

# NEWS RELEASE



UnitedHealth Group®

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*(For Immediate Release)*

## **NEW HSA DATA REVEAL GREATER USE OF THE BANK ACCOUNT WHEN EMPLOYERS INTEGRATE THEIR HEALTH & FINANCIAL SOLUTIONS**

- *Majority of consumers open their accounts, contribute funds and carry over balances*
- *Average enrollee contributes \$1,206 annually; 86 percent carry a balance from year to year*
- *Plans proving to be an important element in advancing health care affordability and quality*

**Minneapolis** (Jan. 30, 2007) – UnitedHealth Group (NYSE: UNH) has found that employers using an integrated health and financial strategy when offering a Health Savings Account (HSA) are stimulating much greater engagement among employees enrolled in an HSA-based health plan. An integrated model most typically includes online enrollment technologies, a company contribution to the HSA and/or thorough communications about the benefit design.

An analysis by UnitedHealth Group of 25,000 HSA enrollees whose employers use an integrated model found that a majority of those individuals open the bank account, contribute their own funds and carry balances over from year to year. This data reinforce that consumers, when given the proper support, are increasingly more comfortable with the HSA model and are better understanding the advantages of saving early on for future health care expenses.

UnitedHealth Group, which is the largest provider of HSAs and other consumer-driven health plans in the country with more than 2 million members, analyzed the saving and spending patterns of 25,000 individuals enrolled in its employer-sponsored HSA plans for the full 12 months of 2005. Since UnitedHealth Group has its own bank, Exante Financial Services, it is easy to integrate health plan and financial capabilities, giving the company greater insight into the connection between consumer characteristics, health plan structure, and related account activities.

Key insights revealed by the new HSA data include:

**(1) Integrating the health plan and bank account increases the rate of account openings:**

- According to the national average, about 60 percent of consumers in an HSA-eligible plan open the bank account. However, among the population studied for this analysis, the account opening rate was much higher (84 percent) because the employers use an integrated model;

- The greatest single influence on the account opening rate is whether employer funding is provided; 91 percent of consumers open the account when their employer makes a contribution.

**(2) Both individuals and their employers are contributing to the accounts:**

- About 70 percent of UnitedHealth Group's employer clients contribute to their employees' HSA;
- The average employer contribution was \$895;
- 67 percent of consumers added their own funding to the bank account;
- Individuals deposited an average of \$1,206/year to their accounts;
- The combined employer and employee contributions covered 65 percent of the deductible on average, minimizing a consumer's out-of-pocket costs.

**(3) Consumers are using the accounts as a savings tool:**

- 86 percent of individuals carried an HSA balance into 2006;
- The average account balance was \$815 at the end of 2005;
- With investment fund and savings options available through Exante, UnitedHealth Group is helping consumers build savings for future health expenses.

**(4) Lower income consumers show just as much interest in opening and funding their HSA:**

- 80 percent of eligible low-income individuals (earning less than \$25,000/year) opened an HSA;
- 56 percent of low-income account-holders made their own contributions to the account;
- 80 percent of these individuals carried a balance into 2006, with an average balance of \$761;
- The motivation and ability of these consumers to open and fund their accounts is directly related to the employer's decision to fund the account.

“This HSA data reinforces our belief that consumers of all backgrounds are increasingly prepared to play more active roles in their health care financing decisions, as long as the process is integrated and simple to use,” said Tracy Bahl, CEO of Uniprise, the UnitedHealth Group business that manages its consumer-driven health programs. “Paired with our June 2006 study, which showed an increased level of preventive care, lower overall costs and decreased utilization without adverse effects on health outcomes for individuals in a consumer-driven health plan, the data is beginning to establish a clear pattern of how account-based plan designs are working well to support health care affordability and quality.”

Across UnitedHealth Group, nearly 1 million individuals are now enrolled in an HSA-based health plan, and an additional 1.1 million are enrolled in a plan with a Health Reimbursement Account. Exante Financial Services is the nation's largest HSA administrator, with over 250,000 HSAs and \$300 million in deposits.

**For More on This Study**

Visit the newsroom at [www.unitedhealthgroup.com](http://www.unitedhealthgroup.com) for more detailed HSA data from this analysis, as well as a comprehensive study summary and additional information about UnitedHealth Group's consumer-driven health plan membership.

**About UnitedHealth Group**

UnitedHealth Group is a diversified health and well-being company dedicated to making health care work better. Headquartered in Minneapolis, Minn., UnitedHealth Group offers a broad spectrum of products and services through six operating businesses: UnitedHealthcare, Ovations, AmeriChoice, Uniprise, Specialized Care Services and Ingenix. Through its family of businesses, UnitedHealth Group serves approximately 70 million individuals nationwide.