

October 26<sup>th</sup>, 2017

## IRS Announces 2018 Benefit Plan Limits

The IRS recently announced the 2018 cost of limit adjustments to various employer sponsored welfare benefit plan limits. The table below outlines the changes to these dollar limits for 2018.

Health Flexible Spending Accounts	2017	2018
Maximum salary reduction limit	\$2,600	\$2,650
High Deductible Health Plans (HDHP) and Health Savings Accounts (HSA)	2017	2018
HDHP - Maximum annual out-of-pocket limit (excluding premiums)		
Self-only coverage	\$6,550	\$6,650
Family coverage	\$13,100	\$13,300
HDHP - Minimum annual deductible		
Self-only coverage	\$1,300	\$1,350
Family coverage	\$2,600	\$2,700
Health Savings Accounts (HSA) - Annual Contribution Limit:		
Self-only coverage	\$3,400	\$3,450
Family coverage	\$6,750	\$6,900
Catch-up contributions (age 55 or older)	\$1,000	\$1,000

Employers should also be aware of the following cost of living adjustments to various ACA dollar limits for 2018:

ACA Affordability Safe Harbors	2017	2018
Federal Poverty Limit Safe Harbor	\$95.93	\$96.08
Rate of Pay / W-2 Safe Harbor	9.69%	9.56%
ACA Pay or Play Penalties	2017	2018
Section 4980H(a) Penalty (No Coverage)	\$2,260 (\$183.20 per mo.)	\$2,320 (\$193.33 per mo.)
Section 4980H(b) Penalty (Not Afford.)	\$3,390 (\$282.50 per mo.)	\$3,480 (\$290 per mo.)
ACA Out of Pocket Cost Limits	2017	2018
Out of Pocket Max (Individual)	\$7,150	\$7,350
Out of Pocket Max (Family)	\$14,300	\$14,700

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