



Health Savings Accounts: Achieving Optimal Results for Employer Programs



HSA Bank, a division of Webster Bank, N.A., works with over 35,000 employer groups to offer health accounts, including Health Savings Accounts (HSA), Flexible Spending Accounts (FSA), and Health Reimbursement Arrangements (HRA), to millions of consumers and their families. HSA Bank was one of the first companies to offer HSAs and our experience puts us in a unique position to provide the knowledge and insight needed for employers, benefit consultants, and brokers to maximize this benefit program. If you or your clients are considering offering a Consumer-Directed Health Plan (CDHP) with an HSA, this analysis provides a framework and context for developing a successful HSA program.

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Introduction

Since 1997, we’ve gathered a deep knowledge and appreciation for how employers of all sizes – from small businesses to Fortune 500 companies — use health accounts to engage employees as healthcare consumers. We’re using what we’ve learned from providing health account administration and custodial services to offer you best practices for an HSA program that helps both employers and employees save money on healthcare expenses. Ultimately, these programs empower employees as healthcare consumers more than ever before.

HSAs at a Glance

- An HSA accountholder must have a qualified high-deductible health plan (HDHP).
- Contributions to an HSA are free from federal tax and most state tax.
- HSA assets can earn interest and be invested.
- HSA balances roll over from year to year.
- No “use it or lose it” provision as with FSAs
- HSA assets are the property of the accountholder, not the employer.
- HSAs are portable — employees keep their HSAs even if they change jobs.
- HSA assets can be spent on IRS-qualified medical expenses.
- Most HSAs have debit card access and many offer online bill pay and paper checks.
- Employers, employees, and individuals can all contribute to an HSA.

Summary

Through thousands of successful implementations, HSA Bank has learned that the most effective HSA programs are the result of simple program design and planned employee communications and tools. And, of course, the right HSA administrator will help you achieve your short- and long-term goals and assist you in reaching optimum results.

The greatest successes by HSA Bank clients were achieved by following best practices in these areas:

HSA Program Design

Here, companies consider what they and their employees value in an HSA, decisions the employer needs to make, as well as how to structure the HSA program.

Key findings in this section include:

- Simplicity is important. Streamlining the number of health plans offered and keeping plan designs easy to understand help with transitioning people to the CDH plans.
- Early and continuing communication improves employee participation. Getting the word out to employees early and throughout open enrollment will aid in higher plan adoption.
- Employer contributions and incentives increase savings. Tying healthy behaviors to additional HSA incentives is also effective in increasing adoption.
- Offering a flexible, self-directed investment program provides the potential to grow HSA balances. This appeals to accountholders with a variety of investor profiles and can help encourage participation in the HSA plan.

Employee Communications

Items of importance in this category include how adept the HSA administrator is at planning, developing, and executing a communication plan that will maximize employee participation and better inform employees, empowering them to make educated decisions.

Key findings in this section include:

- Start communicating early. It's advisable to start six months or more before open enrollment.

- Use simple language. Don't use industry jargon and use "consumer-directed" as opposed to "high-deductible health plan"; it's friendlier and more positive.
- Develop goals for pre-enrollment, enrollment, and post-enrollment. Each period should have different goals.
- Ongoing communication is important after enrollment. This helps reinforce management's messages.



HSA Administrator Evaluation

Important considerations during this process include how the administrator works to increase participation, the capabilities of the administrator, the success and experience of the implementation team, and overall capabilities.

Key findings in this section include:

- The right administrator makes a difference in increasing CDHP enrollment and employee satisfaction.
- Implementation expertise and overall capabilities ensure success.
- An efficient enrollment and funding process can significantly increase account participation and reduce any gaps between HDHP and HSA enrollees.
- Effective administrators recognize the importance of providing turnkey communication materials.

Next, we'll provide a more comprehensive review of what was summarized above.



HSA Program Design

Before finalizing the design of your HSA program, the following questions should be considered.

