

# 2019 HSA Survey

PSCA's Benchmarking Survey of Health Savings Accounts

## Highlights

### 11 Participation

Nearly ninety percent of employees enrolled in the HSA-qualifying health option contributed to their accounts in 2018.

### 13 Employer Contributions

More than 80 percent of employers contribute to the HSA.

### 15 Investments

The majority of organizations (85.6 percent) offer investment options for HSA contributions.

### 19 HSA Fees

More than half of organizations pay the HSA maintenance fee for employers.

### 21 Automatic Enrollment

Thirty percent of organizations automatically enroll employees in the HSA if they enroll in the HSA-qualifying health option.

### 21 Education

Employee education was the dominant concern of employers regarding their HSA.



## SURVEY FEATURES

### Executive Summary

The Executive Summary provides a detailed summary of the results and includes detailed charts and graphs to illustrate the data.

### Data Highlights

Five key data points for benchmarking your plan are included in the Executive Summary.

### Detailed Tables

In addition to the Executive Summary section, the report includes 38 tables of HSA benchmarking data.

# 2019 HSA Survey

PSCA's Benchmarking Survey of Health Savings Accounts



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2019 HSA Plan Survey.

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# Acknowledgements

The Plan Sponsor Council of America gratefully acknowledges the assistance provided by PSCA's HSA Committee in the production of this survey.

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# Executive Summary

## Background

While the Medicare Modernization Act of 2003 created Health Savings Accounts, their popularity has skyrocketed in recent years. Subsequent legislation contributed mightily to HSA expansion and growth (once the HSA maximum contributions were limited not by the deductible, but by the out-of-pocket expense maximum). Other factors that contributed to increases in HSA utilization include the employer-mandate and Cadillac Tax provisions of the Patient Protection and Affordable Care Act. In the 13 years from 2006 to 2018, HSA assets surged from approximately \$1.7 Billion to \$53.8 Billion (33.3 percent growth per year)! While industry surveys found that enrollment in employer-sponsored, HSA-qualifying health options more than tripled during that same period – from 5 percent (2005) to 19 percent (2018), 19 percent of HSA accounts were not funded.

## Introduction

Acknowledging the significant expansion in availability and its potential role as a retirement savings vehicle, in 2016, PSCA created a new committee to focus on Health Savings Accounts (HSAs) and how they can be used as part of a holistic retirement savings strategy. PSCA conducted a snapshot survey of companies that offer HSA-qualifying health plans to employees in the spring of 2017 to establish a baseline on HSA plan design and use. This snapshot served as the basis for this instrument, PSCA's first comprehensive benchmarking survey of HSAs. PSCA conducted the survey in early 2019 (reflecting 2018 plan data) and received responses from 216 employers, of which 189 currently sponsor an HSA-qualifying Health Plan. The data on the pages that follow is from the 189 employers that offered an HSA-qualifying health option in 2018. Where sample size permits, the data is broken out by company size (total number of US employees).

## Data Highlights

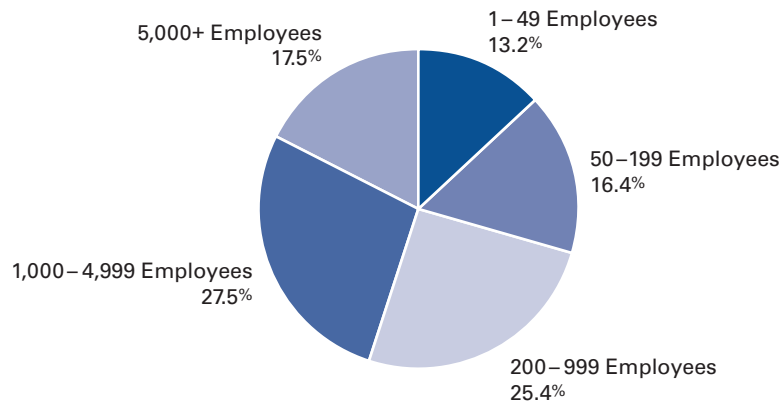
1. The average participant contribution in 2018 was \$2,595 and the average account balance at the end of 2018 was \$5,239.
2. The vast majority of responding organizations (85.6 percent) offer investment options for HSA contributions, though three-quarters require a minimum balance of at least \$1,000 to invest assets beyond money market funds or cash.
3. Suggesting a growing convergence of health and retirement savings, more than half of respondents currently educate employees on choosing between contributing to the 401(k)/403(b) plan and the HSA.
4. Employee education was the dominant concern of employers regarding their HSA. Difficulty of administration was a distant second.
5. Fewer than ten percent of organizations use or suggest a default savings rate to employees for their HSA.

## Detailed Summary of Results

### Demographics *(Full data tables: page 9)*

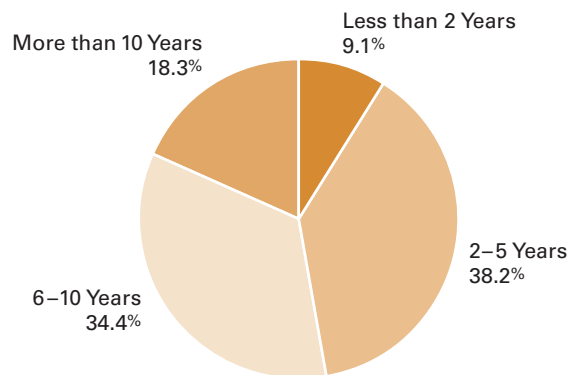
The survey received 216 responses — of those, 8 (3.7 percent) did not offer an HSA-capable health option in 2018, but planned to in 2019, 19 (8.8 percent) do not offer an HSA-capable plan and have no plans to offer one, and 189 respondents (87.5 percent) currently offer an HSA-capable health option. The data tables in this survey reflect the data from the 189 respondents with active plans.

