



# COMPLIANCE BULLETIN

## HIGHLIGHTS

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

## IMPORTANT DATES

### January 1, 2017

The new contribution limits for HSAs become effective. The only change for 2017 is the \$50 increase to the contribution limit for individuals with self-only HDHP coverage.

### 2017 Plan Years

The HDHP cost-sharing limits for 2017 apply for plan years beginning on or after Jan. 1, 2017. These limits are the same as the 2016 limits.

Provided By:

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## IRS Announces HSA/HDHP Limits for 2017

### OVERVIEW

On April 29, 2016, the Internal Revenue Service (IRS) released [Revenue Procedure 2016-28](#) to announce the inflation-adjusted limits for health savings accounts (HSAs) and high deductible health plans (HDHPs) for 2017. 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 minimum deductible and maximum out-of-pocket limits for HDHPs will not change for 2017 plan years. The only limit that will change for 2017 is the HSA contribution limit for individuals with self-only coverage under an HDHP, which will go up by \$50.

### ACTION STEPS

Because the limits for HDHPs will not change for 2017, employers that sponsor these plans will not need to make plan design changes to comply with the IRS' rules for HDHP minimum deductibles and maximum out-of-pocket limits.

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However, if an employer communicates the HSA contribution limits to individuals as part of the enrollment process, these enrollment materials should be updated to reflect the increased limit that will apply to individuals with self-only HDHP coverage for 2017.

## HSA/HDHP Limits

The following chart shows the HSA/HDHP limits for 2017 as compared to 2016. 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		2016	2017	Change
HSA Contribution Limit	Self-only	\$3,350	\$3,400	<b>Up \$50</b>
	Family	\$6,750	\$6,750	No change
HSA Catch-up Contributions ( <i>not subject to adjustment for inflation</i> )	Age 55 or older	\$1,000	\$1,000	No change
HDHP Minimum Deductible	Self-only	\$1,300	\$1,300	No change
	Family	\$2,600	\$2,600	No change
HDHP Maximum Out-of-pocket Expense Limit ( <i>deductibles, copayments and other amounts, but not premiums</i> )	Self-only	\$6,550	\$6,550	No change
	Family	\$13,100	\$13,100	No change