

Maximizing HSA adoption and engagement

The power of segmentation to drive tailored messaging



⇌ HSA account

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Executive summary

Health Savings Accounts (HSAs) offer triple tax advantages, financial flexibility, and long-term value to both employees and employers. Yet, despite these benefits, adoption rates and utilization remain lower than they should be, due in large part to generic, one-size-fits-all communication strategies.

Using insights derived from the WEX/Visa HSA consumer research, this whitepaper explores how tailored messaging, rooted in data-driven segmentation and personalization can significantly accelerate HSA adoption and utilization.

Our research findings show that a personalized, segment-based approach using the right messages can lead to higher enrollment, greater employee engagement, and increased contributions. For employers, this increases the value of this benefit to their employees. And for brokers, partners, and TPAs, delivering this kind of value drives client retention, competitive differentiation, and revenue growth.

Current challenges of traditional HSA communication

HSAs are tax-advantaged medical savings accounts designed to empower employees with control over their healthcare spending. They are portable, investable, and provide triple tax benefits: pre-tax contributions, tax-free growth, and tax-free withdrawals for qualified expenses.

In today's evolving healthcare landscape, HSAs are increasingly seen as a cornerstone of financial wellness. However, many employees either don't enroll or underutilize them due to limited understanding and ineffective communication.

Traditional HSA communications are often generic and technical. They fail to resonate with diverse employee needs and financial literacy levels. More importantly, they often fail to emotionally connect with consumers. This emotional connection is particularly important given that HSAs span two of the most emotional aspects of peoples' lives - their physical health and their financial health.

Key issues include:

- **Generic content** that doesn't reflect individual needs or financial goals. Many communications fail to deliver a conversational tone that accounts for life stage, income, or usage preferences.
- **Information overload**, especially during open enrollment, makes it difficult to differentiate HSAs from other benefits. Long PDFs, fine print, and infrequent touchpoints contribute to confusion rather than clarity.
- **Fear and confusion**, with employees unsure how HSAs work. Many messages focus on technical details rather than peace of mind, empowerment, or control.
- **Lack of relevance**, as employees don't see how an HSA applies to their life stage or healthcare situation.

This broad, undifferentiated messaging often fails to resonate with those who could benefit most.

The power of tailored messaging

Tailored messaging focuses on:

- **Segmentation**: Divide audiences by age, income, life stage, health status, and usage behaviors.
- **Personalization**: Use names and personalized contribution scenarios that are aligned to consumers' life goals to educate and empower.
- **Relevance**: Ensures that employees see how an HSA applies to their specific life stage or healthcare situation.

Tailored messaging and delivery by segmentation yields:

- Higher **engagement** through relatable content.
- Improved **conversion rates** as employees better understand the value.
- Enhanced **financial wellness** as users take advantage of pre-tax savings.
- Stronger **employer ROI** as benefits programs deliver measurable results.
- Tailored messages **significantly outperform** generic messaging in both open and conversion rates.

WEX's commitment to impact

WEX's ongoing commitment to driving adoption in HSAs means understanding this impact through messaging that reflects specific demographics, behaviors, and mindsets—to support increased adoption and long-term engagement with HSAs. This whitepaper will help detail out recent findings from joint research between WEX and Visa and provide insights related to the impact of these results through our Consumer Pathways offering.

WEX and Visa's consumer research

WEX and Visa share a strong commitment to consumer driven healthcare. Part of that commitment is conducting research that seeks to deeply understand consumers' perceptions, attitudes, and behaviors towards HSAs, both adopters and non-adopters. In 2019, WEX and Visa conducted research that broke new ground by revealing that consumers' connections to these accounts are largely emotional rather than rational. The research suggested that the industry's long-standing communication approach was failing to land with consumers due to its highly technical nature.

WEX and Visa agreed that it would be useful to refresh the 2019 research to see what themes and findings persist and what, if anything, has changed. We sought to understand the motivations/drivers of and barriers to HSA usage to improve consumer facing HSA marketing, educational materials, and targeted communications that ultimately will lead to better/improved consumer adoption and utilization of HSAs.