#### Respondent Demographics by Organization Size (Number of Total Employees)



Nearly forty percent of employers have offered the HSA-qualifying health option to employees for two-to-five years with a third offering one for six to ten years. *(See Table 3.)*

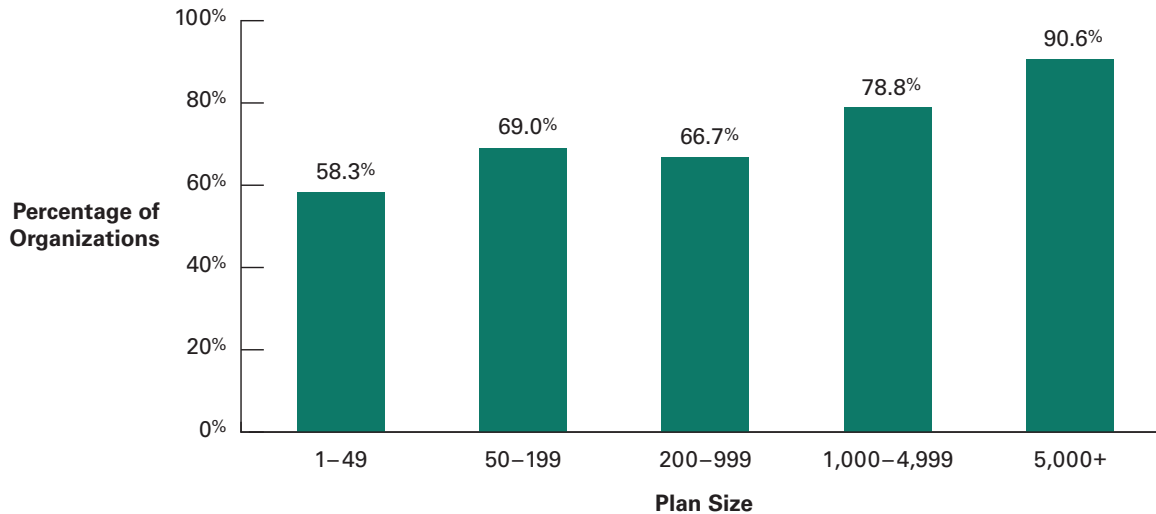
#### Length of Time Employer Has Offered an HSA to Employees





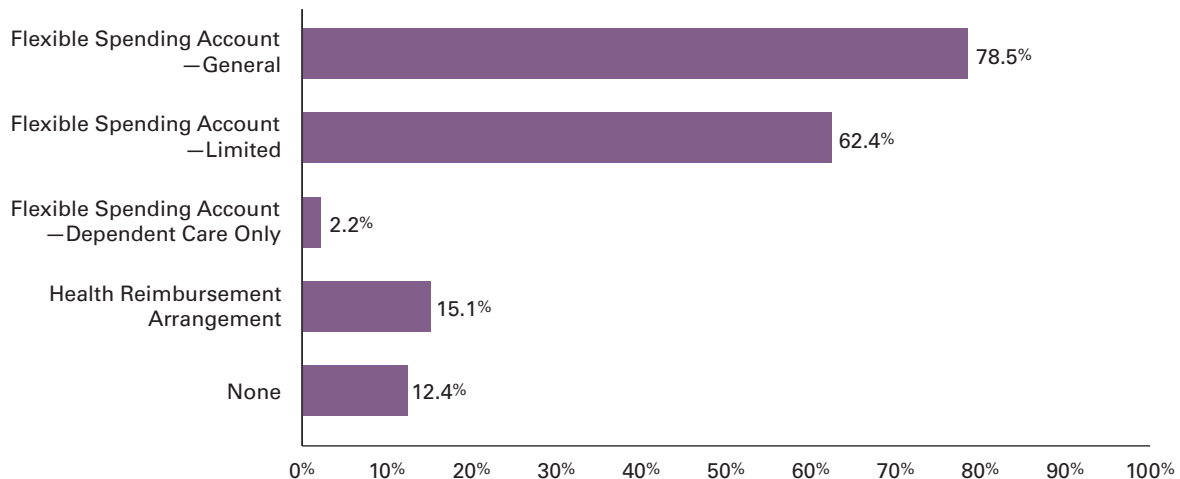
Three-fourths of employers offer health plan options in addition to the HSA-qualifying option, though there is variability by organization size. (See Table 4.)

## Percentage of Organizations That Offer Health Options Other than the HSA-Qualifying Option, by Plan Size



The majority of employers also offer Flexible Spending Accounts (FSAs) to employees, though less than half of small organizations do while ninety percent of large organizations do. (See Table 5.)

## Other Individual Health Account Options Offered to Employees



## Eligibility and Participation *(Full data tables: page 11)*

About half (53.7 percent) of eligible employees enrolled in the HSA-qualifying health plan option when offered the opportunity. *(See Table 6.)* Of those that did, 90 percent actually opened an account and 85 percent made contributions to their account. *(See Tables 7 and 8.)*

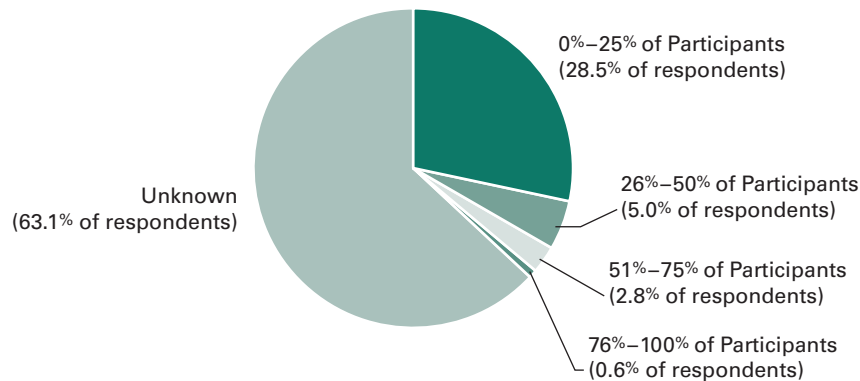
### Eligibility and Participation by Plan Size

