CRN's scientific affairs and nutrition policy activities that support the appropriate role for dietary supplements and functional food in health promotion and disease prevention. He has over 20 years of experience in the dietary supplement industry leading scientific & technical affairs, research & development, clinical research, and regulatory affairs. Dr. Huber has held senior scientific & technical leadership roles at several prominent companies within the dietary supplement industry.

Dr. Huber received his doctorate of naturopathic medicine from Bastyr University in Bothell, WA, completed his residency at Cancer Treatment Centers of America in Zion, IL, and earned his MBA with honors from University of Massachusetts at Amherst.

Council for Responsible Nutrition (CRN)

- Founded in 1973, based in Washington, D.C.
- Leading trade association representing dietary supplement and functional food manufacturers and ingredient suppliers.
- CRN member companies—more than 180—produce a large portion of the dietary supplements marketed in the U.S. and globally.
- CRN’s mission is to protect and advance a climate for our members to responsibly develop, source, manufacture, and market science-backed dietary supplements, functional food, and their ingredients, for better health and nutrition.
- Visit www.crnusa.org for more information

About CRN

Association Facts

One Association—The Council for Responsible Nutrition (CRN)

Amount with CRN

Staff	19
Voting Members.....	129
Associate Members	59
Annual budget	\$6.2 million
Years in existence.....	50

Also contains: scientific, regulatory, international, media relations and government relations expertise not found anywhere else.

Companies and Brands We Represent (just a sample)

MegaFood®
Fresh From Farm To Tablet™

Centrum

NUTRILITE™

vitafusion

ONNIT

youththeory

NATURE'S BOUNTY.

Emergen-C

Nature's Way

Nature Made

CLOROX
HEALTHCARE

RAINBOW LIGHT™

Garden of Life

NATROL®

Abbott
A Promise for Life

DSM
BRIGHT SCIENCE. BRIGHTER LIVING.

USANA
THE CELLULAR NUTRITION COMPANY

HERBALIFE.

VitaCholine®

ONE A DAY

SMARTY PANTS®

ChromaDex

RENEW LIFE
The Digestive Care Company

KEMIN

NU SKIN

Cargill

plexus

KYOWA

BASF
The Chemical Company

BAYER Bayer HealthCare

VITAL PROTEINS®

Doctor's BEST
Science-Based Nutrition™

OLLY

CRN



SAVE THE DATES:

OCTOBER 9–11

GRAND AMERICA HOTEL

SALT LAKE CITY

CONVERGENCE '24



Speakers & Panelists



Michelle Stout
Regulatory Policy
Director – Nutrition
Amway



Jody Dietel
Consultant &
Former President
SIGIS Corporation



Steve Mister
President & CEO
Council for Responsible Nutrition (CRN)

Michelle Stout



Michelle Stout

Regulatory Policy Director – Nutrition, *Amway*

Michelle Stout is Regulatory Policy Director at Amway in Buena Park, California. Michelle leads the global nutrition policy strategies to positively shape the regulatory environment for dietary/health supplements in the 100+ countries and territories where Amway does business. With over 25 years of experience working with trade associations, regulators, policy makers and other key opinion leaders around the globe, Michelle is often called upon to share experiences and international best practices.

Michelle currently serves as a Member of the Board of Directors of the Council for Responsible Nutrition (CRN), Vice Chair and Member of Board of Directors of the Global Organization for EPA and DHA Omega-3 (GOED) and an active member of the American Herbal Products Association (AHPA). Additionally, Michelle represents Amway on the International Alliance of Dietary/Food Supplement Associations (IADSA) Company Council and is Chair Emeritus, an advisory position held by the immediate predecessor to the currently serving Chair. IADSA is the global voice of the supplement sector, sharing best practices and supporting the evolution of public policy and regulation around the world.

Supplements to Savings

Health Care Cost Savings from the
Targeted Use of Dietary Supplements
(2022–2030)

Michelle Stout

Regulatory Policy Director, Amway

Study Steering Committee, CRN Foundation

Board of Directors, CRN



Health care spending in America



BlueCross.
BlueShield.

“Healthcare spending in the U.S. is \$3 trillion a year, straining the budgets of families, businesses and taxpayers alike.”

PERSONAL FINANCE

More inflation is on the way, and your health care bills are set to rise. Here's why.

Key Points

- Healthcare costs have lagged the overall consumer inflation rate.
- That may sound like good news, but analysts say this won't last.
- They expect healthcare costs to start rising in earnest soon and outpace the overall inflation rate.

Skyrocketing rent and food costs have company: **Health care costs also are soaring, and what's worse, they probably will rise much more** and could help keep overall inflation...


Inflation is expected to be...
\$370 billion by 2027 con...
firm McKinsev estimated



Health care spending in America

75% of health care spending goes to addressing preventable chronic diseases.

Only **3%** of every health care dollar spent is for prevention!



Numerous studies demonstrate targeted use of certain dietary supplements can help reduce the risk of some chronic diseases.



What if dietary supplements could contribute to reducing overall healthcare expenditures ?

Hypothesis:



If selected dietary supplement regimens were taken at the same preventive levels as used in the clinical research by those at-risk populations, there would be a cost savings to the health care system and to individual providers and payers from reduced medical expenses associated with those lower risks of disease.

