



# COMPLIANCE BULLETIN

## IRS Announces HSA Limits for 2019

### HIGHLIGHTS

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- Each year, the IRS announces inflation-adjusted limits for HSAs and HDHPs.
- The adjusted contribution limits for HSAs take effect as of Jan. 1, 2019.
- The adjusted HDHP cost-sharing limits (minimum deductible and maximum out-of-pocket) take effect for the plan year beginning on or after Jan. 1, 2019.

### IMPORTANT DATES

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#### January 1, 2019

The new contribution limits for HSAs become effective.

#### 2019 Plan Years

The HDHP cost-sharing limits for 2019 apply for plan years beginning on or after Jan. 1, 2019.

### OVERVIEW

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On May 10, 2018, the IRS released [Revenue Procedure 2018-30](#) to announce the inflation-adjusted limits for health savings accounts (HSAs) and high deductible health plans (HDHPs) for 2019. These limits include:

- The maximum HSA contribution limit;
- The minimum deductible amount for HDHPs; and
- The maximum out-of-pocket expense limit for HDHPs.

These limits vary based on whether an individual has self-only or family coverage under an HDHP.

**The IRS limits for HSA contributions will increase for 2019.** The HDHP maximum out-of-pocket limits will also increase for 2019. The HSA contribution limits will increase effective Jan. 1, 2019, while the HDHP limits will increase effective for plan years beginning on or after Jan. 1, 2019.

### ACTION STEPS

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Because the cost-sharing limits for HDHPs will change for 2019, employers that sponsor these plans may need to make plan design changes for plan years beginning in 2019. Also, if an employer communicates the HSA contribution limits to employees as part of the enrollment process, these enrollment materials should be updated to reflect the increased limits that apply for 2019.

Provided By:

National Insurance Services, Inc.

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## HSA/HDHP Limits

The following chart shows the HSA and HDHP limits for 2019 as compared to 2018. It also includes the catch-up contribution limit that applies to HSA-eligible individuals who are age 55 or older, which is not adjusted for inflation and stays the same from year to year.

| Type of Limit   |                 | 2018     | 2019     | Change          |
|---|-----------------|----------|----------|-----------------|
| <b>HSA Contribution Limit</b>   | Self-only       | \$3,450  | \$3,500  | <b>Up \$50</b>  |
|   | Family          | \$6,900  | \$7,000  | <b>Up \$100</b> |
| <b>HSA Catch-up Contributions</b><br><i>(not subject to adjustment for inflation)</i>                                   | Age 55 or older | \$1,000  | \$1,000  | No change       |
| <b>HDHP Minimum Deductible</b>  | Self-only       | \$1,350  | \$1,350  | No change       |
|   | Family          | \$2,700  | \$2,700  | No change       |
| <b>HDHP Maximum Out-of-pocket Expense Limit</b><br><i>(deductibles, copayments and other amounts, but not premiums)</i> | Self-only       | \$6,650  | \$6,750  | <b>Up \$100</b> |
|   | Family          | \$13,300 | \$13,500 | <b>Up \$200</b> |