

# Affordable Care Act Dollar Amounts and Percentages

Many provisions in the Affordable Care Act contain numbers or percentages that are indexed to various measures of inflation. The government announces new numbers at different times of the year and in different publications. The table below assembles these amounts in one place and is current as of October 8, 2024.

## Indexed Amounts Affecting Group Health Plans

Item	2021	2022	2023	2024	2025	2026
Out-of-pocket (OOP) limit for non-grandfathered plans <sup>1</sup>	Individual: \$8,550 Family: \$17,100 (See <a href="#">announcement</a> )	Individual: \$8,700 Family: \$17,400 (See <a href="#">announcement</a> )	Individual: \$9,100 Family: \$18,200 (See <a href="#">announcement</a> )	Individual: \$9,450 Family: \$18,900 (See <a href="#">announcement</a> )	Individual: \$9,200 Family: \$18,400 (See <a href="#">announcement</a> )	Individual: \$10,150 Family: \$20,300 (See <a href="#">announcement</a> )
Flexible spending account (FSA) maximum salary reduction	\$2,750 (See <a href="#">announcement</a> .)	\$2,850 (See <a href="#">announcement</a> .)	\$3,050 (See <a href="#">announcement</a> .)	\$3,200 (See <a href="#">announcement</a> .)		
FSA maximum carryover amount <sup>2</sup>	\$550 <sup>3</sup> (See <a href="#">announcement</a> .)	\$570 (See <a href="#">announcement</a> .)	\$610 (See <a href="#">announcement</a> .)	\$640 (See <a href="#">announcement</a> .)		
Employer shared responsibility penalty – 4980H(a) <sup>4</sup>	\$2,700 (See <a href="#">answers to FAQs</a> .)	\$2,750 (See <a href="#">answers to FAQs</a> .)	\$2,880 (See <a href="#">answers to FAQs</a> .)	\$2,970 (See <a href="#">announcement</a> .)		
Employer shared responsibility penalty – 4980H(b) <sup>5</sup>	\$4,060 (See <a href="#">answers to FAQs</a> .)	\$4,120 (See <a href="#">answers to FAQs</a> .)	\$4,320 (See <a href="#">answers to FAQs</a> .)	\$4,460 (See <a href="#">announcement</a> .)		

<sup>1</sup> For 2014 only, the Affordable Care Act's OOP limits were the same as the OOP maximums applicable to a Health Savings Account (HSA) offered with a high-deductible health plan (HDHP). (Space constraints prevent us from showing columns of 2014–2020 data in the table above. Separate documents show data for [2014–2016](#) and [2017–2020](#).) For 2015 and beyond, the Affordable Care Act's OOP limits are not indexed to the HSA/HDHP amounts. The HSA/HDHP amounts are shown later in this chart for ease of reference.

<sup>2</sup> An employer may either allow a carryover or offer a 2½-month grace period.

<sup>3</sup> Starting with carryovers from 2020, the maximum carryover is 20% of the maximum salary reduction. The formula for determining the maximum carryover was established in IRS [Notice 2020-33](#). Under the Consolidated Appropriations Act of 2021, for plan years ending in 2020 and 2021, FSAs can be amended to allow: (1) carryovers (to the next year) of up to the full unused amounts remaining in the account at the end of each such year; or (2) extension of the grace period for up to 12 months after the end of such plan year. Additionally, the plan may permit a participant who ceases to participate in an FSA in calendar year 2020 or 2021 to continue to receive reimbursements through the end of the plan year in which participation ceased (including any grace period adopted by the plan).

<sup>4</sup> The employer shared responsibility penalty is found in section 4980H of the Internal Revenue Code. There are two branches of the employer shared responsibility penalty. The 4980H(a) penalty is based on the total number of full-time employees. It is triggered if the employer fails to offer coverage to a certain percentage of its full-time employees and one full-time employee receives subsidized Exchange/Marketplace coverage.

<sup>5</sup> The 4980H(b) penalty is based on the number of full-time employees who are not offered affordable, minimum value coverage by the employer and who receive subsidized Exchange/Marketplace coverage instead of employer coverage.

Item	2021	2022	2023	2024	2025	2026
Affordability of group health plan coverage: test applied by <b>Exchange/Marketplace</b> when determining if offered coverage is affordable	Not affordable if cost of employee-only coverage exceeds 9.83% of household income (See <a href="#">announcement.</a> )	Not affordable if cost of employee-only coverage exceeds 9.61% of household income (See <a href="#">announcement.</a> )	Not affordable if cost of employee-only coverage exceeds 9.12% of household income (See <a href="#">announcement.</a> )	Not affordable if cost of employee-only coverage exceeds 8.39% of household income (See <a href="#">announcement.</a> )	Not affordable if cost of employee-only coverage exceeds 9.02% of household income (See <a href="#">announcement.</a> )	
Affordability of group health plan coverage: safe harbors <b>available to employers</b> seeking to minimize employer penalty	W-2, rate of pay and FPL safe harbors use 9.83% in the calculation (See <a href="#">announcement.</a> )	W-2, rate of pay and FPL safe harbors use 9.61% in the calculation (See <a href="#">announcement.</a> )	W-2, rate of pay and FPL safe harbors use 9.12% in the calculation (See <a href="#">announcement.</a> )	W-2, rate of pay and FPL safe harbors use 8.39% in the calculation (See <a href="#">announcement.</a> )	W-2, rate of pay and FPL safe harbors use 9.02% in the calculation (See <a href="#">announcement.</a> )	
100% of the FPL (for single person living in one of the 48 contiguous states or Washington, DC), <sup>6</sup> which Exchange/Marketplace uses when calculating premium assistance tax credit	\$12,760 (See <a href="#">announcement.</a> ) See separate table on the next page for the FPL safe harbor calculation.	\$12,880 (See <a href="#">announcement.</a> ) See separate table on the next page for the FPL safe harbor calculation.	\$13,590 (See <a href="#">announcement.</a> ) See separate table on the next page for the FPL safe harbor calculation.	\$14,580 (See <a href="#">announcement.</a> ) See separate table on the next page for the FPL safe harbor calculation.	\$15,060 (See <a href="#">announcement.</a> ) See separate table on the next page for the FPL safe harbor calculation.	