	Organization Size (Number of Total Employees)					All Plans
	1–49	50–199	200–999	1,000–4,999	5,000+	
Average Percentage of Employees Eligible	77.0%	59.2%	54.4%	43.2%	46.5%	53.7%
Percentage of Eligible Employees with Accounts	96.4%	91.8%	91.2%	87.6%	89.3%	90.7%
Percentage of Employees that Contributed to the HSA	90.2%	86.3%	86.1%	85.8%	80.9%	85.7%

The average participant contribution in 2018 was \$2,595 and the average account balance at the end of 2018 was \$5,239. *(See Tables 9 and 10.)*

Nearly thirty percent of respondents stated that fewer than a quarter of employees spent their entire HSA balance in 2018, though nearly two-thirds of respondents (63.1 percent) are unsure how participants are using their accounts. *(See Table 11.)*

### Percentage of Participants that Spent their Entire HSA Balance in 2018

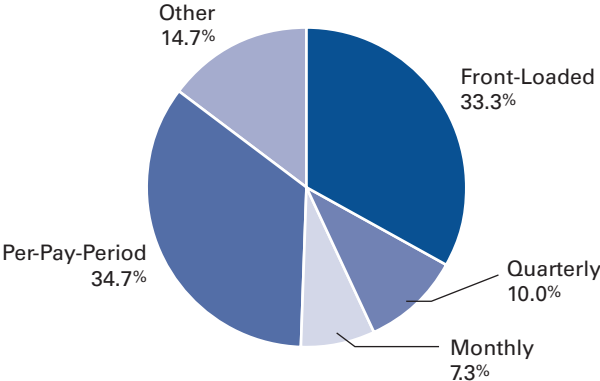


### Employer Contributions *(Full data tables: page 13)*

More than 80 percent of employers contribute to the HSA (see Table 13), and two-thirds provide a set dollar amount based on the coverage level (single or family). (See Table 14.) For the organizations that match employee contributions to the HSA, 91 percent do so up to a maximum dollar amount based on coverage type (half match \$0.50 per dollar and 40 percent match dollar-per-dollar up to a set dollar limit).

One-third of employers front-load contributions at the beginning of the year while another third make contributions each pay period. Of the fifteen percent who selected other for the timing of contributions, most used a combination of front-loading and contributing the remainder per pay period. (See Table 15.)

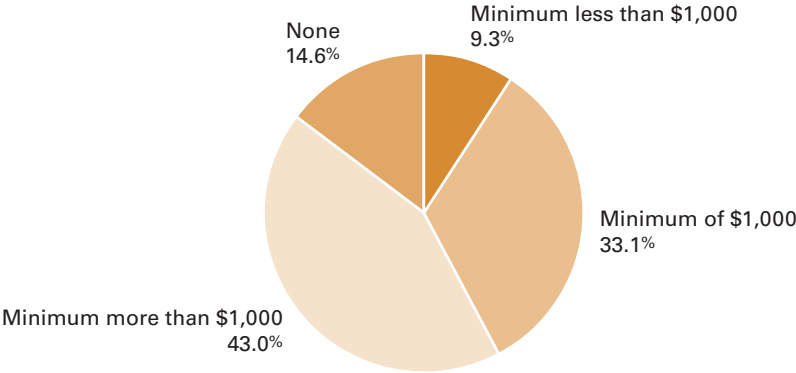
#### Timing of Employer Contributions to the HSA



### Investments *(Full data tables: page 15)*

The vast majority of responding organizations (85.6 percent) offer investment options for HSA contributions. (See Table 19.) However, a third of organizations require a minimum balance of \$1,000 before assets can be invested in vehicles other than cash equivalents, and more (43 percent) require a balance greater than \$1,000 to do so. (See Table 21.)

#### Threshold for Investment of HSA Balances



Almost no responding organizations (2.7 percent) use the same investments for the HSA as for their 401(k) plan. (See Table 23.)

# Executive Summary

## Education *(Full data tables: page 17)*

The majority of organizations (76.4 percent) primarily educate employees about the HSA annually, at open enrollment. (See Table 25.) Suggesting a growing convergence of health and retirement savings, more than half of respondents educate employees on choosing between contributing to the 401(k)/403(b) plan and the HSA. (See Table 27.)

### Percentage of Organizations that Provide Education or Advice to Employees on Choosing Between the 401(k)/403(b) and the HSA

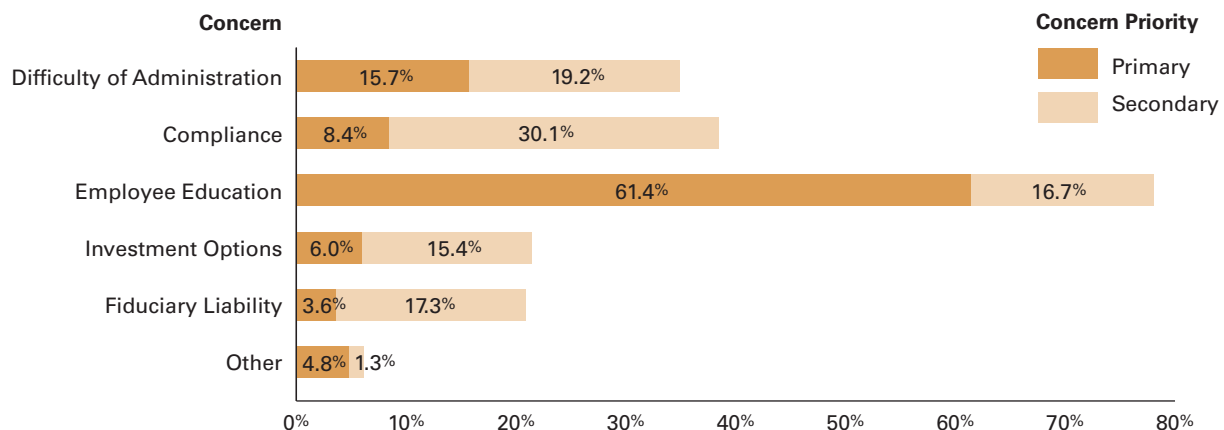
	Plan Size by Number of Participants				
	1–49	50–199	200–999	1,000–4,999	5,000+
Percentage of Organizations	75.0%	74.2%	55.6%	50.0%	45.2%