The current research pulled from both qualitative and quantitative methods to understand the diverse mix of needs and perceptions across the workforce surrounding HSA adoption and usage. For a breakdown of the methodology and sampling, see Appendix A for more detail. The qualitative portion was 60-minute online interviews (with 15 full-time employees) and for the quantitative had a total base of n=1,511 (sub groupings were HSA adopters n=1208 and Non-HSA adopters (n=303). A mix of HSA adopters and non-adopters was surveyed and interviewed. The non-adopter group included both those who enrolled in an HSA-qualified health insurance plan and those who chose a traditional plan and hence were ineligible to open an HSA.

Key objectives for this research include:

- Explore what motivates consumers to use their HSA when they do, and what keeps them from using it more.
- Identify what prevents non-adopters from converting to HSA plans.
- Understand who in their network consumers look to for advice related to HSAs and similar accounts.
- Identify what tools consumers find useful.
- Determine key messaging that would appeal to consumers and motivate them to adopt and use their HSA more often.

Revisiting this important topic with the 2025 WEX/Visa consumer research shows that while consumers have evolved how they view and adopt HSAs as a part of their benefits, there is still a strong emotional tie to how they engage with these products. The continued relevance of consumer engagement with HSAs underscores the dynamic nature of benefits adoption. While the perception and utilization of HSAs have matured among consumers, their connection to these financial tools remains deeply rooted in personal emotions and individual circumstances. This suggests that effective strategies for maximizing HSA adoption must acknowledge and address these underlying emotional drivers, moving beyond purely rational or informational approaches. Understanding the specific emotional ties and motivations associated with HSA engagement are crucial for tailoring communication and resources that resonate with diverse employee populations and ultimately drive greater participation and account utilization.

WEX's Consumer Pathways

WEX's AI-powered Consumer Pathways is designed to help consumers make informed decisions about their HSAs. It's an automated program that delivers personalized education and guidance to HSA participants with year-round email/portal messaging and serves as a key delivery mechanism for the messaging suggested by the WEX/Visa research.

By applying machine learning to a rich dataset of HSA consumer behavior, the program delivers personalized messaging that empowers consumers to better understand and utilize their accounts. This leads to positive outcomes such as increased awareness of their benefits, improved financial wellness, and greater confidence in managing their healthcare expenses.

Key aspects of Consumer Pathways include:



Segmentation: The machine learning model analyzes data to predict consumer behavior and categorizes consumers into 7 behavior segments. Segments include: investor, hybrid, cash saver, planner, spender, spend downer, non-user. This enables the delivery of targeted messages designed to predict consumer behavior and deliver targeted messaging to drive specific actions.



Personalized messaging: Consumer Pathways analyzes each consumer's HSA usage and provides tailored messages to increase engagement and maximize their HSA to pay for healthcare costs—resulting in greater feelings of control and security in their ability to pay for healthcare.



Multi-channel engagement: Consumer Pathways uses various delivery channels to reach consumers. This enhances portal and mobile usage, provides consumers with greater self-service and increases their satisfaction with their benefits.



Measurement and Analytics: The product measures its success to determine the impact and results of its guidance. It also provides analytics to employers to help them understand effectiveness and employee behaviors.

HSA engagement and usage: key themes to drive impact

From the WEX/Visa consumer research, we identified key areas to support the consumer with a tailored approach across the benefits lifecycle—from benefits enrollment through ongoing utilization—and how WEX's tools can help drive impact.

Messages that resonate and drive enrollment

Driving HSA enrollment through tailored messaging is all about speaking directly to different employee motivations, demographics, and life stages. When asked, HSA adopters indicated that messages highlighting the wide variety of medical expenses that HSAs can be used for, along with benefits like “flexibility and tax free”, resonate more than other messages across all employee segments. It is important to create messaging that emphasizes both the functional and emotional benefits of the HSAs, as this resonates more than the technical features of the account.



