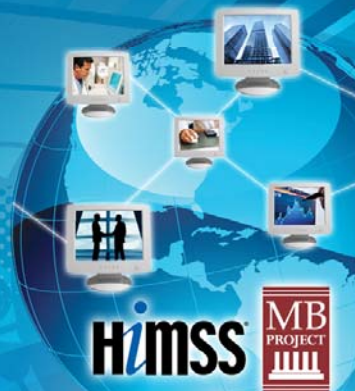


EIGHTH NATIONAL  
**MEDICAL BANKING INSTITUTE**

The Landscape for  
“Health-Wealth” Programming



**State of the HSA Industry**  
**HIMSS Boot camp**  
February 28, 2010

## Do HSAs work?.....YES!



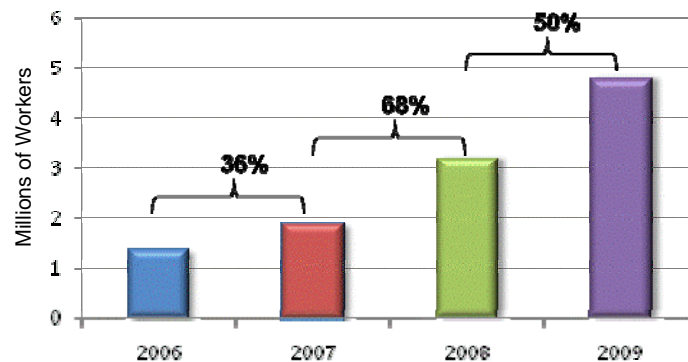
- » HSA's drive virtuous individual **health** behaviors
- » HSA's drive virtuous individual **cost** behaviors
- » HSA's **do not** cause avoidance of medically necessary care
- » HSA's generate cost savings for employers (plan sponsors)
- » HSA's reduce YOY premium increases



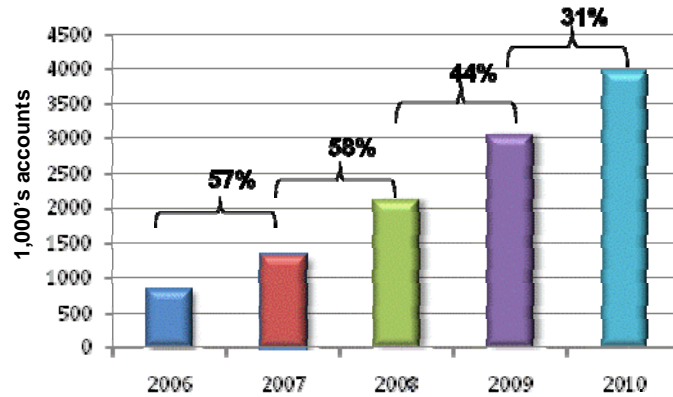
## HSA-qualified HDHPs are rapidly expanding



Kaiser Family Foundation Estimates of Workers in HSA-Qualified HDHP



## HSA Bank's Aggregate Account Estimate for Top 20 Custodians as of Jan '10

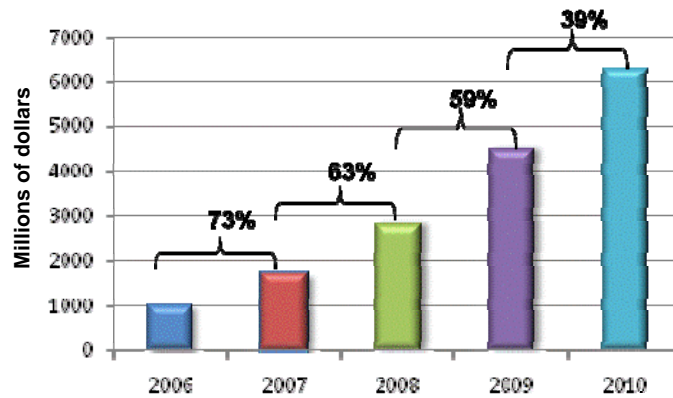


5

D. Dean Mason



## HSA Bank's Aggregate Deposit Estimate for Top 20 Custodians as of Jan '10

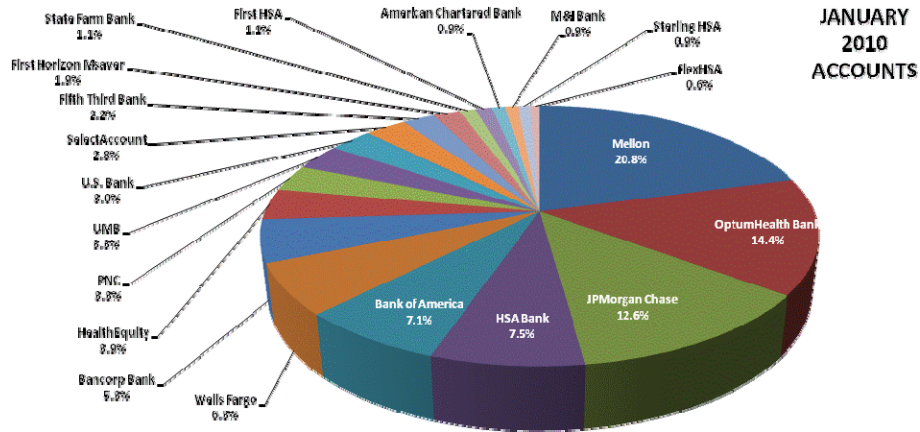


6

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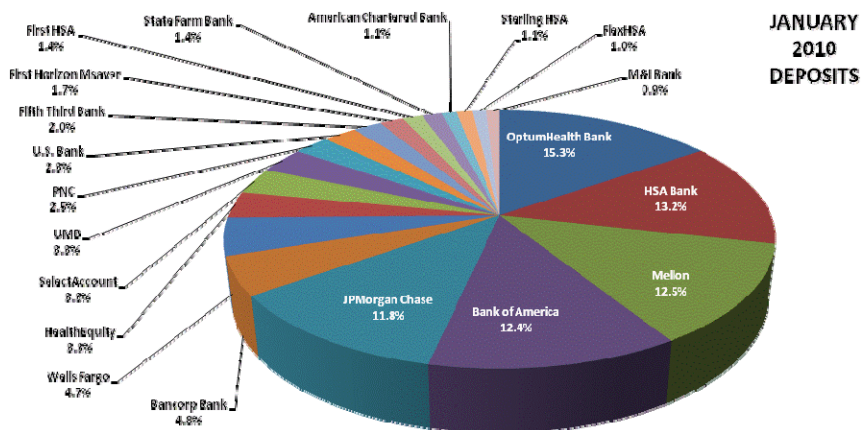
## Accounts Market share Estimate for Top 20 Custodians as of Jan '10



7 D. Dean Mason



## Deposits Market share Estimate for Top 20 Custodians as of Jan '10



8 D. Dean Mason



## HSA Industry Challenges



- » Shake out of weaker custodians
- » Feature innovation is sluggish at best; adverse at worst
- » HSA premium underwriting at many carriers hasn't fully reflected the plan's utilization experience
- » We let HSA's become a partisan issue w/in Healthcare reform debate
- » Our message has been off key