



CareFirst Sales Flash

For Distribution to Brokers/General Producers/Full-Service Producers Only
(Not intended for distribution to Groups and Members)



Date: October 2, 2017

Market: 2-50, 51+ Risk & ASO Groups (MD, DC, VA)

2018 Health Savings Account (HSA) Limits

The Internal Revenue Service (IRS) announced the 2018 inflation adjusted amounts for Health Savings Accounts (HSA), which include annual HSA contribution limitations and minimum required deductible amounts for qualified High Deductible Health Plans (HDHP). The chart below outlines these changes which are **effective January 1, 2018 and upon your renewal.**

IRS HSA Limits	2017	2018
HSA Contribution Limits		
Individual Coverage	\$3,400	\$3,450
Family Coverage	\$6,750	\$6,900
HSA Minimum Required Deductibles		
Individual Coverage	\$1,300	\$1,350
Family Coverage	\$2,600	\$2,700

All \$1,300 HSA BlueFund and Compatible plans are no longer considered a qualified HSA/HDHP. To remain in compliance with the new IRS guidelines, accounts offering one or more impacted plans will be required to **actively select** an alternative plan design upon renewal, if they wish to retain their HSA funding arrangement.

Please refer to the appropriate segment for impacted plans and alternative plan recommendations.

Small Group/MSGR (1-50) Grandfathered Business:

If no action is taken and an alternative plan is **not** actively selected upon renewal, account will be renewed in their existing \$1,300 deductible plan, however their HSA funding arrangement will be removed. The charts below outline alternative plan options by jurisdiction.

Maryland MSGR Plans		
Impacted Plans:	Option 1- If you wish to retain your HSA funding arrangement, you may want to consider:	Option 2: If you wish to retain your HSA funding arrangement, you may want to consider:
BlueChoice HMO OA HSA Option 6 (\$1,300)	BlueChoice HMO OA HSA Option 4 (\$1,500 Ded.)	2018 ACA Plan: BlueChoice HMO HSA/HRA Silver 1500
BluePreferred HSA Option 7 (\$1,300)	BluePreferred HSA Option 8 (\$1,500 Ded.)	2018 ACA Plan: BluePreferred PPO HSA/HRA Silver 1500
BlueChoice Opt-Out Plus OA HSA Option 3	BlueChoice Advantage HSA option 1 (\$1,500 Ded.)	2018 ACA Plan: BlueChoice Plus HSA/HRA Silver 1500



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Small Group/MSGR (1-50) Grandfathered Business (continued)

DC Grandfathered Plans		
Impacted Plans:	Option 1- If you wish to retain your HSA funding arrangement, you may want to consider:	Option 2: If you wish to retain your HSA funding arrangement, you may want to consider:
BluePreferred HSA Option 6 (\$1,300)	BluePreferred HSA Option 8 (\$1,500 Ded.)	2018 ACA Plan: BluePreferred PPO HSA/HRA Silver 1500
BlueChoice HMO OA HSA Option 6 (\$1,300)	BlueChoice HMO OA HSA Option 4 (\$1,500 Ded.)	2018 ACA Plan: BlueChoice HMO HSA/HRA Silver 1500
BluePreferred HSA Option 7 (\$1,300)	BluePreferred HSA Option 9 (\$1,500 Ded.)	2018 ACA Plan: BluePreferred PPO HSA/HRA Silver 1500
BlueChoice Opt-Out Plus OA HSA Option 6 (\$1,300)	BlueChoice Advantage HSA Option 1 (\$1,400 Ded.)	2018 ACA Plan: BlueChoice Plus HSA/HRA Silver 1500

Virginia Grandfathered Plans		
Impacted Plans:	Option 1- If you wish to retain your HSA funding arrangement, you may want to consider:	Option 2: If you wish to retain your HSA funding arrangement, you may want to consider:
BluePreferred HSA Option 6 (\$1,300)	BluePreferred HSA Option 8 (\$1,500 Ded.)	2018 ACA Plan: BluePreferred PPO HSA/HRA Silver 1500
BlueChoice HMO OA HSA Option 6 (\$1,300)	BlueChoice HMO OA HSA Option 7 (\$1,500 Ded.)	2018 ACA Plan: BlueChoice HMO HSA/HRA Silver 1500
BluePreferred HSA Option 7 (\$1,300)	BluePreferred HSA Option 9 (\$1,500 Ded.)	2018 ACA Plan: BluePreferred PPO HSA/HRA Silver 1500

Groups and individuals should consult with their legal advisor in order to determine whether the purchase of a new HSA compatible plan will impact their Grandfathered status.



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Mid-Market (51-199) Risk/ASO:

If no action is taken and an alternative plan is **not** actively selected upon renewal, account will be renewed in their existing \$1,300 deductible plan, however their HSA funding arrangement will be removed. The chart below outlines alternative plan options.

Impacted Plans:	Alternative Recommendations* If you wish to retain your HSA funding arrangement, you may want to consider:
BlueChoice HMO Open Access Option 1 BlueChoice HMO Open Access Option 6	BlueChoice HMO Open Access Option 4 (\$1,500 Ded.)
BluePreferred HSA Option 6 BluePreferred HSA Option 7	BluePreferred HSA Option 8 (\$1,500 Ded.)
BlueChoice Opt-Out Plus Open Access Option 6	BlueChoice Opt-Out Plus Open Access Option 4 (\$1,500 Ded.)

*Accounts also have the option to select from our entire actively marketed product portfolio. The plans outlined above are suggested suitable alternatives that will retain an HSA funding arrangement.

Large Group (200+) Risk/ASO

200+ risk and ASO groups with BlueFund and compatible \$1,300 HSA plans should consult with their account representative to discuss options for changing their plans to meet the new IRS minimum deductibles.

Groups may wish to consult with their own accountants and/or legal counsel to discuss any financial and legal impacts of the new increase in individual and family minimum deductibles for qualified HSA plans.

Should you have any questions, please contact your broker sales representative or account representative.

Sincerely,



Shekar Subramaniam
Vice President, Sales
Small Medium SBU