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### **Health Savings Account Enrollees Predicted to Rise to 30 Million by 2009**

Mintel Report Cites Opportunity for Aggressive Marketing to Expand Awareness and Growth

CHICAGO--(BUSINESS WIRE)--Health savings accounts (HSAs) are positioned for aggressive growth over the next three years, according to a new report from Mintel. The report predicts the number of HSA enrollees will increase to 30 million by the end of 2009. The research firm's exclusive survey revealed that only one third of respondents would not be interested in a HSA, indicating substantial potential for increasing enrollment through consumer education. Of the respondents, 13 percent say that they currently have a HSA through their employer.

One feature of HSAs that is particularly attractive to consumers is the opportunity for pre-tax savings. According to Mintel's survey, close to one in four respondents cite this as a key advantage of HSAs. This indicates that companies should focus on highlighting this key advantage point in their marketing messages, as well as clearly communicate the other benefits of the product.

However, consumers are having some difficulty with understanding how HSA accounts work. Mintel's research reveals that close to a quarter of respondents "don't know" if they would want this type of account. This indicates that, despite a detailed explanation of HSAs in the consumer survey question, many consumers either know little about them or have not made up their mind about the product. The majority of consumers who say they "don't know" fall in the 18-34 age range, with more than a third of this group stating this response.

"Consumers are still uneducated about HSAs and their benefits," said Susan Menke, senior financial services analyst for Mintel. "Employees are generally given information about their benefits options at enrollment, but on a very limited basis thereafter. On an ongoing basis, many employees must get information by proactively visiting Web sites or requesting print materials. HSA providers, as well as employers, can benefit from more continuous and aggressive educational efforts."

HSA direct-to-consumer marketing efforts are increasing, but they still have room for growth. According to Mintel Comperemedia, a competitive intelligence service that analyzes direct mail, email marketing, and print media, less than 8.1 million HSA direct mail pieces were sent directly to consumers last year. However, there was an 89 percent jump in HSA mail volume, comparing first quarter 2007 to first quarter 2006. Two top companies that promoted HSAs by direct mail to consumers were Aetna and BlueCross of California. Humana was one of the top companies that communicated with consumers via email.

While larger banks are working with insurance companies to set up HSA arrangements, some smaller companies, such as local credit unions, are providing in-branch information on HSA accounts. In the consumer email marketing realm, Mintel Comperemedia observed that several campaigns mentioned HSAs along with other products and services.

"Insurance companies have the opportunity to more clearly explain the advantages of HSAs directly to consumers

through a number of channels,” Menke said. “For instance, companies can better educate consumers through more aggressive direct marketing and email marketing campaigns. There are many healthcare options available, and HSA marketing messages will need to be simple and direct in order to effectively reach consumers and increase growth.”

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Mintel is a leading global supplier of consumer, product and media intelligence. For more than 35 years, Mintel has provided insight into key worldwide trends, offering unique data that directly impacts client success. With offices in Chicago, London, Belfast and Sydney, Mintel has forged a unique reputation as a world-renowned business brand. For more information on Mintel, please visit [www.mintel.com](http://www.mintel.com).

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