

PLANNING AHEAD

2027 HSA CONTRIBUTION, HDHP COST-SHARING LIMITS

THE IRS has announced slightly higher health savings account contribution limits for 2027, with the limit increasing 2.3% for individual HSA plans.

The IRS updates HSA contribution limits annually, along with minimum deductibles and out-of-pocket maximums for high-deductible health plans. HSAs help employees save for medical expenses and are only available to those enrolled in qualified HDHPs.

Understanding these amounts now can help you get an early start on human resources planning for next year.

Changes coming in 2027

HSA annual contribution limit

Plan	2027 limit	2026 limit
Self-only	\$4,500	\$4,400
Family	\$9,000	\$8,750
Catch-up contribution (for aged 55 and older)	\$,1000	\$,1000

HDHP minimum annual deductible

Plan	2027 limit	2026 limit
Individual	\$1,750	\$1,700
Family	\$3,500	\$3,400

HDHP annual out-of-pocket maximum

Plan	2027 limit	2026 limit
Individual	\$8,700	\$8,500
Family	\$17,400	\$17,000
Maximum employer excepted-benefit HRA contribution	\$2,250	\$2,200

Employers can also contribute to the accounts, but the annual contribution limit applies to all employee and employer contributions combined.

The money in the HSA belongs to the employee and is theirs to keep, even if they switch jobs. If their new employer offers qualified HDHPs, they can continue to fund the account.

Funds roll over from year to year and can earn interest. Many plans also have investment options to help savers grow the account further.

HSA-eligible expenses

There are a number of medical services and health-related items an HSA can reimburse for, including:

- Payments for services or medicine that count towards health plan deductibles, copayments or coinsurance.
- Dental or vision care (including orthodontics, eye exams and corrective lenses).
- Medical devices.
- Certain over-the-counter medicines, such as pain relievers, allergy medication, cold and flu medicine and menstrual products.
- Vitamins and health supplements, if recommended by a medical or health professional for the treatment or prevention of a specific disease or condition.

The many benefits of HSAs

An HSA is a special bank account for your employees' eligible health care costs. They can contribute to their HSA through pre-tax payroll deductions, deposits or transfers. As the balance grows over time, they can continue to save it or spend it on eligible medical expenses.



Continued from page 1

Insurers Requesting More Detailed Claims Information

Employer effects

For employers, laserling may reduce stop-loss premiums, but it can also create substantial financial risks if a lasered employee incurs major expenses. Employers may unexpectedly assume hundreds of thousands of dollars in additional costs for a single claimant.

As a result, some self-insured employers may have to set aside more in reserves and consider increasing employee cost-sharing to account for the added risk.

Also, employers and brokers are increasingly negotiating for "no new laser" provisions during renewals. These provisions limit an insurer's ability to add new lasers during or after renewal based on emerging claims.

There are other ways to prevent or reduce the need for a laser. We can help you understand your options, workforce demographics, medical claims history and potential financial liability.