



Assurex
GLOBAL

HEALTH SAVINGS ACCOUNTS CONTRIBUTIONS

EMPLOYEE BENEFITS MARKET CHECK SURVEY

October 2023



Health Savings Accounts (HSAs) are a tax-advantaged and flexible savings option employers can offer their employees as part of their benefits package. HSAs are celebrating their 20th year in the market and are common in many employee benefit offerings. As out-of-pocket costs have risen, they have helped make health care more affordable to consumers and employers. While HSAs can play an important role in a company's employee benefits package and its broader financial wellness strategy, they continue to be misunderstood by consumers and employers alike. Thus, opportunities remain to make HSAs even more valuable.

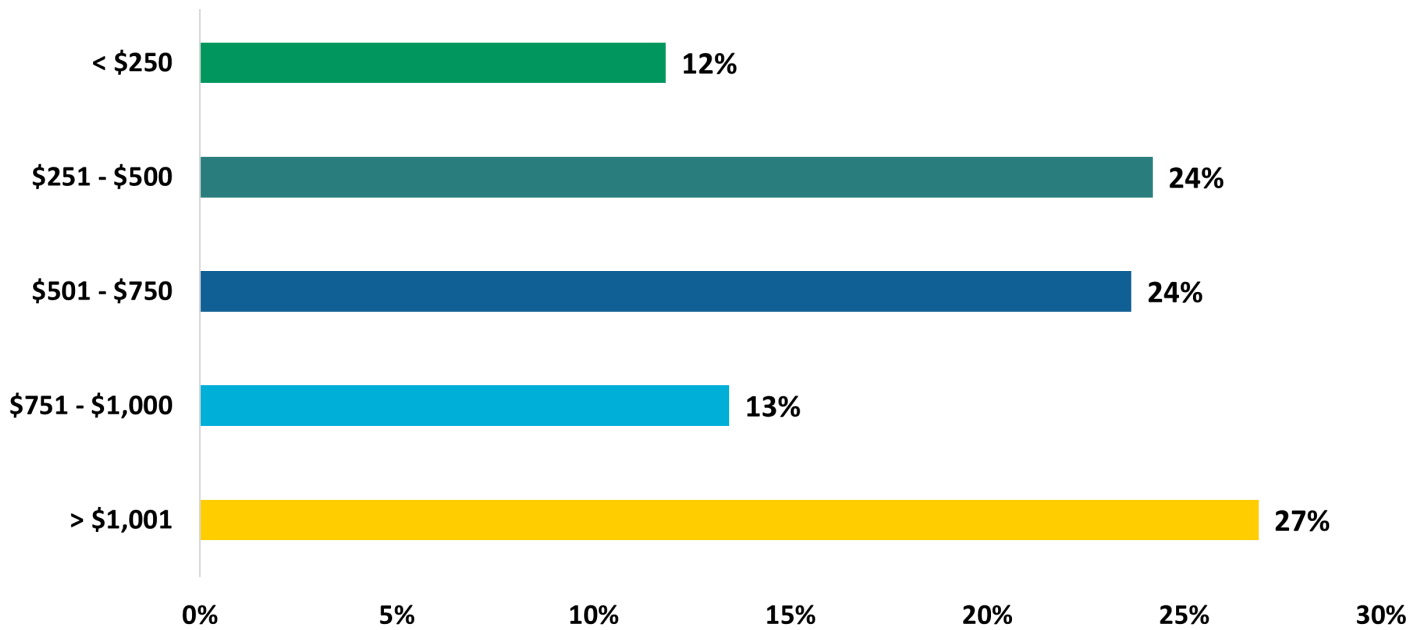
We conducted a poll during a webcast on October 19 to gain insight into how much employers contribute to their employees' HSA. The results are in the charts and images below.