The 2017 Tax Law reduced the individual-mandate penalty to zero. Consequently, the affordability of group health plan coverage test applied by federal government in determining if individual or family is exempt from the individual mandate is not applicable.

## HSA/HDHP

Item	2021	2022	2023	2024	2025	2026
Minimum deductible	Individual: \$1,400 Family: \$2,800 (See <a href="#">announcement.</a> )	Individual: \$1,400 Family: \$2,800 (See <a href="#">announcement.</a> )	Individual: \$1,500 Family: \$3,000 (See <a href="#">announcement.</a> )	Individual: \$1,600 Family: \$3,200 (See <a href="#">announcement.</a> )	Individual: \$1,650 Family: \$3,300 (See <a href="#">announcement.</a> )	
Maximum contribution <sup>7</sup>	Individual: \$3,600 Family: \$7,200	Individual: \$3,650 Family: \$7,300	Individual: \$3,850 Family: \$7,750	Individual: \$4,150 Family: \$8,300	Individual: \$4,300 Family: \$8,550	
OOP maximum	Individual: \$7,000 Family: \$14,000	Individual: \$7,050 Family: \$14,100	Individual: \$7,500 Family: \$15,000	Individual: \$8,050 Family: \$16,100	Individual: \$8,300 Family: \$16,600	

<sup>6</sup> Revised federal poverty guidelines are usually released in late January of each year. They apply to Exchange/Marketplace calculations of the premium assistance tax credit for the following year (e.g., the FPL published in the January 17, 2020 *Federal Register* (\$12,760) is used to calculate the premium assistance tax credit for 2021). Higher amounts apply to individuals living in Alaska and Hawaii.

<sup>7</sup> A catch-up contribution of \$1,000 is allowed if the individual will be age 55 or older at the end of the year and is not enrolled in Medicare.

## Affordability of Group Health Plan Coverage: FPL Safe Harbor Available to Employers Seeking to Minimize Employer Penalty

Plan Year <sup>8</sup>	100% of FPL for Single Individual Working in 48 Contiguous States or Washington, DC	Applicable Multiplier <sup>9</sup>	Maximum Affordable Monthly Premium for Self-Only Coverage
Plan year beginning January 1, 2021	\$12,760	9.83%	\$104.53
Plan year beginning February 1–December 1, 2021	\$12,880	9.83%	\$105.51
Plan year beginning January 1, 2022	\$12,880	9.61%	\$103.14
Plan year beginning February 1–December 1, 2022	\$13,590	9.61%	\$108.83
Plan year beginning January 1, 2023	\$13,590	9.12%	\$103.28
Plan year beginning February 1–December 1, 2023	\$14,580	9.12%	\$110.81
Plan year beginning January 1, 2024	\$14,580	8.39%	\$101.94
Plan year beginning February 1–December 1, 2024	\$15,060	8.39%	\$105.29
Plan year beginning January 1, 2025	\$15,060	9.02%	\$113.20

<sup>8</sup> Employers may use any FPL in effect within six months before the start of the plan year. Higher levels apply to individuals working in Alaska and Hawaii.

<sup>9</sup> For links to the announcements of the applicable multiplier for each year, see the “Affordability of group health plan coverage: safe harbors available to employers seeking to minimize employer penalty” row on the previous page.

## Affordable Care Act Fee

Fee	2021	2022	2023	2024	2025	2026
Comparative effectiveness research fee (PCORI <sup>10</sup> ) — extended by Congress until 2029 <sup>11</sup>	\$2.66 per person (for a calendar-year plan, the amount paid by 7/31/21 for the 2020 plan year) (See <a href="#">announcement.</a> )	\$2.79 per person (for a calendar-year plan, the amount paid by 7/31/22 for the 2021 plan year) (See <a href="#">announcement.</a> )	\$3.00 per person (for a calendar-year plan, the amount paid by 7/31/23 for the 2022 plan year) (See <a href="#">announcement.</a> )	\$3.22 per person (for a calendar-year plan, the amount paid by 7/31/24 for the 2023 plan year) (See <a href="#">announcement.</a> )		

For more information about the amounts in these tables, including links to relevant IRS guidance and how the amounts affect your plan, please contact your Segal consultant. Segal can be retained to work with plan sponsors and their legal counsel on compliance issues.

This resource is for informational purposes only and does not constitute legal, tax or investment advice. You are encouraged to discuss the issues raised here with your legal, tax and other advisors before determining how the issues apply to your specific situations.

<sup>10</sup> PCORI stands for the Patient-Centered Outcomes Research Institute that is partially funded through the comparative effectiveness research fee. This fee is based on the plan year (not the calendar year). The chart illustrates the amount and payment deadline for a calendar-year plan.

<sup>11</sup> The Further Consolidated Appropriations Act enacted in December 2019 (Public Law 116-94) extended these fees through plan years ending on or before 9/30/29.