

## 2016 BENEFIT LIMITS FOR HEALTH & WELFARE PLANS

Every year, the U.S. Government sets new limits for various benefit programs to reflect inflation and changes in the law. Following are the limits announced for 2016. Employers should review their benefit plans to ensure they reflect these new limits.

Retirement Plans	2015	2016
<b>Limits On Benefits And Contributions:</b>		
o Defined benefit plan, basic limit	\$210,000	\$210,000
o Defined contribution plan, basic limit	\$53,000	\$53,000
o 401(k) and 403(b) plans, elective deferrals	\$18,000	\$18,000
o 457(b) plans, elective deferrals	\$18,000	\$18,000
o SIMPLE plans, elective deferrals	\$12,500	\$12,500
o Annual compensation limit	\$265,000	\$265,000
<b>Catch-Up Contributions</b>		
o 401(k), 403(b) or governmental 457 plans	\$6,000	\$6,000
o SIMPLE plans	\$3,000	\$3,000
"Highly Compensated" Definition	\$120,000	\$120,000
"Officer" Or "Key Employee" Definition	\$170,000	\$170,000

Health Savings Accounts	2015	2016
<b>Contributions</b>		
o Individual	\$3,350	\$3,350
o Family	\$6,650	\$6,750
<b>Minimum Annual Deductible</b>		
o Self-Only	\$1,300	\$1,300
o Family	\$2,600	\$2,600
<b>Out-of-Pocket Maximums (OOPM)</b>		
o Self-Only	\$6,450	\$6,550
o Family	\$12,900	\$13,100
<b>Post-55 Catch-Up Limit</b>	\$1,000	\$1,000

Non-HSA Qualified Plans	2015	2016
Out-of-Pocket Maximums (OOPM)		
o Self-Only	\$6,600	\$6,850
o Other than self-only coverage	\$13,200	\$13,700

Medicare	2015	2016
Part A (Hospital Insurance):		
o Inpatient deductible	\$1,260	\$1,288
o Daily Coinsurance, Days 61-90	\$315	\$322
o Daily Coinsurance, Days 91-150 Lifetime Reserve	\$630	\$644
o Daily Coinsurance, Skilled Nursing Facility <sup>1</sup> .	\$157.50	\$161
Part B (Supplementary Medical Insurance):		
o Monthly premium	\$104.90	\$104.90
o Deductible	\$147	\$166
Part D (Prescription Drug Benefit):		
o Base Part D Premium	\$33.13	\$34.10
o Maximum Annual Deductible	\$320	\$360
o Initial Coverage Limit	\$2,960	\$3,310
o Annual Out-Of-Pocket Threshold	\$4,700	\$4,850
o Minimum Copayment For Costs Above The Annual Out-Of-Pocket Threshold	\$2.65 generic \$6.60 other	\$2.95 generic \$7.40 other

Medical Savings Accounts	2015	2016
Individual Deductible Range	\$2,200 – \$3,300	\$2,250 – \$3,350
Individual Out-Of-Pocket Maximum	\$4,450	\$4,450
Family Deductible Range	\$4,450 – \$6,650	\$4,450 – \$6,700
Family Out-Of-Pocket Maximum	\$8,150	\$8,150

Long Term Care Insurance Deductible Premiums	2015	2016
Age:		
o 40 or less	\$380	\$390
o 41-50	\$710	\$730
o 51-60	\$1,430	\$1,460
o 61-70	\$3,800	\$3,900
o Over 70	\$4,750	\$4,870

<sup>1</sup> For days 21-100. Days 1-20 is \$0 for each benefit period.

Flexible Spending Accounts	2015	2016
Dependent Care	\$5,000	\$5,000
Medical	\$2,550	\$2,550

Qualified Transportation Fringe Benefit	2015	2016
Parking	\$250	\$255
Transit Pass/ Commuter Vehicle	\$130	\$130

Control Employee Definition for Commuting Valuation	2015	2016
Officer Compensation	\$105,000	\$105,000
Employee Compensation	\$215,000	\$215,000

Affordable Care Act (ACA)	2015	2016
4980H(a) Penalty	\$2,080	\$2,160
4980H(b) Penalty	\$3,120	\$3,240
FPL Affordability Safe Harbors	<sup>2</sup>	<sup>3</sup>
- FPL for Single individual	\$11,670	\$11,770
- Maximum monthly contribution	\$92.39	\$93.18
Affordability		
- Affordability threshold under 4980H affordability safe harbors	9.5%	9.5%
- Affordability threshold for eligibility of premium tax credits	9.56%	9.66%
- Affordability threshold under Individual Mandate	8.05%	8.13%

For questions regarding this *Briefing*, please contact your Keenan Account Manager.

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<sup>2</sup> Use 2014 poverty guidelines to determine affordability.

<sup>3</sup> Use 2015 poverty guidelines to determine affordability.