

EMPLOYER HEALTH BENEFITS

2005 ANNUAL SURVEY

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High-Deductible  
Health Plans and  
Savings Account  
Options

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SECTION

8

## HIGH-DEDUCTIBLE HEALTH PLANS AND SAVINGS ACCOUNT OPTIONS

EMPLOYERS APPEAR TO BE EMBRACING HIGHER COST SHARING AS A STRATEGY FOR REDUCING THE GROWTH IN HEALTH CARE COSTS. TWENTY PERCENT OF EMPLOYERS OFFERING HEALTH BENEFITS OFFER A HEALTH PLAN WITH A HIGH-DEDUCTIBLE (I.E., DEFINED AS AT LEAST \$1,000 FOR SINGLE COVERAGE AND \$2,000 FOR FAMILY COVERAGE).<sup>6</sup> JUMBO EMPLOYERS (5,000 OR MORE WORKERS) ARE MORE LIKELY THAN SMALLER FIRMS TO OFFER SUCH A PLAN.

RECENT CHANGES IN LAW ALSO HAVE PERMITTED THE ESTABLISHMENT OF NEW TYPES OF SAVINGS ARRANGEMENTS FOR HEALTH CARE, THE TWO MOST COMMON BEING HEALTH REIMBURSEMENT ARRANGEMENTS (HRAs) AND HEALTH SAVINGS ACCOUNTS (HSAs). HRAs AND HSAs ARE BOTH FINANCIAL ACCOUNTS THAT WORKERS OR OTHER INDIVIDUALS CAN USE TO PAY FOR HEALTH CARE SERVICES [SEE SIDEBAR]. WHILE THEY SERVE SIMILAR PURPOSES, HSAs AND HRAs ARE SET UP AND OPERATE QUITE DIFFERENTLY. THESE NEW SAVINGS ARRANGEMENTS MAY BE (OR MUST BE IN THE CASE OF HSAs) COMBINED WITH A HIGH-DEDUCTIBLE HEALTH PLAN, OR HDHP (DEFINED IN THIS SURVEY AS HAVING A DEDUCTIBLE OF AT LEAST \$1,000 FOR SINGLE COVERAGE AND \$2,000 FOR FAMILY COVERAGE). IN THE SURVEY, WE FOCUSED SPECIFICALLY ON HRAs THAT ARE OFFERED ALONG WITH AN HDHP. FOR CONVENIENCE, WE WILL REFER TO AN HDHP OFFERED WITH AN HRA AS AN “HDHP/HRA” AND TO A HDHP THAT MEETS THE LEGAL REQUIREMENTS TO PERMIT A PERSON TO ESTABLISH AN HSA AS AN “HSA QUALIFIED HDHP”.

ALMOST FOUR PERCENT OF EMPLOYERS THAT OFFER HEALTH BENEFITS IN 2005 OFFER THEIR WORKERS AN HDHP/HRA OR AN HSA QUALIFIED HDHP. ABOUT 2.4 MILLION WORKERS ARE ENROLLED IN AN HDHP/HRA OR AN HSA QUALIFIED HDHP. THIS ESTIMATE OF THE NUMBER OF WORKERS ENROLLED IN AN HDHP/HRA OR AN HSA QUALIFIED HDHP DOES NOT INCLUDE FEDERAL WORKERS BECAUSE THE FEDERAL GOVERNMENT IS NOT INCLUDED IN THE SURVEY.

### NOTE :

<sup>6</sup> In 2003 and 2004, the survey used a different definition and asked firms if they offered a health plan with a deductible of more than \$1,000 for single coverage. The 2003 and 2004 surveys did not specify a minimum deductible for family coverage. Some of the change in the prevalence of HDHPs may result from the change in the HDHP definition (e.g., a firm with a single deductible of exactly \$1,000 may have reported not having a HDHP in 2003 or 2004).

<sup>7</sup> See IRS Publication 969 (2004) *Health Savings Accounts and Other Tax-Favored Health Plans*.