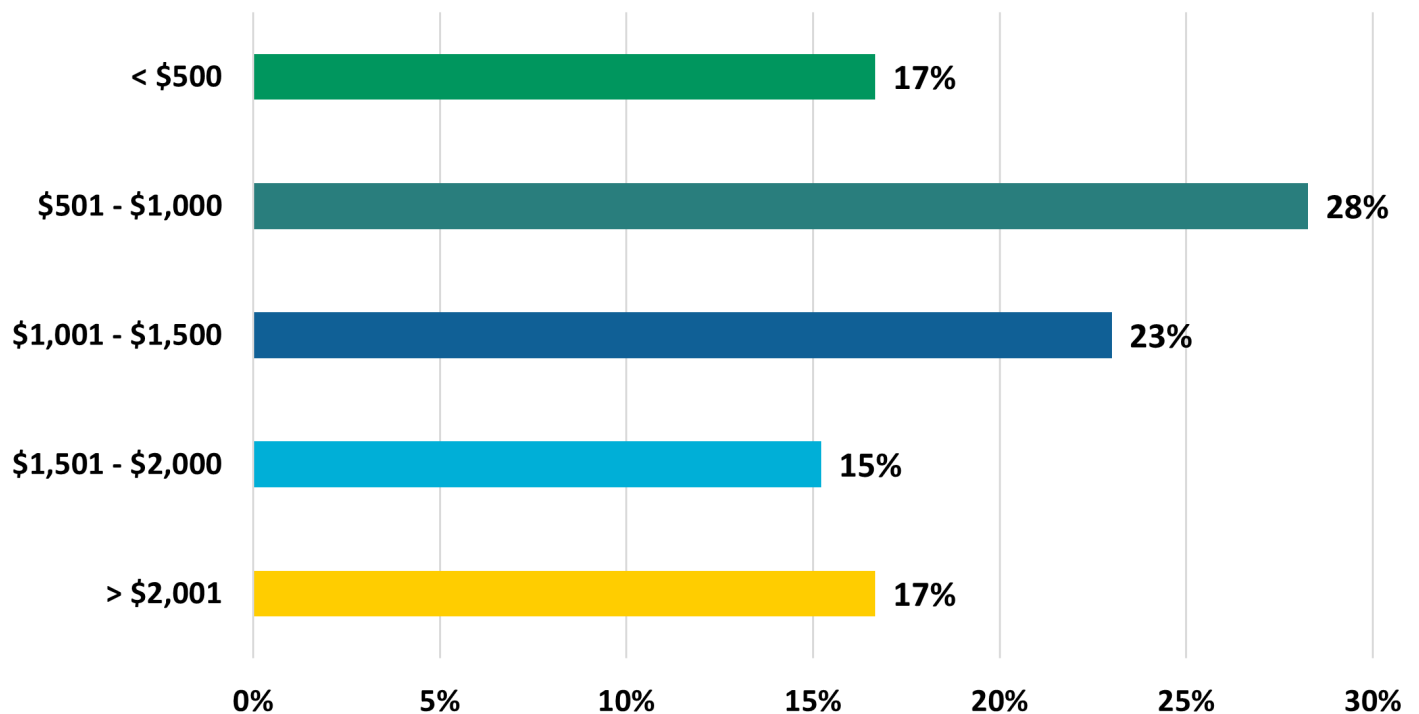
Based on 350 employer responses



How much do you contribute to an employee's HSA for single coverage?



How much do you contribute to an employee's HSA for family coverage?



Industry Insights

When examining the data by industry, we found the most common employer HSA contribution ranges for single coverage by industry are as follows:

Most Commons Employer HSA Contribution Range For Single Coverage By Industry

Construction



Equal responses
across options

Education



> \$1,000

Health Care



\$751-\$1,000

Manufacturing



\$251-\$500

Non-Profit



> \$1,000

Real Estate



> \$1,000

Tech/Life Sciences



> \$1,000

Further, we discovered that employers in the construction industry are the least likely to offer an HSA, and employers in the health care industry are the most likely to provide an employer HSA contribution.

Key Findings

HSAs can be a great tool for employees for numerous reasons. However, many account owners struggle to contribute to their accounts and maintain a worthwhile balance. An employer's contribution to the HSA can motivate employees to participate in and contribute to the HSA. However, we found one-third of employers offering an HSA do not provide company contributions to the account. A company contribution provides a great opportunity to enhance the overall rewards package provided to the workforce, and there are several flexible contribution funding strategies to consider.

For employers that are contributing to the account, now is an opportune time to review the current funding design to see if it still meets the needs of the employees as well as the goals of the business.

Providing robust and ongoing education about HSAs is key to employee adoption and understanding. As employers prepare for enrollment season, those that offer an HSA should provide targeted education to employees based on their current behaviors to ensure they are comfortable with all the positive features an HSA can provide.

Then, schedule multiple touch points throughout the year across various channels and include planning tools to aid in modeling contribution, investment, and withdrawal scenarios.

Should you have any questions regarding any of this information or want to discuss your HSA strategy, please contact your local Assurex Global adviser.

