



2022 health FSA, other health and fringe benefit limits now set

By Dorian Z. Smith and Katharine Marshall
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IRS Rev. Proc. 2021-45 gives the 2022 contribution and other limits for health flexible spending arrangements (FSAs), qualified small-employer health reimbursement arrangements (QSEHRAs), long-term care (LTC) policies, transportation fringe benefits and adoption assistance programs. The 2022 figures reflect the increase in the average chained Consumer Price Index for All Urban Consumers (C-CPI-U) for the 12 months ending Aug. 31, 2021, after applying statutory rounding rules. Mercer's [2022 quick benefit facts sheet](#) highlights other key health and retirement benefit amounts announced earlier this year.

Health FSA, QSEHRA and LTC limits

This table shows the 2022 adjusted amounts for health FSAs, QSEHRAs and qualified LTC policies, along with the limits for 2021 and 2020. The health FSA carryover limits shown reflect the maximum unused funds that can carry over to the next plan year.

	2022	2021	2020
Health FSA limit (IRC §125(i))			
Maximum salary reduction contribution	\$2,850	\$2,750	\$2,750
Maximum health FSA carryover	570	Unlimited*	Unlimited*
QSEHRA limit (IRC § 9831(d))			
Maximum annual benefit			
Self-only coverage	5,450	5,300	5,250
Family coverage	11,050	10,700	10,600

	2022	2021	2020
Qualified LTC policy limits (IRC § 213(d) and 7702B(d)(4))			
Premium limits at age			
40 or younger	\$450	\$450	\$430
41–50	850	850	810
51–60	1,690	1,690	1,630
61–70	4,510	4,520	4,350
Older than 70	5,640	5,640	5,430
Per diem limit	390	400	380

* The 2021 Consolidated Appropriations Act permits unlimited carryovers of health FSA balances into the next plan year for plan years ending in 2020 and 2021. The indexed carryover amount was \$550 for both years. Any health FSA balances remaining on the last day of the plan year ending in 2022 will be subject to the indexed \$570 carryover limit.

The 2022 adjusted amounts for health savings accounts (HSAs), HSA-qualifying high-deductible health plans, excepted-benefit HRAs, out-of-pocket maximums in nongrandfathered group health plans and various indexed amounts for the ACA's employer-shared responsibility provision were announced earlier this year.

Qualified transportation fringe benefits and adoption assistance programs

This table shows the 2022 adjusted figures for qualified transportation fringe and adoption assistance benefits set by Rev. Proc. 2021-45, along with amounts for 2021 and 2020.

	2022	2021	2020
Tax-free qualified transportation fringe benefits (IRC § 132 (f))			
Monthly qualified parking, transit passes or commuter highway vehicles	\$280	\$270	\$270
Qualified adoption assistance programs (IRC § 137)			
Exclusion for child with special needs (regardless of expenses incurred)	14,890	14,400	14,300
Aggregate dollar limit for all taxable years	14,890	14,400	14,300
Phaseout begins at modified AGI of	223,410	216,660	214,520
Phaseout completed at modified AGI of	263,410	256,660	254,520

Related resources

Non-Mercer resources

- [Rev. Proc. 2021-45](#) (IRS, Nov. 10, 2021)
- [IRS provides tax inflation adjustments for tax year 2022](#) (IRS, Nov. 10, 2021)

Mercer Law & Policy resources.

- [2022 quick benefit facts](#) (Nov. 10, 2021)
- [Affordable percentage will shrink for employer health coverage in 2022](#) (Sept. 2, 2021)
- [2022 transportation, health FSA and Archer MSA limits projected](#) (Aug. 18, 2021)
- [2022 ACA cost-sharing caps and other changes set; ESR penalties projected](#) (May 18, 2021)
- [2022 health savings account, high-deductible health plan figures set](#) (May 11, 2021)
- [Summary of 2021 benefit-related cost-of-living adjustments](#) (Jan. 21, 2021)

Other Mercer resources

- [IRS clarifies FSA relief in CAA, provides more flexibility for cafeteria plan elections](#) (Feb. 25, 2021)
- [Big news for employers — Long-sought answers on how to handle unused 2020 FSA balances and much more!](#) (Dec. 23, 2020)

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