

Benefits BULLETIN



2026 Open Enrollment Checklist

● October 2025 ●

For employers operating their group health and welfare plans beginning on or after January 1, 2026, now is the time of the year to prepare for open enrollment. Typically, the focus is on evaluating the services and performance of vendors, renewing rates, and considering design changes. In addition to these items, employers need to address various legal requirements. This Benefits Bulletin provides a checklist that covers these requirements for the 2026 plan year.

Inflation Adjustments in Annual Limits

Several annual limits apply to health plans and flexible spending accounts (FSAs), which may be adjusted each year to accommodate changes in the cost of living. The new amounts should be considered upon renewal.

	2026	2025
Health Plans (<i>Excluding HDHPs & Grandfathered Plans</i>)		
Annual Out-of-Pocket Maximum		
<i>Single Coverage</i>	\$10,600	\$9,200
<i>Family Coverage</i>	\$21,200	\$18,400
High-Deductible Health Plans (HDHP)		
Minimum Deductible		
<i>Single Coverage</i>	\$1,700	\$1,650
<i>Family Coverage</i>	\$3,400	\$3,300
Annual Out-of-Pocket Maximum		
<i>Single Coverage</i>	\$8,500	\$8,300
<i>Family Coverage</i>	\$17,000	\$16,600

This Benefits Bulletin is not intended to be exhaustive, it is for informational purposes only and should not be considered legal or tax advice. A qualified attorney or other appropriate professional should be consulted on all legal compliance matters.

	2026	2025
Health Savings Accounts (HSA)		
Maximum Annual Contribution		
<i>Individual Coverage</i>	\$4,400	\$4,300
<i>Family Coverage</i>	\$8,750	\$8,550
<i>Age 55 Catch-Up Contributions</i>	\$1,000	\$1,000
Flexible Spending Accounts (FSA)		
Maximum Annual Contribution		
<i>Medical</i>	TBA	\$3,300
<i>Dependent Care</i>	\$7,500	\$5,000

The above limits must be followed except for the medical FSA and dependent care limits, which are optional, allowing employers to set a lower limit for their plan. Dependent care amounts are not adjusted annually for inflation. The 2026 increase is due to changes under the One Big Beautiful Bill Act.

There are some additional items to highlight, such as the maximum out-of-pocket limit for non-grandfathered health plans. First, the limit can be divided so that a portion applies to the medical benefit and a portion applies to the prescription drug benefit. This may be needed if the plan has separate medical and prescription drug administrators.

Second, if a plan has a family maximum out-of-pocket that is greater than the individual maximum out-of-pocket, there must be an embedded individual maximum out-of-pocket within the family limit. An embedded out-of-pocket limit means no individual is subject to a maximum out-of-pocket greater than the individual amount. For an HDHP, however, the embedded maximum out-of-pocket cannot be less than the minimum family deductible for HDHPs.

Participant Notices

As you prepare the open enrollment materials, remember the required participant notices. While only some of the notices below are required to be furnished annually, the other listed

notices can be included in the employer's annual distribution of notices for ease of administration and to ensure compliance.

Annual Federal Notices

- **Summary of Benefits and Coverage (SBC).** The SBC is required for *all group health plans*. It is intended to provide information in a prescribed format to eligible individuals so they can easily compare the information to other plans for which they may be eligible, including coverage on an Exchange. The SBC must be provided with enrollment materials when individuals are initially eligible, upon special enrollment events, and annually. [DOL's SBC Template & Instructions](#)
- **Women's Health and Cancer Rights Act (WHCRA).** *All group health plans that provide coverage for mastectomy benefits* must disclose a woman's rights after a mastectomy. The plan is required to issue this notice upon an individual's (and dependents') enrollment and on an annual basis. [DOL's Model Notice](#)
- **Medicare Part D Notice of Creditable or Non-Creditable Coverage.** The Medicare Part D Notice informs Medicare-eligible individuals whether the plan's prescription drug coverage is considered creditable coverage. Coverage is creditable if the plan is expected to pay, on average, as much as the standard Medicare Part D coverage. *All group health plans* must issue this notice to all Medicare-eligible individuals regardless of their plan enrollment status. Because it is difficult for most employers to determine who should receive the notice, providing it to all employees facilitates compliance. [CMS's Model Notices](#)
- **Children's Health Insurance Program (CHIP) Notice.** The CHIP notice informs individuals residing in states that provide premium assistance subsidies under Medicaid or CHIP about the subsidies, special enrollment rights, and who to contact for more information. *All group health plans with eligible individuals (employees, dependents, COBRA participants, etc.) residing in certain states* must distribute the notice annually. The model notice is updated twice a year, employers should check the DOL website for the latest version before distribution. [DOL's Model Notice](#)

