

# HR BRIEF

## HSA/HDHP Limits Will Increase for 2024

The IRS recently released [Revenue Procedure 2023-23](#) to provide the inflation-adjusted limits for health savings accounts (HSAs) and high deductible health plans (HDHPs) for 2024. The IRS is required to publish these limits by June 1 of each year.

These limits include:

- The maximum HSA contribution limit
- The minimum deductible amount for HDHPs
- The maximum out-of-pocket expense limit for HDHPs

These limits vary based on whether an individual has self-only or family coverage under an HDHP.

Eligible individuals with self-only HDHP coverage will be able to contribute **\$4,150** to their HSAs for 2024, up from \$3,850 for 2023. Eligible individuals with family HDHP coverage will be able to contribute **\$8,300** to their HSAs for 2024, up from \$7,750 for 2023. Individuals age 55 or older may make an additional \$1,000 “catch-up” contribution to their HSAs.

The minimum deductible amount for HDHPs increases to **\$1,600** for self-only coverage and **\$3,200** for family coverage for 2024 (up from \$1,500 for self-only coverage and \$3,000 for family coverage for 2023). The HDHP maximum out-of-pocket expense limit increases to **\$8,050** for self-only coverage and **\$16,100** for family coverage for 2024 (up from \$7,500 for self-only coverage and \$15,000 for family coverage for 2023).

The adjusted contribution limits for HSAs take effect as of Jan. 1, 2024. The adjusted HDHP cost-sharing limits take effect for the plan year beginning on or after Jan. 1, 2024.

### Action Steps

Employers who sponsor HDHPs should review their plan’s cost-sharing limits (minimum deductibles and maximum out-of-pocket expense limit) when preparing for the plan year beginning in 2024. Also, employers who allow employees to make pre-tax HSA contributions should update their plan communications for the increased contribution limits.

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## Using Mentorship to Bolster Employee Retention

One of the most common reasons employees search for new jobs is a lack of learning and development opportunities, such as skills development, networking and mentorship. Mentoring is a simple and cost-effective way to boost employee retention. Workplace mentorship describes the relationship between mentor and mentee, in which a mentor provides guidance and professional advice to encourage a mentee’s growth, learning and professional development.

### Types of Mentorship

There are many types of mentorship relationships for organizations to consider. Here are some examples of common types of mentorship:

- **Peer to peer**—Peer mentors usually have similar backgrounds and experiences to one another, enabling them to provide support, guidance and understanding.
- **One on one**—This is a traditional hierarchal type of mentoring in which a mentor has developed professional knowledge and experience in the field of their mentee.
- **Reverse**—With reverse mentoring, junior employees are responsible for mentoring senior employees in areas where they have expertise, such as technology use.

- **Group**—Employers may use mentoring circles or groups to expand organizational participation.

## Summary

Effective mentorship programs encourage employees to learn, grow and collaborate with one another. This helps to create a culture of inclusion and promotes strong interpersonal relationships among co-workers. In addition, these programs show employees that their employers value their career advancement and professional growth. Reach out today for additional resources on employee retention.

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