HRAs are medical care reimbursement plans established by employers that can be used by employees to pay for health care. HRAs are funded solely by employers. Employers typically commit to make up to a specified amount of money available in the HRA for expenses incurred by employees or their dependents. HRAs are accounting devices, and employers are not required to expend funds until an employee incurs expenses that would be covered by the HRA.

Employees may use the HRA to pay for medical expenses and premiums. Unspent funds in the HRA usually can be carried over to the next year (sometimes with a limit). Employees cannot take their HRA balances with them if they leave their job, although an employer can choose to make the remaining balance available to former employees to pay for health care.

HRAs often are offered along with a HDHP. In such cases, the employee pays for health care first out of his or her HRA and then out-of-pocket until the health plan deductible is met. Sometimes certain preventive services are paid for by the plan before the employee meets the deductible.

HSAs are savings accounts created by individuals to pay for health care. An individual may establish an HSA if he or

she is covered by a “qualified health plan” which is a plan with a high-deductible (i.e., a deductible of at least \$1,000 for single coverage and \$2,000 for family coverage) that also meets other requirements.<sup>7</sup> Employers can encourage their employees to create HSAs by offering an HDHP that meets federal requirements. Employers in some cases also may assist their employees by identifying HSA options, facilitating applications, or negotiating favorable fees from HSA vendors.

Both employers and employees can contribute to an HSA, up to an annual limit equal to the lesser of the deductible in the HSA qualified health plan or a statutory cap. Employee contributions to the HSA are made on a pre-income tax basis, and some employers arrange for their employees to fund their HSAs through payroll deduction. Employers are not required to contribute to employee established HSAs, but if they elect to do so their contributions are not taxable to the employee. Interest and other earnings on amounts in an HSA are not taxable. Withdrawals from the HSA by the account owner to pay for qualified health care expenses are not taxed. The savings account is owned by the individual who creates the account, so employees retain their HSA balances if they leave their job.

#### PERCENT OFFERING HDHPS AND SAVINGS ACCOUNT OPTIONS

- ▶ Twenty percent of firms offering health benefits offer an HDHP to at least some their workers. The prevalence of HDHPs is up from 10% in 2004 and 5% in 2003, although we note that the definition of a HDHP changed somewhat for the 2005 survey (see Footnote 6). This estimate is of all HDHPs, regardless of whether they are offered with an HRA, are HSA qualified, or neither. Jumbo firms (5,000 or more workers) are the most likely to offer an HDHP: 33% of jumbo firms offering health benefits offer such a plan to at least some of their workers (EXHIBIT 8.1).
- ▶ About 4% of all firms offering health benefits offer an HDHP/HRA, an HSA qualified HDHP, or both (EXHIBIT 8.2).
- Among firms offering health benefits, 1.9% offer an HDHP/HRA and 2.3% offer an HSA qualified HDHP. About 1.6 million workers are enrolled in an HDHP/HRA and about 810,000 workers are enrolled in an HSA qualified HDHP (EXHIBIT 8.2).
- Large firms (1,000 or more workers) are more likely to offer one of these arrangements than firms overall (10% compared to 4%).
- ▶ About 25% of workers offered an HDHP/HRA and about 15% of workers offered an HSA qualified HDHP participate in the arrangement that is offered (EXHIBIT 8.4). About half of the workers enrolled in an HDHP/HRA or an HSA qualified HDHP had the option of another health plan.

### DEDUCTIBLE LEVELS AND OUT-OF-POCKET LIMITS

- ▶ Average annual deductibles in these arrangements, as expected, are relatively high when compared to the average annual deductibles for health plans generally.
- In HDHP/HRAs, the average annual deductible is \$1,870 for single coverage and \$3,686 for family coverage. Workers in HDHP/HRAs on average face a maximum annual out-of-pocket liability for cost-sharing of \$2,859 for single coverage and \$5,075 annually for family coverage (EXHIBIT 8.4).<sup>8</sup>
- In HSA qualified HDHPs, the average annual deductible is \$1,901 for single coverage and \$4,070 for family coverage. Workers in HSA qualified HDHPs on average face an annual maximum out-of-pocket liability for cost-sharing of \$2,551 for single coverage and \$4,661 for family coverage (EXHIBIT 8.4).<sup>9</sup>

