

COMPLIANCE ALERT

IRS Issues 2024 Limits for HSAs, High-Deductible Health Plans and Excepted Benefit HRAs

May 17, 2023

Action Required:

- Employers should communicate the 2024 limits for these and the other benefit plans during open enrollment.

The IRS recently issued Revenue Procedure 2023-23, which provides the 2024 contribution and coverage limits for health savings accounts (HSAs), high-deductible health plans (HDHPs) and excepted benefit health reimbursement arrangements (EBHRAs).

What Should Employers and Plan Sponsors Do Next?

Employers and plan sponsors should ensure that their plans do not allow employees to make pre-tax contributions in excess of the new amounts for 2024. They should communicate the 2024 limits for these and the other benefit plans to their employees as part of the open enrollment process. Your Corporate Synergies Account Manager is prepared to assist your organization through this process. ■

IRS Issues 2024 Limits for HSAs, High-Deductible Health Plans and Excepted Benefit HRAs

The IRS recently issued [Revenue Procedure 2023-23](#), which provides the updated 2024 contribution and coverage limits for health savings accounts (HSAs), high-deductible health plans (HDHPs) and excepted benefit health reimbursement arrangements (EBHRAs).

These cost-of-living adjustments to the annual dollar limits currently in effect for 2023 will increase for 2024, with the exception of the HSA catch-up contribution for individuals ages 55 and older, which will remain unchanged at \$1,000. These annual cost of living adjustments are determined under § 223 of the Internal Revenue Code (Code) and are effective January 1, 2024.

What Has Changed?

The 2024 HSA maximum contribution limit for an individual with self-only coverage will increase to \$4,150 (up from \$3,850 for 2023).

The 2024 HSA maximum contribution limit for an individual with family coverage will increase to \$8,300 (up from \$7,750 for 2023).

The IRS also clarified that the 2024 HDHP out-of-pocket maximum limits will increase. Specifically, the maximum out-of-pocket limits for HDHPs for 2024 will be \$8,050 for self-only coverage (up from \$7,500 for 2023) and \$16,100 for family coverage (up from \$15,000 for 2023).

The minimum annual deductibles for HDHPs will also be increasing to at least \$1,600 for self-only coverage and at least \$3,200 for family coverage.

Finally, the maximum benefit amount for EBHRAs in 2024 will increase to \$2,100 (up from 2022's \$1,950).

Below is a chart showing the changes between 2023 and 2024:

Contribution and Out-of-Pocket Limits for Health Savings Accounts and High-Deductible Health Plans			
	2024	2023	Change
HSA contribution limit (employer + employee)	Self only: \$4,150 Family: \$8,300	Self only: \$3,850 Family: \$7,750	Self only: +\$300 Family: +\$550
HSA catch-up contribution (age 55 or older)	\$1,000	\$1,000	No change
HDHP minimum deductible amount	Self only: \$1,600 Family: \$3,200	Self only: \$1,500 Family: \$3,000	Self only: +\$100 Family: +\$200

Contribution and Out-of-Pocket Limits for Health Savings Accounts and High-Deductible Health Plans			
HDHP maximum out-of-pocket amount (deductibles, co-payments and other amounts, but not premiums)	Self only: \$8,050 Family: \$16,100	Self only: \$7,500 Family: \$15,000	Self only: +\$550 Family: +\$1,100
Excepted Benefit HRA maximum benefit amount	\$2,100	\$1,950	+\$150
<i>Source: IRS, Revenue Procedure 2023-23</i>			

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**If you have any additional questions,
please call your Corporate Synergies
Account Manager or 866.CSG.1719.**