



You and your HSA contribution limits

Wondering how much money you can set aside in your Health Savings Account (HSA)?

It depends! Let's look at the facts.



Fact: The 2019 IRS limits are \$3,500 for individual coverage and \$7,000 for family coverage for each calendar year.

An additional \$1,000 is allowed for those over age 55. These examples do not include this catch-up contribution.

Fact: The IRS limits include HSA contributions from all sources—i.e., from you and from Adobe.

Adobe's contributions to eligible Aetna HealthSave (HSA) participants are **prorated** based on when you join the plan or increase coverage from single to family—up to \$850/individual or \$1,700/family each calendar year.

EXAMPLE:

Sean enrolls himself in the Aetna HealthSave (HSA) plan in January.

What is the maximum amount Sean can contribute to his HSA?

Let's do the math:

\$3,500	IRS limit
– \$850	Adobe contribution
<u>\$2,650</u>	Sean's maximum contribution

Fact: Limits include contributions your spouse makes to his or her own HSA account, too.

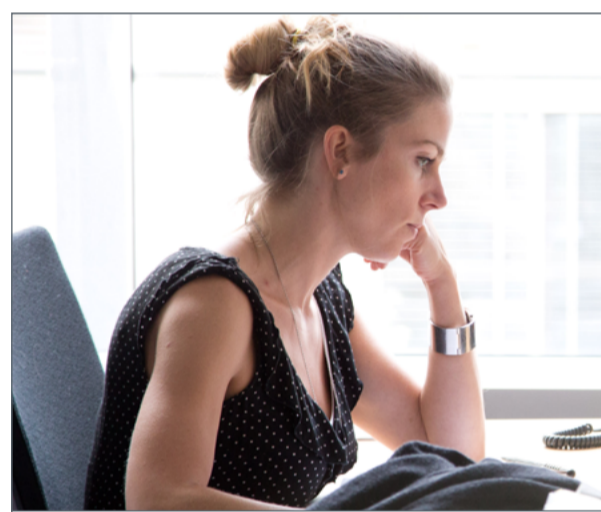
EXAMPLE:

Dustin and Carolyn are married, and each has individual coverage. However, their combined contributions to both HSAs cannot exceed the \$7,000 maximum family contribution.

Fact: The amount you can contribute can change during the year. Here are a few reasons why:

- You change from individual to family coverage or vice versa
- You turn 65
- You enroll mid-year

A good rule of thumb: Any time you have a life change and enroll in a different plan, check your HSA contribution limits.



EXAMPLE:

Changing to family coverage

As of January 1, Kristen covers only herself on the Aetna HealthSave (HSA) plan. After the birth of her baby in October, she changes to family coverage.

What is Kristen's 2019 IRS HSA contribution limit?

Step 1:

Kristen calculates the amount she can contribute for the months she had individual coverage (January–October).

Let's do the math:

$$\begin{aligned}
 & \$3,500/12 = \$291.67 \text{ per month} \\
 & \$291.67 \times 10 \text{ months} = \$2,916.70 \\
 & \text{\$2,916.70 is the amount she can contribute for January–October.}
 \end{aligned}$$



Step 2:

Kristen calculates the amount she can contribute for the months she had family coverage (November–December).

$$\begin{aligned}
 & \$7,000/12 = \$583.33 \text{ per month} \\
 & \$583.33 \times 2 \text{ months} = \$1,166.66 \\
 & \text{\$1,166.66 is the amount she can contribute for November–December.}
 \end{aligned}$$



$$\$2,916.70 + \$1,166.66 = \$4,083.36^*$$

EXAMPLE:

Enrolling mid-year

In August, Kevin joins Adobe as a new hire and enrolls in the Aetna HealthSave (HSA) plan for only himself. He has two choices when deciding how much to contribute.



Choice 1

Kevin isn't sure how long he'll be enrolled in the plan, so he contributes a prorated amount for each remaining month in the current year.

$$\begin{aligned}
 & \$3,500/12 = \$291.67 \\
 & \$291.67 \times 4 = \$1,166.68
 \end{aligned}$$

Since Kevin is eligible for four months (September–December), his maximum eligible amount is \$1,166.68.*

Choice 2

If he doesn't anticipate changing his medical plan any time soon,** he can contribute up to the full amount.

Frequently asked questions

Q: Are contributions automatically capped once you hit the limit?

A: It depends. Contributions are capped at the IRS maximum. However, your contribution limit can be lower than the maximum based on things like whether you have family or single coverage and how long you've been in the plan.

Review your contributions any time you have changes so you don't over-contribute. HealthEquity is there to help 877-713-7680.

Q: What if I over-contribute?

A: Contact HealthEquity for instructions on how you can reverse the contribution. If you do not, tax penalties will apply to the amount over the maximum contribution.

Q: Where can I go for more examples and information?

A: Check out the [HSA Guidebook from HealthEquity](#), available at benefits.adobe.com.

* These amounts do not factor in any employer contributions and are to be used as guidelines only.

** Kevin should know that he'll have to pay taxes plus a penalty on any excess contributions if he drops the plan before December 31 of the following year.