### PREMIUMS AND FIRM CONTRIBUTIONS TO THE HSA OR HRA

- ▶ As expected, average premiums for HDHP/HRAs and HSA qualified HDHPs are lower than average premiums in the market.
- Annual premiums for HDHP/HRAs average \$3,503 for single coverage and \$8,530 for family coverage. When employer contributions to HRAs are added to the premiums for the HDHPs plans offered with HRAs, the annual “total cost” for HDHP/HRAs averages \$4,295 for single coverage and \$10,193 for family coverage. If these total costs for HDHP/HRAs are compared to the average single and family annual premiums for all health plans (\$4,024 for single coverage and \$10,880 for family coverage), the differences are not statistically significant (Exhibit 8.5).

- Annual premiums in HSA qualified HDHPs average \$2,700 for single coverage and \$7,909 for family coverage. When employer contributions to HSAs are added to the premiums for the HSA qualified HDHP, the annual “total cost” for HSA qualified HDHPs averages \$3,280 for single coverage and \$9,001 for family coverage. These amounts are significantly lower than the average annual single and family premiums in health plans overall (\$4,024 and \$10,880) (EXHIBIT 8.5).

### WORKER CONTRIBUTIONS TO PREMIUMS

- ▶ Average annual employee premium contributions to HSA qualified HDHPs for single coverage (\$431) are not significantly lower than average annual employee contributions for single coverage in health plans overall (\$610). Average annual employee premium contributions to HSA qualified HDHPs for family coverage, however, are significantly lower than average annual employee contributions to family coverage overall (\$1,664 compared to \$2,713). Employee contributions to HDHP/HRAs are nominally lower than employee contributions to health plans overall, but the differences are not statistically significant (EXHIBIT 8.5).

### WHAT EMPLOYERS CONTRIBUTE

- ▶ Employers contribute to these new arrangements in two ways: through their contributions toward the premium for the HDHP and through their contribution (if any) to the savings account option. When these contributions are added together for each employer offering such an arrangement, the average total employer contribution provided for covered workers in these arrangements is generally similar to the average employer contribution provided for covered workers for health plans overall.

#### NOTE:

<sup>8</sup> Employers reported no annual maximum out-of-pocket limits for 3% of workers enrolled in HDHP/HRAs; these workers are excluded from the calculation.

<sup>9</sup> For HSA qualified HDHPs, we excluded cases where employers reported annual out-of-pocket limits that exceeded the legal maximums (\$5,100 for single coverage and \$10,200 for family coverage for 2005).

- *Covered workers in HDHP/HRAs on average have an employer that contributes (premium and HRA contribution combined) \$3,872 toward single coverage and \$7,538 towards family coverage. The \$3,872 average contribution for single coverage is significantly higher than the average contribution covered workers have from their employers for single coverage overall (\$3,413). The average contribution for family coverage (\$7,538) is not statistically different than the average contribution that covered workers have from their employers for family coverage overall (\$8,167) (EXHIBIT 8.5).*
- *As noted above, HRAs are structured in such a way that employers may not actually spend the whole amount that they make available to their employees' HRAs.<sup>10</sup> Funds the employee does not use generally roll over and can be used in future years and the balance may revert back to the employer if the employee leaves his or her job (REFER BACK TO SIDEBAR FOR DETAILS). Thus, the employer contribution amounts to HRAs that we capture in the survey may exceed the amount that employers will actually spend (EXHIBIT 8.4).*
- *Covered workers in HSA qualified HDHPs on average have an employer that contributes (premium and HSA contribution combined) \$2,850 toward single coverage and \$7,337 towards family coverage annually. Neither the \$2,850 average total annual contribution for single coverage nor the \$7,337 average total annual contribution toward family coverage is statistically different than the average annual contribution covered workers have from their employers for single or family coverage overall. We note that approximately one in three firms offering an HSA qualified HDHP (covering about 35% of workers in such plans) make no contribution to their employees' HSA for either single or family coverage (EXHIBIT 8.5).*
- ▶ *Covered workers in HDHP/HRAs on average have an annual employer contribution to their HRA of \$792 for single coverage and*