Scope of Research

6 health conditions with measurable medical event costs

9 dietary supplement regimens with evidence of risk reduction

Coronary Artery Disease (CAD)

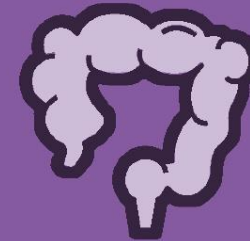
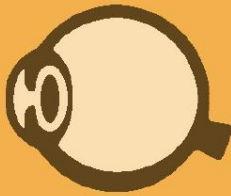
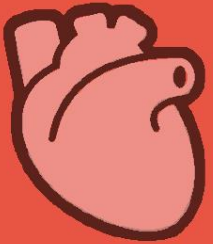
Osteoporotic Fractures

Age-related Macular Degeneration (AMD)

Cognitive Decline

Irritable Bowel Syndrome

Childhood Cognitive Development Disorders



Omega-3
Magnesium
Dietary Fiber
Vitamin K2

Calcium &
Vitamin D

Lutein &
Zeaxanthin

Vitamins
B6, B9, B12

Probiotics

Choline

Methodology



Medical events in target population and event cost:

- Hospitalization
- Post-care (nursing or home modifications)
- Disease management
- Lost productivity

Systematic literature review by supplement and health condition

RRR%

Reduction of medical events with supplement regime

**events
per year**

Avoided event costs (-) subtract cost to supplement all target population

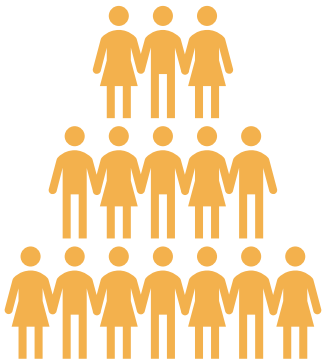
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Data from nationally-recognized sources, such as the U.S. Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, U.S. Bureau of Labor Statistics, U.S. Census Bureau, U.S. Food & Drug Administration, National Institutes of Health, and more.

Methodology

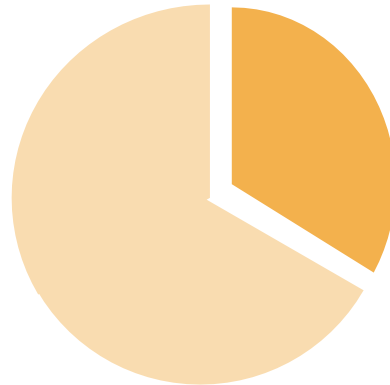
Target Population

Varies by regime in 2022 report



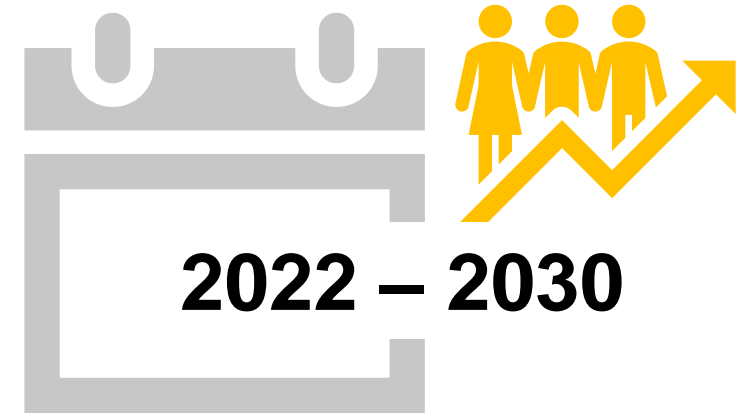
% at risk population

Supplement non-users



reduce for % target population already using supplements

Results time-frame



events & cost

projection

Target Populations + Interventions

Coronary Artery Disease



U.S. adults

55+

Omega-3

1,000 mg

Magnesium

400 mg

Soluble Fiber

25 g

Vitamin K2

**120 mcg male /
90 mcg female**



Osteoporotic Fractures



U.S. adults

50+

**Calcium &
Vitamin D**

1,000 mg

15 mcg

Age-related Macular Degeneration



U.S. adults

44+

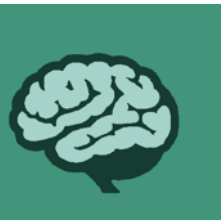
**Lutein &
Zeaxanthin**

10 mg

2 mg

Target Populations + Interventions

Cognitive Decline



U.S. adults
50+

Vitamin B6

400–2,000 mcg

Vitamin B9

10–25 mg

Vitamin B12

15–1,000 mcg

Irritable Bowel Syndrome



U.S.
employed adults
18+

Probiotics

10 billion CFU average

Childhood Cognitive Development Disorders



U.S.
females
13 – 44

Choline

550 mg





CASE STUDY

Calcium & Vitamin D Supplements for Osteoporosis



- Most prevalent bone disease in the U.S.
- Characterized by accelerated bone loss
- Results in brittle and weak bones
- Increased risk of fractures

