DEVENIR

Devenir Research

2014 Year-End HSA Market Statistics & Trends
Executive Summary

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Report Methodology

The majority of this report was derived from the 2014 Year-End Devenir HSA Market Survey. This survey was conducted in order to continue to help shed light on the rapidly growing and evolving health savings account market. The survey was carried out in January, 2015 and primarily consisted of top 100 HSA providers in the health savings account market. All data was requested for the period ending on December 31st, 2014.

All estimates and projections reflect the current environment surrounding health savings accounts and are barring any regulatory changes to the market.

Certain data points from the survey were omitted from this report due to inconclusive data or incomplete sample set. All statistics are produced using the best available data set, which may at times leave certain statistics not reconciling with others both within this report and with previous reports.

Survey responses were self-reported by each HSA provider. Devenir attempts to verify responses when possible through a variety of channels including but not limited to press releases, annual reports, prior research, and FDIC filings.

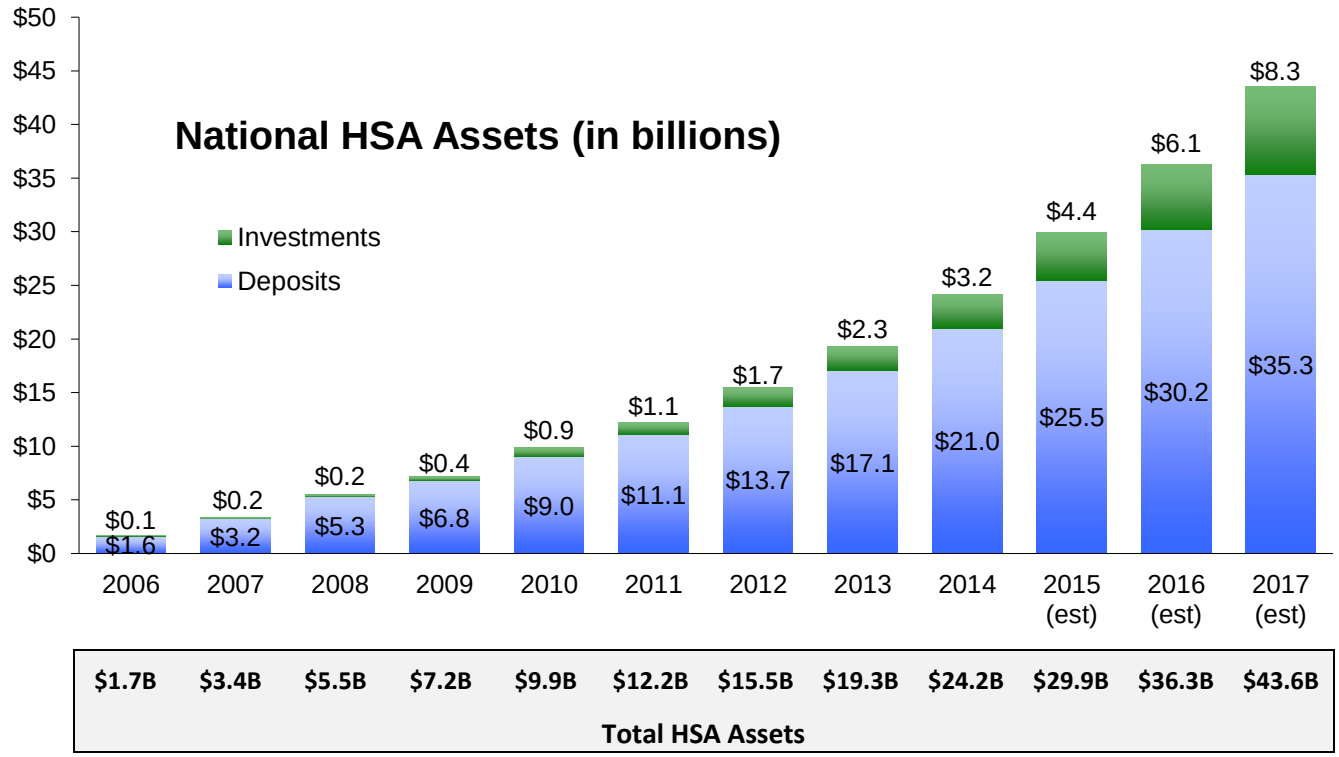
Key Findings

HSA accounts approach 14 million. HSA accounts rose to 13.8 million, holding over $24 billion, a year over year increase of 25% for HSA assets and 29% for accounts for the period of December 31st, 2013 to December 31st, 2014.

Health plans drive growth. During 2014, health plans were the leading driver of new account growth, accounting for 35% of new accounts.

