

# Updated Legal Alert

## IRS Releases 2026 HSA Contribution Limits and HDHP Deductible and Out-of-Pocket Limits

In [Rev. Proc. 2025-19](#), the IRS released the inflation adjusted amounts for 2026 relevant to Health Savings Accounts (HSAs) and high-deductible health plans (HDHPs). The table below summarizes those adjustments and other applicable limits.

	2026	2025	CHANGE
<b>Annual HSA Contribution Limit</b> (employer and employee)	<b>Self-only:</b> \$4,400	<b>Self-only:</b> \$4,300	<b>Self-only:</b> +\$100
	<b>Family:</b> \$8,750	<b>Family:</b> \$8,550	<b>Family:</b> +\$200
<b>HSA catch-up contributions</b> (age 55 or older)	\$1,000	\$1,000	No change
<b>Minimum Annual HDHP Deductible</b>	<b>Self-only:</b> \$1,700	<b>Self-only:</b> \$1,650	<b>Self-only:</b> +\$50
	<b>Family:</b> \$3,400	<b>Family:</b> \$3,300	<b>Family:</b> +\$100
<b>Maximum Out-of-Pocket for HDHP</b> (deductibles, co-payment and other amounts, except premiums)	<b>Self-only:</b> \$8,500	<b>Self-only:</b> \$8,300	<b>Self-only:</b> +\$200
	<b>Family:</b> \$17,000	<b>Family:</b> \$16,600	<b>Family:</b> +\$400



## Out-of-Pocket Limits Applicable to Non-Grandfathered Plans

In addition, the IRS announced Affordable Care Act (ACA) out-of-pocket limits for in-network essential health benefits, which also have increased for 2026.

	2026	2025	CHANGE
<b>ACA Maximum Out-of-Pocket</b>	<b>Self-only:</b> \$10,600 <b>Family:</b> \$21,200	<b>Self-only:</b> \$9,200 <b>Family:</b> \$18,400	<b>Self-only:</b> +\$950 <b>Family:</b> +\$1,900

Note: 2026 amounts were updated by HHS after the initial IRS announcement. All non-grandfathered group health plans must contain an embedded individual out-of-pocket limit within family coverage if the family out-of-pocket limit is above \$10,600 (2026 plan years) or \$9,200 (2025 plan years). Exceptions to the ACA out-of-pocket limit rule have been available for certain non-grandfathered small-group plans eligible for transition relief (referred to as “grandmothered” plans) since policy years renewed on or after January 1, 2014. Each year, CMS has extended this transition relief for any grandmothered plans that have been continually renewed since on or after January 1, 2014. However, in its [March 23, 2022, Insurance Standards Bulletin](#), CMS announced that the limited non-enforcement policy will remain in effect until CMS announces that such coverage must come into compliance with relevant requirements. Thus, we will no longer see annual transition relief announced.

## Next Steps for Employers

As employers prepare for the 2026 plan year, they should keep in mind the following rules and ensure that any plan materials and participant communications reflect the new limits:

- HSA-qualified family HDHPs cannot have an embedded individual deductible that is lower than the minimum family deductible of \$3,400.
- The out-of-pocket maximum for family coverage for an HSA-qualified HDHP cannot be higher than \$17,000.

All non-grandfathered plans (whether HDHP or non-HDHP) must cap out-of-pocket spending at \$10,150 for any covered person. A family plan with an out-of-pocket maximum in excess of \$10,150 can satisfy this rule by embedding an individual out-of-pocket maximum in the plan that is no higher than \$10,150. This means that for the 2026 plan year, an HDHP subject to the ACA out-of-pocket limit rules may have an \$8,500 (self-only)/\$17,000 (family) out-of-pocket limit (and be HSA-compliant), as long as there is an embedded individual out-of-pocket limit in the family tier no greater than \$10,150 (so that it is also ACA-compliant).

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\*STATISTICS ACCURATE AS OF MARCH 31, 2025.

## About the Author

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This alert was prepared for Alera Group by Barrow Lent LLP, a national law firm with recognized experts on the Affordable Care Act. Contact Stacy Barrow at [sbarrow@marbarlaw.com](mailto:sbarrow@marbarlaw.com) or Nicole Quinn-Gato at [nquinngato@marbarlaw.com](mailto:nquinngato@marbarlaw.com).

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