

HSA Employer News!

June 2012

2013 HSA Contribution and HDHP Deductible Limits Released

We are always on the lookout for information related to High-Deductible Health Plans (HDHPs) and Health Savings Accounts (HSAs) that we think our clients and other individuals will find helpful. In this issue of our newsletter, we are happy to provide the HSA contribution and HDHP deductible limits for next year.

The IRS recently made public an advance copy of Revenue Procedure 2012-26, which sets forth the annual contribution and deductible limits for HSAs and HDHPs effective for calendar year 2013. **The maximum HSA contribution limits will increase for all eligible account holders**, which is great news for people who want to maximize their pre-tax savings and invest more fully in their healthcare needs!

The details are as follows:

2013 Annual Maximum Contribution Limits to an HSA under an HDHP:

- **Self-only coverage:** \$3,250
(increased from \$3,100 in 2012)
- **Family coverage:** \$6,450
(increased from \$6,250 in 2012)

Note: *If you are age 55 or older and have not yet enrolled in Medicare, you may make an additional \$1,000 catch-up contribution to your HSA (no change from 2012 level).*

2013 Annual Minimum Deductible Limits for HDHPs to Qualify for an HSA:

- **Self-only coverage:** \$1,250
(increased from \$1,200 in 2012)
- **Family coverage:** \$2,500
(increased from \$2,400 in 2012)

2013 Annual Maximum Out-of-Pocket Expense Limits for HDHPs to Qualify for an HSA:

- **Self-only coverage:** \$6,250
(increased from \$6,050 in 2012)
- **Family coverage:** \$12,500
(increased from \$12,100 in 2012)

Whether individuals choose to fully fund their account or make smaller contributions to their HSA, this information should be of interest to both you and your employees. For more information, visit the IRS Web site at <http://www.irs.gov/pub/irs-drop/rp-12-26.pdf>.

New and Improved HSA Welcome Kit

The Bancorp Bank recently overhauled the welcome packages that are mailed to new HSA members to make them more user-friendly.

Going forward, your employees opening HSAs will receive a **welcome letter** that includes their account number and provides information about their:

- credentials for online account access
- online Welcome Kit
- debit card
- check options
- funding options

The welcome letter also encloses the customer's Signature Card (and a postage-paid envelope in which to return it), a deposit slip, our Terms and Conditions (including our Schedule of Fees) and our privacy notice – in short, everything your employees need to get started!

We encourage you and your employees to go online and check out the new **Welcome Kit**; it is available on your HSA site under "Managing Your HSA > My Welcome Kit" (you do not need to log in to access this section of the site). The kit serves as an introduction to how an HSA works and is rich with information about how employees may access their account online, ways to contribute and use HSA funds, the benefits of maximizing contributions, and useful online banking tools and HSA resources. And, because it is posted online and available 24/7, we hope the Welcome Kit will serve as an easy reference tool for you and your employees.

Education is an important piece of a successful HSA program and, as always, we want to help you with educating your employees about their new Health Savings Account!