

Devenir Research

2016 Midyear HSA Market Statistics & Trends
Executive Summary

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Report Methodology

The majority of this report was derived from the 2016 Midyear 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 July, 2016 and primarily consisted of top 100 HSA providers in the health savings account market. All data was requested for the period ending on June 30th, 2016.

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 an 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.

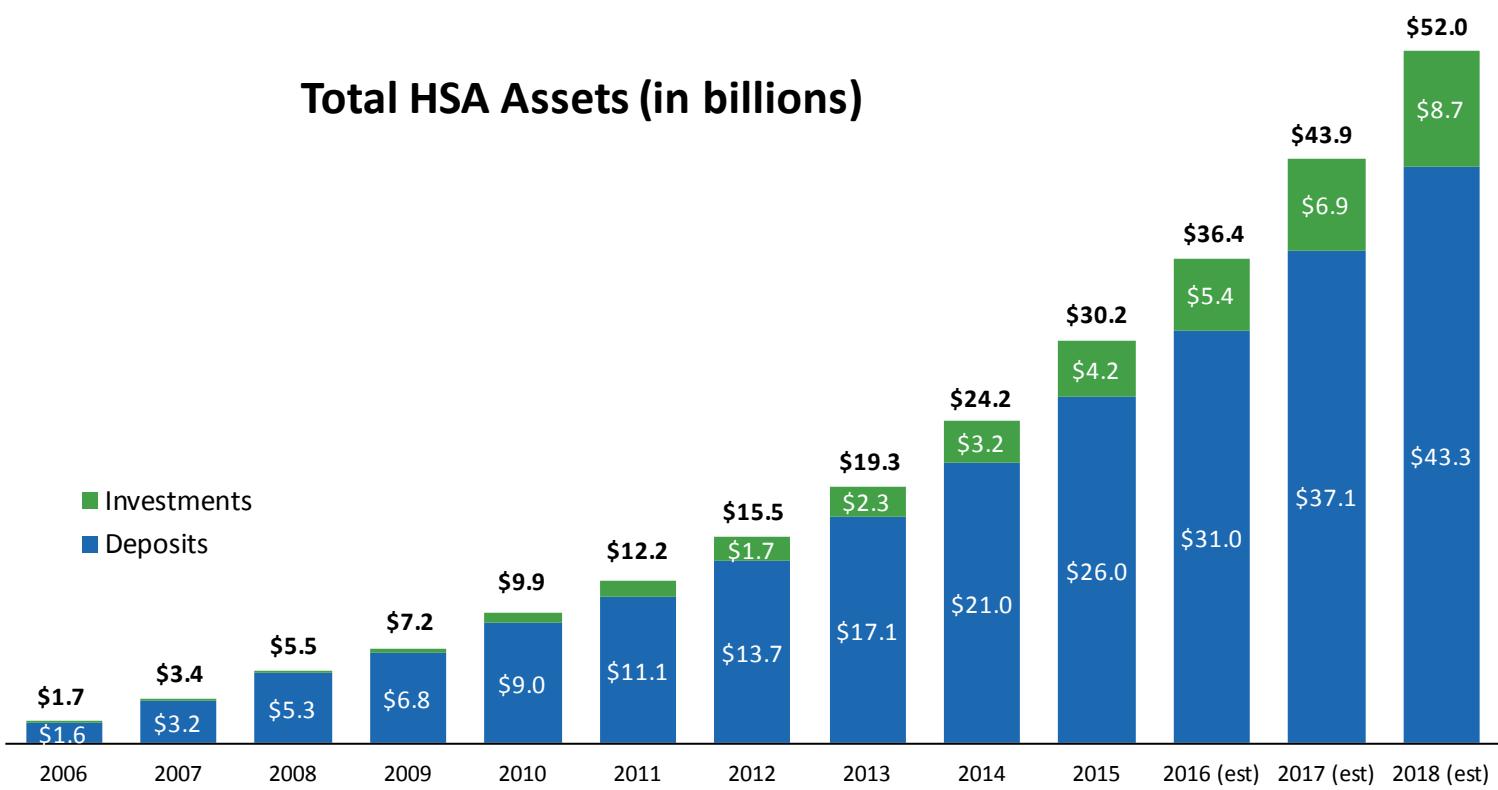
Key Findings

HSA assets surpass \$34 billion threshold. The number of HSA accounts rose to 18.2 million, holding over \$34.7 billion in assets, a year over year increase of 22% for HSA assets and 25% for accounts for the period of June 30th, 2015 to June 30th, 2016.

