



Your HSA Opportunity

Don't overlook the HSA market as health savings becomes a priority.



Tap into the HSA Market. The Outlook is Bright.

If your organization isn't offering health savings accounts (HSAs), you may want to take another look at the benefits of offering them. As more employers look for ways to lower their healthcare expenses and individuals learn more about the tax advantages, the popularity of HSAs is predicted to continue growing.

In 2022, the number of HSAs exceeded 35.5 million, holding over \$104 billion in assets—a year over year increase of 6% for HSA assets and 9% for HSAs.¹

THE TRIPLE TAX ADVANTAGE

Your clients likely are aware of 401(k) and IRA tax advantages, but many don't understand that HSAs offer three separate tax benefits. We call this the triple tax advantage. No other savings vehicle under the tax code has this kind of preferential treatment. First, individuals get a tax deduction when they contribute to an HSA, whether through payroll deduction or direct deposit. Second, HSA earnings grow tax-free. Third, HSA owners can make tax-free withdrawals for qualified medical expenses.

	Retirement Plans and Traditional IRAs	Roth IRAs	HSAs
 Tax deduction for contributions	✓	—	✓
 Tax-deferred growth	✓	✓	✓
 Tax-free distributions	—	✓	✓

¹2022 Year-End HSA Market Statistics & Trends Executive Summary. Devenir Research. March 30, 2023.

How HSAs Help Your Clients and You.

HSAs offer your clients a smart way to save for healthcare expenses, and they offer your organization an opportunity to engage new clients and become their “one-stop financial shop.” With the use of debit cards, you can also create new revenue streams with interchange fees.

HSAs HELP SECURE FINANCIAL WELLNESS

Because HSAs don't have a “use-it-or-lose-it” rule and can be retained when changing employers, savers are becoming savvy on how to maximize their savings and growth potential with these accounts. As healthcare expenses continue to rise, HSAs become an even more important part of a saver's overall strategy. As individuals continue to invest in their HSA, it provides a vehicle for accumulating larger balances that you can retain at your organization.

HSAs by the Numbers

\$47 Billion

in contributions¹

\$34 Billion

in withdrawals—82% are done via debit card¹

28%

retained assets from January 1-December 31, 2022¹

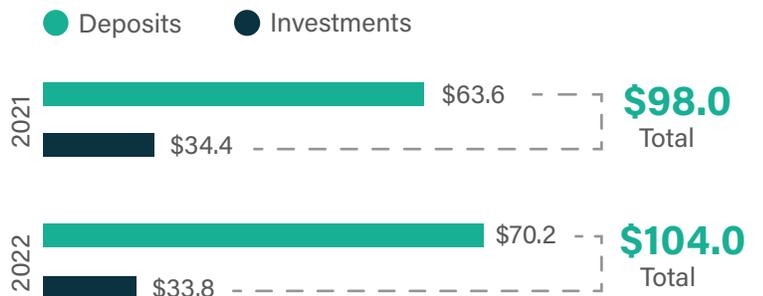
\$1.00-\$7.00

range of monthly account fees²

HSAs PROVIDE GROWTH OPPORTUNITY

Future projections continue to show steady growth for the HSA market. It is estimated that by the end of 2025, total HSA assets will equal \$150 billion in 43 million accounts.¹ And, more mid-to-small sized businesses are offering high deductible health plans (HDHPs) with and without HSAs. This gives you the opportunity to partner with local businesses by having their employees open these accounts with you. Their HSA payroll deductions increase your asset base—while keeping the money local—and you'll be providing a more well-rounded suite of retirement and savings plans to current and potential customers.

Estimated Total HSA Assets (in Billions)¹



HSAs ATTRACT NEW CLIENTS

HSAs can be a source of new clients for checking accounts, savings accounts, and loans. HSAs also offer the opportunity to reach out to business banking customers with a new product.

¹2022 Year-End HSA Market Statistics & Trends Executive Summary. Devenir Research. March 30, 2023.

²HSASearch, A Denevir Solution. <https://www.hsasearch.com/compare/>. Data accessed as of July 3, 2023.

Get Started with the HSA Experts.

We have been HSA compliance experts since their inception. We continuously monitor new laws, revised regulations, and marketing trends to be your go-to HSA resource. In fact, between our consulting and IRA/HSA support center teams, we answered over 140,000 calls on tax-advantaged savings arrangements in 2022 alone.

From administration, forms, and documents to education and training, we offer a full suite of products to establish and maintain your HSA program.

- 1. Documents:** Our HSA forms and documents are easy to use, available in several digital formats, and customizable to meet your business needs. Our documents are created and maintained by our expert staff—one of the largest ERISA consulting practices in the U.S.
- 2. Operations:** Because IRA and HSA transactions are similar, you can use similar workflows to administer both. We can review your current procedures to determine how to integrate HSAs into your processes.
- 3. Reporting:** Internal systems should be updated for HSA contribution and distribution reporting requirements. Through our administration services, we provide the required IRS contribution and distribution tax codes if your system hasn't been updated for HSA reporting.
- 4. Education:** Get ahead of any HSA misconceptions by ensuring your staff is well-trained. Our extensive training curriculum and products help uncover and address common HSA roadblocks and are structured and delivered around the way you work. We offer nationally recognized seminars and tools to supplement your in-house training programs, and the Certified Health Savings Professional (CHSP) designation, which sets an industry standard in HSA expertise.
- 5. Marketing:** Spark more interest in your HSA program by targeting local employers and individual consumers. We have a variety of marketing materials designed to educate, engage, and make your clients and prospects aware of the benefits of HSAs.

Contact Info

Contact us to discuss getting into the HSA market. Our HSA Market Entry Consulting team can work with you to bring this triple tax-advantaged savings product to your clients.



800-346-3860



sales.support@ascensus.com

Ascensus provides administrative and recordkeeping services and is not a broker-dealer or an investment advisor.

Ascensus® and the Ascensus logo are registered trademarks of Ascensus, LLC.

Copyright ©2023 Ascensus, LLC. All Rights Reserved. 1350600-RPS-1350601 (08/2023)