*\$1,556 for family coverage. Covered workers in HSA qualified HDHPs on average have an annual employer contribution to their HSA of \$553 for single coverage and \$1,185 for family coverage (Exhibit 8.4). The average annual contribution to HSAs includes the cases where workers receive no employer contribution for their HSA. We note that the average HRA and HSA contribution shown in Exhibit 8.4 are different from the amounts that can be calculated by subtracting the average employer contribution toward single and family premiums for each arrangement from the average total employer contributions (premium plus account contribution) for single and family coverage for the same arrangements (see EXHIBIT 8.5). This is due to missing data for some questions for several firms in the sample. In other words, different sample sizes are used to generate average values for total premium, worker contribution to premium, employer contribution to premium, and employer contribution to the spending account.*

#### FUTURE PLANS

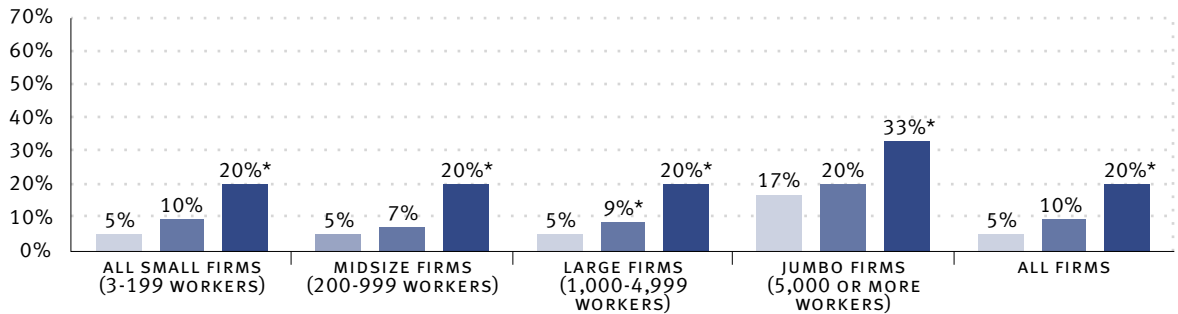
- ▶ *The number of employers offering HDHP/HRAs and HSA qualified HDHPs appears likely to grow over the next year.*
- *Four percent of firms not currently offering an HDHP/HRA report that they are "very likely" to offer an HDHP/HRA in the next year, and another 22% of such firms report that they are "somewhat likely" to do so (Exhibit 8.6). Two percent of firms not currently offering a HSA qualified HDHPs report that they are very likely to offer an HSA qualified HDHPs within the next year, with another 25% reporting that they are "somewhat likely" to do so. Large firms (200 or more workers), which provide coverage to more than one-half of covered workers, have a greater interest in these plans than firms overall, with 7% of large firms not currently offering a HSA qualified HDHP reporting that they are very likely to offer such a plan in the next year (EXHIBIT 8.7).*

#### NOTE :

<sup>10</sup> In the survey, we ask firms, "Up to what dollar amount does your firm promise to contribute each year to an employee's HRA?" We refer to the amount that the employer commits to make available to an HRA as a contribution for ease of discussion. As discussed above, HRAs are notional accounts, and employers are not required to actually transfer funds until an employee incurs expenses. Employers may not expend the entire amount that they make available to their employees through an HRA.

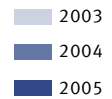
EXHIBIT 8.1

Among Firms Offering Health Benefits, Percentage That Offer an HDHP, by Firm Size, 2003-2005



SOURCE :

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2003-2005.



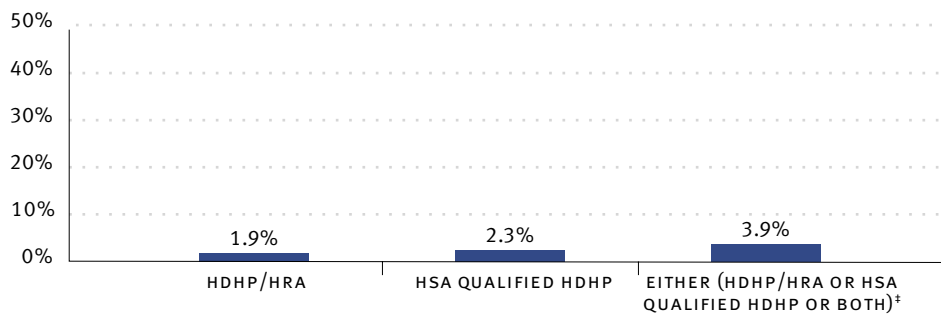
\* Estimate is statistically different from previous year shown at  $p < .05$ .

