

Demystifying HSAs:

A new study reveals the myths around HSAs



Employee Perspective on Health Savings Accounts

Usage & Common Misconceptions

The Challenge: How to engage with the majority of employees who can't afford to save and miss out on eligible expenses.

But why should employers care?

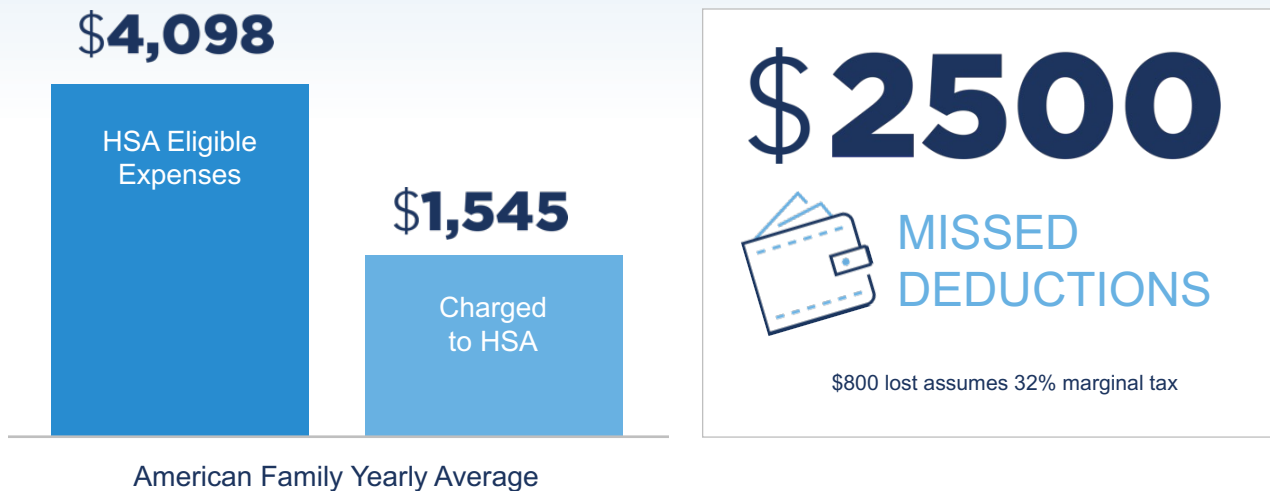
Survey results imply employees aren't maximizing (therefore missing out) on the benefits of their HSA.

This new survey reveals how an HSA focused on the Spender can help employers help employees.



How much more could employees save on taxes?

The average family misses out on \$800 in tax savings.



Sources: US Census Bureau, MEPS, Nielsen, ADA, KFF, Vision Council, EBRI database of 10M HSA accounts
Lost tax savings computed as 32% marginal Fed + state + FICA + Medicare . As of September 2020

January 2024 Consumer Survey:

Our Mission:

To gain insights on how employees are using their HSA as well as any concerns or challenges associated with their HSA.

