

Health Savings Accounts, IRAs & Millennials: A New Generation Presents New Opportunities

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Today's Topics

- Millennial Savers Overview
 - Millennial Saving Trends
 - Expectations of their Credit Union
- Health Savings Account (HSA)
Opportunities with Millennials
- IRA Opportunities with Millennials
 - Traditional IRAs & 401k rollovers
 - Roth IRAs



Millennial Saving Trends

- 70% of working age Millennials already saving for retirement
- 51% of Millennials saving for retirement are saving less than 5% of their income
- Only 59% of Millennials say the stock market is the best place to invest for retirement
- 46% prefer to work with a local financial institution



Millennial Values & Priorities

- Community & Family
 - Social responsibility
 - Strong ties to “home”
- Technology
- Flexibility
 - 24% earn at least part of their income from their own business or contract work
- Fulfillment



Millennial Expectations of You

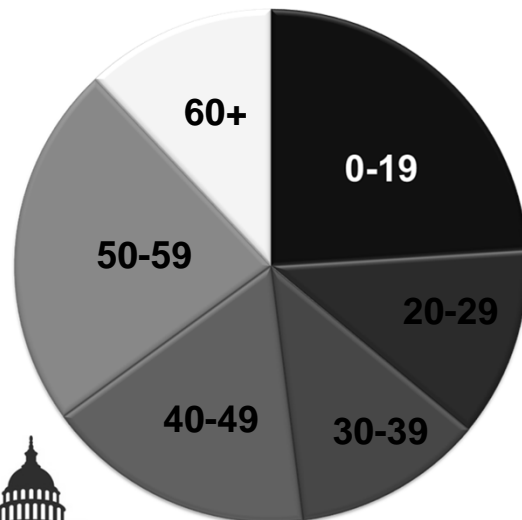
- 54% prefer to work with a local financial institution
- 57% would rather meet the president of their financial institution instead of the President of the United States
- 74% view mobile banking as critical for keeping a relationship with their credit union
- 64% place importance on developing a relationship with their financial institution
- Products and services like those offered by large institutions



Millennial HSA Opportunities



Millennials = HSA/HDHP Natives



- 36% of HDHP-covered people are under age 30
- 65% of covered people are under age 50



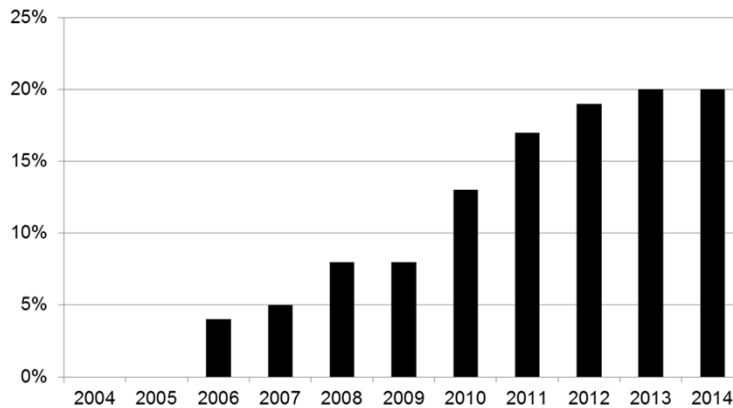
The Proliferation of HDHP

- 48% of ALL employers offer HDHPs
- 17.4 million people are covered under HDHPs (1/1/14)
- 20% of all workers covered by employer-provided health insurance are enrolled in HDHPs



The Proliferation of HDHP

Percent of Employers Offering HDHPs



Millennials & HSAs

- Turning age 26
- 5.7 million Millennials aged 19-25 are currently covered under their parents' health insurance.
- The HSA information vacuum on the public exchanges
- Defined Contribution Healthcare



The Credit Union HSA Gap

1 out of 8 credit unions currently offer HSAs

1 out of 3 banks currently offers HSAs



Rollover IRAs & Millennials

- 91% of Millennials surveyed plan to stay with their current employer for less than 3 years
 - Lots of small rollover opportunities
 - \$5,000 rule
- Distrust of large institutions
- 46% of Millennials with retirement savings already have an IRA of some type



Roth IRA Opportunities with Millennials

- Roth vs. 401k
- The “4-legged Stool”
- The flexibility of Roth
 - 5-year rule
 - Investment flexibility



Questions?

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Thank you for attending today!

