



# 2010 Annual Limits

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#### IRS Announces Indexed Limits for 2010

The IRS recently announced the 2010 indexed dollar limits to qualified retirement plans, Health Savings Accounts and out-of-pocket spending limits for High Deductible Health Plans that must be used in conjunction with HSAs. This update is provided for informational purposes to clients of Burnham Benefits Insurance Services and is not intended as legal advice.

Retirement Plans	2009	2010
401(k) Employee Deferral Limit	\$16,500	\$16,500
Defined Contribution Dollar Limit 415(c)	\$49,000	\$49,000
Annual Compensation Limit 401(a), 404(l)	\$245,000	\$245,000
Age 50+ Catch-up Contribution 401(k), 403(b)	\$5,500	\$5,500
Key Employee Officer (Compensation) 416(i)	\$160,000	\$160,000
Highly Compensated Employee/HCE Income Limit 414(q)	\$110,000	\$110,000
Defined Benefit Plan Dollar Limit 415(b)	\$195,000	\$195,000
Government / Tax Exempt Deferral Limit 457(e)	\$16,500	\$16,500
IRA/Roth IRA Accounts 219(b)	\$5,000	\$5,000
IRA/Roth IRA Age 50+ Catch-up 219(b)	\$1,000	\$1,000
Social Security Taxable Wage Base	\$106,800	\$106,800

High Deductible Health Plans	2009	2010
HDHP Self-only coverage minimum deductible	\$1,150	\$1,200
HDHP Family coverage minimum deductible	\$2,300	\$2,400
HDHP Self-only coverage maximum out-of-pocket	\$5,800	\$5,950
HDHP Family coverage maximum out-of-pocket	\$11,600	\$11,900
HSA Self-only coverage maximum contribution	\$3,000	\$3,050
HSA Family coverage maximum contribution	\$5,950	\$6,150
HSA Age 55+ Catch-Up Contribution	\$1,000	\$1,000

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Source: [www.irs.gov/](http://www.irs.gov/)



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CMS - Medicare Premiums and Deductibles for 2010

### Medicare Premiums, Deductibles for 2010

The Centers for Medicare & Medicaid Services (CMS) has announced the Medicare premiums deductible and coinsurance amounts to be paid by Medicare beneficiaries in 2010. CMS updates the premiums, deductibles and co-payments made by Medicare beneficiaries each year.

Medicare	2009	2010
Medicare Part A Deductible	\$1,068	\$1,100
Medicare Part B Deductible	\$135	\$155
Medicare Part B Premium	\$96.40	* \$96.40

*\* Most Medicare beneficiaries will not see a Part B monthly premium increase as a result of a "hold harmless" provision in the current law. **73 percent of beneficiaries** are protected from an increase that would have raised the **2010 Part B monthly premiums from \$96.40 to \$110.50. Approximately 27 percent** of beneficiaries are not subject to the hold-harmless provision because they are new enrollees during the year (3 percent), they are subject to the income-related additional premium amount (5 percent), they do not have their Part B premiums withheld from social security benefit payments (19 percent), including those who qualify for both Medicare and Medicaid and have their Part B premiums paid on their behalf by Medicaid (17 percent). Please talk to your tax consultant to determine the monthly premium rate for your individual situation.*

Source: <http://www.cms.hhs.gov/>

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