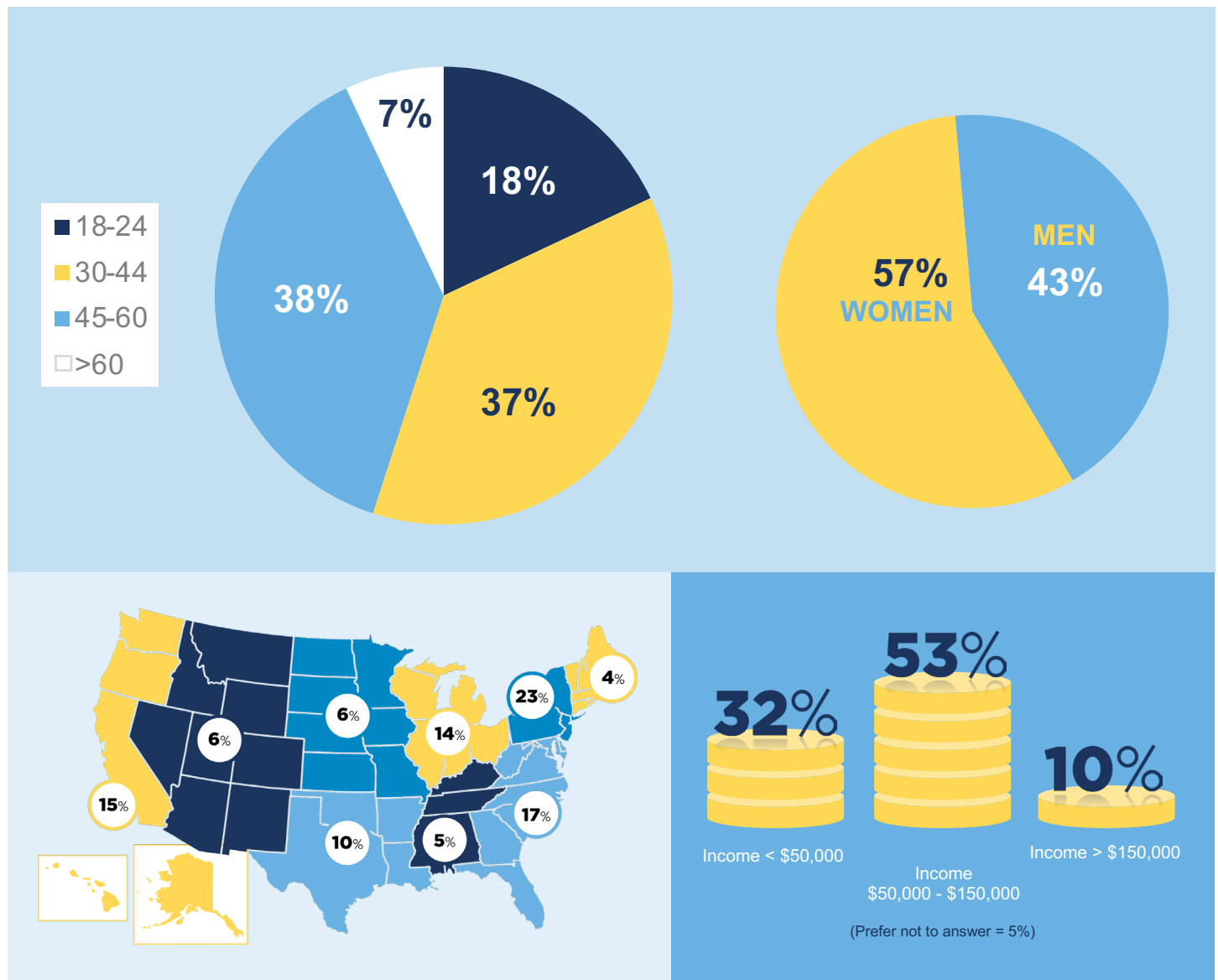
Our Goal:

To empower YOU with information and help employers improve employee satisfaction and adoption.

Survey Respondent Overview:

1,500 insured, full-time employees across a wide range of employers

DEMOGRAPHIC & GEOGRAPHIC DATA:



⊗ Myth:

You have to know ahead of time what is eligible and what isn't or you risk breaking IRS rules.

✓ Reality:

It is possible for an HSA debit card to smartly assess which expenses are eligible and which are not — automatically paying from your HSA when eligible or HSA Backup Account in case it's not eligible. It does the work for you.



Do employees avoid using their HSA if they're unsure if an expense is eligible?

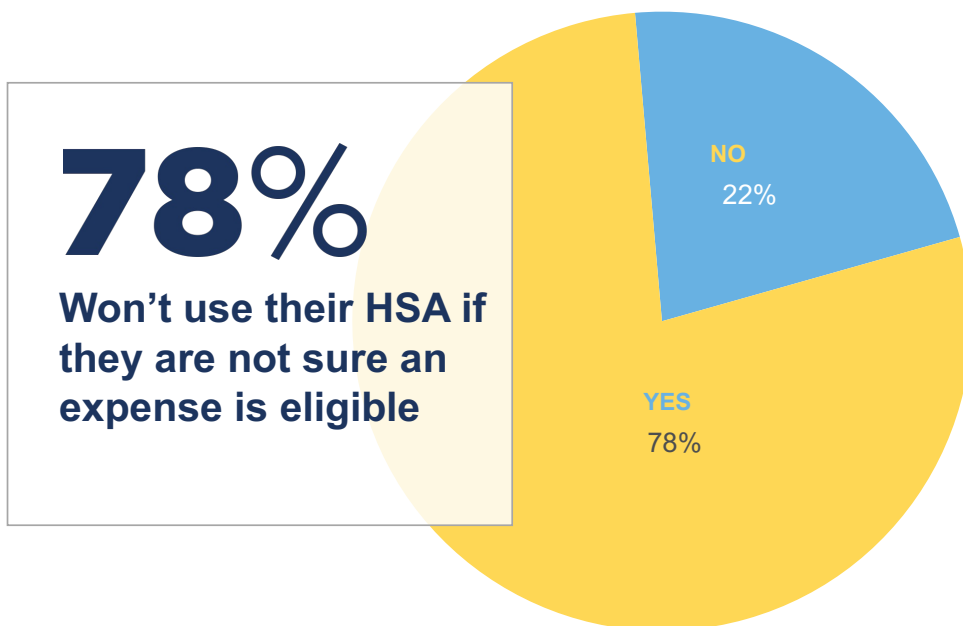
Q: Which of the following features would improve your HSA experience?