Fewer unfunded accounts. Fewer HSAs (20 percent) were unfunded in the first half of 2016, compared to 24 percent at year-end 2015.

HSA investments continue to grow. HSA investment assets reached an estimated \$4.7 billion in June, up 23% year over year. The average investment account holder has a \$15,092 average total balance (deposit and investment account).

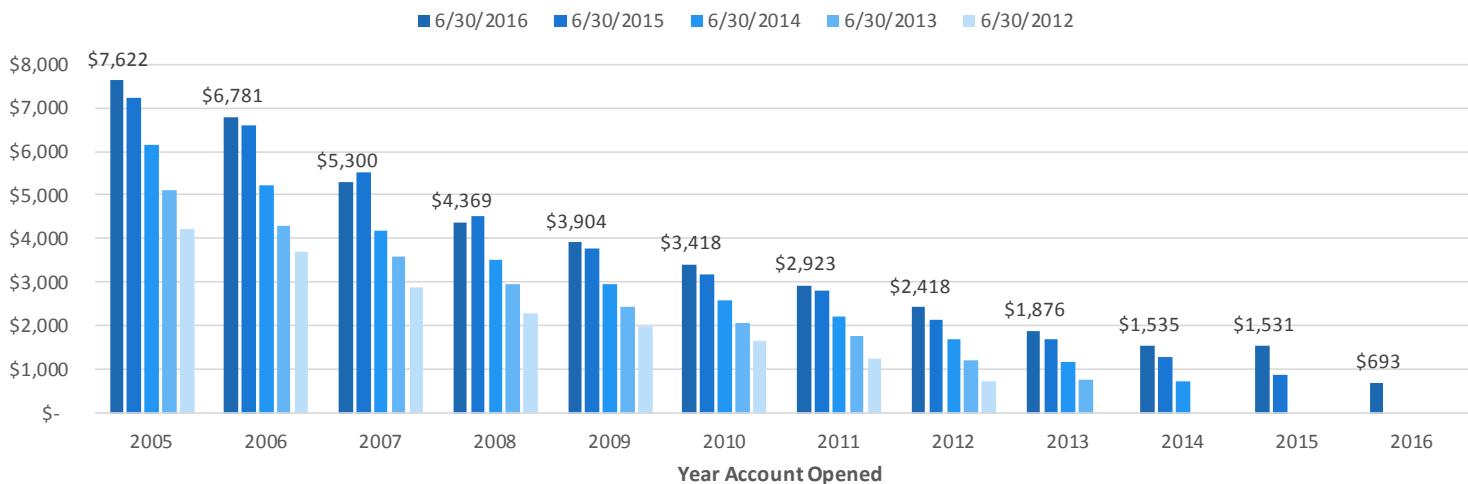
Health plans remain the largest driver of account growth. Health plan partnerships continued as the leading driver of new account growth, accounting for 37% of new accounts opened so far in 2016.