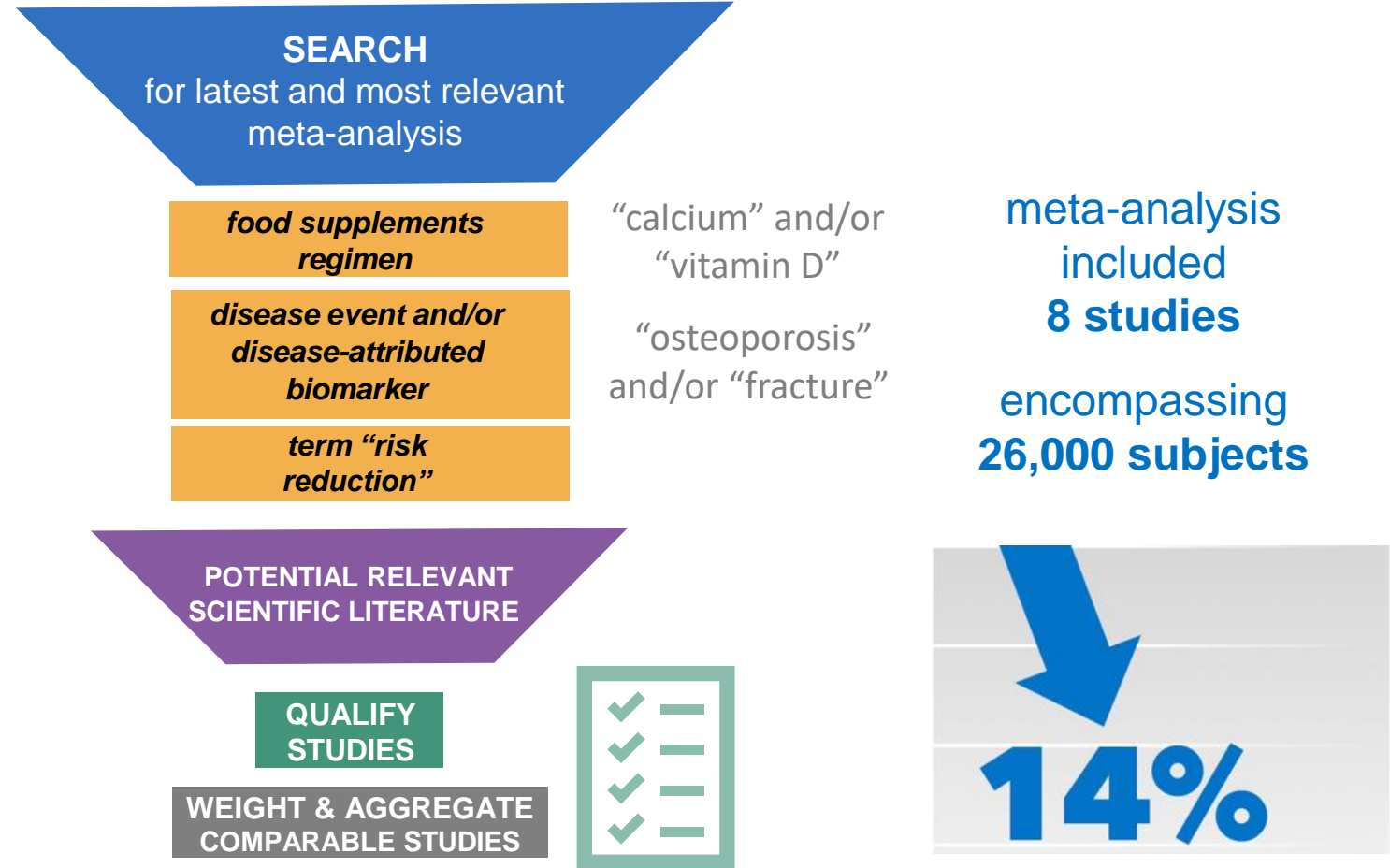
How calcium & vitamin D work

Calcium is essential to bone health—vitamin D promotes calcium absorption and is needed for bone growth.

Bone loss is a natural part of aging but supplementing with calcium and vitamin D increases bone mass to decrease risk of fracture.

Risk Reduction

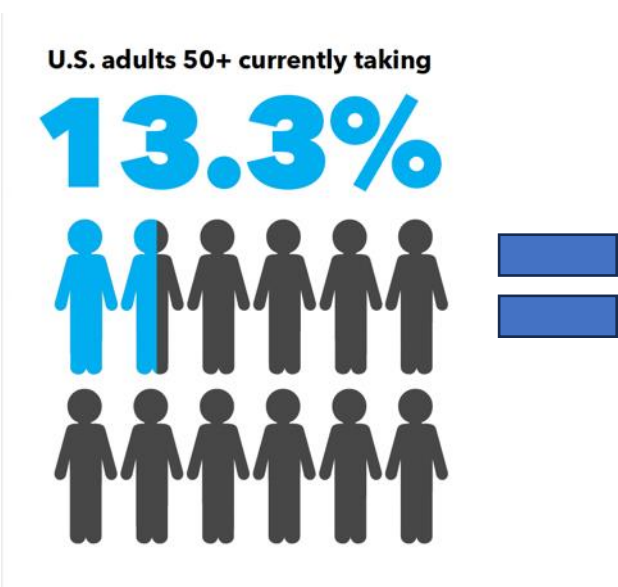
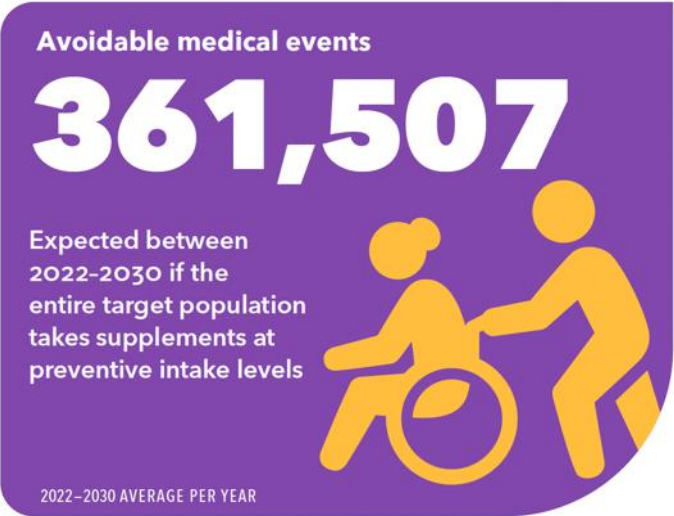
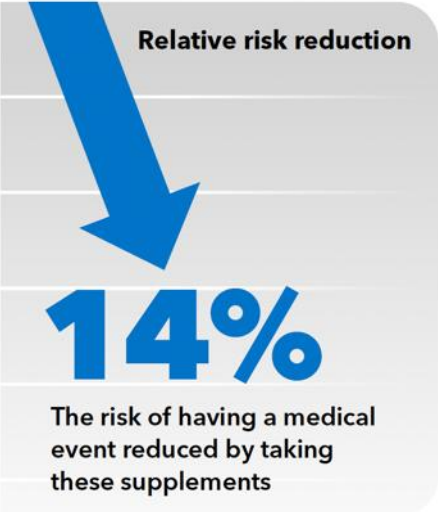
- Is the clinical trial easily comparable with the other related studies?
- Does the study investigate a relationship between food supplement use and the probability of a specific health condition event among a well-defined at-risk population?