In fact, respondents overwhelmingly indicated that their primary concern regarding HSAs was educating employees. (See Tables 37 and 38.)

### Primary and Secondary HSA Concerns

Concern	Concern Priority	
	Primary	Secondary
Difficulty of Administration	15.7%	19.2%
Compliance	8.4%	30.1%
Employee Education	61.4%	16.7%
Investment Options	6.0%	15.4%
Fiduciary Liability	3.6%	17.3%
Other	4.8%	1.3%

Primary and Secondary HSA Concerns

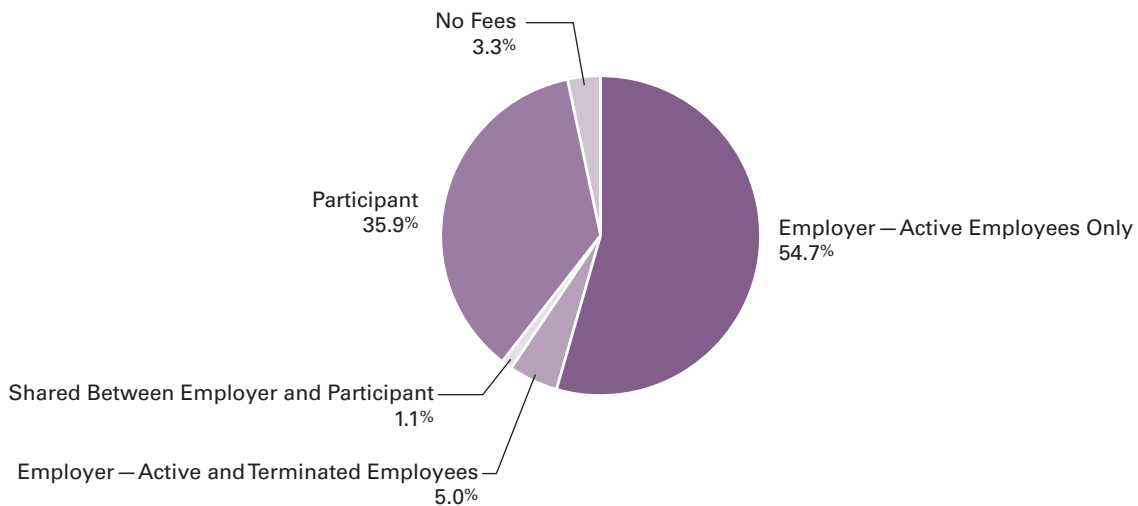


## Plan Administration Practices *(Full data tables: page 19)*

The survey found a great deal of variety in administrative practices, perhaps reflective of one dominant characteristic—three-fourths of organizations relied on their benefits broker to develop their HSA program. Beyond that:

- More than half of organizations pay the HSA maintenance fees for active employees (54.7 percent), though at more than a third of responding organizations the participant is responsible for those fees. *(See Table 31.)*
- Thirty percent of organizations automatically enroll employees in the HSA if they enroll in the HSA-qualifying health option. *(See Table 36.)*
- Fewer than ten percent of organizations use or suggest a default savings rate to employees for their HSA. *(See Table 28.)*
- Fewer than one-in-five organizations solicit rollovers from HSAs for newly hired employees. *(See Table 30.)*

### Payer of HSA Maintenance Fees



# Full Data Tables

Following are the full data tables by section that support and expand on the data found in the Executive Summary. These tables are in line with the tables from previous survey reports.

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## Demographics

Table 1 | Respondent demographics by organization size (number of total employees)

	Organization Size by Number of Total Employees					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Number of Plans	25	31	48	52	33	189
Percentage of Plans	13.2%	16.4%	25.4%	27.5%	17.5%	100.0%

Table 2 | Respondents by industry type

Industry	All Plans	
	Number of Plans	Percentage of Plans
Construction	4.2%	8
Durable Goods Manufacturing	9.5%	18
Engineering	1.6%	3
Financial	32.8%	62
Healthcare	5.3%	10
Insurance/Real Estate	9.0%	17
Non-durable Goods Manufacturing	3.2%	6
Non-Profit Organization	6.9%	13
Retail Trade	3.2%	6
Services	10.1%	19
Technology or Telecommunications	7.9%	15
Transportation	2.1%	4
Utility or Energy	3.2%	6
Wholesale Distribution	1.1%	2
Total	100.1%	189

Table 3 | Length of time employer has offered an HSA to employees

Length of Time	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Less than 2 Years	24.0%	3.4%	8.3%	7.7%	6.3%	9.1%
2-5 Years	40.0%	48.3%	33.3%	40.4%	31.3%	38.2%
6-10 Years	28.0%	31.0%	33.3%	38.5%	37.5%	34.4%
More than 10 Years	8.0%	17.2%	25.0%	13.5%	25.0%	18.3%
Total	100.0%	99.9%	99.9%	100.1%	100.1%	100.0%

Table 4 | Percentage of organizations that offer health options other than the HSA-qualifying option