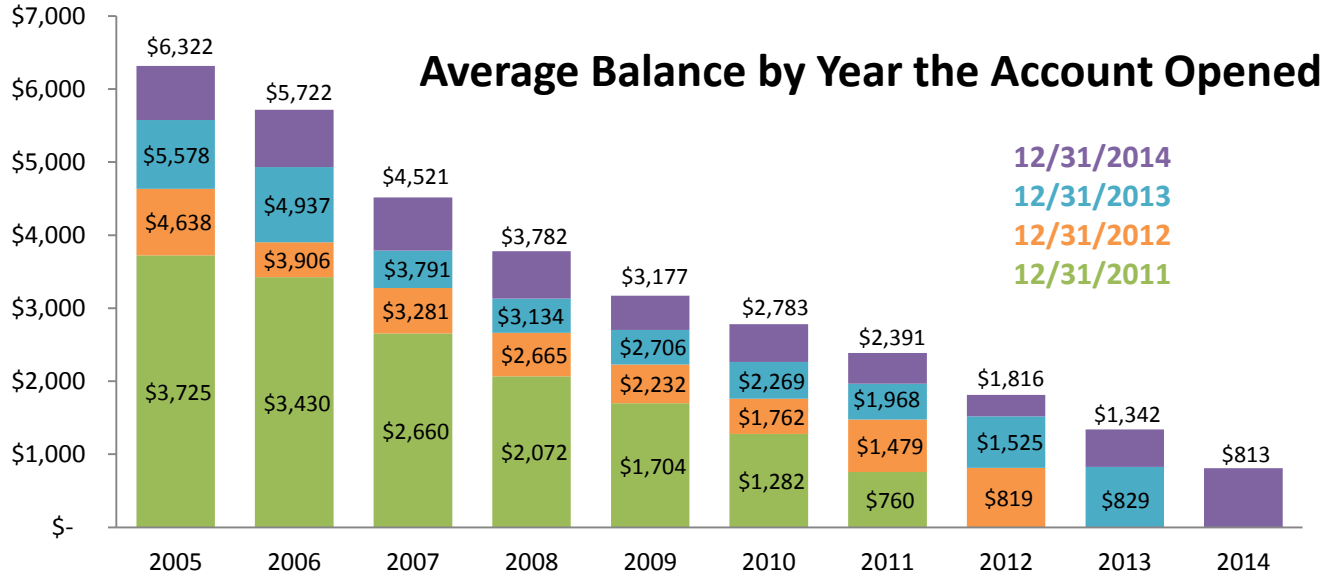
Continued strong market fuels HSA investment growth. HSA investment assets reached an estimated $3.2 billion in December, up 40% year over year. The average investment account holder has a $12,995 average total balance (deposit and investment account).

Investors show solid returns. Investors achieved an average annualized return of 12.5% on their HSA investments over the last 3 years.

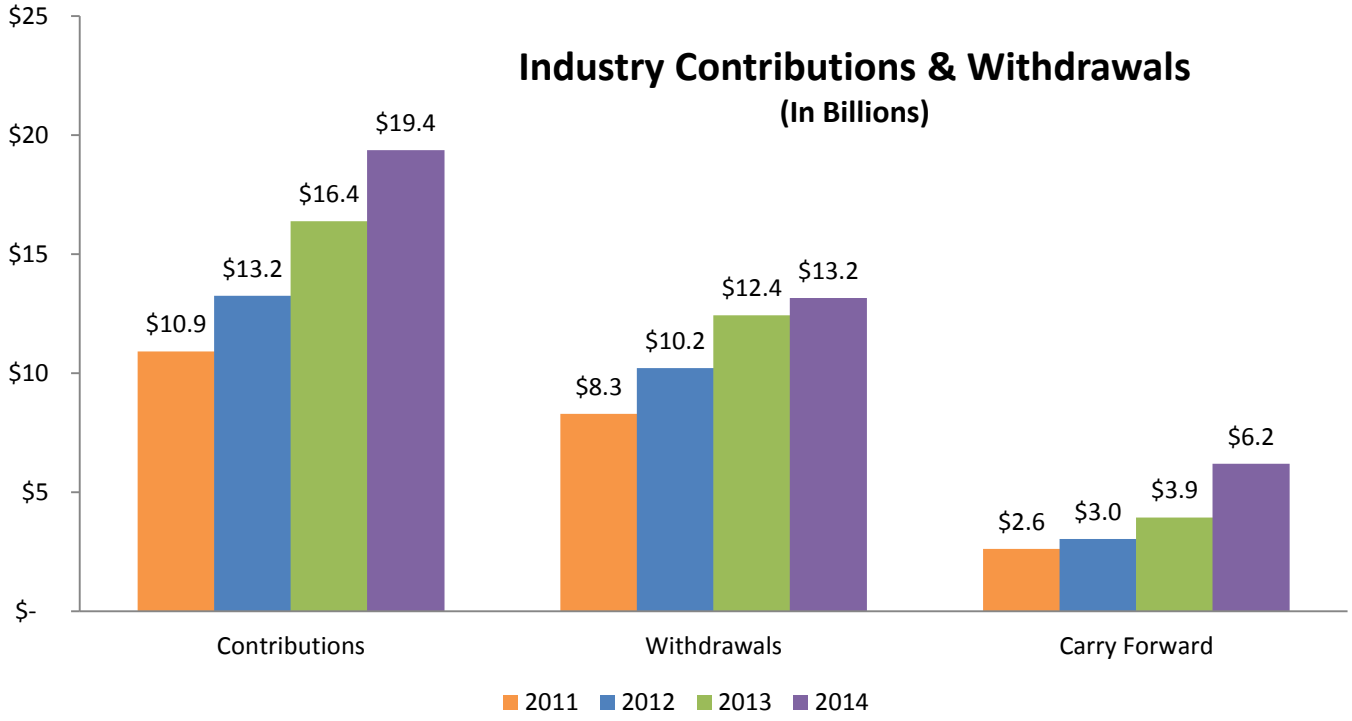


Source: Estimate derived from 2014 Year-End Devenir HSA Market Survey, press releases, previous market research, and market growth rates.