- What are the enrollment goals for the 1st, 2nd, or 3rd years of the program? Is full replacement (HDHP only) a long-term goal?
- How much will the company save in claims costs (self-insured) or premiums (fully insured) as compared to traditional plans?
- How much tax savings can be achieved based on employee and employer contributions? Can the company pass along some of the savings in the form of employer contributions to the HSA?
- What percentage of employees are enrolled in a company 401(k) plan, and how comfortable are they with investing?
- Are you concerned with employees having enough money in their HSA in the early part of the year – before any payroll deductions are in place?

When considering which benefits to choose during Open Enrollment, employees often focus on the health coverage portion of the HDHP/HSA program. Key factors in their decision tend to hover around out-of-pocket limits, deductibles, and preventive care coverage. While each of these features is often considered against the varying premiums, employees may also be wary of moving from a traditional health plan, with low out-of-pocket costs, but with much higher premiums, to a consumer-directed health plan.

Simplicity is Important

Experience has revealed that businesses are most successful in launching an HSA program when they empower employees with information to make the best choices. Simplicity in the HSA program design and understanding are important in meeting CDHP enrollment goals.

As referenced in the HSA Bank Case Studies included in this white paper, those businesses that have streamlined the number of health plans offered had greater success in transitioning employees to CDHP plans. One helpful guideline is for smaller businesses to offer one or two health plans, though larger businesses often offer as many as four options. Having fewer options is often the better choice. It has been proven that too many choices made available during

HSA Bank Case Study #1

Company Profile:

- A multi-division manufacturer with 15,000 benefit-eligible employees
- Offered various health plans to its many divisions

Key Administrator Support:

- HSA Bank recommended certain program attributes given the unique population and diverse workforce:
 - Educational sessions for HR staff in various locations
 - Onsite employee meetings with the opportunity for employee Q&A

Results:

- The company was able to achieve 29% participation in the HDHP and HSA in the first year.
- In year three, with continued education and diligence around health and wellness, their HDHP participation increased to 47%.

- As they look to the next two years, their goal will be to reach full replacement by year five and they continue to look to HSA Bank as their HSA partner to assist them with rolling out their plans to their multiple divisions.

Ongoing Support:

- Post-enrollment flyers regarding how to use the debit card, how to sign up for online banking, and how to make contributions and distributions online, were hung in lunch rooms and distributed to employees.
- Self-running presentations were posted to the client's intranet sites so employees could watch and learn. A link was also emailed to the employees to enable their spouses to watch on their home computers.
- Train-the-trainer sessions were held, feedback from which confirmed that HR and benefit teams from each division were well equipped to assist their employees with HSA-specific questions, use the employer administration website to assist their employees, and manage their accounts at the employer level.

the HSA launch create confusion.¹ This confusion can lead employees to focus too much on premiums while not paying adequate attention to how the overall CDHP may meet their needs. An administrator that offers evaluation tools such as calculators and estimators can help employees to properly evaluate which plan is right for them. Additional information on these tools can be found in the section titled, “*Employee Communications and Tools*” on page 6.



Should the company offer more than one plan, even minor changes to the plan or its title over previous offerings (e.g., re-ordering options or changing plan names), often provide employees more of an incentive to closely consider benefit offerings for the coming year. Additional ways to encourage employees to choose the HDHP/HSA program include front-loaded or accelerated HSA funding from the employer, incentives for healthy behaviors, lower deductibles (as allowed by law), or higher coinsurance.

Quick Tip: The employers who have enjoyed the greatest success in converting employees to Consumer-Directed Health Plans have avoided the phrase “High-Deductible Health Plan.” Using positive language in describing the plan can increase enrollment in such plans. Alternative suggestions include: Consumer-Directed Plan, Lower Premium Plan, or HSA-Compatible Plan.

The Effect of Early and Continuing Communication

As learned through the thousands of implementations for our clients, those companies with high employee participation in their HSA programs have found it beneficial to communicate early during enrollment periods to provide information about program changes—emphasizing to the employees the correlation between the actual cost of healthcare and various benefit

levels. Companies that continue to provide employee education on healthcare costs find that later changes can be more easily understood. Additional information on aspects of communication in the various stages of enrollment season and beyond can be found in the section titled, “*Employee Communications and Tools*,” on page 6.

