



# Health Savings Accounts

A health savings account (HSA) is a tax-exempt trust or custodial account an individual can set up with a qualified HSA trustee to pay qualified medical expenses.

To qualify for an HSA, individuals:

- Must be covered under a qualified high deductible health plan (HDHP)
- Must have no other health coverage (see article linked below for exceptions)
- Must not be enrolled in Medicare
- Cannot be claimed as a dependent on someone else’s tax return

Source: [https://www.irs.gov/publications/p969#en\\_US\\_2017\\_publink1000204025](https://www.irs.gov/publications/p969#en_US_2017_publink1000204025)

## 2022 HDHP and HSA Limits

Each year, the IRS issues adjusted deductible and out-of-pocket limits for HDHPs and contribution limits for HSAs. Detailed below are the new limits for 2022.

In-network minimum deductible amounts*	
\$1,400	Individual-only or self-only coverage
\$2,800	Family coverage (two or more members)
Maximum annual out-of-pocket costs (including deductibles and copays)*	
\$7,050	Individual-only or self-only coverage
\$14,100	Family coverage (two or more members)
Pre-tax HSA contribution limits	
\$3,650	Individual-only or self-only coverage
\$7,300	Family coverage (two or more members)
Catch-up contributions	
The annual catch-up contribution for those ages 55 or older is \$1,000/person.	

\*Source: <https://www.irs.gov/pub/irs-drop/rp-20-32.pdf>

### Embedded vs. Aggregate

- Embedded: The plan limits member cost-sharing at the individual level. One contract member can only fulfill the single deductible and out-of-pocket maximum (OOPM) amounts.
- Aggregate: One person on a family contract can potentially fulfill the entire family’s deductible and OOPM requirement.

Blue Cross’ HSA compatible group medical plans have either an embedded or an aggregate deductible and OOPM to comply with the Affordable Care Act.

*Hint: If the single deductible is less than \$2,800 the deductible and OOPM is aggregate. If the single deductible is greater than \$2,800 the deductible and OOPM is embedded.*