

Legislative Alerts

Health Savings Account 2021 Limits Announced

The IRS has released the 2021 cost-of-living adjusted limits for health savings accounts (HSA's) and high-deductible health plans (HDHP's).

What are the new HSA contribution limits beginning in 2021?

- The 2021 annual HSA contribution limit is \$3,600 for individuals with self-only HDHP coverage (up from \$3,550 in 2020) and \$7,200 for individuals with family HDHP coverage (up from \$7,100 in 2020).

What are the new HDHP minimum deductibles in 2021?

- The 2021 minimum annual deductible is \$1,400 for self-only HDHP coverage (unchanged from 2020) and \$2,800 for family HDHP (unchanged from 2020).

What are the new HDHP out-of-pocket maximums in 2021?

- The 2021 limit on out-of-pocket expenses (including items such as deductibles, copayments, and coinsurance, but not premiums) is \$7,000 for self-only HDHP coverage (up from \$6,900 in 2020) and \$14,000 for family HDHP coverage (up from \$13,800 in 2020).

IRS guidance available at:

<https://www.irs.gov/pub/irs-drop/rp-20-32.pdf>



This document is provided for informational purposes only, not intended to be tax advice, and is not intended or written to be used, and cannot be used by the recipient to avoid any federal or state tax penalty that may be imposed, or to promote, market or recommend any referenced entity, investment plan or arrangement. Please seek competent advice to determine the applicability of this information, if any, to your particular situation.