
Only one of the 10 largest HSAs gets great grades: Morningstar

By Editorial Staff Thu, Jun 29, 2017

Morningstar evaluated HSAs from Alliant Credit Union, Bank of America, BenefitWallet, HealthEquity, HealthSavings Administrators, HSA Bank, Optum Bank, SelectAccount, The HSA Authority, and UMB Bank.

Morningstar, Inc., leading provider of independent investment research, today published a new [study](#) assessing plans from 10 of the largest Health Savings Account (HSA) plan providers:

Alliant Credit Union, Bank of America, BenefitWallet, HealthEquity, HealthSavings Administrators, HSA Bank, Optum Bank, SelectAccount, The HSA Authority, and UMB Bank.

Morningstar evaluated two aspects of the plans: their effectiveness as investment vehicles to save for future medical expenses and as spending vehicles to cover current medical costs.

Only one plan, the HSA Authority, received a positive assessment on both fronts. Morningstar positively assessed only four of the 10 plans as an investment vehicle and three of the plans for use as a spending vehicle. Morningstar's product, HSA Bank, received a neutral rating in each category.

"Now that the U.S. House of Representatives and Senate have introduced healthcare reform bills that would double HSA contribution limits, analysis of HSA plans will become crucial as investors and policymakers strive to better understand the provider marketplace," said Jake Spiegel, senior analyst for policy research, in a release.

Morningstar assigned each plan an overall assessment of positive, neutral, and negative. For accountholders looking to invest their HSA assets, the study analyzed the quality and cost of mutual funds offered as part of the plan's "investment menu." The evaluation of HSAs as a spending vehicle focused primarily on the maintenance fees charged by each plan.

"Our study establishes metrics that investors should consider when choosing an HSA," said Leo Acheson, Morningstar's lead research analyst for health savings accounts, in the release. "Participants using HSAs... should seek plans that offer a well-designed investment menu of cheap, high-quality funds. HSA plans from Bank of America, Health Equity, Optum, and The HSA Authority came closest to attaining that high standard."

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