76%

Wish their HSA automatically recognized expenses that HSA will cover

72%

Wish their HSA had a better mobile app



78%

Won't use their HSA if they are not sure an expense is eligible

⊗ Myth:

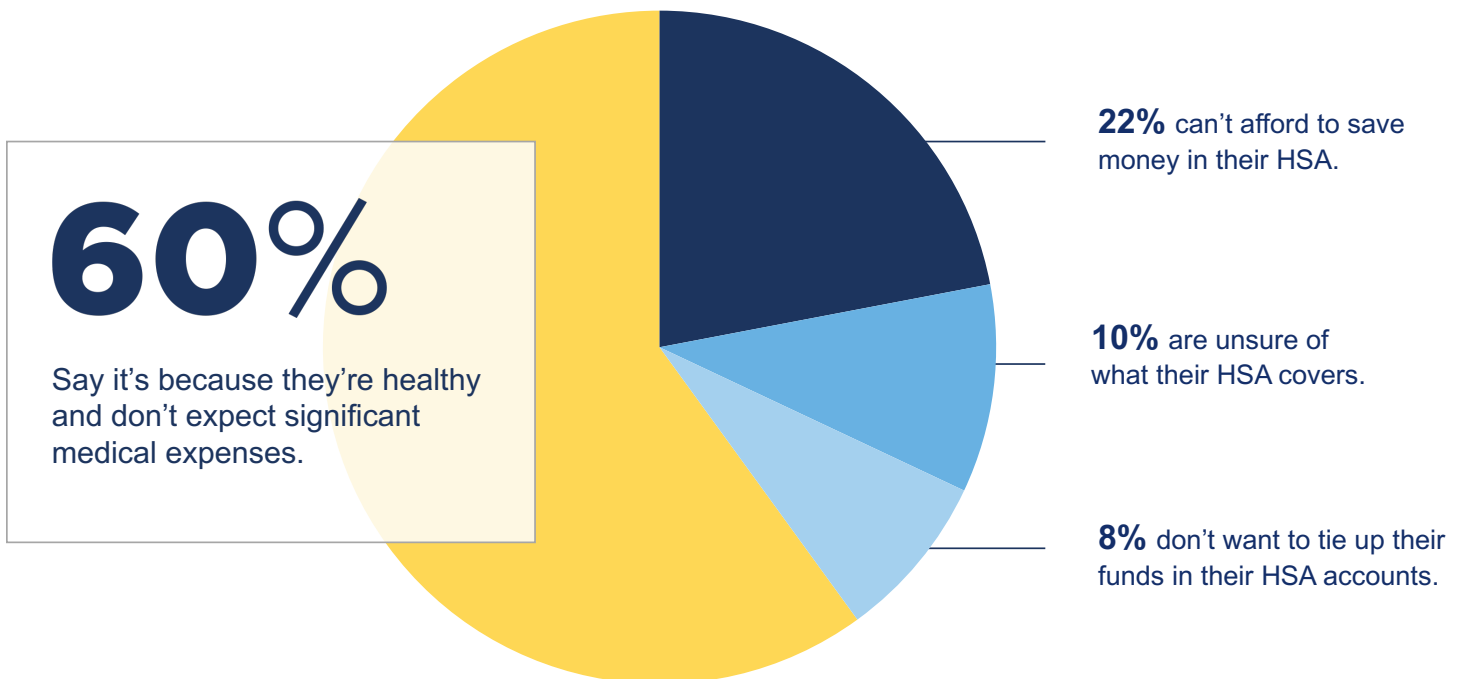
You don't need an HSA if you're healthy.

✓ Reality:

There are over 180,000 products you can purchase over the counter that are HSA eligible. Many routine dental and visions services are covered as well. You're buying eligible products and services no matter how healthy you are!