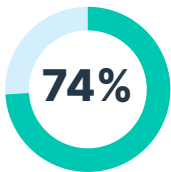
Adopter-identified reasons to own an HSA

Based on quantitative findings

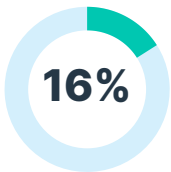
- **Reduce tax burden**
HSAs are a means to lower taxable income while paying for healthcare costs, especially for those who live in high tax areas like NYC.
- **Maximize free money**
Some feel like they are getting free money from employer contributions to HSAs, so they don't want to leave that money on the table.
- **Plan for the future**
A way to set money aside to pay for routine & future healthcare costs like copays, labs, and prescriptions.
- **Emergency savings**
Automatically save to cover high deductibles in case of a medical emergency.
- **Smarter with your money**
HSAs are a way to be smarter with money via investing.
- **Weapon to combat inflation**
For some, investing their HSA funds to grow over time is a way to combat rising costs and inflation elsewhere in their financial lives.
- **Peace of mind**
For those who invest their HSA funds, their accounts give them a sense of security that they have money set aside for their healthcare costs in retirement which are unpredictable.
- **Hedge for health**
Added reassurance that savings and retirement accounts won't be wiped out during retirement in case their health declines. This can be motivating for those who know people who've had health issues during retirement that wiped out their savings.

Patterns in contribution sources and amounts

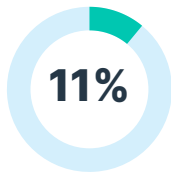
HSA contribution Among HSA adopters



Both my employer and I contribute to it



I personally contribute to it, but my employer does not



My employer contributes to it, but I do not

Contribution amount	Total	Young single	Middle-age single	Families with children	Pre-retirees
Employer contributions	\$1128	\$876	\$911	\$1257	\$1148
Employee contributions	\$1716	\$1173	\$1365	\$1811	\$2258

Employer contributions to Health Savings Accounts (HSAs), play a significant role in influencing employee contributions and overall savings behavior. When employers contribute, they not only provide immediate financial value but also signal the importance of saving, which can motivate employees to increase their own contributions. This matching or supplemental funding often encourages greater participation rates and higher individual contributions, ultimately leading to improved financial security for employees. Additionally, employer contributions can reduce the financial burden on employees, making it easier for them to prioritize long-term savings even when faced with short-term expenses.

Across all segments it was most common for both employers and employees to contribute. Young singles (79%) Families with children (75%) and pre-retirees (74%) have slightly higher engagement, while middle-age singles trail at 68%. Across all segments, employee contributions rise with age.

The challenge

While the importance of employer contributions is clear, not all consumers contribute to their HSA, relying only on funds contributed by their employer.

While our Consumer Pathways users who are identified as ‘cash savers’ regularly contribute to the HSA without spending or investing it, 23% have employer-only contributions or are “employer-reliant”.

The WEX solution

A campaign specifically targeted to consumers who are reliant on Employer contributions only is run annually, focused on encouraging employees to also contribute to the account themselves. The key message across many Consumer Pathways emails is that small contributions can add up.

The results

Among employer-reliant ‘cash savers’...77% started contributing their own funds to the HSA.

How did you decide on your HSA contribution amount?



"I always try and figure out what I will spend for doctor visits and prescriptions."

Pre-retirees, ages 55-65

\$750 employer / \$250 employee contribution



"Preparing for my future, I feel like it is a very important decision to make at this point in my life."

Family with children, ages 25-34

\$1500 employer / \$3000 employee contribution



"Based on our expected expenses and me and my family are relatively healthy. It was a good mid point to build up the balance but also have funds just in case of an emergency pops up."

Family with children, ages 35-44

\$1000 employee contribution



"Because I want to make sure that I have enough money to pay for my prescriptions."

Middle-aged singles, ages 35-44

\$1000 employer / \$1500 employee contribution



"It is what I need to cover my daughter and my regular expenses, with a cushion for emergency."

Family with children, ages 45-54

\$500 employer / \$650 employee contribution



"Because I want to be more secure in my later days of life, I don't want to depend on anybody but myself."

Family with children, ages 35-44

\$1500 employee contribution

Employees use their Health Savings Account (HSA) dollars for a mix of short-term medical expenses and long-term savings. Deciding on the ideal HSA contribution amount presents a significant challenge because it requires predicting future healthcare needs while also optimizing tax benefits and potential investment growth. It's a complex calculation involving current health status, anticipated medical expenses, understanding insurance deductibles and out-of-pocket maximums, and forecasting potential changes in health or family circumstances.