How Employer Contributions and Incentives Increase Savings

Contributing to employees’ HSA accounts has been shown to increase participation – particularly matching HSA contributions or providing lump-sum funding early in the year. Employer contributions also illustrate a commitment to the program on behalf of the employer. A further commitment is shown when employers educate employees about the saving and spending benefits of HSAs.

HSA Bank understands the effect of employer contributions on employee participation and account growth, gained both anecdotally and via analysis of more than 35,000 clients. In the first half of 2015, 29% of HSA dollars contributed to HSAs nationally were made by employers.² We’ve found that, for HSA Bank HSAs, employer contributions are slightly higher with 35% of HSA dollars coming from the employer.

Many HSA Bank clients understand the benefits of contributing to their employees’ HSAs. Of employers who contribute to employee accounts, employers contributed an average of \$974, while employees contributed an average of \$1,126. The total average contribution, including those from employees, is \$2,110 for HSA Bank members.*

Our internal analysis revealed that 74% of accountholders rolled over all of their contributions from the previous year while 25% rolled over a portion of their HSA balance from the previous year. This reveals that most employees have contributed money to the HSA and not used it all in one year, while others have used it all to pay for IRS-qualified medical expenses. In industry parlance, these are known as “savers” and “spenders.”

Research has shown that employee contribution balances are lower when the employer does not contribute. Although in the past, matching contributions had proven to be the most effective way of increasing contributions, today wellness and preventive care incentives are taking front stage. This is due in part to requirements of the Affordable Care Act, as well as recognition that when employees take

¹Phillip Moeller, Why Too Many Health Insurance Choices Are Costing You Money, Money, May 26, 2015, available at <http://time.com/money/3894968/health-insurance-choices/>

²Devenir Group, 2015 Midyear HSA Market Statistics & Trends, August 11, 2015
*As of October 19, 2015

advantage of preventive services, they tend to be healthier and have lower healthcare costs.³

Providing financial incentives to the HSA of those employees who participate in certain preventive screenings and procedures drives participation. Such incentives can also be paid to employees for participating in activities associated with a healthy lifestyle, including company-sponsored programs, smoking cessation, and weight loss programs.

The HSA administrator should be able to work with insurance companies to accept such incentive payments for programs administered by the insurance carrier or Third Party Administrator. The ability of the HSA administrator to deposit these contributions to the employees' HSAs and note them as incentives is vital in encouraging the healthy behavior. You should plan for future design modifications and incentives for positive behavior changes that are shown to result in a happier, healthier workforce.

Quick Tip: We recommend paying any administration fees for the employees. Such fees are typically small, have been shown to encourage participation when paid by the employer, and may be offset by tax savings.

The Ability to Invest for the Long-Term

For employees to get the most out of their HSA over the long term, a flexible, self-directed investment program will provide potential to grow their HSA balances. HSA Bank has found that accountholders come in a variety of investor profiles. Consequently, employers who offer a choice of self-directed investment options to employees further encourage participation and saving.

Design Considerations for an HSA Self-Directed Investment Program:

- Traditional investors, such as those who are used to 401(k) investment, may be more familiar with a self-directed mutual fund program that offers professional management. In fact, some administrators can mirror your current 401(k) slate to further build confidence in the program.
- For the more sophisticated investors, a self-directed brokerage option enables employees to choose from a wider variety of investments, including stocks, bonds, and a larger number of mutual funds, which may be appealing and lead to a higher participation rate.

³Preventative Services Covered by Private Health Plans under the Affordable Care Act, Kaiser Family Foundation, August 2015

- An employer may consider implementing a minimum balance requirement in their HSA prior to being able to open an investment account.

Employee Communications and Tools

Empowering employees to take ownership of their health and healthcare benefit decisions can be challenging with today's changing plans and services. Experience has shown that many of the same challenges that faced defined contribution retirement plans, including 401(k) plans, during the 1980s, are also inherent in the move to CDH/HSA plans. When employees view choices as complicated or difficult to understand, they tend to delay decision making. This can lead to less-than-optimal choices that may not align with an employer's long-term advantage.

