FIDELITY IS FIRST TO OFFER FULL-SERVICE HEALTH SAVINGS ACCOUNT TO FINANCIAL INTERMEDIARIES

Fidelity’s Award-Winning HSA Can Help Advisors Meet Their Clients’ Growing Demand to Manage Health Care Expenses

BOSTON, Jan. 9, 2020 – Fidelity Investments, one of the world’s largest and most diversified financial services organizations, today announced availability of the industry’s only full-service health savings account (HSA) for financial intermediaries. Broker-dealer firms, banks and registered investment advisors which are clients of Fidelity Clearing & Custody Solutions – the industry’s largest clearing and custody provider – can now help their clients better prepare for and manage health care expenses through Fidelity’s award-winning HSA solution, which was established in 2005 and has more than $5.4 billion in assets. Fidelity was named the best HSA provider for both spenders and investors in the Morningstar 2019 Health Savings Account Landscape report.

The Fidelity HSA® is a full-service, open architecture brokerage account that is fully integrated with Wealthscape, Fidelity’s advisor technology platform. Fidelity acts as the HSA custodian and provides all services integrated through its robust brokerage platform – allowing advisors to handle all aspects of clients’ HSAs, including professional investment management and operational oversight, in one place. HSAs offer a triple tax advantage: contributions are tax-deductible, investors can spend their money on qualified medical expenses tax-free, and any growth is tax-free.

Investors are concerned about their health – of the four areas of well-being identified in Fidelity’s 2019 Investor Insights Study (health, financial, life and work), health is the leading cause of stress for all investors, and more than a third are either stressed or not confident about their own health in particular.
“Our research shows that paying for health care is a top concern for many people, and HSAs help advisors provide peace of mind for their clients around their financial futures, including the ability to handle health care costs, which are often difficult to plan for,” said Begonya Klumb, head of HSA, Fidelity Health Care Group. “We continue to experience tremendous growth with our HSAs for employer clients and individual investors, and know there is significant demand from the advisors we work with, since HSAs are a way to help clients invest in their long-term well-being in a highly tax efficient way.”

The Fidelity Health Savings Account offers a full brokerage platform with access to more than ten thousand mutual funds, as well as stocks, bonds and ETFs. Advisors can manage and monitor Fidelity HSAs through Wealthscape. Functionality includes easy account setup and ongoing management; the ability to fund accounts and transfer assets; and trading, reporting, correspondence and service features.

**The Opportunity for Advisors**

HSAs enable advisors to diversify their product offerings and potentially increase assets under management with clients who are looking to invest in their future well-being. According to Devenir, as of mid-2018, total HSA assets surpassed $51 billion, $10 billion of which is invested (i.e., not in a checking account) and is growing at a faster rate than total HSA assets.

“HSAs give advisors a significant opportunity to deliver value at the top of the Advice Value Stack – helping clients achieve freedom from worry around caring for themselves and loved ones,” said Ryan Plotner, head of brokerage and banking solutions, Fidelity Institutional. “What’s more, managing HSAs in Wealthscape alongside other accounts gives advisors a holistic look at the full financial picture, which is increasingly important as the shift toward financial planning continues, and for helping clients reach life goals and fulfillment.”

**More About HSAs**

An HSA is a tax-advantaged medical savings account that can help investors pay for qualified medical expenses.

To be eligible to open or contribute to an HSA, individuals must be covered by a high-deductible health plan and cannot be enrolled in Medicare or be a dependent on another person’s tax return. For more information about HSAs, please visit: [www.fidelity.com/hsa](http://www.fidelity.com/hsa).
Fidelity launched its workplace HSA offering in 2005. In 2018, Fidelity expanded availability of HSAs to small- and mid-size employers and introduced a new retail HSA offering to individuals who may not have access to an HSA through their employer.

With easy-to-use tools that highlight the options to invest, Fidelity is committed to educating account holders about the growth potential of investing their HSA funds, as many aren’t aware of these options and hold their assets in cash.

For more information about Fidelity HSAs for advisors, please visit go.fidelity.com/HSA.

About Fidelity Investments:
Fidelity’s mission is to inspire better futures and deliver better outcomes for the customers and businesses we serve. With assets under administration of $8.2 trillion, including discretionary assets of $3.1 trillion as of November 30, 2019, we focus on meeting the unique needs of a diverse set of customers: helping more than 30 million people invest their own life savings, 22,000 businesses manage employee benefit programs, as well as providing more than 13,500 financial advisory firms with investment and technology solutions to invest their own clients’ money. Privately held for more than 70 years, Fidelity employs more than 40,000 associates who are focused on the long-term success of our customers. For more information about Fidelity Investments, visit https://www.fidelity.com/about.

###

Fidelity does not provide legal or tax advice. The information herein is general and educational in nature and should not be considered legal or tax advice. Tax laws and regulations are complex and subject to change, which can materially impact investment results. Fidelity cannot guarantee that the information herein is accurate, complete, or timely. Fidelity makes no warranties with regard to such information or results obtained by its use, and disclaims any liability arising out of your use of, or any tax position taken in reliance on, such information. Consult an attorney or tax professional regarding your specific situation.

Information provided in this document is for informational and educational purposes only. To the extent any investment information in this material is deemed to be a recommendation, it is not meant to be impartial investment advice or advice in a fiduciary capacity and is not intended to be used as a primary basis for you or your client’s investment decisions. Fidelity and its representatives may have a conflict of interest in the products or services mentioned in this material because they have a financial interest in them, and receive compensation, directly or indirectly, in connection with the management, distribution, and/or servicing of these products or services, including Fidelity funds, certain third-party funds and products, and certain investment services.

Third party marks are the property of their respective owners; all other marks are the property of FMR LLC. Third parties referenced herein are independent companies and are not affiliated with Fidelity Investments. Listing them does not suggest a recommendation or endorsement by Fidelity Investments.

© Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its affiliates; (2) may not be copied or distributed; (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Fidelity does not review the Morningstar data.

Fidelity Clearing & Custody Solutions® provides clearing, custody, or other brokerage services through National Financial Services LLC or Fidelity Brokerage Services LLC, Members NYSE, SIPC. 200 Seaport Boulevard, Boston, MA 02210.

911186.1.1
Fidelity Launches HSAs for Fidelity Clearing & Custody Solutions Clients / Page 4

© 2020 FMR LLC. All rights reserved.

---

i Fidelity offers the only full-service, open architecture HSA broadly available for intermediary clearing and custody advisors.
iii Fidelity was named the best HSA provider for both spenders and investors by the Morningstar 2019 Health Savings Account Landscape report, which evaluated 11 of the largest HSA providers. More details are available here: https://www.morningstar.com/articles/947613/our-2019-rankings-of-11-top-hsa-providers.
iv AUA as of 11/30/2019.
v The 2019 Fidelity Investor Insights Study was conducted during the period August 6th through August 26th, 2019. It surveyed a total of 2,026 investors. The study was conducted via a 25-minute online survey, with the sample provided by Brookmark, a third-party firm not affiliated with Fidelity. Respondents were screened for a minimum level of investable assets (excluding retirement assets and primary residence), age, and income levels.
viii Devenir Research 2018 Midyear HSA Market Statistics & Trends