

TaxNewsFlash

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Notice 2026-5: Guidance on expanded HSA eligibility under OBBBA

The IRS today released [Notice 2026-5](#), providing guidance on changes to health savings accounts (HSAs) enacted by Pub. L. No. 119-21 (known as the “One Big Beautiful Bill Act” (OBBA)). These changes generally broaden eligibility for HSAs under section 223, including permanent safe harbors for telehealth services, expanded definitions of high deductible health plans (HDHPs), and new rules for direct primary care service arrangements (DPCSAs).

A related IRS release—[IR-2025-119](#) (December 9, 2025)—explains that today’s notice addresses, in question-and-answer (Q&A) format, each of the following changes made by the OBBBA:

- **Telehealth and remote care services:** The OBBBA made permanent the ability to receive telehealth and other remote care services before meeting the HDHP deductible while remaining eligible to contribute to an HSA, effective for plan years beginning on or after January 1, 2025.
- **Bronze and catastrophic plans treated as HDHPs:** As of January 1, 2026, bronze and catastrophic plans available through an Exchange are considered HSA-compatible, regardless of whether the plans satisfy the general definition of an HDHP. This expands the ability of people enrolled in these plans to contribute to HSAs, which they generally have not been able to do in the past. Notice 2026-5 clarifies that bronze and catastrophic plans do not have to be purchased through an Exchange to qualify for the new relief.
- **Direct primary care service arrangements:** Beginning January 1, 2026, an otherwise eligible individual enrolled in certain DPCSAs may contribute to an HSA. In addition, they may use their HSA funds tax-free to pay periodic DPC fees.

Comments on the notice must be received by March 6, 2026.

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