An experienced and effective HSA administrator can assist employers and employees in overcoming the typical roadblocks that appear with any change in benefit offerings. It has been shown that, next to a good health plan and employer contributions, the communications and tools provided by the HSA administrator will have the greatest influence in helping employers increase enrollment and reach important program goals.

Since HSA inception in 2004, employers have seen the importance of a well-developed communication program that begins several months prior to open enrollment periods. Such an approach allows employees sufficient time to digest and comprehend the new benefits program, while reducing any confusion.

Administrators should provide the employer with the opportunity to customize a unique plan to meet its goals by choosing from a variety of available communications across multiple channels. A sample plan can be viewed on page 7.

Communications that are developed by professionals and are extensive in various aspects of the HSA program will address employee concerns about the program and converting to the CDHP. Examples that HSA Bank has created for employers can be found on page 10, Exhibit 1.

Keys to Success

Start Early: To demonstrate the company's commitment to the new CDH plan, communications should start early – six months or more prior to open enrollment if at all possible. These early communications should come from executives and should cover why the change is being made,

Sample HSA Communications Plan

Goals	2 to 3 Months Prior to Enrollment	2 Months Prior to Enrollment	4 to 6 Weeks Prior to Enrollment	1 to 2 Weeks Prior to Go-Live Date
PRE-ENROLLMENT				
Demonstrate senior management commitment. Raise general awareness about benefits changes and how the HSA works for employees at various ages.	Program announcement should be sent to employees by senior executive. Initial communications educate employees on the fundamentals of how health accounts work. This is a good time to illustrate how an HSA works for consumers at various ages, health needs, and income levels. Administrator should offer convincing tools, including videos, calculators, and more.	Introduce employees to health account options offered and explain how each type works. Literature will be available for employees to read at their leisure.	Communications turn to topics such as eligible expenses, how to enroll, and account options. Administrator should work with HR staff and benefit consultants to develop a customized plan to meet specific goals. This partnership approach is effective in laying a strong foundation for a successful CDH program.	
ENROLLMENT				
Training will be held onsite with Human Resources or benefits team with goal of increasing HSA adoption.	Administrator to help communicate with employees via various flyers and presentations, supported with live webinars and on-demand presentations. Online support is also available.	Assistance should be provided by the administrator for ongoing messaging and participation in benefit events, if applicable.		Once employees are enrolled, administrator should send a member welcome kit. Debit card(s), including information on how to use the card, are sent.
ONGOING EDUCATION				
Goals	Analysis & Tools	Quarterly	Year-End	Future
Use existing communications channels to reinforce management messages.	Analyze summary reporting to determine areas of the program that can be optimized (e.g. online usage, spending behavior, beneficiary completion, etc.)	Each quarter, send an email to accountholders with the goal to increase deposits and provide information on the additional value and features of the account.	1099-SA tax documents should be sent to accountholders. 5498-SA tax forms will also be sent. Tax documents should also be available online. Administrator should make available a flyer to communicate tax information to employees.	Schedule regular communications with accountholders. • Some quarterly topic ideas: – Investment reminders – Contribution information – Tips for using the HSA

accentuating the benefit to the employee including lower premiums, the ability to invest, and having full control over the funds once they are deposited.

What to Cover: Pre-enrollment communications should address what an HSA is, what the advantages are to an HSA, how the HSA works, and how it can work for different types of consumers. A key to better understanding is to overlap how an HSA works with what the IRS-allowable expenses are.

Quick Tip: Experience has shown that employees prefer email communications as opposed to social media. They also enjoy the opportunity for one-on-one conversations.

Communications during the pre-enrollment phase should include a program announcement and concept introduction

emails. These should be delivered in a variety of media, such as self-running presentations, videos, online calculators, flyers, and email communications. Focus should be placed on reaching a wide audience by engaging employees in a variety of ways to suit individual needs and preferences.

Communications during the enrollment period should include reminders to enroll, what to expect, and how to use the account. These should include a memo detailing what the employee should watch for from the employer. The HSA administrator should deliver account opening verifications, a welcome kit, and a debit card mailer that outlines how to use the debit card.

