

Eye on Washington Regulatory Update



IRS Releases 2020 HSA AND HDHP Limits

On May 28, 2019, the Internal Revenue Service (IRS) issued Revenue Procedure 2019-25 adjusting the health savings accounts (HSAs) and high-deductible health plans (HDHPs) contribution limitations for calendar year 2020.

These limits are indexed for inflation and released annually by June 1st for the following year, as established under the Tax Relief and Health Care Act of 2006.

2020 Annual HSA Contribution Limits:

- Self-only HDHP coverage: \$3,550* (up \$50 from 2019)
- Family HDHP coverage: \$7,100* (up \$100 from 2019)

*However, an individual who has reached the age of 55 by the end of the calendar year may contribute an additional \$1,000 per year.

2020 Annual HDHP Minimum Deductibles:

- Self-only coverage: \$1,400 (up \$50 from 2019)
- Family coverage: \$2,800 (up \$100 from 2019)

2020 HDHP Out-of-Pocket Limits

(includes deductibles, co-payments and other amounts, but not premiums):

- Self-only coverage: \$6,900 (up \$150 from 2019)
- Family coverage: \$13,800 (up \$300 from 2019)

For a copy of Revenue Procedure 2019-25, click on the link provided below.

https://www.irs.gov/irb/2019-22_IRB#REV-PROC-2019-25

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