

At a Glance | February 20, 2020

HSAs and Investing

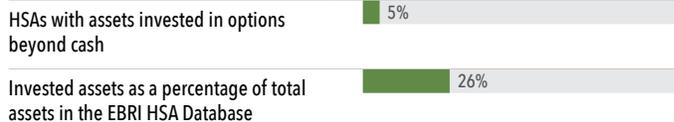
The EBRI HSA Database contains data on 9.8 million accounts with total assets of \$22.8 billion.¹

INVESTED HSAS

Only 5 percent of health savings accounts (HSAs) in the EBRI HSA Database had assets invested in options beyond cash at the end of 2018. Despite this, invested assets accounted for 26 percent of the total assets in the EBRI HSA Database.

Few HSAs Invest, but Investments Account for a Large Percentage of Total Balances

Invested Assets



HSA BALANCES

HSAs with invested assets had significantly higher balances at the end of 2018 than accounts without invested assets when examining those accounts by the year in which the account was opened.

End-of-Year Balances Were Much Higher in Accounts With Investments

Average Account Balance Among HSAs With Contributions



HSA DISTRIBUTIONS

While it might be expected that individuals who invested their account balance were using the account solely as a long-term savings vehicle, the opposite appears to have been true. Both investors and non-investors used the HSA to self-fund medical expenses.

The Likelihood and Size of Distributions Were Higher in Accounts With Investments

Without Invested Assets



Average annual HSA distribution
\$1.8k

With Invested Assets



Average annual HSA distribution
\$2.6k

¹ As of Dec. 31, 2018.

² 2004 or earlier. Includes Archer Medical Savings Account (MSA) rollovers.

SOURCE: Paul Fronstin and Jake Spiegel, "Health Savings Account Balances, Contributions, Distributions, and Other Vital Statistics, 2018: Statistics From the EBRI HSA Database," EBRI Issue Brief, no. 496 (Employee Benefit Research Institute, December 5, 2019).