



LISA SANDOVAL  
INSURANCE SERVICES

## Monthly Newsletter

by Lisa Sandoval Insurance Services

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### HSA Limits Increase for 2021

The IRS recently released [Revenue Procedure 2020-32](#) to provide the inflation-adjusted limits for health savings accounts (HSAs) and high deductible health plans (HDHPs) for 2021. The IRS is required to publish these limits by June 1 of each year.



These limits include:

- The maximum HSA contribution limit;
- The minimum deductible amount for HDHPs; and
- The maximum out-of-pocket expense limit for HDHPs.

These limits vary based on whether an individual has self-only or family coverage under an HDHP.

Eligible individuals with self-only HDHP coverage will be able to contribute \$3,600 to their HSAs for 2021, up from \$3,550 for 2020. Eligible individuals with family HDHP coverage will be able to contribute \$7,200 to their HSAs for 2021, up from \$7,100 for 2020. Individuals who are age 55 or older are permitted to make an additional \$1,000 “catch-up” contribution to their HSAs.

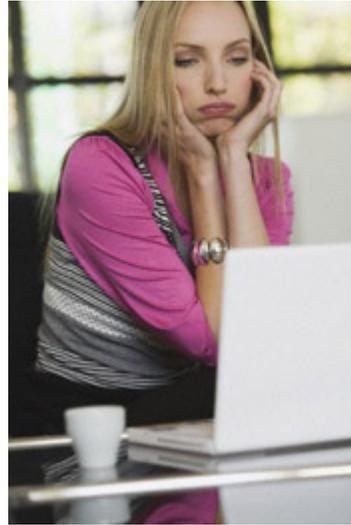
The minimum deductible amount for HDHPs remains the same for 2021 plan years (\$1,400 for self-only coverage and \$2,800 for family coverage). However, the HDHP maximum out-of-pocket expense limit increases to \$7,000 for self-only coverage and \$14,000 for family coverage.

Employers that sponsor HDHPs should review their plan’s cost-sharing limits (minimum deductibles and maximum out-of-pocket expense limit) when preparing for the plan year beginning in 2021. Also, employers that allow employees to make pre-tax HSA contributions should update their plan communications for the increased contribution limits.

## Work-life Balance Considerations Post-coronavirus

The coronavirus pandemic has sparked one of the largest social experiments in history. Virtually overnight, businesses across the world have been forced to rethink how they operate. Decisions made during this uncertain period will resonate for years and may serve as the base for a new, remote lifestyle post-coronavirus.

Employee work-life balance is especially important for employers to consider—namely, how old standards play into new working arrangements and how employers can help relieve potential employee burdens.



The classic, white-collar 9-to-5 work shift has been around for decades—an employee works their eight hours a day, then goes home. This standard had worked fine, but it hit a major speed bump when two-thirds of Americans were essentially ordered to work remotely. Given that only 3% of full-time employees primarily worked from home a few years ago, this change has not been without growing pains.

A common complaint is the expectation of always being available. Some employees report receiving calls or emails outside their traditional work hours when they work from home. What's more, those employees are expected to reply quickly to those communications, even on the weekends.

Similarly, some employees say they feel like they can't take as many breaks or request time off when working remotely because they fear it will reflect poorly on them.

Making even small accommodations can help employees balance their professional and personal lives. Moreover, having such offerings makes employers more attractive to those with busy lifestyles, such as working parents.

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## Post-coronavirus Business Travel Considerations

Travel—for both business and leisure—worldwide has virtually come to a standstill during the coronavirus pandemic. At this point, nobody knows when it will come back. Whenever that time comes though, travel will certainly be different than it was before. Airports, airlines, hotels and car rental companies will likely be taking new precautions as companies start greenlighting travel for business purposes.

The Global Business Travel Association (GBTA) estimates that the coronavirus potentially costs the travel industry \$46.6 billion each month as people stay home. A GBTA survey found that employers canceled or suspended nearly all previously booked or planned international business travel. Ninety-two percent of respondents said all or most domestic business travel had been canceled or suspended.



After months of no traveling or not being in the office, there may be a pent-up desire to travel. Business travelers often are known to grumble about frequent travel and living out of a suitcase, but after the coronavirus pandemic, there's a chance everyone is looking forward to the opportunity to pack a carry-on bag or book a red-eye flight.

Right now, it's a waiting game as states and employers move into recovery mode from COVID-19. Safety is going to be the main priority for all travelers. Therefore, decision-makers should lean on travel advisories from the Centers for Disease and Prevention and the World Health Organization. Companies will do well to err on the side of caution and keep in mind that it's not just the destination, but the trip itself where business travelers are at risk for exposure.

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**Newsletter provided by:**

Lisa Sandoval Insurance Services  
2801 Fanwood Ave., Long Beach, CA 90815  
562-496-3800  
lisa@lisasandovalinsurance.com  
<http://www.LisaSandovalInsurance.com>

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