The Internal Revenue Service (IRS) has issued new plan limits for 2018 pertaining to health FSAs and commuter plans. Additionally, the IRS also recently increased the PCOR fee.

**Contribution Limit Increase for Health FSAs**
The maximum amount that participants can contribute to their health FSA plan has increased by $50 for a maximum contribution limit of $2,650 in 2018.
- **Health FSA Contribution Limits—2017:** $2,600
- **Health FSA Contribution Limits—2018:** $2,650

**Contribution Limit Increase for Commuter Benefits**
The monthly election limits for commuter benefits have increased to $260 per month for both parking and mass transit, a $5 increase from the 2017 monthly contribution limit of $255.
- **Monthly Mass Transit & Parking Contribution Limits—2017:** $255
- **Monthly Mass Transit & Parking Contribution Limits—2018:** $260

**Patient Centered Outcome Research Trust Fund Fee (PCOR) Increase**
The PCOR fee has also increased, due to inflation, from $2.26 per covered life to $2.39 per covered life for policy years and plan years that end on or after October 1, 2017, and before October 1, 2018. The next due date for the PCOR fee is July 31, 2018. As background, the PCOR fee is a fee paid by issuers of certain health insurance policies and plan sponsors of self-insured health plans that helps to fund the Patient-Centered Outcomes Research Institute. The amount of the PCOR fee is equal to the average number of lives covered during the policy or plan year multiplied by the applicable dollar amount for the year. For more information about the PCOR fee, see our most recent eAlert on this topic here.

**HSA/HDHP Limits Increase**
While these limits were announced earlier this year (see our eAlert here), as a reminder, Health Savings Account (HSA) and High Deductible Health Plan (HDHP) limits will increase slightly next year as follows:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HSA: Contribution limit (employer + employee)</strong></td>
<td>Self-only: $3,400, Family: $6,750</td>
<td>Self-only: $3,450, Family: $6,900</td>
<td>Self-only: +$50, Family: +$150</td>
</tr>
<tr>
<td><strong>HSA: Catch-up contributions (age 55 or older)</strong></td>
<td>$1,000</td>
<td>$1,000</td>
<td>No change**</td>
</tr>
<tr>
<td><strong>HDHP: Minimum deductibles</strong></td>
<td>Self-only: $1,300, Family: $2,600</td>
<td>Self-only: $1,350, Family: $2,700</td>
<td>Self-only: +$50, Family: +$100</td>
</tr>
<tr>
<td><strong>HDHP: Maximum out-of-pocket amounts (deductibles, copayments and other amounts, but not premiums)</strong></td>
<td>Self-only: $6,550, Family: $13,100</td>
<td>Self-only: $6,650, Family: $13,300</td>
<td>Self-only: +$100, Family: +$200</td>
</tr>
</tbody>
</table>

* Catch-up contributions can be made any time during the year in which the HSA participant turns 55.

** Unlike other limits, the HSA catch-up contribution amount is not indexed; any increase would require statutory change.