Information About 2018 HSA Guidelines and Over Contributions

2018 HSA guidelines
The IRS has announced the health savings account (HSA) guidelines for 2018. You will want to use this information as you prepare benefits information for next year:

- Annual HSA contribution limits will increase in 2018 to $3,450 for individual coverage (from $3,400 in 2017) and will increase in 2018 to $6,900 for family coverage (from $6,750 in 2017).
- Deductibles for HSA-eligible health plans must be at least $1,350 for individual coverage and $2,700 for family coverage.
- Maximum out-of-pocket expenses for HSA-eligible health plans will increase in 2018 to $6,650 for individual coverage (from $6,550 in 2017) and $13,300 for family coverage (from $13,100 in 2017).

What happens when an account holder over contributes?
Optum Bank will send notices to account holders when they are within $500 of their IRS limit. These notices will be sent by email only. The notices will be sent when an individual is reaching one of the four limits that are applicable to them. The four limits are individual, individual +55 catchup, family and family +55 catchup. Online contributions will be locked down to the account holder’s elected maximum.

Account holders who exceed the contribution limits for their type of coverage should complete an Excess Contribution and Deposit Correction Request Form, which is on our website at www.optumbank.com. Once the form is processed, the account holder is mailed a reimbursement check to his or her address on file. Account holders who over contribute could be subject to a 6% excise tax on excess contributions. Please see IRS Publication 969 (page 7) for more information.

Communicating to your employees
HSA Enroll 1-2-3 offers employers with Optum health accounts a variety of communication tools to inform and educate their employees before, during and after open enrollment. Tools are now being updated with the 2018 limits. Look for them later this summer.

For questions on this communication or any HSA administration activities, please contact your Optum Bank Account Coordinator.

Health savings accounts (HSAs) are individual accounts offered or administered by Optum Bank®, Member FDIC, and are subject to eligibility and restrictions, including but not limited to restrictions on distributions for qualified medical expenses set forth in section 213(d) of the Internal Revenue Code. State taxes may apply. Fees may reduce earnings on account. This communication is not intended as legal or tax advice. Please contact a competent legal or tax professional for personal advice on eligibility, tax treatment, and restrictions based on your individual financial situation, goals, and objectives. Federal and state laws and regulations are subject to change.

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