During the post-enrollment period, reminders of the account features, self-directed investment options, online banking, customer service hours, and other account options should

be delivered to employees. Information on how to contribute to the account, features available on the website, reminders of which medical expenses are eligible, and other items that may benefit the employee such as a beneficiary form and authorized signer forms, should be delivered. Ongoing communications delivered as flyers, webinars, and emails should cover value-added resources such as cost savings and tips on how to be a better healthcare consumer.

Quick Tip: Communications should be delivered in simple language, free from industry jargon. Take care to eliminate language referencing “high-deductible” health plans. Sticking to “consumer-directed” is more clear and positive.

Planning Calculators: Communication and education materials are most effective to the largest number of employees if they come in a variety of media. Interactive tools such as planning calculators bring employees into the planning process and help them visualize how the CDH/HSA program may benefit them. Employees should have access to a website where online decision tools are available. Items that illustrate the potential future value of an employee’s HSA, as well as potential tax savings on contributions and tax-deferred growth, can help employees in their planning and provide a visual projection of how the account may grow.

A Stage-of-Life Evaluation Tool: Such a tool shows employees how they can maximize the advantages of an HSA in various stages of life and is helpful for employees of all ages.

Organizational Tools: A section of the website should enable members to view medical claims, upload and store receipts, and track all healthcare expenses, even those not paid from the HSA, for easy reimbursement at a later time. Expenses should be able to be organized by type, relationship to the account holder, and members should be able to add details to assist with future planning and contribution needs. Mobile account access and management is also important.

Additional Consumer Tools and Resources: Some administrators offer additional resources to account holders to empower them to make the most of their CDH plan and make every dollar go further.

Examples of these tools include:

- Medical cost and quality information tools that can help consumers understand the cost and quality related to a particular medical service or episode of care that can help them make better choices to put them in control of where their dollars are spent.

HSA Bank Case Study #2

Company Profile:

- An employer with 10,000 benefit-eligible employees assigned across two companies — as well as its pre-Medicare retiree population
- Desired to move to a full-replacement, high deductible health plan and HSA over a two-year period

Key Administrator Support:

- HSA Bank recommended, and the employer agreed, to begin communication to their employees three months before open enrollment, then again at 45 days prior. They educated heavily during their open enrollment meetings. Several best practices emerged:
 - The employer required attendance at the open enrollment meetings and encouraged spouses to join them as well.
 - HSA Bank provided webinars and online tools to assist employees with their decision.
 - The same best-practices approach was taken with retiree populations.

Results:

- The total number of accounts opened in Year 1 was approximately 8,200, or greater than 50% of benefit-eligible employees.

Ongoing Support:

- HSA Bank has since used elements of the communication strategy and the educational outline developed for this employer when advising other groups on how to best educate employees to ensure they are comfortable with the Health Savings Account.
- In year two, HSA Bank educated more extensively to the retirees because they aren’t onsite for the Open Enrollment meetings. The effort led to greater understanding of the HSA on the part of retirees.

- Access to third party healthcare resources for clinical information. Although typically provided by health plans, access to trusted third party clinical resources allows employees to research health topics and conditions from trusted centers of excellence and well-known clinical websites (e.g., Mayo Clinic online, WebMD, etc.).
- Access to telemedicine providers where online consultations are provided with payment linked to the HSA.
- Guidance on purchasing IRS-qualified medical expenses from retailers who specialize in HSAs and spending accounts.
- Direct help managing and negotiating medical bills to increase possible discounts.

After enrollment periods, ongoing communication is an effective way to reinforce a businesses' ongoing commitment to the CDHP and HSA program. These communications should be designed to encourage account use while highlighting HSA features and regulatory impacts, such as contribution limits.



Evaluating an HSA Administrator

A good HSA administrator makes a big difference in increasing CDHP enrollment and employee satisfaction with the program. Employers should conduct a review of the administrator's capabilities, track record, and product types offered.

Ideally, the HSA administrator should be both the custodian of the HSA funds, as well as the administrator. In this way, the employer and employees know where the money is and don't have to wonder which trustee is actually holding the funds.

However, the plain truth is that an HSA administrator should be more than a place to park funds. An administrator that knows how to increase participation, provide a smooth transition if moving from one administrator to another, and has been a leader in the industry, can be a powerful partner.

