

# COMPLIANCE BULLETIN



## HSA/HDHP Limits Will Increase for 2024

On May 16, 2023, the IRS released [Revenue Procedure 2023-23](#) to provide the inflation-adjusted limits for health savings accounts (HSAs) and high deductible health plans (HDHPs) for 2024. 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 **\$4,150** to their HSAs for 2024, up from \$3,850 for 2023. Eligible individuals with family HDHP coverage will be able to contribute **\$8,300** to their HSAs for 2024, up from \$7,750 for 2023. 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 **\$1,600** for self-only coverage and **\$3,200** for family coverage for 2024 (up from \$1,500 for self-only coverage and \$3,000 for family coverage for 2023). The HDHP maximum out-of-pocket expense limit increases to **\$8,050** for self-only coverage and **\$16,100** for family coverage for 2024 (up from \$7,500 for self-only coverage and \$15,000 for family coverage for 2023).

### 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 2024. Also, employers that allow employees to make pre-tax HSA contributions should update their plan communications for the increased contribution limits.

Provided to you by [Potomac Companies, Inc](#)

### 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, 2024.
- The adjusted HDHP cost-sharing limits take effect for the plan year beginning on or after Jan. 1, 2024.

### Important Dates

#### January 1, 2024

The new contribution limits for HSAs become effective.

#### 2024 Plan Years

The HDHP cost-sharing limits for 2024 apply for plan years beginning on or after Jan. 1, 2024.

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## HSA/HDHP Limits

The following chart shows the HSA and HDHP limits for 2024 as compared to 2023. 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		2024	2023	Change
<b>HSA Contribution Limit</b>	Self-only	\$4,150	\$3,850	<b>Up \$300</b>
	Family	\$8,300	\$7,750	<b>Up \$550</b>
<b>HSA Catch-up Contributions</b> <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	\$1,600	\$1,500	<b>Up \$100</b>
	Family	\$3,200	\$3,000	<b>Up \$200</b>
<b>HDHP Maximum Out-of-pocket Expense Limit</b> <i>(deductibles, copayments and other amounts, but not premiums)</i>	Self-only	\$8,050	\$7,500	<b>Up \$550</b>
	Family	\$16,100	\$15,000	<b>Up \$1,100</b>