

Health Savings Accounts in National Compensation Survey Data

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The Bureau of Labor Statistics (BLS) recently reported that 6 percent of private industry workers have access to a health savings account (HSA), a relatively new kind of employer-provided health benefit. These data were published in the summary [National Compensation Survey: Employee Benefits in Private Industry in the United States, March 2006](#).¹ Data on HSAs currently are available for 2005 and 2006. BLS plans to continue to collect HSA data on workers in private nonagricultural industries.²

Table: Percent of private industry workers with access to health savings accounts (HSAs) by selected characteristics, 2005 and 2006

	2005	2006
All workers	5	6
Worker characteristics		
White-collar occupations	7	9
Blue-collar occupations	3	4
Service occupations	1	2
Full time	5	7
Part time	2	2
Union	2	2
Nonunion	5	7
Average wage less than \$15 per hour	3	5
Average wage \$15 per hour or higher	7	8
Establishment characteristics		
Goods producing	4	5
Service producing	5	6
1 to 99 workers	3	3
100 workers or more	7	9
Geographic areas		
Metropolitan areas	5	6
Nonmetropolitan areas	3	4
New England	3	6
Middle Atlantic	2	4
East North Central	6	7
West North Central	5	5
South Atlantic	6	10
East South Central	5	8
West South Central	3	4
Mountain	3	5
Pacific	6	5
Source: National Compensation Survey		

BLS defines a health savings account as an account that allows employees to pay for future medical expenses with tax exempt contributions. HSAs must be used in conjunction with employer-provided, high-deductible health plans with an annual maximum limit on out-of-pocket and deductible expenses. Other features of HSAs include the rollover of unused contributions, the portability of accounts, and tax-free interest earned on the funds in the account. The definition is in accordance with the Internal Revenue Service final regulations on [HSAs](#) released in August 2005.³

BLS provides data on access to HSAs for a wide variety of worker characteristics. In March 2006, 9 percent of white-collar workers had access to HSAs, compared with 4 percent of blue-collar workers; 7 percent of nonunion workers had access, compared with 2 percent of union workers; and 7 percent of full-time workers had access, compared with 2 percent of part-time workers.

Looking at wage levels, 5 percent of workers with an average wage of less than \$15 per hour had access to HSAs in March 2006, while 8 percent of those whose average hourly wage was \$15 or higher had HSA access. In larger establishments (those with 100 or more workers), 9 percent of employees had access to HSAs, compared with 3 percent in smaller establishments. In metropolitan areas, 6 percent of workers had access to HSAs in March 2006, compared with 4 percent in nonmetropolitan areas.

For comparison, one can consider data published by the Kaiser Family Foundation. The foundation found that among firms offering health benefits, 2 percent offered HSAs in 2005 and 6 percent offered HSAs in 2006.⁴ Note that the Kaiser percentages pertain to firms, whereas the BLS data pertain to workers.

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NOTE: Standard errors have not been calculated for NCS benefits estimates. Consequently, none of the statistical inferences made in this report could be verified by a statistical test.

Notes

¹ *National Compensation Survey: Employee Benefits in Private Industry in the United States, March 2006*, Summary 06-05 (Bureau of Labor Statistics, August 2006); available on the Internet at <http://www.bls.gov/ncs/ebs/sp/ebsm0004.pdf>.

² In the past, benefits data were collected for State and local government workers as well, but due to other commitments in the NCS program, these data will not be available until after 2008.

³ See Internal Revenue Service, *Publication 969*, "Health Savings Accounts (HSAs)," on the Internet at <http://www.irs.gov/publications/p969/ar02.html>.

⁴ See *Employer Health Benefits: 2006 Summary of Findings* (Kaiser Family Foundation, 2006), p. 5. Kaiser defines HSAs as medical savings accounts that "allow consumers to save for medical expenses on a tax-free basis. They are linked with high deductible health plans (HDHPs), and together these insurance and savings options represent a new approach to health care, commonly referred to as consumer-directed care." In 2006, the minimum deductibles for HSA-qualifying HDHPs were \$1,050 for single coverage and \$2,100 for family coverage. Such plans also must limit the consumer's out-of-pocket cost sharing for covered benefits to \$5,250 per year for single coverage and \$10,500 per year for family coverage. For more information, see Catherine Hoffman and Jennifer Tolbert, *Health Savings Accounts and High Deductible Health Plans: Are They An Option for Low-Income Families?*, Issue Paper 7568 (Kaiser Family Foundation, October 2006), available on the Kaiser Family Foundation's website at www.kff.org.