Percentage of Organizations	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Percentage of Organizations	58.3%	69.0%	66.7%	78.8%	90.6%	73.5%

Table 5 | Other individual health account options offered to employees

Account Type	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Flexible Spending Account – General	45.8%	73.3%	79.2%	90.4%	87.5%	78.5%
Flexible Spending Account – Limited	50.0%	60.0%	66.7%	65.4%	62.5%	62.4%
Flexible Spending Account – Dependent Care Only	4.2%	3.3%	0.0%	1.9%	3.1%	2.2%
Health Reimbursement Arrangement	12.5%	10.0%	12.5%	15.4%	25.0%	15.1%
None	37.5%	6.7%	14.6%	9.6%	0.0%	12.4%



## Eligibility and Participation

Table 6 | **Percentage of total employees eligible to participate in the HSA program in 2018 (enrolled in the HSA-capable health option)**

	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Average Percentage of Employees	77.0%	59.2%	54.4%	43.2%	46.5%	53.7%

Table 7 | **Percentage of eligible employees that had an HSA in 2018**

	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Percentage of Employees	96.4%	91.8%	91.2%	87.6%	89.3%	90.7%

Table 8 | **Percentage of employees with an HSA that contributed to it in 2018**

	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Percentage of Employees	90.2%	86.3%	86.1%	85.8%	80.9%	85.7%

Table 9 | **Average participant contribution in 2018**

	All Plans
Average Contribution	\$2,595
Median Contribution	\$2,476

Table 10 | **Average HSA balance in 2018**

	All Plans
Average Balance	\$5,239
Median Balance	\$3,480

Table 11 | **Percentage of participants that spent their entire HSA balance in 2018**

Percentage of Participants	Organization Size (Number of Total Employees)					All Plans
	1-49	50-199	200-999	1,000-4,999	5,000+	
0-25%	43.5%	20.0%	23.9%	28.0%	33.3%	28.5%
26-50%	4.3%	6.7%	4.3%	6.0%	3.3%	5.0%
51-75%	4.3%	6.7%	2.2%	0.0%	3.3%	2.8%
76-100%	0.0%	0.0%	0.0%	2.0%	0.0%	0.6%
Unknown	47.8%	66.7%	69.6%	64.0%	60.0%	63.1%
Total	99.9%	100.1%	100.0%	100.0%	99.9%	100.0%

Table 12 | **Percentage of participants that contributed the maximum to the HSA in 2018**

Percentage of Participants	Organization Size (Number of Total Employees)					All Plans
	1-49	50-199	200-999	1,000-4,999	5,000+	
Less than 5%	12.0%	21.4%	15.2%	32.0%	23.3%	21.8%
5-9.9%	0.0%	17.9%	21.7%	14.0%	6.7%	13.4%
10-14.9%	8.0%	17.9%	17.4%	14.0%	6.7%	13.4%
15-19.9%	16.0%	10.7%	4.3%	12.0%	10.0%	10.1%
More than 20%	44.0%	21.4%	23.9%	8.0%	3.3%	18.4%
Unknown	20.0%	10.7%	17.4%	20.0%	50.0%	22.9%
Total	100.0%	100.0%	99.9%	100.0%	100.0%	100.0%

## Employer Contributions

Table 13 | **Percentage of organizations that contribute to the HSA**

	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Percentage of Organizations	75.0%	73.3%	81.3%	94.2%	75.0%	81.7%

Table 14 | **Formula used to calculate the organization's contribution to the HSA**

Formula	Organization Size (Number of Total Employees)					
	1-49*	50-199	200-999	1,000-4,999	5,000+	All Plans
Set Dollar Amount per Employee	61.1%	22.7%	13.2%	12.5%	25.0%	22.0%
Set Dollar Amount per Coverage Level	38.9%	77.3%	81.6%	72.9%	58.3%	69.3%
Match Employee's Contribution	0.0%	0.0%	2.6%	4.2%	4.2%	2.7%
Other	0.0%	0.0%	2.6%	10.4%	12.5%	6.0%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

\* Small sample size.

Table 15 | **Timing of employer contributions to the HSA**

Timing	Organization Size (Number of Total Employees)					
	1-49*	50-199	200-999	1,000-4,999	5,000+	All Plans
Front-Loaded (Made at the beginning of the year.)	17.6%	36.4%	21.1%	42.9%	41.7%	33.3%
Quarterly	23.5%	9.1%	15.8%	4.1%	4.2%	10.0%
Monthly	23.5%	4.5%	5.3%	6.1%	4.2%	7.3%
Per Pay-Period	29.4%	40.9%	39.5%	28.6%	37.5%	34.7%
Other	5.9%	9.1%	18.4%	18.4%	12.5%	14.7%
Total	99.9%	100.0%	100.1%	100.1%	100.1%	100.0%

\* Small sample size.

Table 16 | **Amount contributed per employee for companies that use a per-employee formula**

<b>Contribution Range</b>	<b>Percentage</b>
\$1 – \$500	24.3%
\$501 – \$1,000	41.9%
\$1,001 – \$1,250	5.4%
More than \$1,251	28.4%
<b>Total</b>	<b>100.0%</b>

Table 17 | **Single coverage contribution range for organizations that use a coverage-level formula**

<b>Contribution Range</b>	<b>Percentage</b>
\$1 – \$250	11.6%
\$251 – \$500	38.0%
\$501 – \$750	23.1%
\$751 – \$1,000	9.1%
\$1,001 – \$1,349	6.6%
\$1,350 or more	11.6%
<b>Total</b>	<b>100.0%</b>