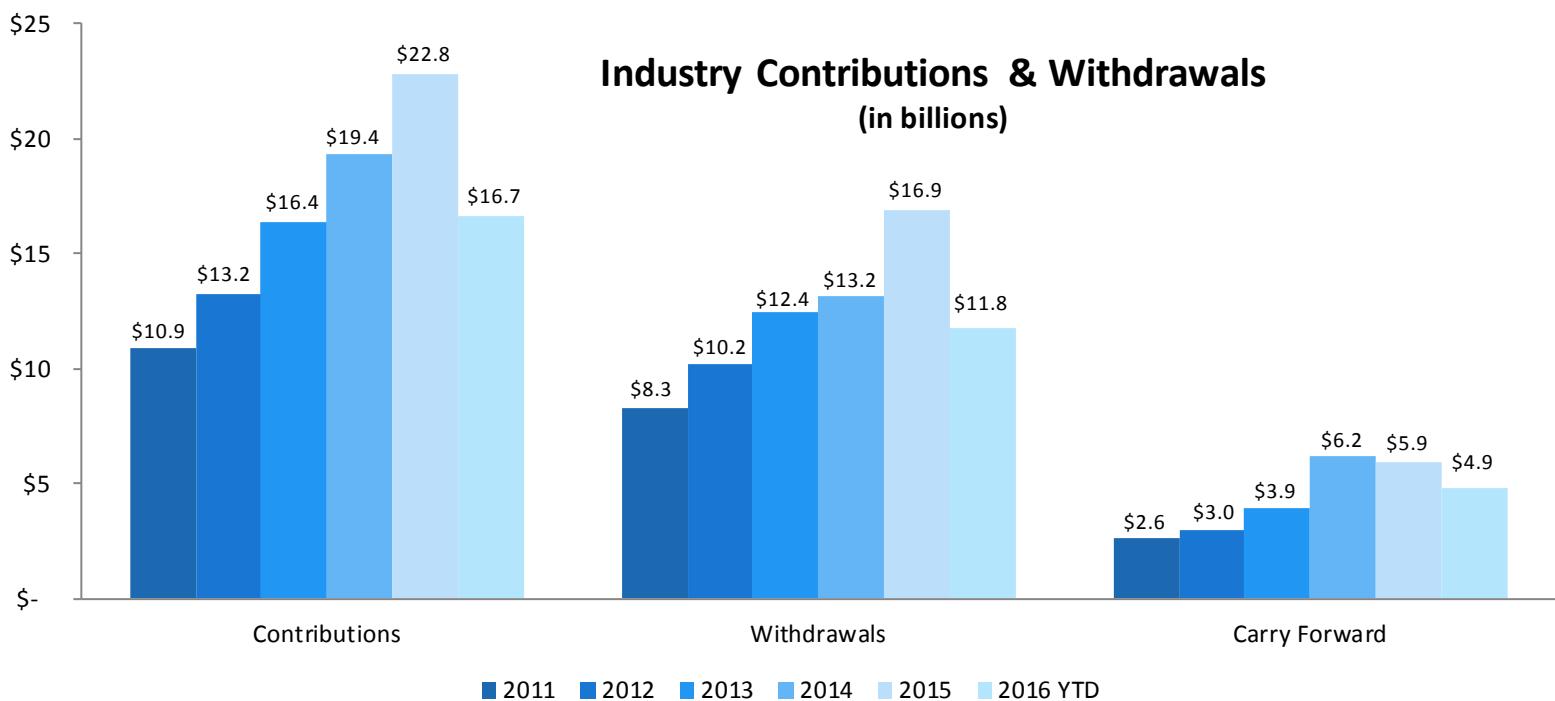
Source: Estimates derived from 2016 Midyear Devenir HSA Market Survey, press releases, previous market research and market growth rates.

