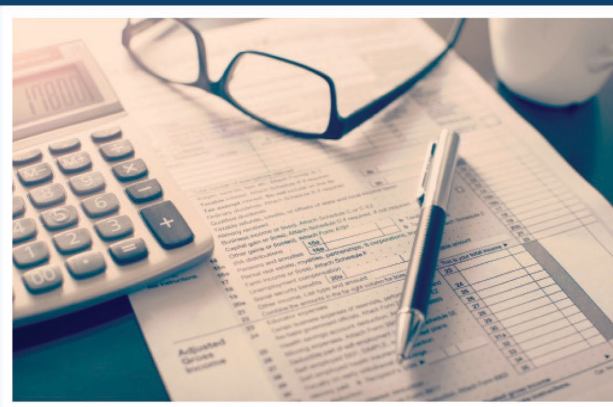


2023 HSA & HDHP LIMITS

MAY 2022



HSA/HDHP Limits Increase for 2023

On April 29, 2022, the IRS released [Revenue Procedure 2022-24](#) to provide the inflation-adjusted limits for health savings accounts (HSAs) and high deductible health plans (HDHPs) for 2023. The IRS is required to publish these limits by June 1 of each year.

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.

Eligible individuals with self-only HDHP coverage will be able to contribute **\$3,850** to their HSAs for 2023, up from \$3,650 for 2022. Eligible individuals with family HDHP coverage will be able to contribute **\$7,750** to their HSAs for 2023, up from \$7,300 for 2022. Individuals age 55 or older may make an additional \$1,000 "catch-up" contribution to their HSAs.

The minimum deductible amount for HDHPs increases to **\$1,500** for self-only coverage and **\$3,000** for family coverage for 2023 (up from \$1,400 for self-only coverage and \$2,800 for family coverage for 2022). The HDHP maximum out-of-pocket expense limit increases to **\$7,500** for self-only coverage and **\$15,000** for family coverage for 2023 (up from \$7,050 for self-only coverage and \$14,100 for family coverage for 2022).

Action Steps

Employers that sponsor HDHPs should review their plan's cost-sharing limits (minimum deductibles and maximum out-of-pocket expense limit) when preparing for the plan year beginning in 2022. Also, employers that allow employees to make pre-tax HSA contributions should update their plan communications for the increased contribution limits.

Highlights

- Each year, the IRS announces inflation-adjusted limits for HSAs and HDHPs.
- By law, the IRS is required to announce these limits by June 1 of each year.
- The adjusted contribution limits for HSAs take effect as of Jan. 1, 2023.
- The adjusted HDHP cost-sharing limits take effect for the plan year beginning on or after Jan. 1, 2023.

HSA/HDHP Limits

The following chart shows the HSA and HDHP limits for 2023 as compared to 2022. 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		2022	2023	Change
HSA Contribution Limit	Self-only	\$3,650	\$3,850	Up \$200
	Family	\$7,300	\$7,750	Up \$450
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	\$1,400	\$1,500	Up \$100
	Family	\$2,800	\$3,000	Up \$200
HDHP Maximum Out-of-pocket Expense Limit <i>(deductibles, copayments and other amounts, but not premiums)</i>	Self-only	\$7,050	\$7,500	Up \$450
	Family	\$14,100	\$15,000	Up \$900

Out-of-Pocket Maximum non HDHP

Separately, the Department of Health and Human Services (HHS) also released its annual limits on cost-sharing for 2023, as required by the Affordable Care Act (ACA). For 2023, the out-of-pocket maximum on essential health benefits (EHB) is \$9,100 for self-only coverage and \$18,200 for other-than-self-only coverage. Please note this is different than the out-of-pocket maximum for High Deductible Health Plans.