

BenAlert

BENEFIT TRENDS AND LEGISLATIVE UPDATES

JULY 2011



HOWITT
Benefit Services

Howitt Benefit Services is pleased to provide you with periodic updates on benefit trends and legislative updates. As part of our valuable services, we want to ensure that you are in compliance and well-informed of the ongoing changes in our industry.

In this BenAlert:

- IRS Announces Change to HSA Maximums For 2012 (Rev. Proc. 2011-32)

IRS Announces Change to the Health Savings Accounts (HSAs) Maximums for 2012 Revenue Procedure (Rev. Proc.) 2011-32

The Internal Revenue Service (IRS) announced the 2012 inflation adjusted amounts for health savings accounts (HSAs) in Revenue Procedure 2011-32: <http://www.irs.gov/pub/irs-drop/rp-11-32.pdf>.

Annual contribution limits for calendar year 2012 will change from the 2011 amounts, as follows:

2012 Annual Contribution Levels for HSAs.

Maximum annual HSA contributions for self-only HDHP coverage increased to \$3,100 from \$3,050.

Maximum annual HSA contributions for family HDHP coverage increased to \$6,250 from \$6,150.

2012 Amounts for Annual Out-of-pocket Spending Maximums on HSA-Compatible HDHPs.

Self-only coverage is now \$6,050, increased from \$5,950. Family coverage is now \$12,100, increased from \$11,900.

2012 Annual Minimum Deductible Amounts for HSA-Compatible HDHPs.

No change from 2011: Self-only is \$1,200. Family coverage is \$2,400

2012 Catch-up contributions.

No change from 2011: Individuals age 55 or older additional contributions remain at \$1,000.

Howitt Benefit Services (HBS) is not an attorney firm and HBS is not giving legal advice or interpreting the IRS code. For more information, contact us at www.howittins.com or at 1-866-445-1550.