Table 18 | **Contribution range for coverage other than single**

<b>Contribution Range</b>	<b>Percentage</b>
\$1 – \$500	9.2%
\$501 – \$1,000	42.9%
\$1,001 – \$1,500	22.7%
\$1,501 – \$2,000	7.6%
\$2,001 – \$2,500	5.0%
\$2,501 – \$2,699	2.5%
\$2,700 or more	10.1%
<b>Total</b>	<b>100.0%</b>

## Investments

Table 19 | **Percentage of organizations that offer investment options for HSA contributions**

	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Percentage of Organizations	84.0%	66.7%	80.9%	95.9%	96.7%	85.6%

Table 20 | **Party who determined the investment options**

Party	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
HSA Provider	95.2%	85.0%	91.9%	91.5%	92.6%	91.4%
Plan Sponsor	0.0%	5.0%	2.7%	6.4%	3.7%	3.9%
Other	4.8%	10.0%	5.4%	2.1%	3.7%	4.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	99.9%

Table 21 | **Minimum balance requirements before participants can invest assets**

Minimum	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Minimum less than \$1,000	4.8%	15.8%	8.1%	8.5%	11.1%	9.3%
Minimum of \$1,000	38.1%	26.3%	27.0%	36.2%	37.0%	33.1%
Minimum more than \$1,000	38.1%	52.6%	51.4%	38.3%	37.0%	43.0%
None	19.0%	5.3%	13.5%	17.0%	14.8%	14.6%
Total	100.0%	100.0%	100.0%	100.0%	99.9%	100.0%

Table 22 | Types of investment options offered

Investment Type	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Mutual Funds	90.5%	100.0%	93.9%	97.8%	100.0%	96.5%
Self-directed Brokerage	23.8%	26.3%	21.2%	13.0%	16.0%	18.8%
CDs	4.8%	5.3%	6.1%	2.2%	0.0%	3.5%

Table 23 | Percentage of organizations that have the same investment lineup for the HSA as in the 401(k)/other DC plan

Percentage of Organizations	Organization Size (Number of Total Employees)					
	1-49*	50-199	200-999	1,000-4,999	5,000+	All Plans
Percentage of Organizations	10.0%	0.0%	5.6%	0.0%	0.0%	2.7%

\* Small sample size.

Table 24 | Percentage of organizations that charge an investment management fee (other than asset management fees) separate from the HSA maintenance fee

Charges an Investment Management Fee	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Yes	28.6%	26.3%	45.9%	34.8%	30.8%	34.9%
No	52.4%	42.1%	32.4%	47.8%	42.3%	43.0%
Unsure	19.0%	31.6%	21.6%	17.4%	26.9%	22.1%
Total	100.0%	100.0%	99.9%	100.0%	100.0%	100.0%

## Education

Table 25 | **Timing of HSA education**

Timing	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Primarily at Open Enrollment	78.3%	83.9%	77.8%	75.0%	67.7%	76.4%
Multiple Times Throughout the Year	21.7%	12.9%	17.8%	23.1%	32.3%	21.4%
Other	0.0%	3.2%	4.4%	1.9%	0.0%	2.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Table 26 | **Resources used to educate employees about the HSA**

Resource	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
HSA "How-to" Guide	56.5%	58.1%	53.3%	57.7%	58.1%	56.6%
Written Materials Only	26.1%	35.5%	24.4%	34.6%	38.7%	31.9%
Flyers	21.7%	41.9%	42.2%	65.4%	35.5%	45.1%
Mobile Technology	8.7%	9.7%	22.2%	17.3%	12.9%	15.4%
Videos	17.4%	12.9%	15.6%	42.3%	38.7%	26.9%
Webinars	13.0%	16.1%	24.4%	48.1%	32.3%	29.7%
Group Presentations	52.2%	67.7%	75.6%	57.7%	38.7%	59.9%
Other	4.3%	6.5%	13.3%	3.8%	6.5%	7.1%

Table 27 | **Percentage of organizations that provide education or advice to employees on choosing between the 401(k)/403(b) and the HSA**

Percentage of Organizations	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Percentage of Organizations	75.0%	74.2%	55.6%	50.0%	45.2%	57.9%

Table 28 | **Percentage of organizations that use a default or otherwise suggest an savings amount to employees during annual enrollment**

	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Percentage of Organizations	20.8%	16.1%	4.4%	3.8%	12.9%	9.8%

Table 29 | **Percentage of organizations that encourage or offer additional education to employees who do not contribute to the HSA or only contribute a nominal amount**

	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Percentage of Organizations	25.0%	32.3%	15.6%	25.0%	32.3%	25.1%



## Plan Administration

Table 30 | **Percentage of organizations that solicit rollovers from health savings accounts for newly-hired participants**

	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Percentage of Organizations	20.8%	25.8%	17.4%	23.5%	6.5%	19.1%

Table 31 | **Payer of HSA maintenance fees**

Payer of Fees	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Employer – Active Employees Only	29.2%	51.6%	47.8%	62.7%	75.9%	54.7%
Employer – Active and Terminated Employees	16.7%	6.5%	2.2%	2.0%	3.4%	5.0%
Shared Between Employer and Participant	0.0%	0.0%	0.0%	3.9%	0.0%	1.1%
Participant	50.0%	41.9%	43.5%	29.4%	17.2%	35.9%
No Fees	4.2%	0.0%	6.5%	2.0%	3.4%	3.3%
Total	100.1%	100.0%	100.0%	100.0%	99.9%	100.0%

Table 32 | **Average cost per participant to administer the HSA plan**

	Fee Type	
	Monthly	Annual
Average	\$2.80	\$33.14
Median	\$2.75	\$33.00

Table 33 | Resources used in the development of the HSA program

Resource	Organization Size (Number of Total Employees)					All Plans
	1-49	50-199	200-999	1,000-4,999	5,000+	
Benefits Broker/Consultant	47.6%	76.7%	83.7%	81.6%	72.4%	75.6%
Lawyer	0.0%	3.3%	2.3%	4.1%	10.3%	4.1%
Retirement Advisor	19.0%	3.3%	4.7%	2.0%	0.0%	4.7%
None/Self-Designed	14.3%	13.3%	7.0%	6.1%	10.3%	9.3%
Other	19.0%	3.3%	2.3%	6.1%	6.9%	6.4%
Total	99.9%	99.9%	100.0%	99.9%	99.9%	100.1%