Challenges remain in consumers understanding the right mix of what is HSA-eligible and then forecasting for what to put away. A key take away from the research highlights that messaging that emphasizes the function and emotional benefits of HSAs, resonate more than some of the more technical messaging. The top five most motivating messages to deliver to HSA adopters are that with HSAs:

- They can pay for qualified medical expenses such as deductibles, co-pays, prescriptions, etc.
- Are flexible and easy-to-use on medical expenses.
- You can withdraw money tax-free for qualified medical expenses.
- You can use funds in retirement for any purpose without penalty.
- There is an option for employer contributions to the account.

The challenge

Consumers are looking for guidance on the optimal amount to contribute to their HSA that fits with their financial goals and health situation. They often struggle with 'doing the math' and seek decision-support tools such as WEX's My HSA Planner.

The WEX solution

The WEX My HSA Planner decision support tool is included as a link in all Consumer Pathways emails and is highlighted in specific campaigns to help consumers understand how much to contribute to their HSA to support short-term and long-term savings.

The results

Offering messaging to promote HSA contribution guidance drove a 22.3% lift in the number of people completing My HSA Planner. Those consumers increased their HSA contributions by an average of \$470 PPPY.

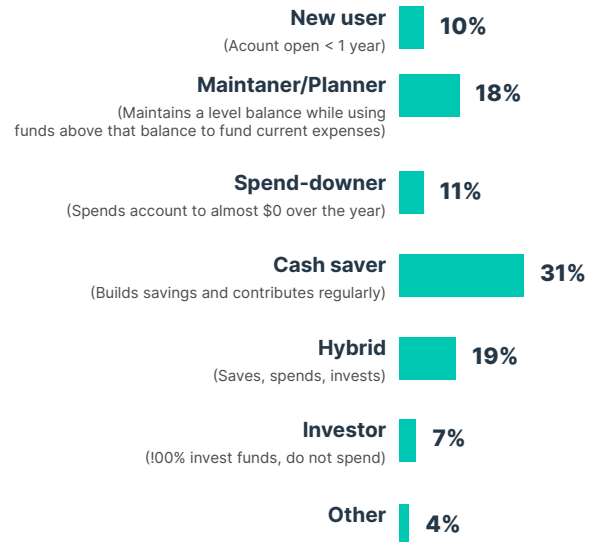
HSA investment Among HSA adopters



While almost 60% of adopters say that HSAs are an important part of their retirement plan, only 9% of HSA account owners are investing. In looking for key opportunities, consumers described as Cash savers could be targeted for additional information on investment opportunities to help nudge them along their aspirational path.

How Do You Approach Your HSA?

Among HSA adopters who don't have a WEX Account



The challenge

76% of consumers with an HSA balance above a cash threshold do not invest their funds. They often don't understand the value of investing and need help getting started.

The WEX solution

A key message across many Consumer Pathways emails is the value of investing funds. Our messaging to cash savers highlights the opportunity to boost long-term savings potential and learn investment basics.

The results

In a pilot, emails encouraging non-investors to invest resulted in a lift of:

9.4% in Consumer Portal logins

200% in new investors

Understanding HSA non-adopters

Convincing employees to switch from traditional health plans and into an HSA qualified plan paired with an HSA requires a multifaceted and strategic approach. While the majority of non-adopters (47%) indicated they did not select an HSA qualified plan because they felt another plan was a better fit, they also indicated the barriers to a HSA-qualified plan are highly emotional. They perceived these plans as unfamiliar, complex and costly.

Even for employees enrolled in non-HSA-eligible plans, HSAs play an influential role in plan selection. In fact, one-third of those who chose a traditional plan say they strongly considered an HSA-eligible option because of the HSA's advantages. These individuals are already partly aware of the benefits but may need additional support to switch. Targeting them with clear education, practical financial modeling, emotional reassurance, and personalized messaging can make them more likely to convert to an HSA-eligible plan during the next open enrollment period.

The challenge

Even amongst non-adopters, HSAs are a compelling factor when it comes to health-plan decision-making even if other factors sometimes lead to a non-HSA eligible plan.

The WEX solution

Leveraging decision support, such as WEX's BeneFITWise, as a part of your benefits administration experience during enrollment can increase HSA adoption by empowering employees to make informed choices. By simplifying complex information, providing personalized guidance, and offering tools to compare plans you can help consumers understand the benefits of HSAs (and their broader benefits) and feel confident they are making choices that align with their individual needs.



