

# HSAs and High Deductible Health Plans –

## A GUIDE TO INCREASING ADOPTION



Offering Health Savings Accounts (HSAs) paired with a high deductible health plan (HDHP) are an important part of many employer-sponsored benefit plans. To improve plan and account adoption, employers, brokers and third party administrators need to understand employees' concerns and how an HSA with HDHP can address them.

★★★★★  
**TOP  
5**

### CAUSES OF **FINANCIAL STRESS:**

American workers are deeply concerned about the affordability of healthcare and retirement. According to a recent study<sup>1</sup>:



**72%**

worry about the cost of healthcare in retirement



**68%**

are concerned about outliving their retirement savings



**67%**

are afraid of not having money to pay their bills if someone loses their job



**67%**

are stressed about having money to cover out-of-pocket medical costs



**66%**

are concerned about having to rely on Social Security/Medicare in retirement

### BARRIERS TO **HSA ADOPTION**

Common reasons people will not open an HSA:

**1**

Do not recognize the account's value and benefit to them

**2**

Healthcare benefit accounts are hard to understand

**3**

Believe HSAs are for wealthy people

### KEYS TO INCREASING **HSA ADOPTION**



To increase HSA adoption, employers, third party administrators and benefits brokers should promote how the account can alleviate those causes for financial stress.

#### **Affordable premiums:**

HDHPs cost less up front, allowing HSA owners to save up for healthcare when they need it

#### **Keep the money:**

HSA rollover lets account owners keep all unused funds and it's their account for life

#### **Tax savings:**

It lowers their payday taxes and withdrawals are tax-free for qualified healthcare expenses

#### **Tax-free growth:**

Interest and investment earnings are not taxed

#### **Use the account now:**

Doctor and dental visits, OTC and prescription meds, first aid items, and lots more

#### **Use the account later:**

Use it in retirement like a 401(k) or as a Medicare supplement

#### **Employer seeding:**

Companies can offer incentives for enrollment and meeting wellness program goals

#### **Education:**

Year-round employee engagement and education campaigns can help improve understanding and usability

<sup>1</sup> MetLife's 17th Annual U.S. Employee Benefit Trends Study 2019