



Health Care Reform Update



IMPORTANT NOTICE REGARDING HEALTHCARE REFORM Update #57 May, 2016

IRS Announces 2017 HSA Contribution Limits, HDHP Minimum Deductibles, and HDHP Out-of-Pocket Maximums

The IRS has released the 2017 cost-of-living adjusted limits for health savings accounts (HSAs) and high-deductible health plans (HDHPs). Here are the details:

HSA Contribution Limits:

The 2017 annual HSA contribution limit for individuals with self-only HDHP coverage is \$3,400, and the limit for individuals with family HDHP coverage is \$6,750.

HDHP Minimum Deductibles:

The 2017 minimum annual deductible for self-only HDHP coverage is \$1,300 and the minimum annual deductible for family HDHP coverage is \$2,600.

HDHP Out-of-Pocket Maximums:

The 2017 maximum limit on out-of-pocket expenses (including items such as deductibles, copayments, and coinsurance, but not premiums) for self-only HDHP coverage is \$6,550, and the limit for family HDHP coverage is \$13,100.

The \$50 increase in the annual HSA contribution limit for individuals with self-only HDHP coverage is the only change from 2016. All of the other amounts are unchanged.

Because the HDHP out-of-pocket maximums will not increase in 2017, the increased contribution limit for individuals with self-only coverage will allow those individuals to use pre-tax HSA dollars to pay for a slightly higher proportion of their out-of-pocket expenses in 2017.

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