

New 2022 Health and Welfare Benefits Limits: In Time for Open Enrollment?

November 16, 2021

The IRS published increased limits for 2022 for various health and welfare benefits, including:

- Health flexible spending account limit increased to \$2,850 (from \$2,750);
- Qualified transportation fringe benefit limit for parking and transit each increased to \$280 (from \$270);
- Adoption assistance program limit increased to \$14,890 (from \$14,400); and
- Qualified Small Employer Health Reimbursement Arrangement limit increased to \$5,450 for individual coverage and \$11,050 for family coverage (from \$5,300 and \$10,700, respectively).

An employer that wants to incorporate these increased limits into its plans should determine whether the plans are drafted to automatically reflect the increased limits or whether amendments would be required. If a plan (including a health flexible spending account) is drafted to automatically incorporate any increased limits, the plan sponsor should communicate the increased limits to participants to permit changes during open enrollment for the upcoming plan year.

The list of 2022 plan limits can be found in Rev. Proc. 2021-45, which is available [here](#).