SOURCE: FROST & SULLIVAN

Relative Risk Reduction (RRR)


Calcium & Vitamin D Supplements for Osteoporosis




Science-backed supplement intervention

Supplementing at preventive intake levels has been shown to reduce the occurrence of medical events related to these diseases in high risk populations.


CORONARY ARTERY DISEASE (CAD)
 Omega-3, Magnesium, Dietary Fiber, Vitamin K2




OSTEOPOROTIC FRACTURES
 Calcium & Vitamin D




AGE-RELATED MACULAR DEGENERATION
 Lutein & Zeaxanthin



COGNITIVE DECLINE
 Vitamins B6, B9, B12



IRRITABLE BOWEL SYNDROME
 Probiotics

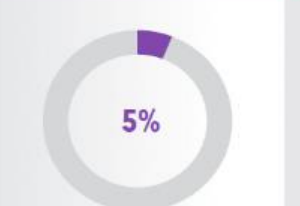
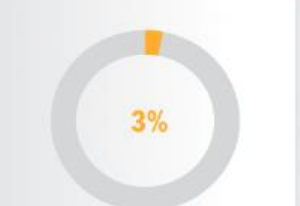


CHILDHOOD COGNITIVE DEVELOPMENT DISORDERS
 Choline



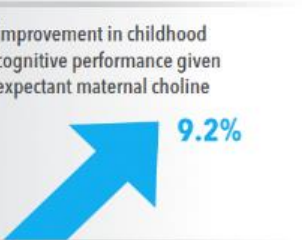
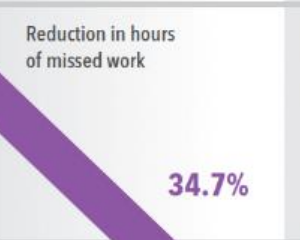
Event rate

% of targeted population that will experience a medical event per year.
 Source: Centers for Disease Control and Prevention



Relative risk reduction

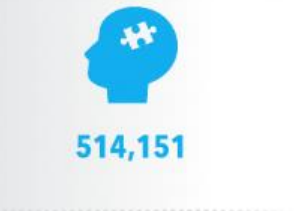
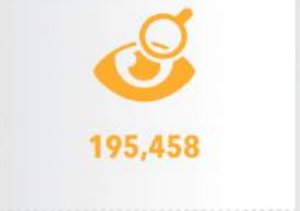
The risk of having a medical event reduced by taking these supplements.



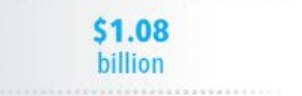
CUMULATIVE 2022-2030

Avoidable medical events

If the entire target population supplements at preventive intake levels.



Net savings



Savings yet to be realized

With full supplementation among target population.



What does this mean?



Regular use of targeted supplementation by at-risk populations could result in significant cost savings for health care systems and providers, plus improve the level of individual well-being.

**Dietary supplements are
a small investment today
that can yield a
big return tomorrow.**

The 'Supplements to Savings' report data is valuable for communicating the need for policy change



- Inclusion of multivitamin/mineral supplements in Supplemental Nutrition Assistance Plan (SNAP) benefits
- Health Savings Account (HSA)/Flex Savings Account (FSA) reimbursement for dietary supplement purchases
- Efforts to increase access to dietary supplements for underserved populations

Access the data



CASE STUDY: OSTEOPOROSIS **Dietary Supplements** – small investment today, big return tomorrow

Calcium & vitamin D supplements can lower societal health care costs

Preventive daily intake levels
1,000 mg for calcium
15 mcg for vitamin D

Cost per day
28¢

Dietary Supplements – small investment today, big return tomorrow

Evidence demonstrates that the use of certain dietary supplements by specific populations can reduce the direct and indirect medical costs associated with several common conditions as shown in these topline findings. Learn more: SupplementstoSavings.org

Science-backed supplement intervention	CORONARY ARTERY DISEASE (CAD) Omega-3, Magnesium, Dietary Fiber, Vitamin K2	OSTEOPOROTIC FRACTURES Calcium & Vitamin D	AGE-RELATED MACULAR DEGENERATION Lutein & Zeaxanthin	COGNITIVE DECLINE Vitamins B6, B9, B12	IRRITABLE BOWEL SYNDROME Probiotics	CHILDHOOD COGNITIVE DEVELOPMENT DISORDERS Choline
Event rate % of targeted population that will experience a medical event per year. Source: Centers for Disease Control and Prevention	13.1%	26.1%	3%	12.5%	5%	17.8%
Relative risk reduction The risk of having a medical event reduced by taking these supplements.	4.2% TO 15.7%	14%	4.4%	9.5%	34.7%	9.2%
CUMULATIVE 2022-2030						
Avoidable medical events If the entire target population supplements at preventive intake levels.	731,125-2.71 million	3.25 million	195,458	2.44 million	3.70 billion hours missed work	514,151
Net savings	\$13.3-85.3 billion	\$179.32 billion	\$959.2 million	\$109.93 billion	\$110.22 billion	\$1.08 billion
Savings yet to be realized With full supplementation among target population.	\$12.66-83.84 billion	\$155.41 billion	\$942.7 million	\$97.64 billion	\$94.83 billion	\$1.07 billion

CASE STUDY: CORONARY ARTERY DISEASE (CAD) **Dietary Supplements**

Omega-3 supplements can reduce medical events associated with CAD

U.S. adults 55+ currently taking
7.7%

Relative risk reduction
10%

The risk of having a medical event reduced by taking these supplements.

