

HSA Elevator Pitch

Health savings accounts (HSAs) could be the cost-saving strategy your clients need. Their affordability, tax savings and ease of use makes them ideal for employers of all sizes. Most importantly, offering this sought-after plan design helps clients retain employees who want more control over their health care.

We can craft an informational campaign for your employees to help ensure this cost-saving mechanism is successful in year one. Read on to see how these plan additions can make a big impact in more ways than clients might consider.

HSA Overview

HSAs can be tremendous cost-savers for plan designs. Paired with a high deductible health plan (HDHP), an HSA empowers individuals to be wiser health care consumers while benefiting from generous tax savings. And, since employers often contribute to these accounts, employees get even more value. Due to its cost-savings potential, individuals are flocking to HSAs like never before.

According to HSA investment firm Devenir, the total number of HSAs grew by 13% in 2018 alone, up to 25 million. Combined, the assets in those accounts total over \$53 billion. And, with account holders increasing their contribution amounts (up 22% from last year), experts predict total HSA assets to grow to \$75 billion by 2021.

Figures like these illustrate how consequential HSAs can be for employees, especially those planning for retirement or future medical costs, like a pregnancy or surgery. Money in HSAs rolls over each year and gains interest—it can also be invested. Knowing this, savvy employees can accrue a hefty sum by the time they retire, which can help supplement lower incomes later in life.

Even employees concerned about more present concerns can see financial advantages with an HSA. Since employers often match contributions up to a certain amount, individuals with an HSA gain a stopgap when the unexpected comes. Knowing they have a dedicated health care fund can alleviate employees' stress and help keep financial distractions out of the workplace.

Why Promote HSAs?

Beyond all the reasons listed above, you should promote HSAs simply because employees want them. In fact, HSA material is among the most popular in Broker Briefcase Benefits Edition. And for good reasons.

HSAs can be more affordable than other plan options, they can be easy to implement with the right tools and they help encourage wiser health care consumerism. Moreover, their affordability means greater employee value and sticker retention—it's harder for employees to leave a good job *and* good health benefits.

However, there are more to HSAs than tax savings and individual empowerment. If employees don't understand how to use them properly, or if clients don't administer them well, HSAs are no better than any other plan. Worse yet, employees may resent their health benefits if they don't see any value from them. That's where our HSA resources can help.

The Tools to Help

We offer countless HSA resources to ensure employees get the most out of their benefits. Here are just some of the solutions available to your clients:

Benefits 101

We offer countless employee-facing resources for top-to-bottom benefits education, suitable for any comfort level. Teach basic insurance terms and concepts, then dig into HSAs.

HSA Guides

Deliver one-stop shop HSAs guides, tailored separately for individuals and employers.

Administration and Compliance

Help clients avoid costly mistakes and administrative errors with our lawyer-reviewed compliance resources.

Employee Communication

Choose from hundreds of customizable articles, posters, emails and presentations to help your clients communicate everything they need to about HSAs to employees.

HSA Videos

Understanding HSAs has never been easier, now that your clients can explain complex ideas in under a minute. Check out our employee-facing HSA videos to see what the buzz is all about.

Overcoming Objections

This section offers counters to some common objections to HSAs. These plan designs can be a benefits game changer, but making clients understand them is the first critical step. If clients are unwilling to listen, their employees and retention rates could suffer. Here are some ways to help clients appreciate the true value of HSAs:

Objection #1: We're concerned employees will perceive this as a less-generous plan design.

We can certainly help that perception, because HSAs truly are a generous cost-saving mechanism. We can create a plan design that both empowers your employees and provides peace of mind. HSAs put the power in employees' hands—allowing them to choose how they spend their money (or invest it, if they want to plan for their future). Critically, we can help explain all the financial advantages of an HSA, including employer contributions, asset rollover, interest growth and its triple tax

Share the Value

HSA's

savings. These accounts can be a sturdy safety net for employees weighed down by financial stress. Let us help your employees see that so they can start taking advantage of these powerful savings.

Objection #2: Our health offerings are fine—let's not fix what isn't broken.

While your health benefits might be acceptable from an administrative perspective, are you sure your employees are satisfied? We can find out definitively with our benefits survey. Use this information to home in on employee concerns, and let us help you address them. Often times, the easiest way to uncover pain points is by asking. Survey your workforce and let us help fill in the gaps you find. You may be surprised with what you discover.

Objection #3: HSAs are too complicated.

HSAs are actually one of the simplest plan designs. And, with our resources, we can make HSAs easy for your employees to understand. With our print materials, presentations, videos and guides, no question goes unanswered. Speak with us to request a free sampling of these resources.

Objection #4: Employees don't have time to learn a new plan design.

Understanding HDHPs and HSAs doesn't need to take forever. In fact, our resources make comprehension easier than ever. We offer a comprehensive employee HSA guide, an HSA tax-saving calculator, an interactive, one-stop shop HSA resource tool, informative short videos, easy-to-understand articles and much more. With our help, your employees will be HSA experts in no time.

Objection #5: Our plans are cheap already—employees don't need an HSA.

While your plans may be affordable, employees still want options to choose from. Offering more options helps you appear more attractive to potential new hires and to existing employees, since insufficient benefits are often cited as a reason for employees quitting. Given the popularity, affordability and ease of use, HSAs are an easy way to round off benefits offerings while doing a service to your employees. Summarily, your employees choose which plan option best fits their needs.

Share the Value

HSAs

Objection #6: We already have an FSA, which is basically the same.

Actually, flexible spending accounts (FSAs) differ quite significantly from HSAs. While both can be used for eligible medical expenses, FSAs are “use it or lose it.” This means you lose all the money in the account at the end of the year if you don’t spend it. HSAs, on the other hand, let you roll over your savings each year. This can be especially beneficial for employees who visit the doctor infrequently.

Objection #7: We thought about offering health care, but our employees are healthy and don’t want to pay insurance premiums, no matter how inexpensive they are.

HSAs are actually a great value for healthy employees who visit the doctor infrequently. Since HSA funds can be rolled over each year, employees are essentially given a tax-free savings account they can use for health expenses. This empowers them to use the funds when they need them and save them when they don’t. Additionally, HSA funds can be spent many different ways, making their tax-free status even more valuable.