

# BENEFITS

December 2019

## FSA Contribution and Other Benefits Limits Rise for 2020

The IRS announced an increase to flexible spending account (FSA) contribution limits for the 2020 plan year.

Individuals can contribute \$2,750 in 2020, up \$50 from the previous year.

Since this announcement came so late in the year, some employers may not use the updated figures in their benefits limits—as doing so would require an addendum.

In fact, some employers have been known to use limits from the previous year because they cannot wait until this far into the enrollment season to release benefits materials.

With that in mind, it wouldn't be surprising if employers use the 2019 limits for their FSA plans in 2020.

In addition to the FSA contribution limits, the IRS announced increases for transportation benefits and adoption services.

Qualified transportation benefit limits (for parking or transit passes) increased to \$270 for 2020.

Maximum employer subsidies for qualified adoption expenses rose to \$14,300, up \$220. Other adoption-related limits increased as well.

For more information on these or other benefits plan limits, please speak with Warner Benefits today.

## 2020 Limits to Know

### HEALTH SAVINGS ACCOUNT (HSA) LIMITS

- Pre-tax contributions:
  - Single coverage: \$3,550 (up \$50 from 2019)
  - Family coverage: \$7,100 (up \$100 from 2019)
- Catch-up contributions: \$1,000 (no change from 2019)

### HIGH DEDUCTIBLE HEALTH PLAN (HDHP) LIMITS

- HDHP minimum deductible
  - Single coverage: \$1,400 (up \$50 from 2019)
  - Family coverage: \$2,800 (up \$100 from 2019)
- HDHP maximum out-of-pocket costs
  - Single coverage: \$6,900 (up \$150 from 2019)
  - Family coverage: \$13,800 (up \$300 from 2019)

### FLEXIBLE SPENDING ACCOUNT (FSA) LIMITS

- Contributions: \$2,750 (up \$50 from 2019)



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