HSA Utilization: What Moves the Dial?

INFLOW / OUTFLOW
Regardless of the year the account was opened, individual contributions increased with the age of the account. The higher distributions associated with older accounts may suggest that individuals have been actively building up their account balances over time, and, as major health expenses have been incurred, account owners then take larger distributions.

HSA INVESTING
The use of investments other than cash within HSAs remains low despite the tax-saving possibilities, though usage appears to change the longer an HSA owner holds the account. Also, generally, the longer an account has been open, the larger the percentage of the account balance that is in non-cash investments.

EMPLOYER CONTRIBUTION EFFECT
Accounts with an employer contribution had lower average individual contributions. Employer contributions may nudge employees to allocate their discretionary dollars elsewhere. Accounts that received employer contributions more frequently contained assets other than cash.

Contributions and Distributions Increase Each Year an HSA Is Owned

Investing of HSA Balances Increased With Age of Account

Employer Contributions Can Play a Role in Engaging HSA Users