

BENEFITS ALERT 2007- 03

TO: All Clients & Friends of FBMC

DATE: 05/15/07

FROM: Christina (Tina) Bischoff, *CFCI*
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RE: **HSA Cost-of-Living-Adjustments for 2008**

We mentioned in Benefits Alert 2006-08 that the "Tax Relief and Health Care Act of 2006" required the IRS to index and publish the HSA cost-of-living-adjustments no later than June 1st of each year.

On May 11, 2007, the IRS complied with this Act by releasing the **2008** HSA cost-of-living-adjustments. The table below is being provided for your reference.

Citations: Rev. Proc. 2007-36; 2007-22 IRB 1

HEALTH SAVINGS ACCOUNTS (HSAs)		
2007	2008	Type of Coverage
Annual Contribution Limit <i>cannot exceed:</i>		
\$ 2850	\$ 2900	Self-only Coverage
\$ 5650	\$ 5800	Individual with Family Coverage
\$ 800	\$ 900	Catch-up for age 55 and over
Annual HDHP Out-of-Pocket Expenses <i>cannot exceed:</i>		
\$ 5500	\$ 5600	Self-only Coverage
\$11000	\$11200	Individual with Family Coverage
Annual HDHP Deductible <i>cannot be less than:</i>		
\$ 1100	\$ 1100	Self-only Coverage
\$ 2200	\$ 2200	Individual with Family Coverage

Additional Information

Please contact your Account Manager or the undersigned.