

Expanding HSAs and Plan Design Flexibility: Evidence on Premium Impacts Amid ACA Policy Debates

Beginning Jan. 1, 2026, individuals enrolled in individual-market bronze and catastrophic health plans are now eligible to contribute to a health savings account (HSA) because of a provision in the One Big Beautiful Bill Act (OBBBA). At the same time, policymakers are debating the future of health insurance affordability, including expiration of enhanced Patient Protection and Affordable Care Act (ACA) premium tax credits and the implications for premiums and enrollment in the individual market. Central to those conversations is the role of HSAs.

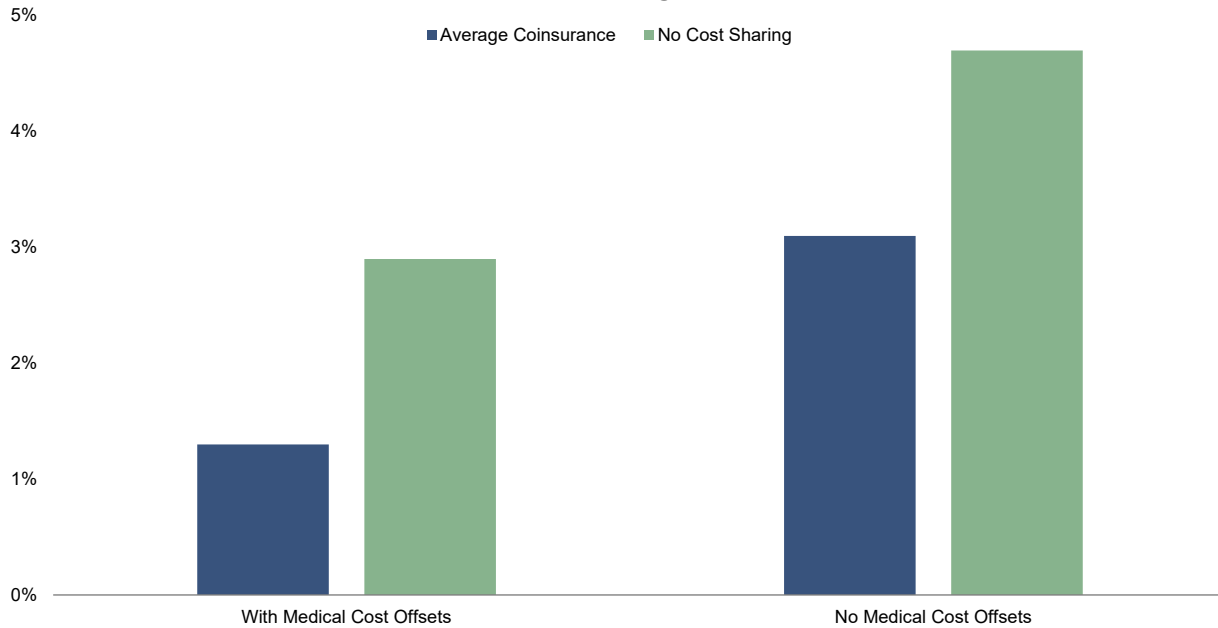
Recent legislative proposals would expand HSAs in a number of ways. The Health Care Freedom for Patients Act (Sens. Cassidy and Crapo) would have replaced enhanced ACA premium tax credits with federal deposits into individual HSAs for people enrolled in bronze or catastrophic plans. The Health Marketplace and Savings Accounts for All Act (Sen. Paul) would make HSAs available to all Americans, regardless of their insurance coverage.

There is a strong appetite for allowing flexibility around HSA-eligible health plan designs. A [2021 EBRI survey](#) found that 76 percent of employers with 200 or more employees responded to IRS Notice 2019-45 by increasing the number of drugs and services covered pre-deductible in HSA-eligible health plans when the IRS permitted such coverage. Expanding HSA eligibility to individuals with other types of insurance coverage could similarly increase flexibility in plan designs, with potential implications for premiums.

[EBRI research](#) has examined the premium implications of expanding pre-deductible coverage in high-deductible health plans (HDHPs) paired with HSAs, a plan design used primarily in employment-based coverage but increasingly relevant to broader affordability discussions. This analysis of IRS Notice 2019-45 found little to no impact on premiums.

[More recent EBRI research](#) extending pre-deductible coverage to a much broader set of 116 drug classes similarly found that estimated premium increases remained modest. In that analysis, it was found that estimated premium increases ranged from approximately 1.3 percent to 4.7 percent, depending on assumptions. Premiums increased the least when average coinsurance is imposed instead of a deductible, and medical cost offsets apply. [Other EBRI research](#) found minimal increases in health care service use following expansions of pre-deductible coverage in HSA-eligible plans, helping explain why estimated premium effects remain modest.

Figure 1
Impact on Premiums of Expanding Pre-Deductible Coverage to Chronic Disease Management Medications in HSA-Eligible Health Plans



Source: Employee Benefit Research Institute estimates based on administrative enrollment and claims data.

The limited premium impact reflects several underlying factors. Many individuals who use medications in these drug classes are high users of health care overall and would meet their deductibles regardless of whether coverage is provided pre-deductible. As a result, expanding pre-deductible coverage primarily shifts the timing of cost sharing rather than increasing total plan spending. In these cases, services that would otherwise be subject to cost sharing after the deductible is met instead remain subject to the deductible once other services are no longer subject to it. Consequently, the effects are more pronounced for out-of-pocket spending than for total premiums.

As policymakers debate the future of enhanced ACA premium tax credits and proposals to expand health savings accounts, concerns persist that broader pre-deductible coverage — most commonly used in employment-based coverage — could raise premiums. EBRI’s modeling results do not support these concerns. Even substantial expansions of pre-deductible coverage across 116 drug classes are associated with relatively modest premium increases, largely because many users of these services already meet their deductibles, limiting the effects on total plan spending.

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