Supplements to Savings

Health Care Cost Savings from the Targeted Use of Dietary Supplements 2022-2030

CRN FOUNDATION FROST & SULLIVAN

CASE STUDY: AGE-RELATED MACULAR DEGENERATION **Dietary Supplements** – small investment today, big return tomorrow

Lutein and Zeaxanthin supplements can lower societal health care costs.

Preventive daily intake levels
10 mg for Lutein
2 mg for Zeaxanthin

Cost per day
29¢

Net savings
\$106.6 MILLION

Savings yet to be realized
\$104.7 MILLION

With full supplementation among target population, U.S. adults 44+

Learn more at SupplementstoSavings.org

Thank you, contributors!

Amway



NattoPharma[®]



www.SupplementstoSavings.org



Investing in wellness through supplementation can save billions in disease prevention. The CRN Foundation has again commissioned Frost & Sullivan for an analysis of the potential health care cost savings that could be realized if certain at-risk individuals were to use certain dietary supplements that have been shown to lower disease event risk. In addition, the report examines evidence demonstrating the use of specific dietary supplement ingredients can reduce the direct and indirect medical costs.

[Download full report \(PDF\)](#)

[Download individual chapters \(PDF\):](#)

- Background & Introduction
- Omega-3 Fatty Acids and Coronary Artery Disease
- Magnesium and Coronary Artery Disease
- Soluble Fiber and Coronary Artery Disease
- Vitamin K2 and Coronary Artery Disease
- Calcium & Vitamin D and Osteoporosis
- Lutein & Zeaxanthin and Age-related Macular Degeneration
- B Vitamins and Cognitive Decline
- Probiotics, Irritable Bowel Syndrome and Productivity
- Choline and Early Childhood Cognitive Development
- References
- Infographic chart shown below



www.SupplementstoSavings.org

Jody Dietel



Jody L. Dietel, ACFCI, CAS, HSAe

Consultant and former President, *SIGIS Corporation*

Jody L. Dietel is a seasoned benefits consultant with decades of experience and has held leadership positions on several industry boards, including the Employers Council on Flexible Compensation (ECFC), the HSA Council of the American Bankers Association (ABA), the American Benefits Council, and the Special Interest Group for IAS Standards (SIGIS).

Jody has a B.A. in psychology from Bethel University (MN) and holds several industry certifications recognizing her proven expertise in consumer-directed benefits and COBRA, including the ACFCI and CAS through the Employers Council on Flexible Compensation's Flexible Compensation Institute and ABA's HSAe.

Overview of Consumer Directed Benefit Accounts

Health Flexible Spending Arrangements (FSAs),
Health Reimbursement Arrangements (HRAs), and
Health Savings Accounts (HSAs)

Compare Account Types

HSA

Long-term savings account

- Contribute pre-tax funds¹
- Invest funds tax-free²
- Funds never expire
- Requires HSA-qualified health plan

FSA

Short-term spending account

- Contribute pre-tax funds³
- Funds expire⁴
- Variations compatible with most health plans
- Eligible expenses can vary

HRA

Employer-funded spending account⁵

- No employee contributions required
- Funds expire
- Variations compatible with most health plans
- Eligible expenses can vary

¹ HSAs are never taxed at a federal income tax level when used appropriately for qualified medical expenses. Also, most states recognize HSA funds as tax deductible with very few exceptions. Please consult a tax advisor regarding your state's specific rules.

² Investments are subject to risk, including the possible loss of the principal invested, and are not FDIC or NCUA insured, or guaranteed.

³ FSAs are never taxed at a federal income tax level when used appropriately for qualified medical expenses. Also, most states recognize FSA funds as tax deductible with very few exceptions. Please consult a tax advisor regarding your state's specific rules.

⁴ Some plan designs allow carryover up to 20 percent of that plan year's maximum health FSA salary reduction contribution into the next plan year.

⁵ In addition to restrictions imposed by law, your employer may limit what expenses are eligible for reimbursements. It is the members' responsibility to ensure eligibility requirements as well as if they are eligible for the plan and expenses submitted.

Complex Rules from the Administration

IRS rules as to eligibility and operation,
FDA Rules about products,
DOL rules about claim process—and more

Proposed Regulation §1.125-6: Card Transaction Reference List

Type of Card Transaction	Medical Care Providers/90% Pharmacies	Other Merchants (supermarkets, discount stores, big box stores)
Copayments Matching Claims (Auto-Adjudication Category #1)	Permitted	Not Permitted
Recurring, Previously Approved Claims (Auto-Adjudication Category #2)	Permitted	Not Permitted
Real-Time Verified Claims (Auto-Adjudication Category #3)	Permitted	Not Permitted
Merchant Uses IIAS (Auto-Adjudication Category #4)	Permitted	Permitted
After-the-Fact Adjudication	Permitted	Not Permitted
Transactions Involving Prescribed OTC Drugs	Permitted after 2020; special rules applied prior to 2020.	Permitted after 2020; special rules applied prior to 2020.

Eligible Expenses

General Rules

- Can differ based on employer plan.
- Cards are optional (you don't have to offer payment cards).
- Cards can be restricted to Rx only, IIAS only, Vision IIAS only if employer wishes.
- Substantiation is required for every \$ coming out of an account (FSA, HRA or HSA).
 - FSA and HRA requires third party substantiation.
 - HSA requires taxpayer substantiation.
- Reimbursements must be for medical care defined by Internal Revenue Code §213(d).