Recommendations and best practices

To reach different audiences and increase the adoption and contribution into HSAs accounts, it is important to:

- Invest in **data analytics tools** to refine and evolve segmentation like WEX Consumer Pathways.
- Coordinate messaging across various delivery channels (email, portal, SMS/text messaging, push notifications and social media) for a consistent narrative. Conduct A/B testing of different messages-- track what works, iterate quickly.
- Use **persona-based journeys** to guide employees through decision-making. Create modular content kits (video, FAQ, guidebook) that support various personas.
- Treat HSA education as a **year-round initiative**, not just during open enrollment. Develop an always-on communication strategy for year-round HSA education and tailor delivery of content in the format consumers prefer—email, mobile, or in-person.
- Use **simple language and tools** like videos, calculators, and reminders.
- Focus your messaging to **emphasize both the functional and emotional benefits of the HSAs**—and less on the technical aspects.
- Provide **decision support** both during open enrollment and ongoing throughout the plan year to encourage engagement, with tools like WEX's My HSA Planner or our BeneFITwise decision support.

Conclusion

Tailored messaging isn't just better communication—it's a strategic lever for adoption, engagement, and satisfaction. Tailored messaging isn't a nice-to-have—it empowers consumers, and delivers better financial outcomes. When HSAs are positioned to reflect real people, real goals, and real needs, adoption follows. By leaning into behavioral insights, segmentation, and channel optimization, we can reduce friction, improve understanding, and unlock the full potential of HSAs. And when partners and employers collaborate on messaging with the right tools and data, everyone wins. WEX remains committed to supporting our partners with the tools, insights, and strategies that make HSAs work for everyone.

Learn more about how WEX can help transform your benefits strategy and chat with our team about how to increase engagement through personalization, visit:

<https://one.wexinc.com/health-savings-accounts/>



Appendix A

Methodology and Sampling for the 2025 WEX/Visa Consumer Research

The research pulled from both qualitative and quantitative methods to understand the diverse mix of needs and perceptions across the workforce surrounding HSA adoption and usage.

	Qualitative methodology	Quantitative methodology
Methodology	We conducted 60-minute online interviews with 15 full-time employees (35+ hours per week) to discuss their adoption of a High Deductible Health Plan (HDHP) with a Health Savings Account (HSA)- whether currently enrolled or not.	Online panel sample collected between January and February 2025 who met the following qualifications: <ul style="list-style-type: none"> • Ages 18+ • \$50K or more annual household income • Primary/shared financial decision maker • Employed fulltime and eligible for HSA
Sampling	Demographic Mix (across gender, age 18-65, education, household income \$30k+) and life stages: <ul style="list-style-type: none"> • Gen Z (ages 18-27) • Millennial (ages 28-43) • Gen X (ages 44-59) • Boomer (ages 60-65) 	Sampled for a total base of n=1,511, broken into the following subgroups: <p>HSA Adopters (n=1208)</p> <ul style="list-style-type: none"> • Currently enrolled in a HDHP and participating in an HSA • Non-HSA adopters (n=303) • Not currently enrolled in an HDHP or are enrolled in an HDHP but not participating in an HSA
	<p>Adopters (n=10)</p> <ul style="list-style-type: none"> • Enrolled in a HDHP with an HSA • Contribute and/or receive contributions from their employer <p>Non-adopters (n=5)</p> <ul style="list-style-type: none"> • Open to an HDHP w/HSA • Offered an HDHP/HSA by their employer but are currently not enrolled in either 	<p>Adopters (n=1,511)</p> <ul style="list-style-type: none"> • Enrolled in a HDHP with an HSA • Contribute and/or receive contributions from their employer <p>Adopters (n=303)</p> <ul style="list-style-type: none"> • Open to an HDHP w/HSA • Offered an HDHP/HSA by their employer but are currently not enrolled in either

Demographic breakdown of participants

Category	Sample size	Gender breakdown	Age range	Income bracket
Young singles	200	46% Female 54% Male	Gen Z (ages 18-27)	40% under \$100K+
Middle-aged singles	276	46% Female 54% Male	Millennial (ages 28-43)	42% under \$100K+
Families with children	745	46% Female 54% Male	Gen X (ages 44-59)	Mixed
Pre-retirees	172	46% Female 54% Male	Boomer (ages 60-65)	60% \$100K+