

Compliance Alert: 2022 Health and Welfare Benefit Plan Limits

With 2022 soon upon us, employers and payroll professionals are getting ready for another benefit year. Below is a table of selected benefit plan limits for 2022.

Also, now is a good time to ensure that your organization is prepared to:

- File Massachusetts HIRD report if your company has 6 or more employees working in Massachusetts;
- Issue ACA forms 1095-C/1094-C to full-time employees and the IRS if your company is an Applicable Large Employer (ALE);
- Report the value of health coverage on the W-2 if you issue more than 250 forms W-2;
- Impute income for group term life insurance over \$50,000; and
- Impute income for health insurance provided to a domestic partner or former spouse.

Selected 2022 Health and Welfare Benefit Limits

Cafeteria Plan Limits

\$ 2,850 Health FSA annual election
\$ 570 Health FSA maximum carry-over amount
\$ 5,000 Dependent Care FSA annual election (single or married filing jointly)

Health Savings Accounts

\$ 3,650 HSA maximum annual contribution limit self-only coverage
\$ 7,300 HSA maximum annual contribution limit family coverage
\$ 1,000 HSA catch-up annual contribution limit, age 55 and over
\$ 1,400 Minimum deductible for HSA qualified HDHP, self-only coverage
\$ 2,800 Minimum deductible for HSA qualified HDHP, family coverage
\$ 7,050 Out-of-pocket maximum for HSA qualified HDHP, self-only coverage
\$14,100 Out-of-pocket maximum for HSA qualified HDHP, family coverage

Transportation Fringe Benefits

\$ 280 Maximum monthly exclusion for parking expenses
\$ 280 Maximum monthly exclusion for transit passes and vanpooling

Educational Assistance

\$5,250 Maximum annual exclusion for employer provided educational assistance

Adoption Assistance

\$14,890 Maximum annual salary reduction or exclusion for employer provided adoption assistance

Affordable Care Act (ACA) Affordability

9.61% Percentage of income threshold for medical coverage to be affordable
\$103.14 Federal Poverty Line (FPL) monthly safe harbor cost sharing limit for self-only coverage

Massachusetts PFML

\$1,084.31 Maximum weekly benefit amount
0.68% Overall PFML contribution percentage of eligible wages
0.336% Medical leave: minimum employer contribution percentage of eligible wages (for employers with more than 25 employees)
0.224% Medical leave: maximum employee contribution percentage of eligible wages
0.12% Family leave: maximum employee contribution percentage of eligible wages

FICA Taxable Wage Base

\$147,000 Social Security maximum taxable earnings

Prohibited Group Nondiscrimination Test Dollar Threshold

\$135,000 Highly compensated employee

\$200,000 Key Employee; officer

\$150,000 Key Employee; more-than-1% owner

If you have any questions, please contact your EBS account representative.

Susan Sonkin, ChFC®, CLU®, CEBS, RHU®, REBC®

Compliance Director

EBS Employee Benefit Solutions