



Conduent Health Data Finds 57% of Eligible Employees Use a Health Savings Account

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More employees can increase contributions to save for health expenses while reducing taxes

Companies can help drive benefits engagement and participation by fostering collaboration across benefits teams and improving employee education

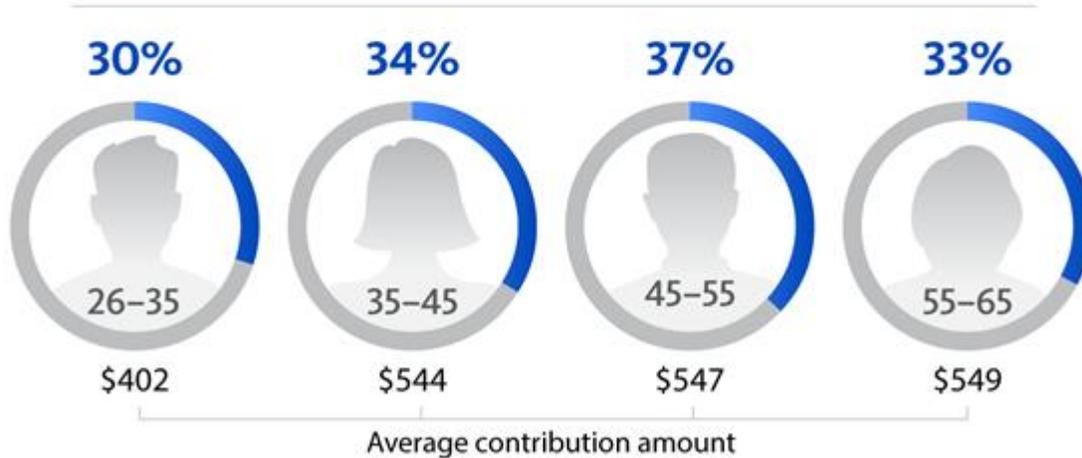
FLORHAM PARK, N.J., Oct. 10, 2022 (GLOBE NEWSWIRE) -- According to new health benefit data from [Conduent Incorporated](#) (Nasdaq: CNDT), a global technology-led business process solutions company, 57% of people enrolled in a high deductible healthcare plan (HDHP) are contributing to health savings accounts (HSA), which can provide tax savings and cost savings on day-to-day OTC and other medical expenditures. Many could be saving more for future health expenses while reducing tax bills by increasing their annual contributions, according to data from more than 200,000 employees across four industries.

"We know that navigating health and wealth benefit options during open enrollment can be challenging and that employees need to better understand their benefits. Ideally, employees are also using HSAs like a retirement savings account, to prepare for health costs during retirement," said Michelle Hernandez, Vice President for Human Capital Solutions at Conduent. "Among our clients, we've seen participation and engagement rates increase with more consistent and targeted communication, in addition to using advanced technology to facilitate the open enrollment process."

According to the data:

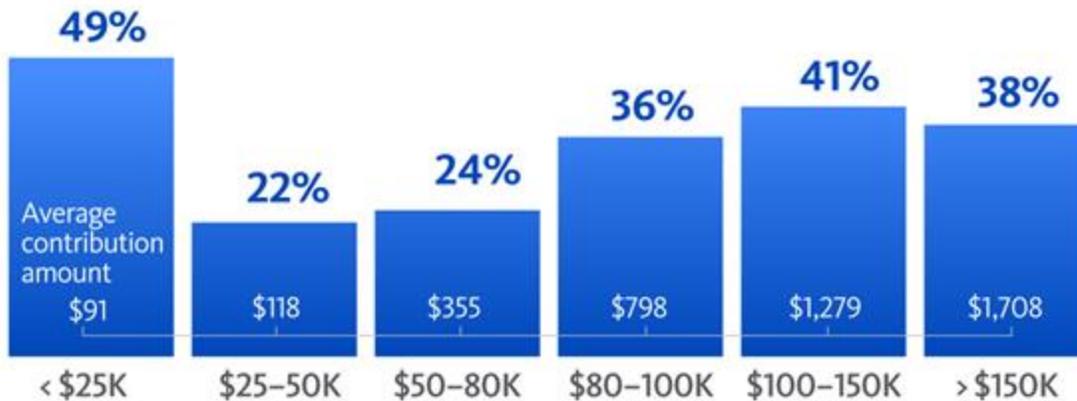
While HSA participation did not differ significantly by age group, once employees hit age 35, their annual contributions jumped by more than 35%. Average annual contribution amounts among employees between 35 and 65 remained similar regardless of age group. The 2022 maximum annual contribution is \$3,650 for individuals and \$7,300 for a family.

HSA participation by age



Of those who contributed to an HSA, more income doesn't mean increased HSA participation, but it does mean greater contribution amounts. Employees in the highest income group contribute just over one percent of their income while employees in the lowest income bracket contribute less than one-half percent of their income.

HSA participation by income



An employee enrolled in a high deductible health care plan with an HSA should know:

- HSAs belong to the employee and carry over year to year. The employee will not lose the funds if they don't use them each year.
- HSAs can be a valuable retirement vehicle to help save for healthcare costs in retirement paying for medical expenses Federal and state tax-free. HSA funds can be invested and generate market returns without paying Federal income tax.

According to [health and wealth benefit experts at Conduent](#), companies can implement measures to increase use of HSAs, including:

- Auto-enrolling employees with a high deductible health care plan into an HSA and funding a contribution.
- Taking a lesson from the 401(k) plan and setting a benchmark for a contribution.
- Increasing employees' understanding of benefits with always-on benefits communication, particularly at the time of a life event.
- Viewing HSAs as a retirement tool and a health savings tool rather than exclusively as a medical benefit. Repositioning HSA benefits among other wealth and retirement benefits to lower barriers to adoption.

Conduent [Human Capital Solutions](#) provides wealth and health benefits, consumer directed health accounts, HR management, workforce and payroll administration and learning management solutions. The company has been helping clients deliver human capital solutions for more than 35 years.

About Conduent

Conduent delivers mission-critical services and solutions on behalf of businesses and governments – creating exceptional outcomes for its clients and the millions of people who count on them. Through our dedicated people, processes, and technologies, Conduent solutions and services enhance customer experience, increase efficiencies, reduce costs, and improve performance for most Fortune 100 companies and more than 500 government entities. Whether it's touching three out of every four health insured lives and delivering 45% of SNAP payments in the U.S., or enabling 1.3 billion customer service interactions and empowering 10 million employees through HR services worldwide, Conduent services and solutions interact with millions of people every day and move our clients' operations forward. Learn more at <https://www.conduent.com>.

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