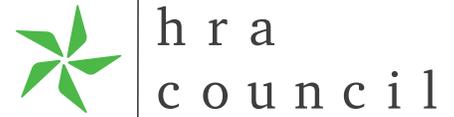


HRAs & The HRA Council



Why are HRAs important? Described as “the 401(k) of health coverage,” Health Reimbursement Arrangements are a powerful tool in the HR/Benefits toolkit, increasing employers’ ability to connect diverse classes of employees to ACA-compliant health plans. With HRAs, millions of full, part-time, seasonal, and other workers now have more and better choices for health coverage, for themselves and their families.



Who is the HRA Council? Health insurance leaders, brokers, administrators, insurers, support organizations, and employers offering defined contribution health coverage created the HRA Council. We are a non-partisan advocacy organization, dedicated to ensuring employers have these HR/Benefits tools and employees are empowered with choices.

Two New Types of HRAs:

Qualified Small Employer HRA (QSEHRA)

Generally, employers with fewer than 50 employees.

Individual Coverage HRA (ICHRA)

Flexible for 11 classes of employees, including full-time, part-time, and “gig” workers.

Our Goal

To improve and expand health coverage options for millions of workers by giving employers better ways to offer workers health coverage.

Our Work

The HRA Council supports the vibrant defined contribution market for employer-supported health coverage, providing education, promotion, and advocacy including appropriate safeguards and consumer protections. We work with stakeholders and policymakers to identify barriers, reduce process friction and administrative burdens, promote best practices, strengthen the health insurance landscape, and increase consumer access, affordability, and choice.



HEALTHCARE COOPERATIVE



Health Reimbursement Arrangements (HRAs) provide

More freedom and more choice

for workers and employers, benefitting the entire marketplace

Defined contribution health coverage solves access, affordability, choice, compliance, and reduces administrative burdens.

For Workers

Choice: Employees can choose any ACA-compliant plan on the market and select the level of coverage that best fits their family's needs.

Affordability: Employees are free to choose between the employer contribution or the marketplace subsidy, if they are eligible.

Portability: QSEHRAs and ICHRAs allow employees to keep their coverage.

Control: Employees secure the right level of coverage they need.

For Employers

Flexibility: HRAs make sense for a diverse workforce; it's hard to find group plans that will work for all types of employees.

Cost Control: Group premium prices can go up every year; HRA allowances are predictable and set, and can allow for savings.

Remove Risk: Employers no longer have to worry about managing risk.

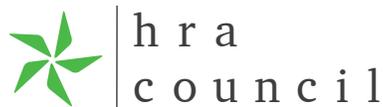
Compliant: ICHRAs, appropriately set up and administered, can satisfy the employer shared responsibility provisions of the Affordable Care Act.

For the Marketplace

Strength: HRAs add millions of American workers and their family members to the individual market risk-pool, strengthening the Marketplace in all fifty states.

Resilience: The Departments of Health and Human Services, Labor, and the Treasury properly structured the ICHRA rules to improve the individual market and lead to more insurer participation. Early data from the initial adopters of ICHRAs suggests the rule is encouraging new enrollees, much younger than traditional ACA enrollees, to sign up for coverage. This improves the overall

Growth: The U.S. Department of Treasury projects that by 2025, more than 11 million individual market enrollees will be covered through an ICHRA from more than 800,000 employers, helping reduce the overall uninsured population by close to one million.



2021

The HRA Council launches with Members including brokers, administrators, insurers, support organizations, and employers offering defined contribution approaches.

2020

ICHRAs make it possible for even more employers to reimburse workers for health coverage premiums, covering more Americans with ACA-compliant health plans.

2019

The Departments of Health and Human Services, Labor, and the Treasury finalize a rule permitting employers of any size to reimburse individual market health insurance premiums as well as Medicare policies through ICHRAs.

2017

Defined contribution QSEHRAs make it possible for small employers to reimburse individual health insurance market premiums, an option not previously available.

2016

Congress passes the 21st Century Cures Act with an overwhelmingly bipartisan Vote. The Act is signed into law by President Obama and makes QSEHRAs available to employers with up to 50 workers.

2010

Between 2010 and 2020, the percentage of employees covered by their firm's health benefits begins to decline sharply.

Our trajectory

These advancements allow employers of all sizes to design defined contribution plans that empower diverse classes of employees to choose health coverage that fits their personal needs while supporting company budgets, leveraging tax savings associated with employer-sponsored health plans, and strengthening the Marketplace.