High-deductible health plan (HDHP): A plan with an annual deductible of at least \$1,000 for single coverage and \$2,000 for family coverage. In 2003 and 2004 the survey used a different definition and asked firms if they offered a health plan with a deductible of more than \$1,000 for single coverage. The 2003 and 2004 surveys did not specify a minimum deductible for family coverage. Some of the change in the HDHP prevalence may be the result of a change in the HDHP definition for 2005.

Note: The prevalence shown above is for all HDHPs, regardless of whether they are offered with an HRA, are HSA qualified, or neither.

EXHIBIT 8.2

Among Firms Offering Health Benefits, Percentage That Offer an HDHP/HRA and/or an HSA Qualified HDHP, 2005



SOURCE :

Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2005.

<sup>†</sup> This includes 0.3% of all firms offering health benefits that offer both an HDHP/HRA and HSA qualified HDHP.

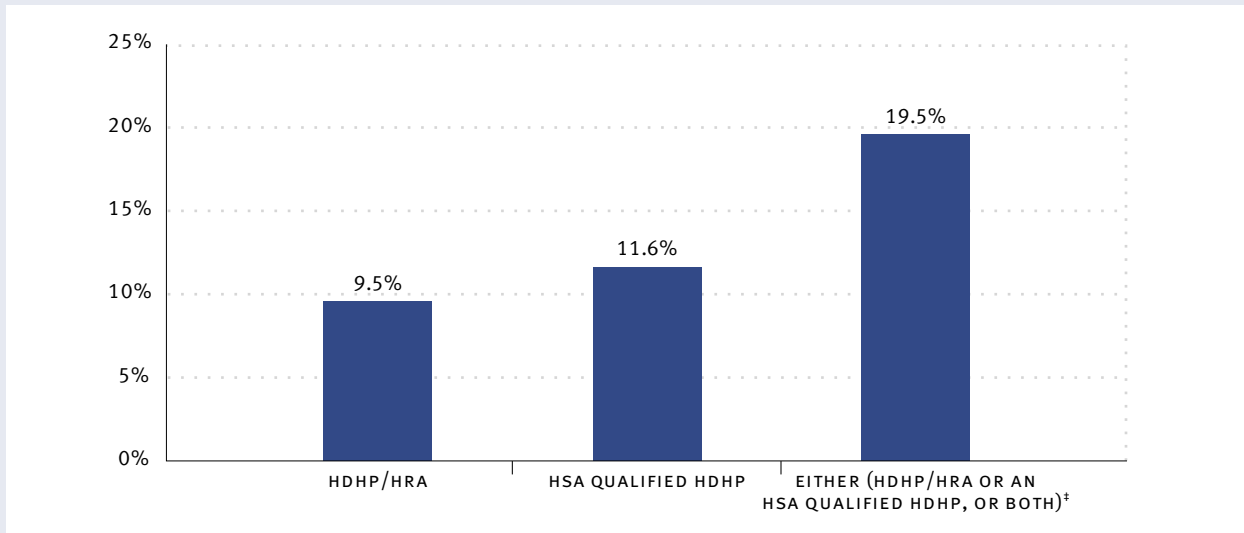
High-deductible health plan (HDHP): A plan with an annual deductible of at least \$1,000 for single coverage and \$2,000 for family coverage.

HDHP/HRA: The survey asks about health reimbursement arrangements (HRAs) that are offered with a high-deductible health plan (HDHP). An HRA is a medical care reimbursement plan sponsored by an employer. HRAs are funded on a pre-tax basis ONLY by an employer, not the worker (see section 8 text for additional information about HRAs).