Table 34 | HSA provider types

Provider	Organization Size (Number of Total Employees)					All Plans
	1-49	50-199	200-999	1,000-4,999	5,000+	
Bank	37.5%	50.0%	62.2%	40.4%	32.3%	45.6%
Credit Union	0.0%	0.0%	0.0%	1.9%	0.0%	0.5%
HSA Administrator	50.0%	36.7%	28.9%	51.9%	61.3%	45.1%
Investment Firm	4.2%	0.0%	2.2%	5.8%	0.0%	2.7%
Non-bank Trustee	8.3%	0.0%	2.2%	0.0%	3.2%	2.2%
Other	0.0%	13.3%	4.4%	0.0%	3.2%	3.8%
Total	100.0%	100.0%	99.9%	100.0%	100.0%	99.9%

Table 35 | Percentage of organizations that offer pre-tax payroll deductions of HSA contributions through your cafeteria plan

Percentage of Organizations	Organization Size (Number of Total Employees)					All Plans
	1-49	50-199	200-999	1,000-4,999	5,000+	
Percentage of Organizations	83.3%	96.7%	93.3%	94.2%	93.1%	92.8%

Table 36 | **Percentage of organizations that automatically enroll employees in the HSA if they enroll in the HSA-qualifying health option**

	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Percentage of Organizations	34.8%	37.9%	20.0%	26.9%	35.5%	29.4%

Table 37 | **Primary HSA concern**

Concern	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Difficulty of Administration	23.8%	6.9%	7.1%	18.8%	26.9%	15.7%
Compliance	9.5%	17.2%	11.9%	2.1%	3.8%	8.4%
Employee Education	38.1%	48.3%	66.7%	70.8%	69.2%	61.4%
Investment Options	14.3%	10.3%	7.1%	2.1%	0.0%	6.0%
Fiduciary liability	4.8%	10.3%	4.8%	0.0%	0.0%	3.6%
Other	9.5%	6.9%	2.4%	6.3%	0.0%	4.8%
Total	100.0%	99.9%	100.0%	100.1%	99.9%	99.9%

Table 38 | **Secondary HSA concern**

Concern	Organization Size (Number of Total Employees)					
	1-49	50-199	200-999	1,000-4,999	5,000+	All Plans
Difficulty of Administration	20.0%	7.1%	15.0%	31.8%	16.7%	19.2%
Compliance	15.0%	39.3%	27.5%	29.5%	37.5%	30.1%
Employee Education	25.0%	25.0%	15.0%	13.6%	8.3%	16.7%
Investment Options	25.0%	21.4%	12.5%	13.6%	8.3%	15.4%
Fiduciary liability	10.0%	7.1%	30.0%	11.4%	25.0%	17.3%
Other	5.0%	0.0%	0.0%	0.0%	4.2%	1.3%
Total	100.0%	99.9%	100.0%	99.9%	100.0%	100.0%

# Survey Questionnaire

Following is the 5-page survey questionnaire used to collect data for PSCA's *2019 HSA Survey*. The questionnaire was distributed online only.

## 2019 Health Savings Accounts Benchmarking Survey Questionnaire

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1. Please select the category that most closely matches the industry of your company

- |  |  |
|--|--|
| <input type="checkbox"/> Construction                    | <input type="checkbox"/> Services                      |
| <input type="checkbox"/> Durable Goods Manufacturing     | <input type="checkbox"/> Technology/Telecommunications |
| <input type="checkbox"/> Engineering                     | <input type="checkbox"/> Transportation                |
| <input type="checkbox"/> Financial                       | <input type="checkbox"/> Tribal                        |
| <input type="checkbox"/> Healthcare                      | <input type="checkbox"/> Utility/Energy                |
| <input type="checkbox"/> Insurance/Real Estate           | <input type="checkbox"/> Wholesale Distribution        |
| <input type="checkbox"/> Non-Durable Goods Manufacturing | <input type="checkbox"/> Other                         |
| <input type="checkbox"/> Non-Profit Organization         |  |
| <input type="checkbox"/> Retail Trade                    |  |

2. How many total US employees does your company have? \_\_\_\_\_

3. What is your title? \_\_\_\_\_

### Availability

4. Did you offer a Health Savings Account (HSA)–qualifying health option to employees in 2018?

- Yes       No

If not, did you offer one for 2019?

- Yes (skip to end of survey)     No (Skip to end of survey)

a) If yes, for how many years have you offered an HSA?

- Less than 2 years  
 2-5 years  
 6-10 years  
 More than 10 years

b) Do you have health plan options other than the HSA-qualifying health option?

- Yes       No

c.) Do you offer any of these individual health account options other than HSAs? Check all that apply.

