

# IRS Releases 2024 Limits for HDHPs and HSAs

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## Quick Facts

- The IRS updates limits for high deductible health plans (HDHPs) and health savings accounts (HSAs) annually for inflation.
- On May 16, 2023, the Internal Revenue Service (IRS) released Revenue Procedure 2023-23, updating cost-sharing requirements for HDHPs and contribution limits for HSAs.
- Revenue Procedure 2023-23 also updated the IRS maximum limit for an excepted benefit health reimbursement arrangement (HRA) in 2024.

## Overview

The IRS recently released [Revenue Procedure 2023-23](#), which includes the 2024 inflation-adjusted amounts for HDHPs, HSAs, and excepted benefit HRAs. These limits include the maximum HSA contribution limit, the minimum deductible amount for HDHPs, the maximum out-of-pocket expense limit for HDHPs, and the maximum amount that may be made newly available for the plan year for an excepted benefit HRA. These limits vary based on whether an individual has self-only or family coverage under an HDHP. Limits for HSAs and HDHPs are effective January 1, 2024.

## High Deductible Health Plans and Health Savings Accounts

The HSA annual contribution limit for an individual with self-only HDHP coverage will increase by \$300 to \$4,150 in 2024. The annual HSA contribution limit for an individual with other than self-only HDHP coverage will increase by \$550 to \$8,300 in 2024.

With respect to HSA-compatible HDHPs, the minimum required deductibles will increase again next year. The amounts increase from \$1,500 for self-only coverage and \$3,000 for other than self-only coverage in 2023 to \$1,600 for self-only coverage and \$3,200 for other than self-only coverage in 2024. Note that the deductible does not apply to certain preventive care services. Plans that embed the deductible for a qualified HDHP, must set the embedded limit to at least the other than self-only HDHP minimum deductible amount, which will be \$3,200 in 2024. Out-of-pocket maximum limits for HDHPs are also increasing to \$8,050 for self-only plans and \$16,100 for other than self-only coverage.

A catch-up contribution limit of \$1,000 applies to HSA-eligible individuals who are age 55 or older at any time during 2024. This amount is not adjusted for inflation and stays the same from year to year.

## Excepted Benefit Health Reimbursement Arrangements

For plan years beginning in 2024, the maximum amount that may be made newly available for an excepted benefit HRA is \$2,100, which is a \$150 increase from \$1,950 in 2023.

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