

New J.P. Morgan Report Shows Americans Increasingly Using Health Savings Accounts to Cover Current and Future Medical Expenses

Report Details Savings and Usage Habits of Bank's Health Savings Account Holders

NEW YORK, April 27, 2011 - Americans are increasingly relying on Health Savings Accounts (HSAs) to cover current and future medical expenses, according to a new report from J.P. Morgan Treasury Services that provides insight into the saving, spending and investing habits of its HSA accountholders in 2010. J.P. Morgan's HSA Program Snapshot provides a better understanding of usage patterns and trends, and demonstrates first-hand how HSAs have become an integral part of helping people save and pay for medical expenses.

As of April 2011, J.P. Morgan manages more than 700,000 HSAs with more than \$1.1 billion in assets.

"As healthcare costs continue to rise year over year, Americans are increasingly leveraging HSAs as a means for using pre-tax dollars on current medical expenses, as well as a way to invest and earn money for future health costs," said David Josephs, Managing Director, J.P. Morgan. "J.P. Morgan has been administering HSAs since their inception, and we are uniquely qualified to deliver insight into HSA accountholder activity and behavior. We expect employers who are offering HSAs for the first time, or those who already have programs in place, to use J.P. Morgan's HSA Program Snapshot as a benchmark for comparison as they review health plan options for the upcoming enrollment season."

Among the highlights in 2010:

- The average HSA balance is \$1,494 - up 7% from 2009.
- The average account contribution in 2010 was \$1,884 versus \$1,816 in 2009.
- 73% of accountholders contributed more than they spent during each month in 2010, compared to 68% in 2009.
- The average accountholder age is 43.
- On average, accountholders spent \$5 more from their HSAs in each month of 2010 as compared to 2009. The average spend or distribution per HSA annually in 2010 was \$1,377 compared to \$1,305 in 2009.
- While purchases at drug stores and grocery stores resulted in the highest volume of transactions per account, hospitals and dental expenses had the highest average dollar amount per transaction (\$207 and \$195 respectively, basically on par with 2009.)

A full copy of J.P. Morgan's HSA Program Snapshot is available at www.jpmorgan.com/visit/hsasnapshot

J.P. Morgan currently administers HSA programs in conjunction with many of the largest health insurance companies in the United States as well as Fortune 500 companies and small businesses and individuals across the nation.

About J.P. Morgan Treasury Services

J.P. Morgan's Treasury Services business is a full-service provider of innovative cash management, trade, liquidity, commercial card and escrow services -- specifically developed to meet the challenges treasury professionals face today. More than 135,000 corporations, financial institutions, governments and municipalities in over 180 countries and territories entrust their business to J.P. Morgan. J.P. Morgan Treasury Services is one of the world's largest providers of treasury management services and a division of JPMorgan Chase Bank, N.A., member FDIC. More information can be found at www.jpmorgan.com/ts.

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