

Understanding and Maximizing HSA Benefits

A Health Savings Account is a valuable financial health tool that helps Americans pay for qualified medical expenses.

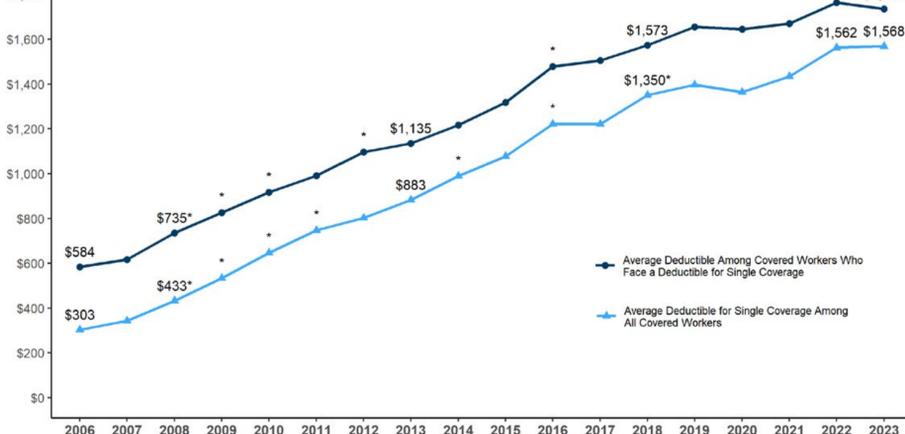


PROBLEM Increasing out-of-pocket expenses

SOLUTION Health Savings Accounts enable Americans to save so they can manage increasing deductibles and out-of-pocket expenses.

- 90% of workers covered by an employer plan have a general annual deductible.

Average General Annual Deductibles For Single Coverage, 2006–2023



* Estimate is statistically different from estimate for the previous year shown (p < .05).
 NOTE: Average general annual deductibles are among all covered workers. Workers in plans without a general annual deductible for in-network services are assigned a value of zero.
 SOURCE: KFF Employer Health Benefits Survey, 2018-2023; Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2006-2017

- The average amount of the general annual deductible is significantly higher than the minimum for an HSA plan (\$1,500 for single coverage in 2023).

Affordable Care Act exchange plans tend to have significantly higher deductibles. According to an HHS study, in 2021 the average deductible for an ACA individual silver plan was \$4,500.

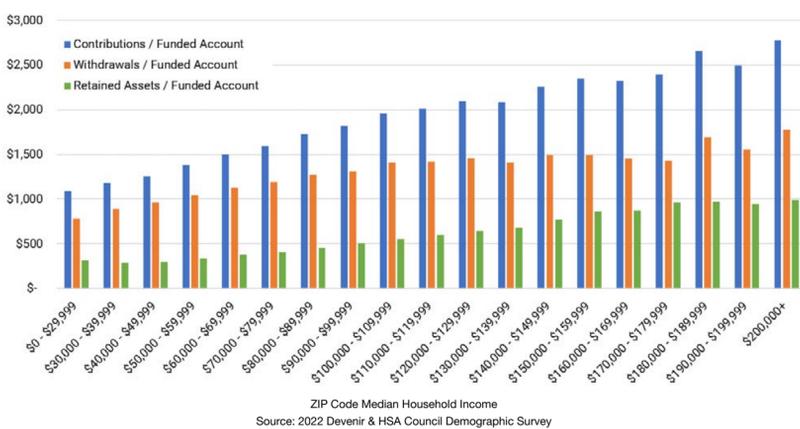
MYTH HSAs are only for wealthy people.

FACT #1 HSAs are used by people of all income levels.

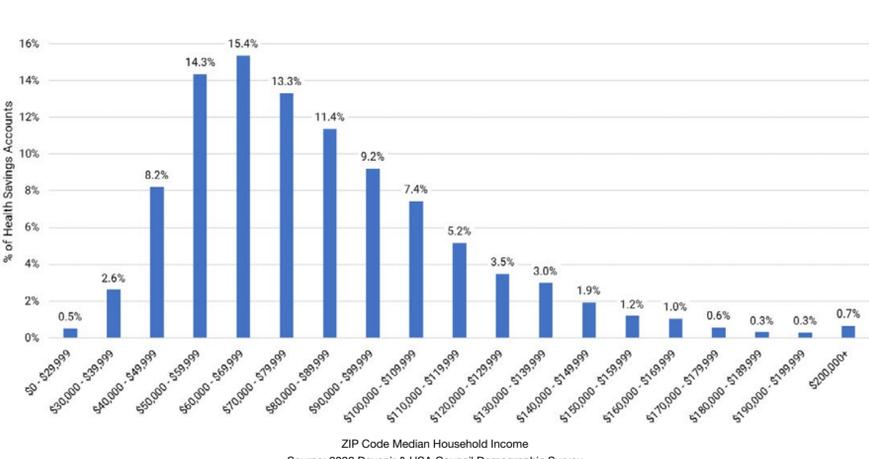
- 75% of all HSA owners live in a ZIP code with a median household income (HHI) of <\$100K, with the median in the mid-high \$70K range.
- Families with HHI of less than \$30K contribute, on average, at least \$1,000 to their HSAs and end the year with approximately 25% of that in the account.



Contribution / Withdrawal Activity by Household Income



Median Income Range of Families with Health Savings Accounts



FACT #2 Employer HSA contributions benefit American workers and represent a progressive benefit that enables lower-income workers to take advantage of an HSA.

- 83% of workers enrolled in single coverage and 82% enrolled in family coverage are offered an HSA contribution from their employer.
- The average contributions are \$791 for individuals and \$1,469 for families.
- Employees' share of premiums for family coverage, on average, are more than \$1,900 lower for an HSA-qualified plan than for a non-HSA plan.



Sources:

- KFF average deductibles, employer plan
- Average deductibles, ACA exchange
- KFF employer HSA contributions and premium savings



HSAs are valuable for Americans, allowing them to pay for qualified medical expenses.

For more information on HSA accounts, visit aba.com/HSA

