

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL	
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Kessler Jon</u>			2. Issuer Name and Ticker or Trading Symbol <u>HEALTH EQUITY INC [HQY]</u>			5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) President and CEO		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) <u>03/23/2018</u>			6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person		
<u>15 WEST SCENIC POINTE DRIVE, SUITE 100</u>			4. If Amendment, Date of Original Filed (Month/Day/Year)					
(Street)								
<u>DRAPER</u>	<u>UT</u>	<u>84020</u>						
(City)	(State)	(Zip)						

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)			4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price				
<u>Common Stock</u>	<u>03/23/2018</u>		<u>G</u>	<u>V</u>	<u>30,000</u>	<u>D</u>	<u>\$0</u>	<u>415,000</u>	<u>D</u>		

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)		8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
<u>Stock Option (right to buy)</u>	<u>\$41.28</u>							<u>(1)</u>	<u>03/27/2027</u>	<u>Common Stock</u>	<u>69,639</u>		<u>69,639</u>	<u>D</u>	
<u>Stock Option (right to buy)</u>	<u>\$14</u>	<u>03/27/2018</u>		<u>A</u>		<u>120,000</u> ⁽²⁾		<u>(3)</u>	<u>07/30/2024</u>	<u>Common Stock</u>	<u>120,000</u>	<u>\$0</u>	<u>120,000</u>	<u>D</u>	
<u>Stock Option (right to buy)</u>	<u>\$61.72</u>	<u>03/27/2018</u>		<u>A</u>		<u>47,859</u>		<u>(4)</u>	<u>03/27/2028</u>	<u>Common Stock</u>	<u>47,859</u>	<u>\$0</u>	<u>47,859</u>	<u>D</u>	

Explanation of Responses:

- The option became exercisable as to 17,409 shares on March 27, 2018. The remaining options will become exercisable in three annual installments of 17,410 shares on March 27, 2019, 2020 and 2021.
- On June 30, 2014, the reporting person was granted an option to purchase 400,000 shares of common stock. The option vests in annual installments based on the issuer's satisfaction of certain performance criteria for each of the fiscal years ending January 31, 2016 (10%), 2017 (20%), 2018 (30%) and 2019 (40%). The performance criteria for 2018 were met, resulting in the vesting of the option as to 120,000 shares.
- The option is immediately exercisable.
- The option becomes exercisable in three equal installments of 11,965 shares on March 27, 2019, 2020, and 2021. The option becomes exercisable as to the remaining 11,964 shares on March 27, 2022.

/s/ Jon Kessler

03/29/2018

** Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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