HSA Insights

HSAs are booming in popularity, with total assets climbing to nearly $174 billion in 2025. That's more than double from just five years earlier.

Smart spending

Think of the HSA as a personal savings account for medical, dental, and vision expenses, including copays, dental and vision exams, over-the-counter medications, prescription drugs, and more.

HSAs aren't just for spending

They are a powerful, yet under-utilized investment and retirement tool. HSAs have comparable — or better — perks than a 401(k) or IRA. However, only about 9 percent of HSA participants invest.

- HSA contributions reduce taxable income.
- HSA contributions made through payroll are not subject to the 7.65% FICA tax.
- Withdrawals for HSA eligible medical expenses are tax-free.
- HSA funds can be invested, and earnings through investment are not subject to federal tax.
- Flexibility to withdraw funds for eligible medical expenses when needs emerge.
- All HSA funds carry over from year to year.
- Generally, contribution amounts can be changed at any time.

By the numbers

$174 billion
total HSA assets

41+ million
total HSAs open

19%
year-over-year increase in assets

6%
year-over-year increase in accounts

$85 billion
total HSA investment assets

wex

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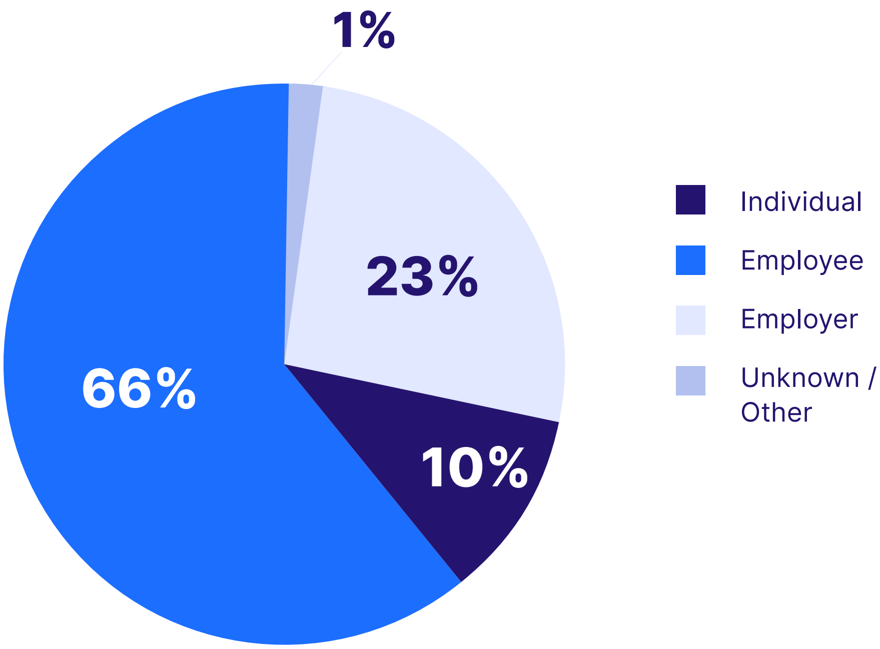
HSA industry benchmarking

Average HSA contribution breakdown



Average annual HSA contribution

$2,480 Employees

$938 Employers

$2,750 Individual

Average HSA balance

Investors:

$24,252

What's the employer contribution sweet spot?

Employer contributions do influence employee contributions. How do we know that? More than 9.4 million HSAs are on the WEX benefits platform, giving us unique insights into participant behavior.

Our data insights team has learned:

$50

Any contribution of $50 or more will encourage participation.

$1,500 — $1,750 +

For family coverage, a $1,500 to $1,750 employer contribution yields the highest employee contribution.

$750 — $1,000 +

For individuals, a $750 to $1,000 employer contribution yields the highest employee contribution.

Sources:

Employee Benefits Research Institute | ERBI's Annual Survey on Employee Benefits
2025 Year-End Devenir HSA Research Report

Learn more about the power of HSAs at

https://www.wexinc.com/resources/blog/hsas/

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