Medical Care (IRC §213(d))

- Must be for the diagnosis, cure, mitigation, treatment, or prevention of disease or illness, or for the purpose of affecting a structure or function of the body. These expenses include payments for legal medical services rendered by physicians, surgeons, dentists, and other medical practitioners. They include the costs of equipment, supplies, and diagnostic devices needed for these purposes. They also include the costs of medicines and drugs that are prescribed by a physician.
- Medical expenses must be primarily to alleviate or prevent a physical or mental disability or illness. They don't include expenses that are merely beneficial to general health.
- Must not have any cosmetic uses (or be a toiletry).
- If the expense involves a personal element, must not have been incurred but for the medical condition exists.
- Achieving the medical result must not be unreasonably expensive.
- The expense must be for a legal item, service, or treatment.
- Menstrual care items under Code §106(f)
- <https://www.irs.gov/individuals/frequently-asked-questions-about-medical-expenses-related-to-nutrition-wellness-and-general-health>

Hot off the Press! IRS Issue # IR-2024-65

- Personal expenses are not deductible or reimbursable.
- Must establish that an otherwise personal expense must related to a targeted diagnosis-specific activity or treatment. They don't include expenses that are merely beneficial to general health.
- Must satisfy the “but for” test. But for the condition, you would not be pursuing the treatment for the diagnosis.
- See also Publication 502, 969 and www.irs.gov/individuals/frequently-asked-questions-about-medical-expenses-related-to-nutrition-wellness-and-general-health



Practitioners Guide to helping patients use their FSA, HRA, and HSA

- **Issue a Letter of Medical Necessity**
 - Patient demographics
 - Example: Today's date, Jody Dietel, age 66 is my patient.
- **Diagnosis of a condition:**
 - Example: Jody has been diagnosed with a vitamin D deficiency.
- **Directive for supplement or product and its use:**
 - Example: To treat the deficiency, Jody is to take 10,000 IU of Vitamin D on a daily basis for 4 weeks and then 5,000 IU for the next year.
- **Note: Be sure Jody has not previously utilized vitamin D** (otherwise it doesn't meet the but for test unless this is a LOMN renewal).
- **Signed: Jane Doe, MD**

Thank you!

Jody Dietel, Consultant

jdietel@gmail.com

760-505-6875

[linkedin.com/in/jodydietel](https://www.linkedin.com/in/jodydietel)

Steve Mister



Steve Mister

President & CEO, *Council for Responsible Nutrition (CRN)*

Steve Mister has been President & CEO of CRN, the leading trade association for the dietary supplement industry, since 2005. Under his leadership, CRN has experienced increased membership, doubled its annual budget, sharpened its strategic focus to advance the industry, and launched new initiatives that increase industry responsibility and provide consumer education. During Mr. Mister's tenure, CRN has been instrumental in enacting the adverse event reporting law for dietary supplements, the Designer Anabolic Steroid Control Act, and defeating several efforts in Congress that would have over-regulated dietary supplements, limiting consumer access. Mr. Mister led the association to launch the Supplement OWL, an industry-run online registry of dietary supplements and their labels. He is a member of the U.S. Chamber of Commerce's Association Committee of 100, holds a Certified Association Executive (CAE) distinction, and is active in ASAE. In addition to his role as President of CRN, Mr. Mister is the President of the CRN Foundation that has housed several of the association's consumer education and self-regulatory programs.



Tax Treatment of Dietary Supplements in HSA/FSA Accounts



2024 Natural Products Expo West
Steve Mister, President & CEO
Council for Responsible Nutrition



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Frequently asked questions about medical expenses related to nutrition, wellness, and general health

Q14: Is the cost of nutritional supplements a medical expense that can be paid or reimbursed by an HSA, FSA, Archer MSA, or HRA? (added March 17, 2023)

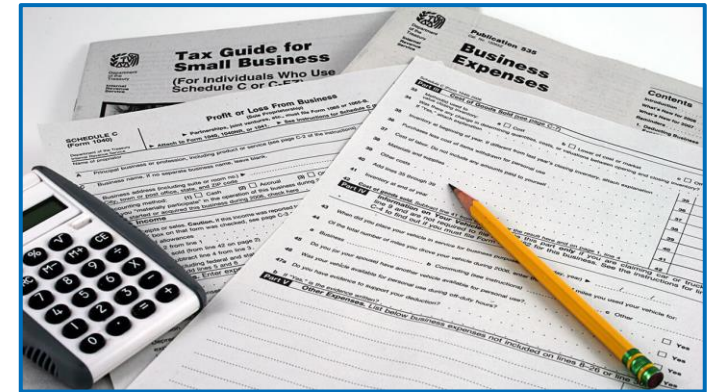
A14: Yes, but only if the supplements are recommended by a medical practitioner as treatment for a specific medical condition diagnosed by a physician. Otherwise, the cost of nutritional supplements is not a medical expense.

Keeping Score

How much will it cost to add dietary supplements?

- Pre-tax contributions means the U.S. Treasury doesn't get to tax it.
- e.g., If a worker in a 33% tax bracket puts \$3,000 away, the U.S. government loses \$1,000 in uncollected taxes.

So, the critical questions are: How would the inclusion of dietary supplements in these programs affect consumer decisions on FSA/HSA usage? And how will that affect tax revenue?



Two inconvenient truths... and the possible consequences



Many people who are eligible for these programs don't use them at all.

❖ *If supplements are included, would more people create FSAs/HSAs?*

Most people who have FSAs don't max out their contributions now, and many people forfeit money at the end of the year.

