



TO: Our Valued Clients and Brokers
FROM: Health Plans, Inc.
DATE: November 10, 2022
RE: Compliance eBlast: IRS Increases for 2023 and Hearing Aid Coverage

Health Plans, Inc. (HPI) is issuing this Compliance *eBlast* to notify you that the Internal Revenue Service (IRS) has announced new statutory limits for 2023 on employee contributions:

- Medical Care Reimbursement Accounts (MCRAs), also known as health Flexible Spending Accounts (health FSAs):
 - o New annual limit of **\$3,050** up from \$2,850 in 2022
 - o New annual maximum carryover amount of **\$610**, an increase of \$40 from taxable years beginning in 2022.
- Qualified Transportation Fringe Benefits (transit passes and parking):
 - o Limit increasing to **\$300** per month, up from \$280 in 2022.

In addition, the Food and Drug Administration (FDA) has ruled individuals may purchase hearing aids over the counter (OTC) without a medical exam, prescription, or professional fitting. If your plan provides coverage for hearing aids, HPI will process reimbursement of claims submitted at the OON benefit cost-sharing amount, if coverage is available. Note that reimbursement for the cost of hearing aids is permissible under Medical Care Reimbursement Accounts (MCRAs).

Please contact your HPI Account Manager if you wish to increase your Plan limit(s) or revise coverage for hearing aids and HPI will prepare amendments for the Plans that we administer to reflect the change.

Please do not reply to this email. Please contact the HPI Account Service Team directly if you have questions.

Regards,

Andrew H. A. Meggison

Director, Regulatory Affairs

HealthPlansInc.com

1500 West Park Drive, Suite 330

Westborough, MA 01581

The information in this Compliance *eBlast* is intended to provide a summary of our understanding of recent regulatory developments which may affect our clients' plans. It should not be construed as specific legal advice or legal opinion.