Other Federal Notices to Consider

- **Notice of Grandfathered Status.** The Notice of Grandfathered Status is required for *all group health plans claiming grandfathered status* under the ACA. The notice must be included in the plan's Summary Plan Description (SPD) and any other plan materials describing health coverage. [DOL's Model Notice](#)

- **HIPAA Notice of Privacy Practices.** The Health Insurance Portability and Accountability Act of 1996 (HIPAA) requires *all group health plans that create or receive protected health information* to provide a notice of their privacy practices to plan participants at least once every three years. Effective February 16, 2026, these Notices must be updated to include information related to substance use disorder. HHS has not updated its model notice to include this update. [HHS' Model Notices](#)
- **HIPAA Special Enrollment Notice.** *All group health plans* must provide each eligible employee with a notice of their special enrollment rights under HIPAA at or before their initial enrollment. [DOL's Model Notice \(see page 17\)](#)
- **Primary Care Provider Designation Patient Protection Notice.** The ACA requires *all non-grandfathered health plans that require plan participants to designate a primary care provider (e.g., HMOs)* to distribute a notice of the terms of the plan and participant rights. The notice must be distributed to all plan participants when an SPD or other similar description of plan benefits is provided. [DOL's Model Notice](#)
- **Wellness Notices.** The Americans with Disabilities Act (ADA) and HIPAA require *all employers with specific wellness programs* to notify employees about the terms of the programs. Refer to our [Benefits Bulletin](#) for more information on these notices.
- **ACA Market Exchange Notice.** *All employers covered by the Fair Labor Standards Act (FLSA)* must provide employees with specific information about the existence of Health Insurance Exchanges (also known as Marketplaces). The notice must be provided to each new employee at the time of hiring or within 14 days of the employee's start date. [DOL's Model Disclosure](#)
- **COBRA Initial (General) Notice.** The Consolidated Omnibus Budget Reconciliation Act (COBRA) requires *all employers (except church plans) with 20 or more employees that sponsor group health plans* to provide an initial COBRA notice to new participants and certain dependents within 90 days after plan coverage begins. The initial COBRA notice may be incorporated into the plan's SPD and enrollment materials. [DOL's Model Notice](#)
- **Michelle's Law Notice.** Under health care reform, group health plans and issuers are generally required to provide dependent coverage to age 26, regardless of the dependent's student status. However, Michelle's Law may apply in some circumstances, such as when a plan provides dependent coverage beyond age 26 or qualifies as a small employer group. *All group health plans that base eligibility for coverage on student status* must include this notice with any plan materials describing dependent eligibility. Although no model notice was ever issued, we have a [sample notice](#) for reference.

- **Surprise Medical Billing Notice.** The No Surprises Act (NSA) requires *all group health plans and health insurance issuers* to make publicly available, post on a public website of the plan or issuer, and include on each applicable explanation of benefits, information in plain language on the restrictions against balance billing in certain circumstances, including any applicable state law balance billing protections, and information on contacting appropriate state and federal agencies. The Departments issued a [model notice](#) that plans and issuers may (but are not required to) use to meet the disclosure requirements related to surprise billing.

ADDITIONAL RESOURCES

Compliance Guide: Health Benefits Coverage under Federal Law

Source: Department of Labor,
Employee Benefits Security Administration (EBSA)

Health Benefits Advisor for Employers

Source: Department of Labor,
Employee Benefits Security Administration (EBSA)

Reporting and Disclosure Guide for Employee Benefit Plans

Source: Department of Labor,
Employee Benefits Security Administration (EBSA)

Revenue Procedure 2025-19

Source: Internal Revenue Service