



The One Big Beautiful Bill Act: Part One

The One Big Beautiful Bill Act ("Act") was signed into law on July 4, 2025, bringing with it some changes to account-based plans. Dependent care flexible spending account contribution limits were increased from \$5,000 to \$7,500 for tax years beginning after December 31, 2025. In addition, Bronze and Catastrophic level Marketplace plans are now considered high-deductible health plans ("HDHPs") deeming them eligible for health savings account ("HSA") contributions.

Prior to 2026, the majority of Bronze plans are not classified as HDHPs because they do not meet the current IRS HDHP requirements, and Catastrophic plans can never be HDHPs, since their out-of-pocket limits are too high and they cover up to three primary care visits pre-deductible.

The Act also reinstated the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") telehealth safe harbor provision that originally expired on December 31, 2024, which permitted HDHP participants to receive telehealth services prior to meeting their respective deductible (*i.e.*, first dollar coverage). In addition, participants are also able to make and receive HSA contributions despite receipt of free telehealth services.

Please contact our office if you have any questions regarding compliance with the Act.

The content herein is provided for educational and informational purposes only and does not contain legal advice.

Dated: July 30, 2025