When reviewing HSA administrators, consider the following:

Implementation Process

- **Proven Success as an Administrator.** Any administrator under consideration should be asked to demonstrate the ability to increase enrollment rates. Administrators should have a good reputation, excellent track record, strong balance sheet, sophisticated offering of core banking, transaction and self-directed investment services, integrated asset management capabilities, and a strong financial base.
- **Overview of the Implementation Process.** Implementation specialists who are experienced at complex transfers and client setup are important. An administrator with a depth of experience in account-based benefits administration can be a key ingredient for a company, both in starting the plan and maintaining it long into the future. Questions to consider:
 - Will there be a dedicated implementation manager/resources assigned to expertly manage the process?
 - What is the schedule for kickoff and ongoing meetings?
 - How do employees access program documentation?
- **Administrative Capabilities.** Companies should review the tools and resources available to them for direct administration of the program. Many administrators provide access to a secure employer website for self-service tools and reporting, including:
 - Uploading enrollment files and ad hoc enrollments
 - Setting up one-time or recurring contributions
 - Administrative reports and program summary information to help optimize program design
 - Custom messaging to employees

Enrollment and Funding Capabilities

An Efficient Enrollment Process: A simple enrollment process, either web- or paper-based, is essential.

- Your HSA administrator should offer multiple methods for enrolling and funding employee accounts, with an integrated process that prevents a gap between HDHPs and HSAs.

Key Questions:

- Can enrollment and funding instructions be sent via encrypted submission to a secure FTP server?
- Is signature-less enrollment offered? An approved electronic enrollment file and an agreement ensure a seamless account opening experience for both employers and your employees.
- Is order fulfillment efficient? Will employees receive account welcome kits, debit cards, and checks (if requested) within 5 to 10 business days of account opening?



Most companies have found that the best HSA administrators provide much more than a place to house HSA assets.

For employers with a large number of employees, an administrator with substantial experience in enrolling employees from multiple divisions and in multiple locations is particularly helpful. The ability to facilitate changes to an employee’s status is critical, as is a simple enrollment process that is web-based. A paper process should be available, if needed.

Employee Communications: Effective administrators recognize the importance of providing turnkey communication materials. Examples can be found in Exhibit 1 below. However, providing a consultative approach to employee communication design ensures the right materials at the right time – with the right message. The best administrators can work closely with employers, consultants, or brokers to understand employer culture and deliver the most effective messages in the context of overall benefit activities.

Checklist for Selecting an HSA Administrator

The importance of choosing the best HSA administrator, capable of providing a seamless implementation, calls for an investment of time and examination. The checklist below is intended to help HR and benefit staff members begin to discover key attributes of outstanding administrators.

1. Understand the Types of Administrators in the Market.

While multiple models exist, it’s worth considering the types of companies providing these services, and how each would fit with your culture and may serve your employees best.

- Evaluating Account Features:** Although an HSA shares similarities with checking accounts and 401(k)s, the HSA administrator should understand banking and healthcare to help employees get the most out of the account. Some features that demonstrate this competency include:
 - Ability to view and pay for medical, dental, and vision claims directly from the HSA
 - Ways to store receipts online (either via desktop scanner or mobile phone) for expenses paid from the HSA, or out-of-pocket



Exhibit 1: Tools for communicating your HSA program are a key element of a successful HSA program. The administrator should offer professionally created employee-facing marketing materials.

