

HR BRIEF

June 2025

HSA/HDHP Limits Will Increase for 2026



The IRS recently released [Revenue Procedure 2025-19](#) to provide the inflation-adjusted limits for health savings accounts (HSAs) and high deductible health plans (HDHPs) for 2026. The IRS is required to publish these limits by June 1 of each year.

These limits include the following:

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

HSA Limits

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 **\$4,400** to their HSAs for 2026, up from \$4,300 for 2025. Eligible individuals with family HDHP coverage will be able to contribute **\$8,750** to their HSAs for 2026, up from \$8,550 for 2025. Individuals age 55 and older may make an additional \$1,000 "catch-up" contribution to their HSAs.

HDHP Limits

The minimum deductible amount for HDHPs increases to **\$1,700** for self-only coverage and **\$3,400** for family coverage for 2026 (up from \$1,650 for self-only coverage and \$3,300 for family coverage for 2025). The HDHP maximum out-of-pocket expense limit increases to **\$8,500** for self-only coverage and **\$17,000** for family coverage for 2026 (up from \$8,300 for self-only coverage and \$16,600 for family coverage for 2025).

Employer Action Steps

Employers sponsoring HDHPs should review their plans' cost-sharing limits (i.e., the minimum deductible amount and maximum out-of-pocket expense limit) when preparing for the plan year beginning in 2026. Also, employers allowing employees to make pre-tax HSA contributions should update their plan communications with the increased contribution limits.

Contact us today for more information.

Engaging Generation Z in the Workplace

Generation Z (Gen Z) accounts for a growing percentage of the global workforce. These individuals, born between 1997 and 2012, range from 13 to 28 years old, making up the current and next wave of young professionals. The U.S. Bureau of Labor Statistics predicts that by 2030, Gen Z will constitute 30% of the workforce.

However, recent studies have found that much of Gen Z feels disengaged or disempowered in the workplace. Poor engagement can lead to decreased productivity, a negative impact on workplace culture and higher employee turnover.

Employers can engage Gen Z employees and improve attraction and retention rates among young workers by proactively responding to Gen Z's wants and needs. Here are strategies for employers to engage Gen Z in the workplace:

- **Make work meaningful.** Gen Zers want their work to be meaningful and contribute to organizational success by employing their skill sets.
- **Utilize the latest technology.** Generally, Gen Z workers have little patience for outdated systems. Additionally, up-to-date devices and systems tend to improve efficiency and productivity. Gen Z employees may even be eager to help your organization update and introduce new technologies.
- **Prioritize mental health.** Organizations can make mental health resources readily available, train managers to be empathetic, and equip leaders to direct employees to the right resources.
- **Allow flexibility and autonomy.** Gen Z seeks jobs that focus on employees as people, allowing them autonomy to work when and how they please.
- **Provide career development opportunities.** Employers can remove stress and guesswork by providing career ladders that outline an employee's potential path for growth.

Employers who actively engage Gen Z may experience a competitive advantage. Contact us today for more employee engagement resources.