

A New Way to Talk HSAs

Give every employee what they need to meet their specific health savings account (HSA) needs and goals with this targeted, comprehensive communication framework.

Health savings accounts (HSAs) are powerful tools that enable account holders to save money on their current and future medical expenses. However, many employees are still in the dark about what HSAs are and how they work. According to a recent study, only 11% of employees could correctly identify four common HSA attributes¹.

Much of this confusion stems from employees receiving HSA communication that is not tailored to their specific needs. Nearly 75% of consumers say they only engage with marketing messages that are targeted to their interests², meaning the “one-size-fits-all” HSA information they are receiving doesn’t resonate with them.

Based on extensive behavioral and transactional data, along with direct account holder input, *HealthSavings* has developed six behavior-based HSA customer personas for our account holders. And by providing targeted, persona-based communication and education, we have been able to help our account holders make better decisions to reach their specific health and financial wellness goals, now and in the future.

Below, we’ve created a simple framework to help you take what we’ve learned and share it with your clients and employees. Using the common HSA account holder personas, you will be able to easily explain HSAs in a way that’s relevant and resonant for people at all stages of the health savings journey.

¹ <https://www.benefitplans.baml.com/publish/content/application/pdf/GWMOL/2019WorkplaceBenefitsReport.pdf>

² <https://smarterhq.com/privacy-report>



1 Newcomer

Characteristics

- Young and newer to the working world
- Generally healthy with low medical expenses
- New to managing their benefits

What They're Thinking About HSAs

- How do I make all these choices so that these benefits work for me?
- What type of health insurance is best for me?
- What is an HSA, and why does it matter to me?

Talking Points to Share

- HSA-qualified health plans are a prudent choice for young, healthy people like you because they typically have lower monthly premiums, meaning you pay less for your coverage. If you don't go to the doctor often, you'll probably save money under an HSA-qualified health plan.
- Many low-premium, high deductible health plans give you access to health savings accounts, or HSAs. HSAs save you more money on your medical costs than any other savings account, so they're the best way to pay for your medical expenses.
- Sometimes, HSAs can be confused with flexible spending accounts, or FSAs. With FSAs, you have to spend your funds by the end of the plan year or you lose them. With HSAs, your unused funds roll over and are yours to keep.



2 Budgeter

Characteristics

- Financial priority is paying the bills
- Potentially living paycheck to paycheck

What They're Thinking About HSAs

- I chose my health plan because the premium was low, but the higher deductible worries me.
- I wouldn't have any money to put into my HSA, so why bother having one?
- Aren't HSAs the same as FSAs?

Talking Points to Share

- When you factor in that HSA-qualified health plans typically have lower monthly premiums than traditional health plans, you can actually save money under an HSA-qualified plan. In addition, you get access to health savings accounts, or HSAs, which help you save even more on your medical expenses.
- When you have a medical expense, you can put that amount into your HSA and immediately take it out to pay for that expense. You won't pay taxes on what you put in, and you can pay for that medical expense tax-free. It's a win-win!
- Sometimes, HSAs can be confused with flexible spending accounts, or FSAs. With FSAs, you have to spend your funds by the end of the plan year or you lose them. With HSAs, your unused funds roll over and are yours to keep.



3 Provider

Characteristics

- Busy family
- Likely higher earners
- Becoming comfortable as an investor

What They're Thinking About HSAs

- Don't unused HSA funds get forfeited at the end of the year?
- My family goes to the doctor often, so the HSA-qualified plan's higher deductible worries me.
- Can HSAs help me prepare for the future financially?

Talking Points to Share

- HSAs allow you to save money now or invest funds for retirement and save money down the road. They don't have use-it-or-lose-it limits like FSAs do. And HSAs actually have better tax-saving ability than 401(k)s or IRAs because they allow you to pay for future medical expenses tax-free.
- Even though HSA-qualified plans might have a higher deductible than you're used to, they also typically have lower monthly premiums. And, they enable you to open an HSA and unlock powerful tax savings on your family's medical expenses.
- Your HSA dollars can be used to pay for your spouse and children's medical expenses tax-free, including braces, crutches, eyeglasses, and much more.