- Flexible Spending Account (FSA) – General  
 Flexible Spending Account (FSA) – Limited  
 Health Reimbursement Arrangement  
 None  
 Other

## Participation

5. How many employees could have selected an HSA-qualifying health option in 2018 (answer should be equal to or less than your answer to question 2)? \_\_\_\_\_
6. How many employees selected an HSA-qualifying health option in 2018 (answer should be equal to or less than your answer to question 5)? \_\_\_\_\_
7. How many eligible employees opened/had an HSA in 2018 (answer should be equal to or less than your answer to question 6)? \_\_\_\_\_
8. How many employees made a contribution to their HSA in 2018 (answer should be equal to or less than your answer to question 7)? \_\_\_\_\_
9. What was the total HSA balance for all employees as of December 31, 2018? If unknown, please indicate. \$ \_\_\_\_\_
10. What was the total amount contributed to HSAs by all employees in 2018? If unknown, please indicate. \$ \_\_\_\_\_
11. What percentage of your employees had a zero balance in their HSA as of December 31, 2018 (used their entire HSA balance in 2018)?  
 0 – 25%     26 – 50%     51 – 75%     76 – 100%     Unknown
12. What percentage of HSA-eligible employees contributed the maximum to the HSA in 2018 (employee and/or employer contributions, combined)?  
 Less than 5 percent  
 5-9.9 percent  
 10-14.9 percent  
 15-19.9 percent  
 20 percent or more  
 Unsure

## Employer Contributions

13. Do you provide an employer contribution to employees' health savings account?  
 Yes     No (skip to 14)
- a) If yes, how do you determine the employer contribution amount?  
 Set dollar amount per employee  
 Set dollar amount per HDHP coverage level (i.e. single, family, etc.)  
 Match of employee's contribution  
 Other (please specify): \_\_\_\_\_
- b) When are contributions made?  
 Front-loaded (Made at the beginning of the year).  
 Quarterly  
 Monthly  
 Per-pay-period  
 Other: \_\_\_\_\_
- c) If you contribute a set dollar amount per employee, what is the range of contribution on an annual basis?  
 \$1 - \$500  
 \$501 - \$1,000  
 \$1,001 - \$1,250  
 More than \$1,251  
 N/A

- d) If you contribute a set dollar amount per coverage level what is the range of contribution for single coverage on an annual basis?
- \$1 - \$250
  - \$251 - \$500
  - \$501 - \$750
  - \$751 - \$1,000
  - \$1,001 - \$1,349
  - \$1,350 or more
  - N/A
- e) If you contribute a set annual dollar amount per coverage level what is the range of contribution for a tier of coverage *other than single*?
- \$1 - \$500
  - \$501 - \$1,000
  - \$1,001 - \$1,500
  - \$1,501 - \$2,000
  - \$2,001 - \$2,500
  - \$2,501 - \$2,699
  - \$2,700 or more
  - N/A
- f). If you match employee contributions, what is the range of the match?
- 1 – 25 cents per dollar
  - 26 – 50 cents per dollar
  - 51 – 1.00 per dollar
  - More than dollar per dollar
- g). If you match employee contributions, is there a maximum match amount?
- Match up to a maximum dollar amount based on salary
  - Match up to a maximum dollar amount based on coverage type
  - We match all contributions up to the IRS employer contribution maximum

## Investments

14. Are investment options, other than cash-equivalent or a checking account, offered?

- Yes       No

a. If yes, who determined the investment options that would be offered in the HSA?

- HSA Provider
- Plan Sponsor
- Other: \_\_\_\_\_

b. If yes, is a minimum balance in the cash-equivalent account required before you can use other investment options?

- Yes, a minimum less than \$1,000
- Yes, a minimum of \$1,000
- Yes, a minimum of more than \$1,000
- No, there is not a minimum balance required.

c. If yes, what are your investment options, check all that apply:

- Mutual Funds
- Self-directed Brokerage
- CDs
- other

If Mutual Funds, how many are offered? \_\_\_\_\_

d. What percentage of participants chose something other than money market/cash equivalent funds? If unknown, please indicate so. \$ \_\_\_\_\_

e. What percentage of assets are in something other than money market/cash equivalent funds. If unknown, please indicate so. \$ \_\_\_\_\_

h. Is the investment lineup the same as in your 401(k)/other DC plan?

- Yes
- No

f. Excluding asset management fees, are participants charged a fee for investment management separate from the HSA maintenance fee?

- Yes
- No

### Plan Administration

15. Do you solicit rollovers from Health Savings Accounts for newly hired participants?

- Yes
- No

16. Does your company cover the maintenance fees of the HSAs for employees?

- Yes, for active employees only.
- Yes, for active and terminated employees.
- Shared cost between company and employee.
- No
- Other \_\_\_\_\_

17. What is the average cost per participant to administer the HSA plan? \_\_\_\_\_

18. What resources did you use for the development of your HSA plan?

- Benefits broker/Consultant
- Retirement Advisor
- CPA
- Lawyer
- Other: \_\_\_\_\_

19. Is your HSA Provider a:

- Bank
- Credit Union
- Investment Firm
- Non-bank Trustee
- HSA Administrator
- Other: \_\_\_\_\_

20. Do you offer pre-tax payroll deductions of HSA contributions through your cafeteria plan?

- Yes
- No



21. Similar to automatic enrollment in a 401(k) or 403(b) plan, do you automatically enroll employees in the HSA if they enroll in the HSA-qualifying health option?
- Yes       No
22. Please rank your top two HSA concerns:
- Difficulty of administration
  - Compliance
  - Employee Education
  - Investment Options
  - Fiduciary liability
  - Other: \_\_\_\_\_

## Education

23. How often do you educate employees about the HSA?
- Primarily at open enrollment
  - Multiple times throughout the year
  - Other
24. Which of the following resources or communication options do you use to educate employees about the HSA?  
Check all that apply.
- HSA "how-to" Guide
  - Written materials only
  - Flyers
  - Presentations
  - Mobile Technology
  - Videos
  - Webinars
  - Group Presentations
  - Other (please specify): \_\_\_\_\_
25. Do you provide education or advice to employees on how to choose between the 401(k)/403(b) or the HSA?
- Yes       No
26. During annual enrollment, do you use a default or otherwise suggest an amount employees should contribute to their HSA?
- Yes       No
27. Does your organization encourage or offer additional education to employees who do not contribute to the HSA or only contribute a nominal amount?
- Yes       No

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# PSCA

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