HSA Industry Level Account Data



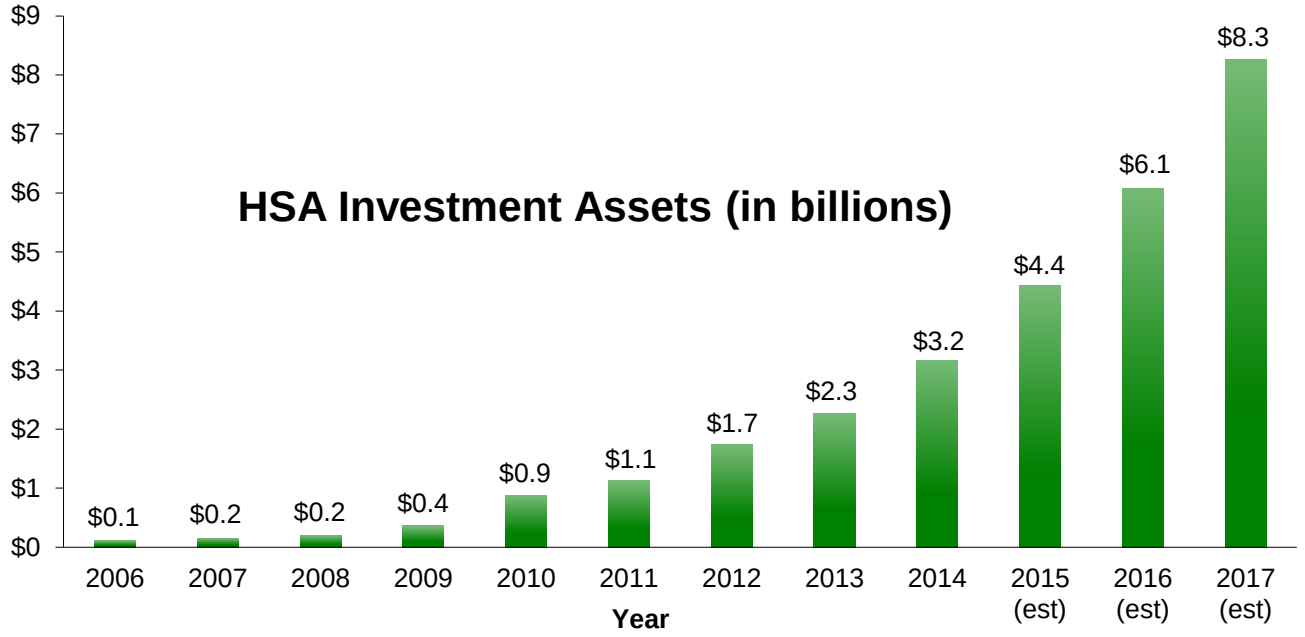
Industry Contributions and Withdrawals



2014 Withdrawal Transactions

	Average Number of Withdrawals Per Account	% of Total Withdrawals (#)	Average Transaction Size
Via Debit Card:	8.3	79%	$101.09
Via Check:	0.5	5%	$234.38
Via Online Bill Payment:	0.4	2%	$198.55
ATM:	0.5	2%	$92.05
Unknown:	1.8	12%	$89.92

HSA Investments



% HSA Assets in Investments	**7%**	**5%**	**4%**	**5%**	**7%**	**8%**	**11%**	**12%**	**13%**	**15%**	**17%**	**19%**

Source: Figures based on Devenir Research and 2014 Year-End Devenir HSA Market Survey

HSA Marketplace Projections

HSA providers continue to be optimistic in their outlook for the HSA industry, projecting HSA asset growth of 28.1% for the full year. In previous surveys HSA providers have been reasonably accurate with their growth forecasts, demonstrating an impressive understanding of the outlook of their book of business. Devenir currently projects that by the end of 2017 the HSA market will surpass $40 billion in HSA assets held amongst almost 30 million accounts.

About Devenir

Devenir is a leading independent investment advisor and consultant in the health savings account industry. As an early entrant into the HSA market and with its primary business focusing on investment solutions for the consumer driven healthcare market, Devenir has developed a passion and expertise surrounding the HSA industry. Our experience with health savings accounts since their inception in 2004 has given Devenir a unique perspective and keen insight on the growth of health savings accounts and the needs of HSA custodians.

Named to the IHCC and CDHC Solutions 2010, 2011, & 2012, 2014 Superstars List

Named as a top plan adviser by specialty for 4 consecutive years

Featured as 20 Rising Stars of Retirement Plan Advisors

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Thank you for your participation!

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