



**Position Statement**  
**on**  
**Medical Savings Accounts (MSA)**  
**(Approved by the Board of Directors March 21, 1997)**

In our first *Statement on Health Care Reform* (September 1, 1993), the American Academy of Dermatology said "all Americans should be free to choose their own physicians and should have health insurance coverage that best meets their needs." Consistent with this goal, the Academy endorses Medical Savings Accounts (MSAs). An MSA is a tax-exempt trust or custodial account established to pay for medical expenses in conjunction with a high-deductible health insurance policy.

MSAs afford significant advantages to the patient and the entire health care community.

These include the following:

- MSAs encourage individual savings through careful use of a person's health care dollars. The individual has an incentive to monitor utilization in order to preserve the funds in his or her MSA account.
- MSAs decrease unnecessary utilization because consumers become more discerning when they pay from their own pockets.
- MSAs restore the patient's freedom to choose any physician.
- Patient choice means stronger patient-physician relationships.
- Patient choice also stimulates price competition in the market.
- MSAs prevent "gatekeeper" interference with specialty care. Through the use of MSAs, patients would have increased access to specialist physicians such as dermatologists.
- MSAs increase access to health care for portions of the population otherwise left without care.
- Unemployed job seekers would be able to withdraw funds tax free from their MSA to maintain a high deductible plan. Without an affordable health care option such as MSAs, the temporarily uninsured run the risk of financial catastrophe.
- MSAs also benefit a population of job-changers by creating a system of portable health care.

The American Academy of Dermatology supports the widespread availability of Medical Savings Accounts. MSAs offer the patient and the entire health care community a multitude of benefits that include cost savings, portability and quality care uninterrupted by third-party interests.