- Text and email alerts tied to IRS HSA contribution maximums and key account activity
 - Multiple ways to access funds and streamlined payment to providers (debit cards, paper checks, EFT, and wire transfers)
 - Guidance for members on IRS-qualified medical expenses
 - Call center expertise for live help
 - Comprehensive self-directed investment choices
 - Online and phone-based self-service account information
 - Can the offering adapt to the needs of a diverse workforce?
 - Are there multiple options for account enrollment – electronic and paper?
 - Is there a user-friendly member website and clear account summaries?
 - Are there multiple ways to access funds (e.g., ATM, debit card, online, checks)?
 - Are customer service representatives HSA experts? And can they provide multi-lingual support?
 - Do mobile capabilities allow employees access to key information and transaction capabilities?
 - Are features for investors included, such as:
 - Integrated self-directed investment account?
 - A wide range of self-directed mutual funds and risk level for a diverse employee base, as well as a self-directed brokerage option for more sophisticated investors?
 - The ability to pre-allocate a fund mix for future investments?
 - Auto sweeps and auto-transfers to the account?
 - Timely turnaround times for cash/investment transfers?
 - The ability for the employer to set a minimum threshold balance before allowing employees to invest?
- 2. Analyze the functions made available to the employer.**
- Will the program be easy to administer for HR and benefit teams?
 - Implementation timeframes and requirements
 - Coordinating payroll deductions
 - Sending electronic files to the administrator for enrollment and contributions
 - Authorizing changes
 - Accessing online tools for program administration
 - What type of reporting is provided to help manage the program and measure success? Reporting suites should help employers identify:
 - Status of opening accounts for employees, including those who need to provide documentation to validate identity
 - Account volumes and balances at program level
 - Funding confirmations and transaction history
 - Reconciliation reports for funding contributions
 - Benchmarking key program metrics to the industry to help focus on areas for further engagement
- 3. Design the Communications Plan:** Early in the evaluation process, take advantage of implementation meetings to learn about the HSA administrator’s capabilities to support the planning and implementation of a customizable communications program for your employees.
- Ensure that your HSA administrator can support these key elements in any communications plan:
 - Training: In partnership with the HSA administrator, you may want training for Human Resources or benefit and supervisory personnel.
 - Webinar/on-site support for open enrollment
 - Welcome kit to include all of the elements needed by the employee to begin using their HSA, including a welcome letter and debit cards sent under separate cover
 - Key communication pieces available in Spanish

Conclusion

HSAs have continued to grow in popularity, largely because of the positive alternative the HDHP combined with an HSA offers to traditional health insurance plans. Successful administrators provide powerful features, excellent service, and a knowledgeable, experienced partner to help inform and involve employees.

Many HSA Bank clients have discovered that success in development of an effective HSA program is a combination of choosing the right administrator and fresh ideas, including the ideas presented in this paper:

- Finding the right HSA program design to meet the employers' goals, both short- and long-term.
- Employee communications and tools that make a difference. Look for an administrator that is adept at planning, developing, and executing a communication plan that will maximize employee participation and better inform employees, empowering them to make educated decisions.
- Evaluating an HSA administrator that offers methods and tools to increase participation and an easy-to-use offering in enrollment and ongoing administration.

Leveraging HSA Bank's experience has provided tens of thousands of its clients with a positive HSA program experience. These lessons provide the power to create a benefit offering that can keep you competitive in the talent acquisition arena at a value that has been carefully designed and refined over nearly two decades of specializing in account-based benefits. ■

About the Author

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Jason has extensive experience developing and managing products related to Consumer-Directed Healthcare (CDH), including over 15 years of healthcare and spending account experience with HSA Bank, J.P. Morgan Chase, United Healthcare's Optum division, and WellPoint. Having background developing products for both health insurance companies and financial institutions has allowed Jason to gain a unique perspective on the healthcare issues affecting employers and employees and on developing solutions that

matter most to our customers. He holds a B.A. from the University at Buffalo and an M.B.A. from the Lubin School of Business at Pace University.

About HSA Bank

HSA Bank is a trusted leader in consumer-directed healthcare that has focused on Health Savings Accounts (HSAs) since the beginning, serving as both the bank and administrator. Discover how we can support your benefits strategy with our comprehensive account-based health benefit solutions such as HSAs, Health Reimbursement Arrangements (HRAs), Flexible Spending Accounts (FSAs), and Commuter Benefits. We offer one platform and one portal for all consumer-directed accounts with a reputation for outstanding service. HSA Bank empowers over 1.7 million members to own their health. HSA Bank, with over \$4B in assets, is a division of Webster Bank, N.A., Member FDIC. www.hsabank.com



For information on HSAs, and to learn more about HSA Bank's best practices in administering HSA programs, please visit hsabank.com, or contact Business Relations at 866-357-5232.