HSA qualified HDHP: The survey asks about high-deductible health plans that are health savings account (HSA) qualified. An HSA qualified HDHP includes an annual deductible of at least \$1,000 for single coverage (\$2,000 for family coverage) and maximum out-of-pocket cost-sharing of \$5,100 for single coverage (\$10,200 for family coverage) for 2005 (see section 8 text for additional information about HSAs).

## EXHIBIT 8.3

## Among All Firms Offering an HDHP, Percentage That Offer an HDHP/HRA and/or an HSA Qualified HDHP, 2005



## SOURCE :

Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2005.

<sup>†</sup> This includes 1.6% of firms offering an HDHP that offer both an HDHP/HRA and an HSA qualified HDHP.

High-deductible health plan (HDHP): A plan with an annual deductible of at least \$1,000 for single coverage and \$2,000 for family coverage.

HDHP/HRA: The survey asks about health reimbursement arrangements (HRAs) that are offered with a high-deductible health plan (HDHP). An HRA is a medical care reimbursement plan sponsored by an employer. HRAs are funded on a pre-tax basis ONLY by an employer, not the worker (see section 8 text for additional information about HRAs).

HSA qualified HDHP: The survey asks about high-deductible health plans that are health savings account (HSA) qualified. An HSA qualified HDHP includes an annual deductible of at least \$1,000 for single coverage (\$2,000 for family coverage) and maximum out-of-pocket cost-sharing of \$5,100 for single coverage (\$10,200 for family coverage) for 2005 (see section 8 text for additional information about HSAs).

## EXHIBIT 8.4

## HDHP/HRA and HSA Qualified HDHP Features, for Single and Family Coverage, by Plan Type, 2005

| Average Enrollment<br>(Among Firms Offering Plan Type) | HDHP/HRA      |               | HSA QUALIFIED HDHP |               |
|--|---------------|---------------|--------------------|---------------|
|  | 25%           |               | 15%                |               |
| <b>ANNUAL PLAN AVERAGES FOR:</b>                       | <i>Single</i> | <i>Family</i> | <i>Single</i>      | <i>Family</i> |
| Premium  | \$3,503       | \$8,530       | \$2,700            | \$7,909       |
| Worker Contribution to Premium                         | \$423         | \$2,654       | \$431              | \$1,664       |
| Deductible   | \$1,870       | \$3,686       | \$1,901            | \$4,070       |
| Out-of-Pocket Maximum Liability <sup>‡</sup>           | \$2,859       | \$5,075       | \$2,551            | \$4,661       |
| Firm Contribution to HSA or HRA                        | \$792         | \$1,556       | \$553              | \$1,185       |

## SOURCE:

Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2005.

<sup>‡</sup> Employers reported no maximum out-of-pocket limits for 3% of workers enrolled in HDHP/HRAs; these workers are excluded from the calculation. For HSA qualified HDHPs, we excluded cases where employers reported out-of-pocket limits that exceeded the legal maximums (\$5,100 for single coverage and \$10,200 for family coverage).

High-deductible health plan (HDHP): A plan with an annual deductible of at least \$1,000 for single coverage and \$2,000 for family coverage.

HDHP/HRA: The survey asks about health reimbursement arrangements (HRAs) that are offered with a high-deductible health plan (HDHP). An HRA is medical care reimbursement plan sponsored by an employer. HRAs are funded on a pre-tax basis ONLY by an employer, not the worker (see section 8 text for additional information about HRAs).

HSA qualified HDHP: The survey asks about high-deductible health plans that are health savings account (HSA) qualified. An HSA qualified HDHP includes an annual deductible of at least \$1,000 for single coverage (\$2,000 for family coverage) and maximum out-of-pocket cost-sharing of \$5,100 for single coverage (\$10,200 for family coverage) for 2005 (see section 8 text for additional information about HSAs).

Note: The average firm contributions to HSAs for single coverage (\$553) and family coverage (\$1,185) include covered workers whose firm makes no contribution to the account. Average Firm Contributions to the HSA or HRA cannot be calculated by subtracting the average Total Annual Premium from the average Total Annual Spending (see Exhibit 8.5) due to varying sample sizes. Some firms provided data for premiums and worker contributions that were inconsistent with other data they provided about their HDHP/HRA or HSA qualified HDHP. These data were excluded from estimates of the average premium, worker contribution, and firm contribution for the HDHP; therefore there are fewer cases used in calculating those averages than for the average firm contribution to the HSA or HRA.