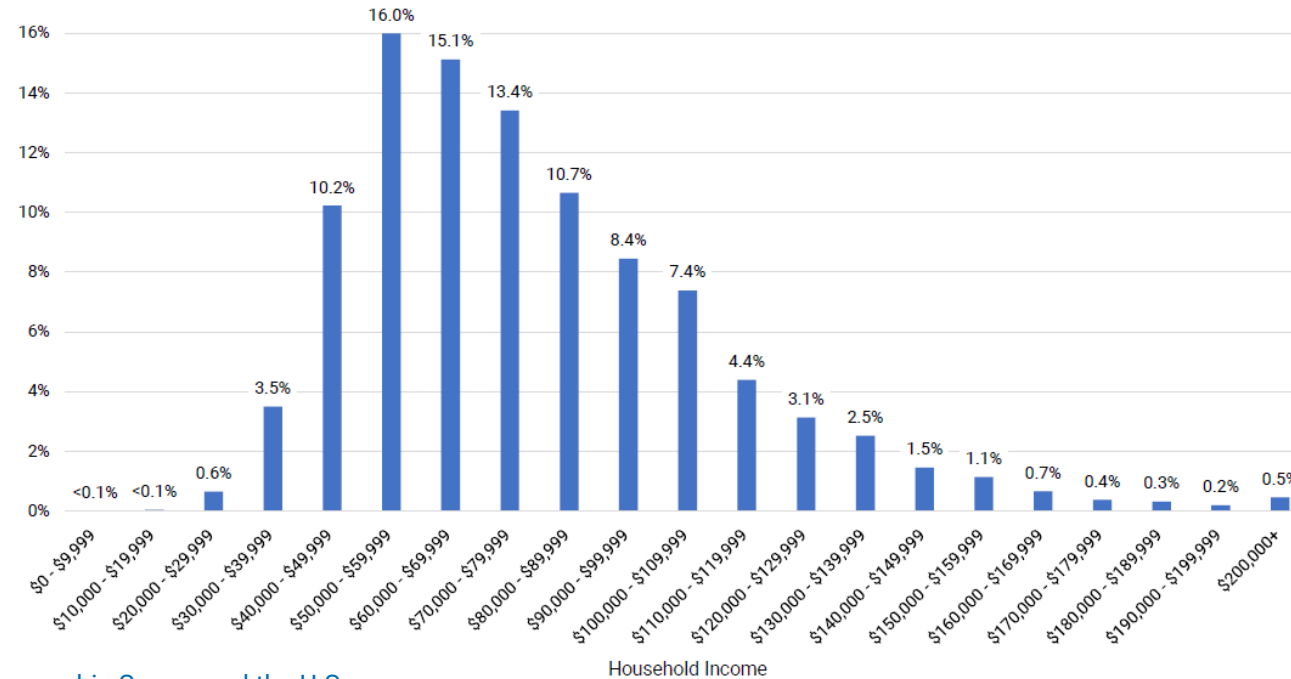
❖ *If supplements are included, would people put more money into their FSAs/HSAs, diverting more taxable income from Uncle Sam?*

Who uses FSAs and HSAs now?

Health Savings Account Holder Household Income

78% of health savings account holders have a household income of less than \$100,000

Distribution of Household Income for Health Savings Account Holders

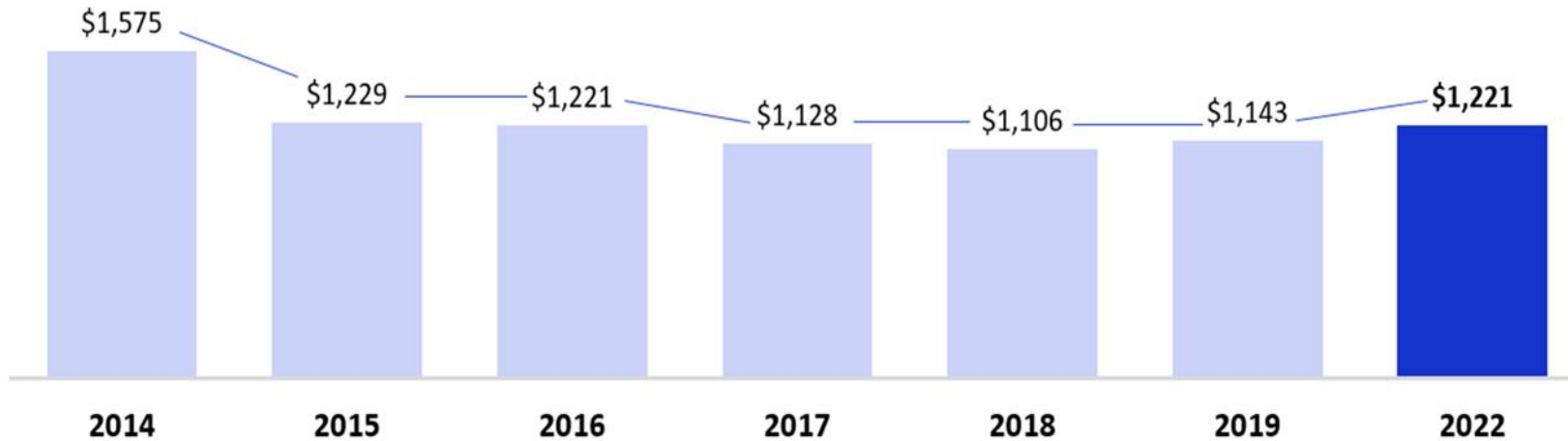


2021 Devenir & HSA Council Demographic Survey and the U.S. Census Bureau's 2020 American Community Survey (ACS).

Contribution levels are relatively FLAT.

Planned FSA Annual Contribution Amount

Among FSA Users



Base: FSA Users 2022 (n=1000), 2019 (n=1000)
cq4 How much will you contribute to your FSA on an annual basis for the 2022 plan year?