Reasons HSA employees contribute below the maximum amount:



⊗ Myth:

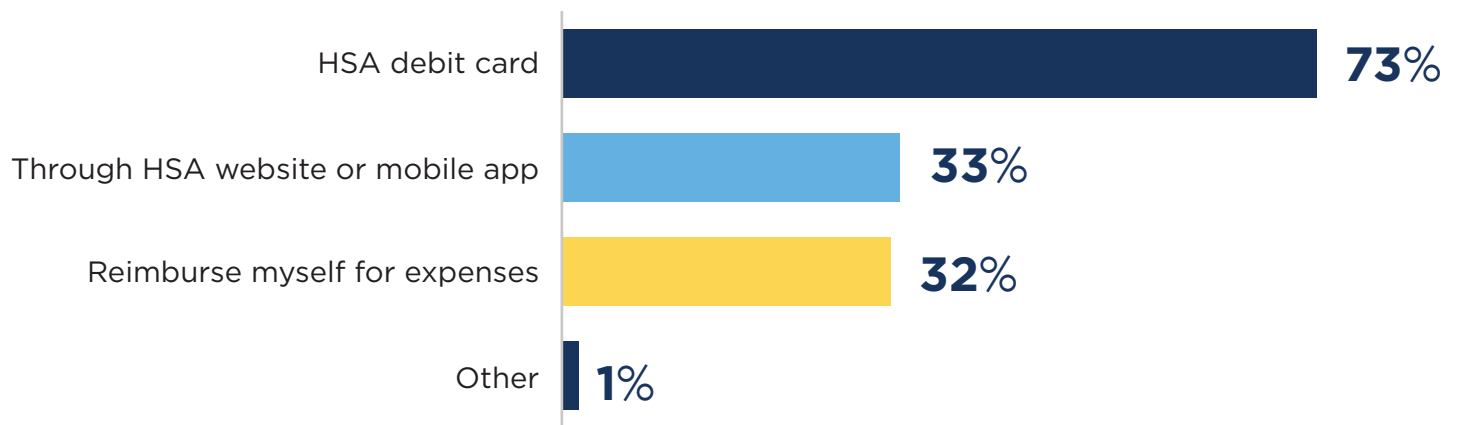
HSA accounts are just for the wealthy. It won't work if you can't afford to contribute money towards it now.

✓ Reality:

You can spend now and contribute later with quick and easy self-reimbursement at any time. This feature was designed to help those who feel they can't afford to contribute up front — for whatever reason.



How do you pay medical expenses from your HSA?



Q: Which of the following features would improve your HSA experience?

66%

Wish you didn't have to contribute to your HSA upfront and you could add funds after the expenses have been made.

⊗ Myth:

You have to keep track of all your own store receipts.

✓ Reality:

InComm Benefits HSA app automatically creates receipts and saves documentation when purchasing over the counter products that are HSA eligible.



If you have an HSA, which of the following features would improve your experience?

80%

Of survey respondents said that having an HSA that automatically created digital copies of their receipt would improve their experience.



⊗ Myth:

