

May 10, 2022

A Summary of Certain 2023 Health and Welfare Benefit Plan Limits

Limits Adjusted for the Upcoming Year

The IRS released [Rev. Proc. 2022-24](#) on April 29, 2022, containing the 2023 high deductible health plan (HDHP) and health savings account (HSA) annual limits. The U.S. Department of Health & Human Services also previously released the [2023 annual limits](#) for non-grandfathered medical plans subject to the Affordable Care Act (ACA).

The following limits apply to plan years beginning during the applicable calendar year. Limits for 2022 and 2023 are shown below for comparison purposes.

| ACA Limits | | |
|---|--|--|
| Item | 2022 | 2023 |
| Out-of-Pocket Maximum Limit¹ | Self-only: \$8,700 Family: \$17,400 | Self-only: \$9,100 Family: \$18,200 |
| Embedded Self-Only Out-of-Pocket Maximum Limit¹ | \$8,700 | \$9,100 |

| High Deductible Health Plan (HDHP) Limits | | |
|---|--|--|
| Item | 2022 | 2023 |
| HDHP Minimum Deductible | Self-only: \$1,400 Family: \$2,800 | Self-only: \$1,500 Family: \$3,000 |
| Minimum Embedded Ind. Deductible (if used)² | \$2,800 | \$3,000 |
| HDHP Out-of-Pocket Maximum Limit | Self-only: \$7,050 Family: \$14,100 | Self-only: \$7,500 Family: \$15,000 |
| Embedded Self-Only Out-of-Pocket Maximum Limit¹ | \$8,700 | \$9,100 |

¹ This limit does not apply to plans that remain grandfathered under the ACA. Embedded out-of-pocket maximums (OOPMs) are required for non-grandfathered plans with family OOPMs that fall above the ACA limit. A qualified HDHP plan must meet the HDHP limits as well as the ACA limits.

² If an HDHP uses an embedded deductible for family coverage, limiting the amount each individually covered family member must pay before the annual deductible is met, the embedded individual deductible must be no less than the family minimum statutory annual deductible to maintain qualified HDHP status.

Please note that although the above deductible and out-of-pocket maximum limits apply on a plan year basis based on when plan year began, the health savings account (HSA) contribution limits will apply on a **calendar year** basis (regardless of the plan year for the underlying HDHP).

| HSA Contribution Limits | | |
|---|---------------------------------------|---------------------------------------|
| | 2022 | 2023 |
| HSA Annual Contribution Limit | Self-only: \$3,650 Family: \$7,300 | Self-only: \$3,850 Family: \$7,750 |
| HSA Catch-up Contribution Limit (age 55 and older) | \$1,000 | \$1,000 |

2023 maximum amount for Excepted Benefit HRA

IRS Rev. Proc. 2022-24 also includes the 2023 revised annual contribution limit for Excepted Benefit HRAs. The maximum annual HRA contribution is \$1,950 for plan years that begin in 2023.

Excepted Benefit HRAs were created in late 2017 via a Presidential Executive Order. If it meets certain conditions, an Excepted Benefit HRA is exempt from the ACA's plan design mandates, allowing an employer to offer it on a standalone basis. Excepted Benefit HRAs may reimburse general medical expenses and premiums for COBRA, short-term limited duration insurance, and other excepted benefits coverage. Our previous [Alert](#) covers Excepted Benefit HRAs in more detail.

Still to come

The 2023 annual limits for health flexible spending accounts, qualified transportation benefits, and adoption assistance will appear later this year.

About the author



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