

HealthSavings Administrators Tops Devenir Report for Investment-Focused HSAs

Exceeds Industry Averages for Account and Investment Balances, While Minimizing Expense Ratios

Richmond, VA – March 28, 2019 – [HealthSavings Administrators](#), a top health savings account (HSA) provider, recently topped the charts in the “[Devenir Research 2018 Year-End HSA Market Report](#)” when it came to investment-focused HSAs.

While the report found that HSA accountholder contributions jumped to \$33.7 billion and investment assets reached an estimated \$10.2 billion by the end of the year, the majority of HSA providers still focus on the spend/save dynamic and enforce minimum cash balances. In contrast, HealthSavings leads the market for investment-focused HSAs and encourages accountholders to invest all health benefit dollars in institutional-class funds from the start with no minimum balance requirements.

HealthSavings stands apart as the top investment-focused player based on key findings in the report. It achieved average account balances above \$10,000 (\$10,607) – nearly five times higher than the industry average of \$2,144 – with an astounding 39 percent of accounts maintaining a balance over \$5,000 compared to the industry average of 11 percent. In addition, HealthSavings:

- Hit a retained contribution rate of 39 percent, while the industry average only reached 24 percent
- Attained an average investment balance of \$15,528, 42 percent higher than the industry average of \$10,948
- Minimized unfunded accounts to a mere 2.5 percent – well below the 16 percent industry average

“HSAs have become an essential part of the retirement planning mix; financial advisors and investors need to tap the tax-free, long-term investment opportunity HSAs can deliver,” noted HealthSavings CEO Dean Mason. “We are going against the industry norm of pigeonholing HSAs into a spend/save mentality, and our industry leading accountholder balances continue to set the industry standard for investment-focused HSAs.”

As investment assets gain a greater share of total assets in HSA accounts – reaching 19 percent industry wide based on the report, understanding the expense ratio of HSA investments is essential. While HealthSavings’ weighted average expense ratio fees come in at 0.12 percent, the industry weighted average comes in 75 percent higher at 0.47 percent according to Devenir.

“Expense ratio fees are the silent killer of investment returns. Most consumers and most of our competitors fixate solely on upfront costs and miss the percentage automatically taken out of their annual return before it hits their account. For example, just a 10bp difference in expense ratio can mean a \$35,000 difference in total return over the full working life of an \$10,000 HSA investment,” continued Mason. “Given our focus on transparency and maximizing lifetime investment value for our accountholders, we pride ourselves on offering low-expense, institutional-class shares. ”

For a visual look at how HealthSavings is setting the bar for the next era of investment-focused HSAs, please [view the infographic](#).

About HealthSavings Administrators

HealthSavings empowers consumer-driven health plan participants to invest all their health benefit dollars in institutional-class funds so they can grow their savings tax-free and meet their financial goals for a happy, healthy future. By choosing from a carefully curated selection of funds with lower expense ratios and no trading fees, HealthSavings accountholders have historically saved five times more than the industry average. Visit [HealthSavings.com](https://www.healthsavings.com) to learn more.

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