

## Health saving accounts face modest use: U.S. survey

by Reuters-News

WASHINGTON (Reuters) - The percentage of U.S. workers signing up for health-savings accounts (HSA) is stagnant despite support from President Bush, according to a survey released on Tuesday.

About 4 percent of workers with job-related health coverage, or about 2.7 million, are enrolled in high-deductible insurance plans eligible for the HSA accounts, a Kaiser Family Foundation poll found -- about the same as last year.

A centerpiece of Bush's health-care agenda, the accounts allow consumers to set money aside before taxes to pay for health expenses when used along with high-deductible health insurance policies. Consumers then pay directly for most doctor visits and other services until they meet their deductible.

Among U.S. employers that provide health benefits, about 6 percent offer HSA-eligible plans while 12 percent of firms with at least 1,000 workers make them an option.

Researchers also found 19 percent of firms that provide other types of coverage were "somewhat likely" to offer plans eligible for the savings accounts, while 4 percent were "very likely." Forty-five percent were unlikely to offer them.

"We don't know yet whether workers and employers ultimately will embrace consumer-driven health plans in big numbers, but it certainly hasn't been a tidal wave," study co-author Gary Claxton, a Kaiser Family Foundation vice president, said.

The nonprofit group, along with the Health Research and Educational Trust, surveyed a mix of more than 3,000 public and private firms between January and May.

Bush called for an expansion of the accounts during his State of the Union address in January as a way to help curb ever-growing health care costs.

Supporters say consumers will become more judicious shoppers because they have to pay directly for services, giving them an incentive to spend less.

Critics say forcing consumers to search for the least expensive care will burden patients and possibly force them to make tough or even risky medical choices.

To offer an HSA, health insurance plans must carry at least a \$1,000 deductible for an individual or \$2,000 for a family. Consumers can then save pre-tax money in an interest-bearing account in which accumulated funds do not expire.

"When you look at the total costs, the savings from these plans may not be enough to overcome consumer concerns about higher cost sharing," Claxton also said.

Instead of offering HSAs, companies surveyed said they were more likely to make employees pay a bigger share of their health insurance and prescription drug bills.

Researchers also found U.S. workers continue to pay more for health insurance at a rate that outpaces inflation and wage increases but is not increasing as fast as in recent years.

On average, workers paid a 7.7 percent increase in health care premiums in 2006 compared with a 9.2 percent increase in 2005.

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