



Quick Reference Card  
November 2019

# Benefits Perspectives

## CURRENT ISSUES IN EMPLOYEE BENEFITS

Milliman is pleased to offer the attached Quick Reference Card, which lists the 2020 key limits for employer-sponsored retirement plans, Social Security and Medicare levels, and health savings account limits set by federal agencies. The card is designed to fit into your wallet for handy reference.

Please refer to the back of the card for detailed information. Inquiries or requests for additional cards may be directed to:

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Social Security/Medicare	2020	2019	2018
Cost-of-living Increase	1.6%	2.8%	2.0%
Social Security Taxable Wage Base	\$137,700	\$132,900	\$128,400
Medicare: Part A Deductible	\$1,408	\$1,364	\$1,340
Part B Premium* (monthly)	\$144.60	\$135.50	\$134.00
Part D National Average Premium (monthly)	\$32.74	\$33.19	\$35.02
Maximum SS Monthly Benefit (at SSNRA)	\$3,011	\$2,861	\$2,788
Earning Test in Years Before SSNRA	\$18,240	\$17,640	\$17,040
in Year of SSNRA	\$48,600	\$46,920	\$45,360

For 2020 the Social Security payroll tax rate is 6.20% up to the taxable wage base, and the Medicare payroll tax rate is 1.45% on all wages (an additional 0.9% tax rate applies to individuals (but not employers) on wages exceeding \$200,000).

\*Minimum amount for individuals not protected by a "hold-harmless" provision; premiums are income-related.



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### Key to Milliman Quick Reference Card

The Social Security earnings test amount reflected on the Social Security/Medicare table is an annualized amount that an individual may earn with no reduction in Social Security benefits. In calendar years prior to reaching the Social Security normal retirement age (SSNRA), an individual's Social Security benefit is reduced by \$1 for each \$2 of earnings exceeding the exempted amount. In the year of SSNRA, a higher exempt amount applies and is prorated to a monthly amount. Excess monthly earnings in the year of SSNRA reduce benefits by \$1 for each \$3 of excess earnings. The SSNRA for those born in 1955 (age 65 in 2020) is 66 years and 2 months.

Under a health savings account (HSA), individuals enrolled only in a "high-deductible health plan" (HDHP) may contribute up to a specified amount to be used for qualified medical expenses for self-only or family coverage. The HSA contribution limit and the HDHP's minimum deductible and maximum out-of-pocket amounts are subject to annual inflation adjustments. The HSA "catch-up" contribution limit, available to individuals aged 55 or older, was set by a 2003 law and is not subject to adjustments.

IRS Compensation and Benefits Limits	2020	2019	2018
Maximum Annual Pension (DB)	\$230,000	\$225,000	\$220,000
Maximum Annual Addition (DC)	\$57,000	\$56,000	\$55,000
401(k)/403(b)/457 Deferrals	\$19,500	\$19,000	\$18,500
"Catch-up" Contribution Limit	\$6,500	\$6,000	\$6,000
Compensation Limit	\$285,000	\$280,000	\$275,000
Highly Compensated	\$130,000	\$125,000	\$120,000
(Key Employee) Officer Compensation	\$185,000	\$180,000	\$175,000
Compensation-Based Limit Factor	1.0176	1.0264	1.0197

Health Savings Accounts Limits	2020		2019	
	Self-Only	Family	Self-Only	Family
HSA Annual Contribution	\$3,550	\$7,100	\$3,500	\$7,000
HDHP Minimum Deductible	\$1,400	\$2,800	\$1,350	\$2,700
HDHP Maximum Out-of-Pocket	\$6,900	\$13,800	\$6,750	\$13,500
HSA "Catch-up" Contribution	\$1,000		\$1,000	