

2021 Plan Limits and Final Coupon Guidance Released

IRS Announces 2021 HDHP Limits

Now that the U.S. Department of Health & Human Services (HHS) has released its [Notice of Benefit and Payment Parameters for 2021](#) and the IRS has released [Rev. Proc. 2020-32](#), we know the 2021 cost-of-living adjustments for non-grandfathered plans subject to the Affordable Care Act (ACA), high-deductible health plans (HDHPs), and health savings accounts (HSAs). For comparison purposes, the 2020 and 2021 limits are below:

ACA Limits		
Item	2021	2020
Out-of-Pocket Maximum Limit¹	Self-only: \$8,550 Family: \$17,100	Self-only: \$8,150 Family: \$16,300

HDHP/HSA Limits		
Item	2021	2020
HDHP Minimum Deductible	Self-only: \$1,400 Family: \$2,800	Self-only: \$1,400 Family: \$2,800
HDHP Maximum Out-of-Pocket	Self-only: \$7,000 Family: \$14,000	Self-only: \$6,900 Family: \$13,800
HSA Annual Contribution Maximum	Self-only: \$3,600 Family: \$7,200	Self-only: \$3,550 Family: \$7,100
HSA Catch-up Contribution Limit (age 55 and older)	\$1,000	\$1,000

¹ This limit does not apply to plans that remain grandfathered under the ACA.

Final Rules for Drug Coupons and HDHPs

The Notice of Benefit and Payment Parameters for 2021 also contains guidance on the application of prescription drug manufacturer coupons (“coupons”) and out-of-pocket maximum limits. Last year, the [Notice of Benefit and Payment Parameters for 2020](#) announced that insurers and group health plans could exclude a coupon for a brand-name drug from a participant’s out-of-pocket maximum limit only if there was a medically appropriate generic available. The enforcement of this provision was suspended because of concerns about HSA eligibility if a participant was enrolled in a HDHP. The concern was that participants were becoming ineligible to contribute, or receive contributions, to their HSAs if the participant was being credited for the full value of the drug to their deductible but only paying a fraction of the cost. Currently, discounts must be ignored when determining if a participant meets their HDHP deductible.

Under the 2021 Notice, the DOL allows, but does not require, group health plans to exclude the value of prescription drug coupons from a participant’s out-of-pocket maximum. This is no longer dependent on a medically equivalent generic being available. Keep in mind some states may have laws that impact how fully insured plans manage discounts.

About the Author



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