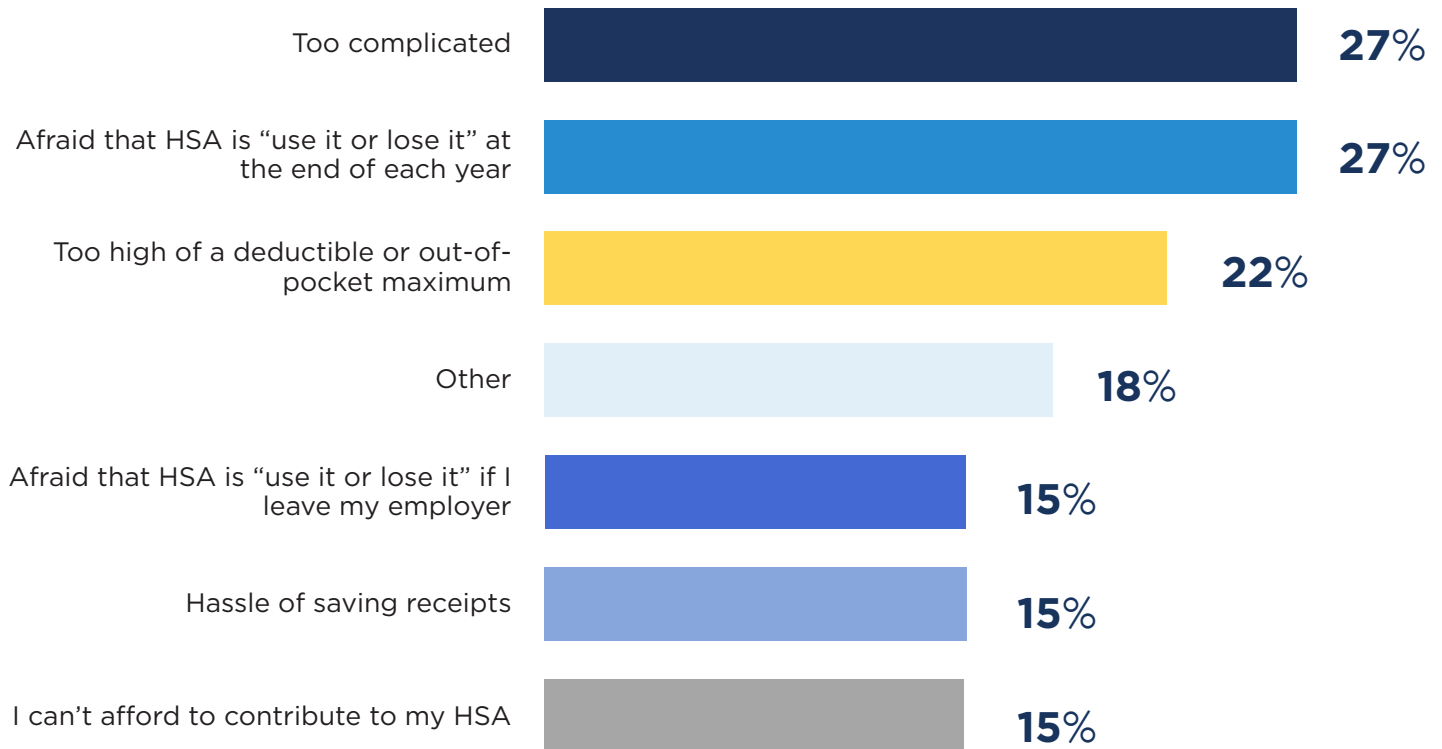
HSAs are just too complicated.

✓ Reality:

Navigating high deductible plans might seem daunting, but when paired with a modern HSA focused on the spender, both employers and employees can benefit. A modern HSA app can manage multiple accounts, find additional eligible expenses, keep your documents, and so much more!



Why did you elect against an HDHP?



⊗ Myth:

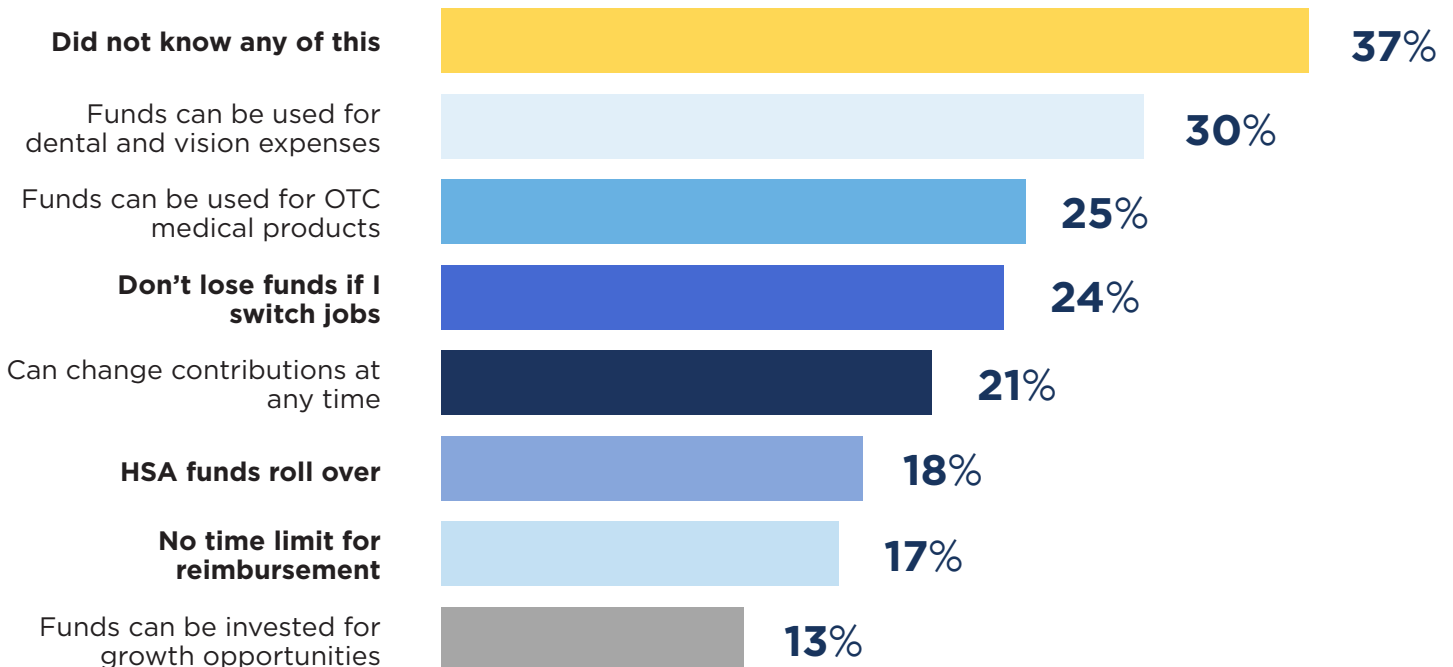
HSAs don't rollover at the end of the year and you lose them if you change jobs.