HSA Industry Level Account Data

Average Balance By Year The Account Opened



Industry Contributions and Withdrawals

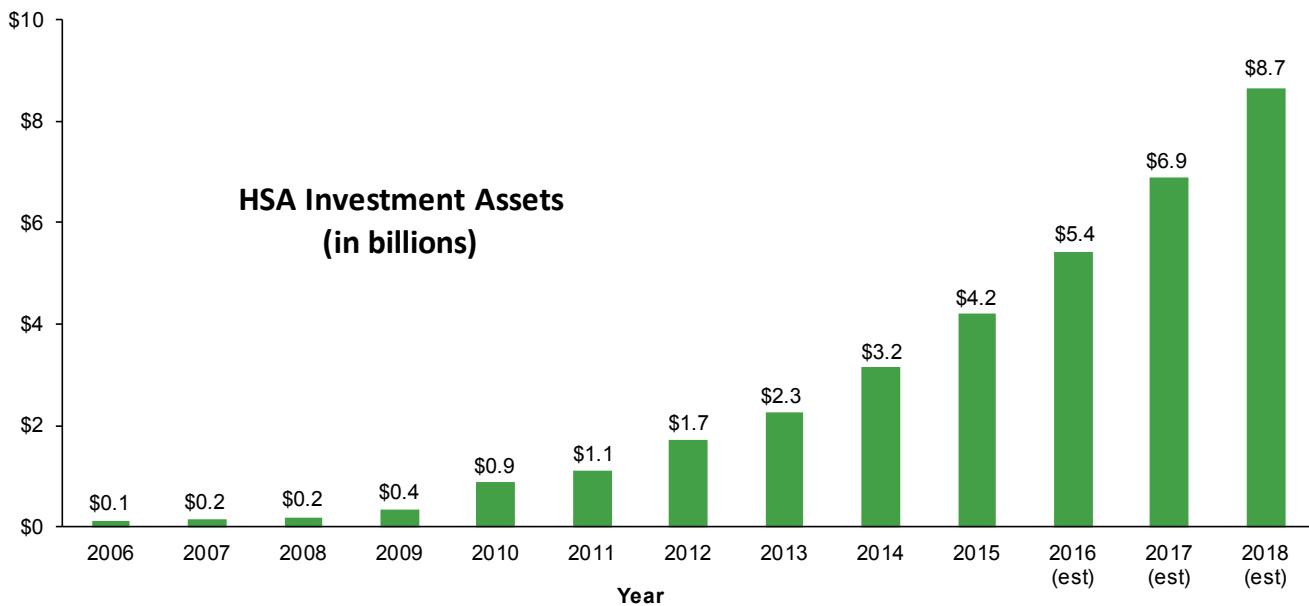


2016 YTD

	Average Number of Withdrawals Per Account	% of Total Withdrawals (#)	Average Transaction Size
Via Debit Card	4.0	85%	\$120.85
Via Check	0.2	5%	\$291.71
Via Online Bill Pay	0.3	7%	\$326.14
ATM	0.2	2%	\$89.90
Unknown	0.3	2%	\$191.56

HSA Investments

- **\$4.7 billion** estimated in HSA investment assets as of June 30th, 2016, an estimated 23% year over year increase.
- **\$15,092** average total balance (deposit and investment account) of an HSA investment account, more than 7.5 times larger than a non-investment holder's average account balance.
- **14%** of all HSA assets are in investments as of June 30th, 2016.



**% HSA
Assets in
Investments**

7% 5% 4% 5% 7% 8% 11% 12% 13% 14% 15% 16% 17%

Source: Year-End figures based on Devenir Research and 2016 Midyear Devenir HSA Market Survey.

HSA Marketplace Projections

HSA providers are projecting HSA industry asset growth of 21% in 2016 while projecting their own business will grow at 24% in 2016. 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 2018 the HSA market will exceed \$50 billion in HSA assets held amongst over 27 million accounts.

About Devenir

Devenir is a national leader in providing customized investment solutions for HSAs and the consumer directed health care market. When health savings accounts first emerged in 2004, Devenir built its expertise around delivering cutting-edge investment solutions. As the consumer driven health care industry grew, so did Devenir's reputation as a leading researcher and award-winning investment consultant. Today, Devenir continues to lead the way in the rapidly growing HSA market. A research driven perspective makes Devenir the go-to investment advisor, HSA investment platform and consultant to employers, banks, third party administrators, health plans and technology providers.

Learn more at devenir.com.



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Solutions 2010, 2011, 2012 and 2014
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Named as a top plan adviser by
specialty for 4 consecutive years



Featured as 20 Rising Stars of
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