## EXHIBIT 8.5

## Average Annual Premiums and Contributions to Spending Accounts For Covered Workers in HDHP/HRAs and HSA Qualified HDHPs Compared to All Plans, 2005

|  | HDHP/HRA |          | HSA QUALIFIED HDHP |          | ALL PLANS* |          |
|--|----------|----------|--------------------|----------|------------|----------|
|  | Single   | Family   | Single             | Family   | Single     | Family   |
| <b>TOTAL ANNUAL PREMIUM</b>  | \$3,503* | \$8,530* | \$2,700*           | \$7,909* | \$4,024    | \$10,880 |
| <i>Worker Contribution to Premium</i>  | \$423    | \$2,654  | \$431              | \$1,664* | \$610      | \$2,713  |
| <i>Firm Contribution to Premium</i>  | \$3,080  | \$5,876* | \$2,270*           | \$6,245* | \$3,413    | \$8,167  |
| <b>TOTAL ANNUAL FIRM CONTRIBUTION</b><br>(FIRM SHARE OF PREMIUM PLUS<br>FIRM CONTRIBUTION TO HRA OR HSA) | \$3,872* | \$7,538  | \$2,850            | \$7,337  | \$3,413    | \$8,167  |
| <b>TOTAL ANNUAL SPENDING</b><br>(TOTAL PREMIUM PLUS FIRM<br>CONTRIBUTION TO HRA OR HSA)                  | \$4,295  | \$10,193 | \$3,280*           | \$9,001* | \$4,024    | \$10,880 |

## SOURCE :

Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2005.

\* Estimate is statistically different from All Plans by coverage type at  $p < .05$ .

‡ All Plans refers to all conventional, HMO, PPO, and POS plans in the survey, not just HDHP/HRAs or HSA qualified HDHPs. Average firm contributions to the premium are the same as those shown in Exhibit 6.3.

High-deductible health plan (HDHP): A plan with an annual deductible of at least \$1,000 for single coverage and \$2,000 for family coverage.

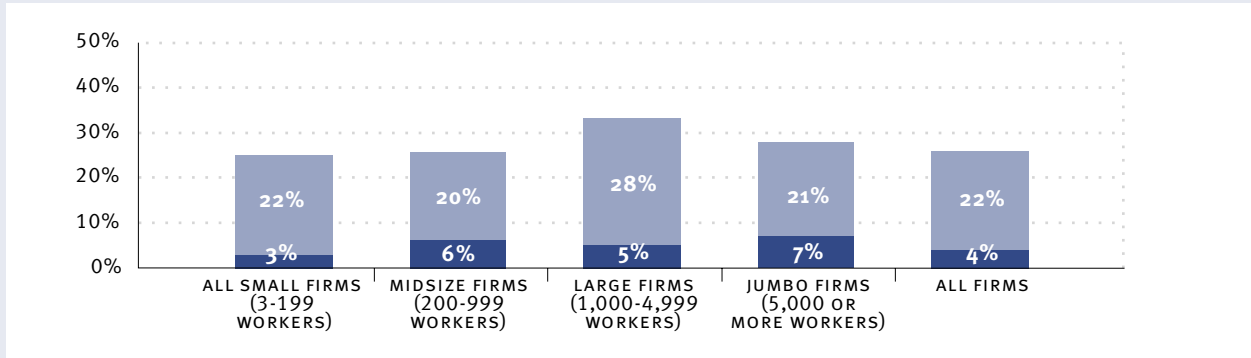
HDHP/HRA: The survey asks about health reimbursement arrangements (HRAs) that are offered with a high-deductible health plan (HDHP). An HRA is medical care reimbursement plan sponsored by an employer. HRAs are funded on a pre-tax basis ONLY by an employer, not the worker (see section 8 text for additional information about HRAs).

