



Benefits Breakdown

January 2023

Employee Benefit Plan Limits for 2023

Many employee benefits are subject to annual dollar limits that the IRS adjusts for inflation each year. The IRS typically announces the dollar limits that will apply for the next calendar year well before the beginning of that year. This gives employers time to update their plan designs and make sure their plan administration is consistent with the new limits. Due to high rates of inflation, all of these limits will substantially increase in 2023.

The following limits will increase for 2023:

- Health savings account (HSA) contributions
- High deductible health plan limits for minimum deductibles and out-of-pocket maximums
- Health flexible spending account (FSA) pre-tax contribution and carryover limits
- Monthly limits for transportation fringe benefit plans
- Employee elective deferrals to 401(k) plans
- Tax exclusions on adoption assistance benefits

Some benefit limits are not indexed for inflation, such as the dependent care FSA limit and the catch-up contribution limit for HSAs, and stay the same from year to year.

For more information regarding these new limits, including specific dollar amounts, check out this [resource](#).

Virtual Primary Care

Many employers are exploring incorporating virtual primary care into their employee benefits offerings, as it's an increasingly preferred means of receiving comprehensive health care services. Virtual primary care delivers primary health care services—either online or via phone—without requiring individuals to leave their homes. Its uses include managing chronic conditions like diabetes or screening for issues like anxiety and depression. Doctors can even write prescriptions for some acute illnesses during virtual visits that do not require an in-person assessment or refer patients to specialists.

Virtual health services expand access to health care more generally. People who may not have access to in-person providers now have the option to get substantial care online. Additionally, it's more convenient for most people, even if traveling to in-person offices may be an option for them. Meeting with providers online can be much faster and help people receive the care they need more quickly.

Virtual primary care is an efficient, cost-effective way for more people to access health care more easily, as it can reduce costs associated with traveling to see a doctor or taking time off from work. While not every doctor's visit will be able to happen online, many will, so it's worthwhile for organizations to look into available virtual care options.

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