4 Planner

Characteristics

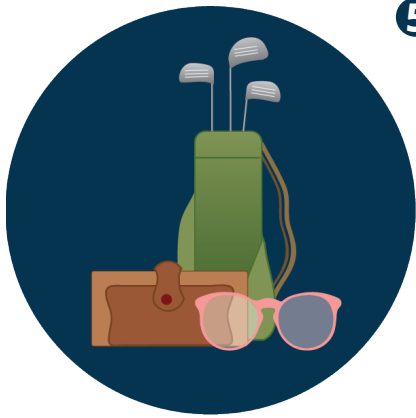
- Mature and financially secure
- Focused on planning for retirement and estate planning
- Seasoned investors

What They're Thinking About HSAs

- How can I get the most out of my HSA in preparing for retirement?
- How should I prioritize my 401(k) and HSA contributions?
- How can I maximize my return on my HSA investments?

Talking Points to Share

- If you pay for your medical expenses in retirement out of your 401(k), you'll have to pay taxes on those withdrawals. With an HSA, you can pay tax-free.
- After you turn 55, you can put an extra \$1,000 in your HSA each year as a catch-up contribution. And after you turn 65, you can use HSAs for non-medical expenses with no tax penalty; you just pay regular income taxes.
- If you pay out of pocket for your medical expenses and keep your HSA funds invested and growing, you can reimburse yourself down the road for all those expenses from your mature HSA balance. Those reimbursed funds can then be used tax-free on whatever you'd like.



5 Harvester

Characteristics

- Retired or nearing retirement
- Enrolled in Medicare or about to be
- Focused on creating a comfortable retirement and estate planning

What They're Thinking About HSAs

- What happens to my HSA once I enroll in Medicare?
- What medical expenses in retirement does my HSA cover?
- Can I pass along my HSA funds to the people I care about?

Talking Points to Share

- Once you enroll in Medicare, you cannot contribute to your HSA anymore. However, you can still use your current HSA funds as they're needed.
- HSAs have no required minimum distributions, so you can let your funds keep growing until you need to use them.
- After age 65, you can use HSAs for non-medical expenses with no tax penalty. You just pay regular income taxes like you would with a 401(k) withdrawal.



6 Catalyst

Characteristics

- A woman who is concerned about how she will pay for her medical expenses throughout her life, as well as save enough for a comfortable retirement.

What They're Thinking About HSAs

- Is there a savings account that best fits my particular circumstances?
- How can HSAs help me cover my current and future medical expenses?
- Can HSAs serve as a supplemental retirement savings vehicle?

Talking Points to Share

- Because of their tax-saving ability, HSAs are the best way to save for future medical expenses. If you anticipate medical costs coming your way, an HSA is the best way to financially prepare.
- If you aren't saving for retirement currently, an HSA is the best place to start. Your HSA funds can pay for your retirement medical expenses tax-free, and if you use the funds for non-medical expenses, it's taxed the same as a 401(k) would be.
- If you switch jobs or stop working, you can keep contributing to your HSA as long as you are covered under an HSA-qualified health plan. Your HSA is portable and stays with you.

At HealthSavings, we've developed a comprehensive HSA solution that provides powerful benefits for all stakeholders:

Brokers

- Easy commission structure that compensates you for new business
- More than 15 years of experience as an HSA industry pioneer
- Volume-based pricing to help you pass savings on to your clients

Employers

- White-glove support from dedicated Account Managers
- Full suite of tailored educational resources
- Robust feature set to seamlessly support all types of employee HSA usage

Employees

- Targeted communication and education that helps them get the most out of their HSA in their specific circumstances
- FDIC-insured savings account and carefully curated investment lineup with no minimum cash balances
- Friendly support from personable HSA experts

If you'd like to learn more about how an HSA solution like ours can help your clients and employees build happy, healthy futures, we'd love to help. Just click the button below and let us know.

Let us know how we can help



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