HSA qualified HDHP: The survey asks about high-deductible health plans that are health savings account (HSA) qualified. An HSA qualified HDHP includes an annual deductible of at least \$1,000 for single coverage (\$2,000 for family coverage) and maximum out-of-pocket cost-sharing of \$5,100 for single coverage (\$10,200 for family coverage) for 2005 (see section 8 text for additional information about HSAs).

Note: Average Firm Contributions to the HSA or HRA (see Exhibit 8.4) cannot be calculated by subtracting the average Total Annual Premium from the average Total Annual Spending due to varying sample sizes. Some firms provided data for premiums and worker contributions that were inconsistent with other data they provided about their HDHP/HRA or HSA qualified HDHP. These data were excluded from estimates of the average premium, worker contribution, and firm contribution for the HDHP; therefore there are fewer cases used in calculating those averages than for the average firm contribution to the HSA or HRA.

EXHIBIT 8.6

Among Firms Not Currently Offering an HDHP/HRA, Percentage That Say They Are “Very Likely” or “Somewhat Likely” to Offer an HDHP/HRA in the Next Year, 2005\*



SOURCE :

Source: Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2005.

■ VERY LIKELY  
■ SOMEWHAT LIKELY

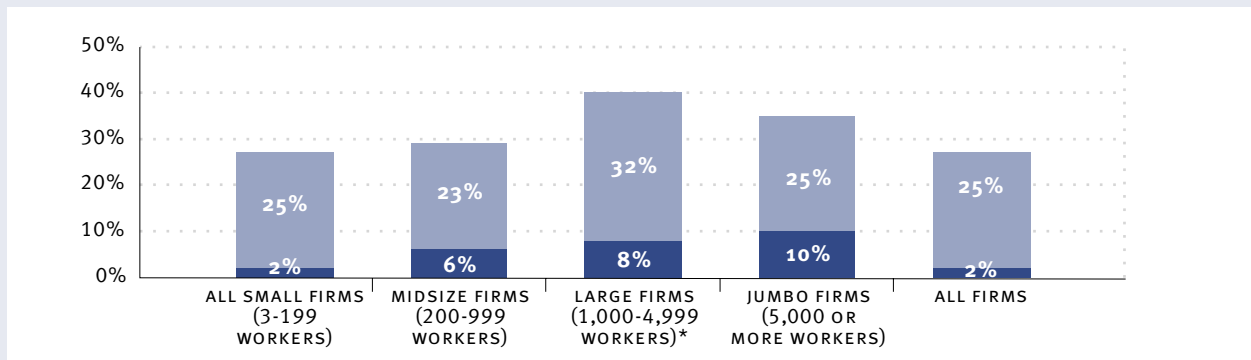
\* Tests found no statistically different estimates from All Firms at  $p < .05$ .

High-deductible health plan (HDHP): A plan with an annual deductible of at least \$1,000 for single coverage and \$2,000 for family coverage.

HDHP/HRA: The survey asks about health reimbursement arrangements (HRAs) that are offered with a high-deductible health plan (HDHP). An HRA is a medical care reimbursement plan sponsored by an employer. HRAs are funded on a pre-tax basis ONLY by an employer, not the worker (see section 8 text for additional information about HRAs).

EXHIBIT 8.7

Among Firms Not Currently Offering an HSA Qualified HDHP, Percentage That Say They Are “Very Likely” or “Somewhat Likely” to Offer an HSA Qualified HDHP in the Next Year, 2005



SOURCE :

Kaiser/HRET Survey of Employer-Sponsored Health Benefits, 2005.

■ SOMEWHAT LIKELY  
■ VERY LIKELY

\* Estimate is statistically different from All Firms at  $p < .05$ .

High-deductible health plan (HDHP): A plan with an annual deductible of at least \$1,000 for single coverage and \$2,000 for family coverage.

HSA qualified HDHP: The survey asks about high-deductible health plans that are health savings account (HSA) qualified. An HSA qualified HDHP includes an annual deductible of at least \$1,000 for single coverage (\$2,000 for family coverage) and maximum out-of-pocket cost-sharing of \$5,100 for single coverage (\$10,200 for family coverage) for 2005 (see section 8 text for additional information about HSAs).