✓ Reality:

Your HSA is yours forever. It rolls over and stays with you regardless of employer. HSA providers are responsible for educating employees. Quarterly webinars, dynamic in-app notifications and alerts can educate and guide employee to use their dollars to the fullest potential.



Non-HSA users: Are you aware of the following HSA benefits?



⊗ Myth:

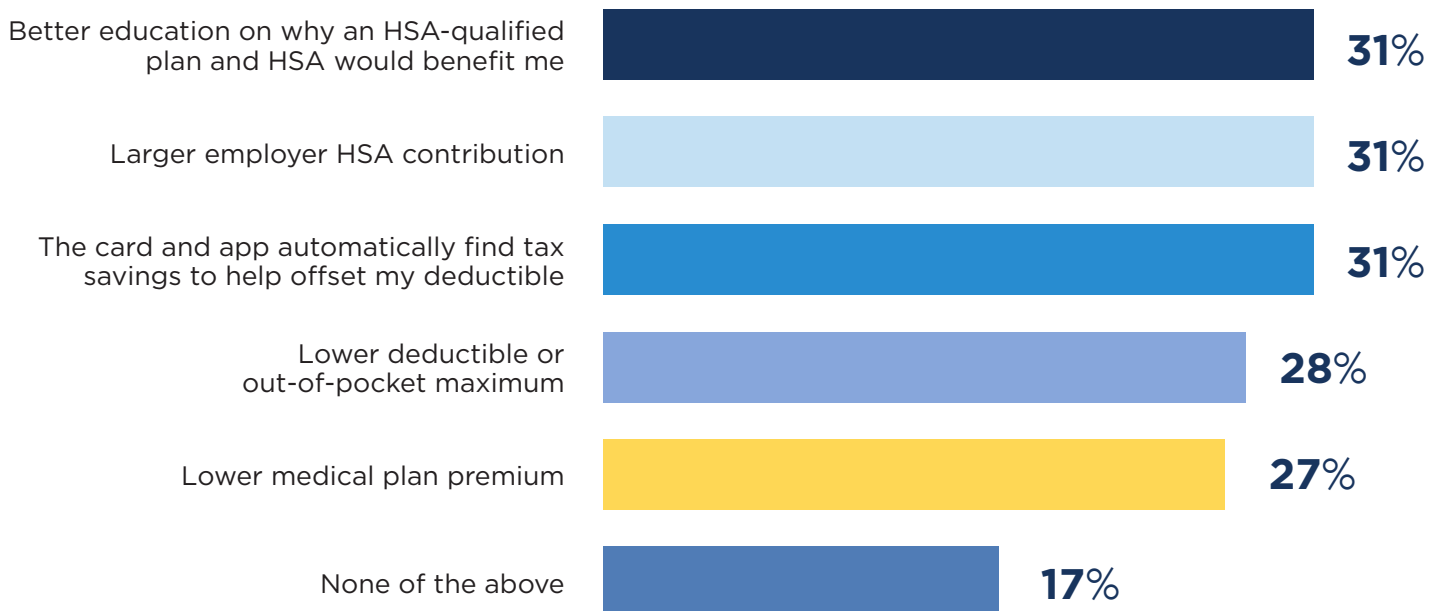
Employees know all about HSAs.

✓ Reality:

Throughout this survey we have demonstrated the confusion, frustration and lack of education that employees have when it comes to their HSA.



If you don't have an HSA, what would make you more likely to choose an HSA-qualified plan?



Have questions or want to learn more



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and your clients find
an HSA that caters to
employees' needs.



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