

Annual Out-of-Pocket Maximum Adjustments Announced for 2025

The Department of Health and Human Services (“HHS”) published the “payment parameters” portion of its Annual Notice of Benefit and Payment Parameters for 2025. For purposes of employer-sponsored health plans, the guidance includes the limits on annual out-of-pocket expenses (deductibles, co-payments, and other amounts, but not premiums) for non-grandfathered group medical plans for plan years that begin in 2025.

■ Change to the Out-of-Pocket Maximums

The out-of-pocket maximum for non-grandfathered group medical plans will be decreased for plan years beginning on or after January 1, 2025, as follows:

- \$9,200 for self-only coverage (down from \$9,450 for 2024)
- \$18,400 for coverage other than self-only (down from \$18,900 for 2024).

It is important to note that the out-of-pocket maximum limits for non-grandfathered group medical plans are different (and generally higher) than the out-of-pocket maximum limits required for high-deductible health plans (“HDHPs”) that are compatible with health savings account (“HSA”) eligibility.

■ Employer Action

Non-grandfathered group medical plans should update out-of-pocket limits for plan years beginning on or after January 1, 2025.