



RETIREMENT RESEARCH & INSIGHTS

# Health Savings Accounts (HSA)

## 2023 Financial Life Benefits® Impact Report

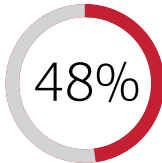
*Insights to help employers make more informed decisions to support the financial wellness of their employees.*

Employees are taking control of their health care expenses and using HSAs to cover current charges while also saving for future costs. More education is needed, however, about investing HSA assets for potential growth to help employees be more prepared for their health care expenses in retirement.

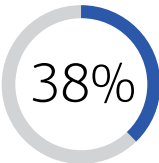
**Fewer account holders made a contribution in 2022, but more account holders contributed more than they withdrew**



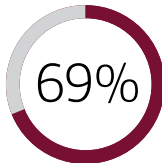
50% of account holders made a contribution (down from 53% in 2021<sup>1</sup>)



48% made a withdrawal (down from 51% in 2021<sup>1</sup>)



38% contributed more than they withdrew (versus 26% in 2021<sup>1</sup>)

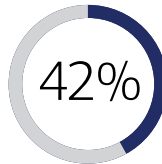


69% of contributions came from employees (up from 63% in 2021<sup>1</sup>)

**More assets are being held in cash compared to being invested for potential growth**



58% held in cash deposits (up from 52% in 2021<sup>1</sup>)



42% held in investments (down from 48% in 2021<sup>1</sup>)

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Investment products:

<b>Are Not FDIC Insured</b>	<b>Are Not Bank Guaranteed</b>	<b>May Lose Value</b>
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See additional important information on next page.

Average total balance  
(cash and investments):

\$4,077

(down 6% from 2021<sup>1</sup>) ↓

Accounts with balances of:

Less than \$500:

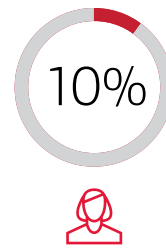
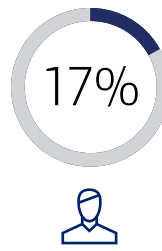
48%

More than \$5,000:

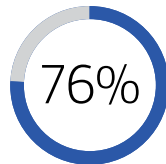
19%

12%

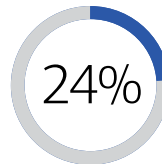
of account holders  
are investing for  
future growth  
(industry average: 7%<sup>2</sup>)



#### How contributions were used in 2022:

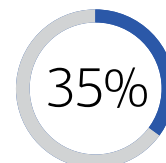
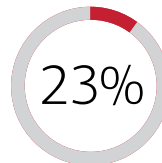
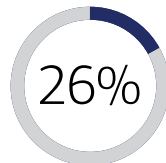


Spent on health  
care expenses



Saved

#### Men were better savers than women, as were millennials



Millennials (ages 28 to 42): 35%  
(the most of any age group)

#### We can help you improve the financial lives of all your employees

Financial Life Benefits<sup>®</sup> goes beyond traditional benefits to provide more of what employees need to manage their day-to-day finances and prepare for the future.

Retirement plans\* | Equity compensation plans\* | Health and benefit accounts<sup>†</sup> | Employee banking<sup>†</sup> and investing\*

To learn more, visit [go.bofa.com/FinancialLifeBenefits](https://go.bofa.com/FinancialLifeBenefits)

#### Intended for plan sponsor and consultant audience.

<sup>1</sup> Comparisons to 2021 reference data derived from Bank of America Retirement and Benefit Plan Services HSA data platform as of 12/31/2021.

<sup>2</sup> Source: Devenir 2022 Year-End Health Savings Account Research Report, March 2023.

\* Investment products are available from Merrill Lynch, Pierce, Fenner & Smith Incorporated.

† Bank products are available from Bank of America, N.A., and affiliated banks.

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This report monitors plan participants' behavior and sponsors' adoption of new plan design features and services in our proprietary employee benefits programs, which serve more than 25,000 companies and more than \$6 million employees as of December 31, 2022. Reference data for 2022 derived from Bank of America Retirement and Benefit Plan Services HSA platform as of 12/31/2022.

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