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The 20-year saga of OTCs

- Before 2003, OTC drugs were not eligible for reimbursement.
- In 2003, the IRS announced a Revenue Ruling allowing OTC expenses to be reimbursed for FSAs/HSAs.
- When the ACA was enacted in 2010, Congress removed their eligibility. A prescription or doctor's order was required.
- In 2020, the CARES Act restored eligibility for OTCs and also added feminine hygiene products.
- *Did any of this change consumer saving behavior?*



Effects of OTC and menstrual coverage

CONTRIBUTIONS REMAIN STATIC

Over the past decade, FSA/HSA contribution amounts have remained static – there has not been a substantial change regardless of policy change (ACA eligibility repeal to CARES Act).

PLANNED ANNUAL FSA CONTRIBUTION AMOUNTS²



ANNUAL AVERAGE INDIVIDUAL HSA CONTRIBUTION³



What consumers want



- **78%** of account holders **want** to use HSAs/FSAs to purchase supplements
- **66%** would not put additional tax-free dollars into accounts because of expansion

Supplements to Savings

- Demonstrates tangible evidence of risk reduction and cost savings associated with dietary supplement use
- Advocacy tool to enhance argument that supplements should be included in HSAs/FSAs
- www.SupplementsToSavings.org

These cost savings to govt-funded healthcare (e.g., Medicaid, Medicare, VA benefits) would offset the lost tax revenue!

Supplements to Savings
Health Care Cost Savings from the Targeted Use of Dietary Supplements 2022-2030

Dietary Supplements – small investment today, big return tomorrow
Evidence demonstrates that the use of certain dietary supplements by specific populations can reduce the direct and indirect medical costs associated with several common conditions as shown in these topline findings. Learn more: SupplementsToSavings.org

Science-backed supplement intervention	CORONARY ARTERY DISEASE (CAD) Omega-3, Magnesium, Dietary Fiber, Vitamin K2	OSTEOPOROSIS Calcium & Vitamin D	AGE-RELATED MACULAR DEGENERATION Lutein & Zeaxanthin	COGNITIVE DECLINE Vitamins B6, B9, B12	IRRITABLE BOWEL SYNDROME Probiotics	CHILDHOOD COGNITIVE DEVELOPMENT DISORDERS Choline
Event rate % of targeted population that will experience a medical event per year. <small>Source: Centers for Disease Control and Prevention</small>	13.1%	26.1%	3%	12.5%	5%	17.5%
Relative risk reduction The risk of having a medical event reduced by taking these supplements.	4.2% TO 15.7%	14%	4.4%	9.5%	34.7%	9.2%
Avoidable medical events Expected between 2022-2030 if the entire target population supplements at preventive intake levels.	81,236 TO 301,539	361,507	21,718	270,642	397.38 million hours missed work	57,128
Net savings	\$13.3-85.3 billion	\$179.32 billion	\$959.2 million	\$109.93 billion	\$110.22 billion	\$1.08 billion
Additional savings possible With full supplementation among target population.	\$12.66-83.84 billion	\$155.41 billion	\$942.7 million	\$97.64 billion	\$94.83 billion	\$1.07 billion

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Bipartisan House Legislation

- HR 4794 - the Dietary Supplements Access Act
- Introduced by Rep. Darin LaHood (R-IL)
- Cosponsors - Reps. Brendan Boyle (D-PA), Josh Gottheimer (R-NJ), John Curtis (R-UT), and Michelle Steel (R-CA)

118TH CONGRESS
1ST SESSION

H. R. 4794

To amend the Internal Revenue Code of 1986 to permit expenditures from health savings accounts, flexible spending arrangements, and health reimbursement arrangements for dietary supplements.

“(E) DIETARY NUTRITIONAL SUPPLEMENT.—Amounts paid for a dietary supplement (as defined in section 201(ff) of the Federal Food, Drug, and Cosmetic Act ([21 U.S.C. 321\(ff\)](#))) shall be treated as amounts paid for medical care.”.

Senate Legislation

- Introduced by Sen. Kevin Cramer (R-ND)

118TH CONGRESS
1ST SESSION

S. 3172

To amend the Internal Revenue Code of 1986 to include certain over-the-counter dietary supplement products and foods for special dietary uses as qualified medical expenses.

“(E) DIETARY SUPPLEMENT PRODUCT.—For purposes of this paragraph, the term ‘dietary supplement product’ means a nutritional product that is labeled with—

“(i) a statement describing how the product is intended to affect the structure or function of the human body, or

“(ii) a statement characterizing the mechanism by which the product acts to maintain such structure or function.



Why Limit Coverage to S/F Claims?

- Many traditional dietary supplements don't have a S/F claim.
- Even the “wacky” unsubstantiated products can include a S/F claim.

So you would be eliminating the products you want to cover—and covering the products you might like to omit!

Next Steps

- Joint Tax Committee/Congressional Budget Office score
- Adding additional cosponsors
- Bringing the Senate bill into conformity with the House bill
- Raising visibility of the issue with other Members of Congress—especially Members of House Ways & Means and Senate Finance.



Why it matters:



- Getting dietary supplements recognized as a “medical expense” gives more consumers access to these products; makes them more affordable to more people.
- Creates parity with other items that are already covered by these accounts.
- Including supplements as a “medical expense” officially recognizes the contributions that supplements play to improving healthcare.
- Gives supplement users further confidence that their supplement regimens promote better health and wellness.

Thank you!

Steve Mister

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PANEL DISCUSSION

FSA, HSAs & Dietary Supplements: Current Coverage & Future Opportunities



FSA, HSA & Dietary Supplements: Current Coverage & Future Opportunities



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Q&A

Co-located with



Product Discovery Powered by



By Informa Markets

Thank you!

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