

Treasury, IRS Issue 2009 Indexed Amounts for Health Savings Accounts

Washington, DC--The Treasury Department and Internal Revenue Service issued new guidance on the maximum contribution levels for Health Savings Accounts (HSAs) and out-of-pocket spending limits for High Deductible Health Plans (HDHPs) that must be used in conjunction with HSAs. These amounts have been indexed for cost-of-living adjustments for 2010 and are included in Revenue Procedure 2009-29.

The new levels are as follows:

New Annual Contribution Levels for HSAs:

- For 2010, the maximum annual HSA contribution for an eligible individual with self-only coverage is \$3,050.
- For family coverage, the maximum annual HSA contribution is \$6,150.
- Catch up contribution for individual who are 55 or older is \$1,000 (set by statute and unchanged from 2009).
- Individuals who are eligible individuals on the first day of the last month of the taxable year (December for most taxpayers) are allowed the full annual contribution (plus catch up contribution, if 55 or older by year end), regardless of the number of months the individual was an eligible individual in the year. For individuals who are no longer eligible individuals on that date, both the HSA contribution and catch up contribution apply pro rata based on the number of months of the year a taxpayer is an eligible individual.

New Amounts for Out-of-Pocket Spending on HSA-Compatible HDHPs:

- For 2010, the maximum annual out-of-pocket amounts for HDHP self-coverage increase to \$5,950 and the maximum annual out-of-pocket amount for HDHP family coverage is twice that, \$11,900.

Minimum Deductible Amounts for HSA-Compatible HDHPs:

- For 2010, the minimum deductible for HDHPs increases to \$1,200 for self-only coverage and \$2,400 for family coverage.

In addition, a fiscal year plan that satisfies the requirements for an HDHP on the first day of the first month of its fiscal year may apply that deductible for the entire fiscal year.

Revenue Procedure 2009-29 is attached.

REPORTS

- [Revenue Procedure 2009-29](#)