

2025 Individual Coverage Health Reimbursement Arrangement (ICHRA)



What Is an Individual Health Coverage Reimbursement Arrangement (ICHRA)?

ICHRAs are a way for you to provide your employees with health insurance while managing what it costs you to provide it.

With an ICHRA, you set the dollar amount you want to contribute towards your employee's monthly individual health insurance premiums.

Employees then can choose a health plan that best fit their needs.

Is an ICHRA right for your business?

1. Are you interested in offering benefits but not sure where to start?
2. Do you want to save money on your health insurance costs?
3. Have you had trouble meeting participation requirements on traditional group plans?
4. Are you interested in tax savings opportunities?
5. Do you have employees who prefer to choose their own health plan?

***Answered
yes?***

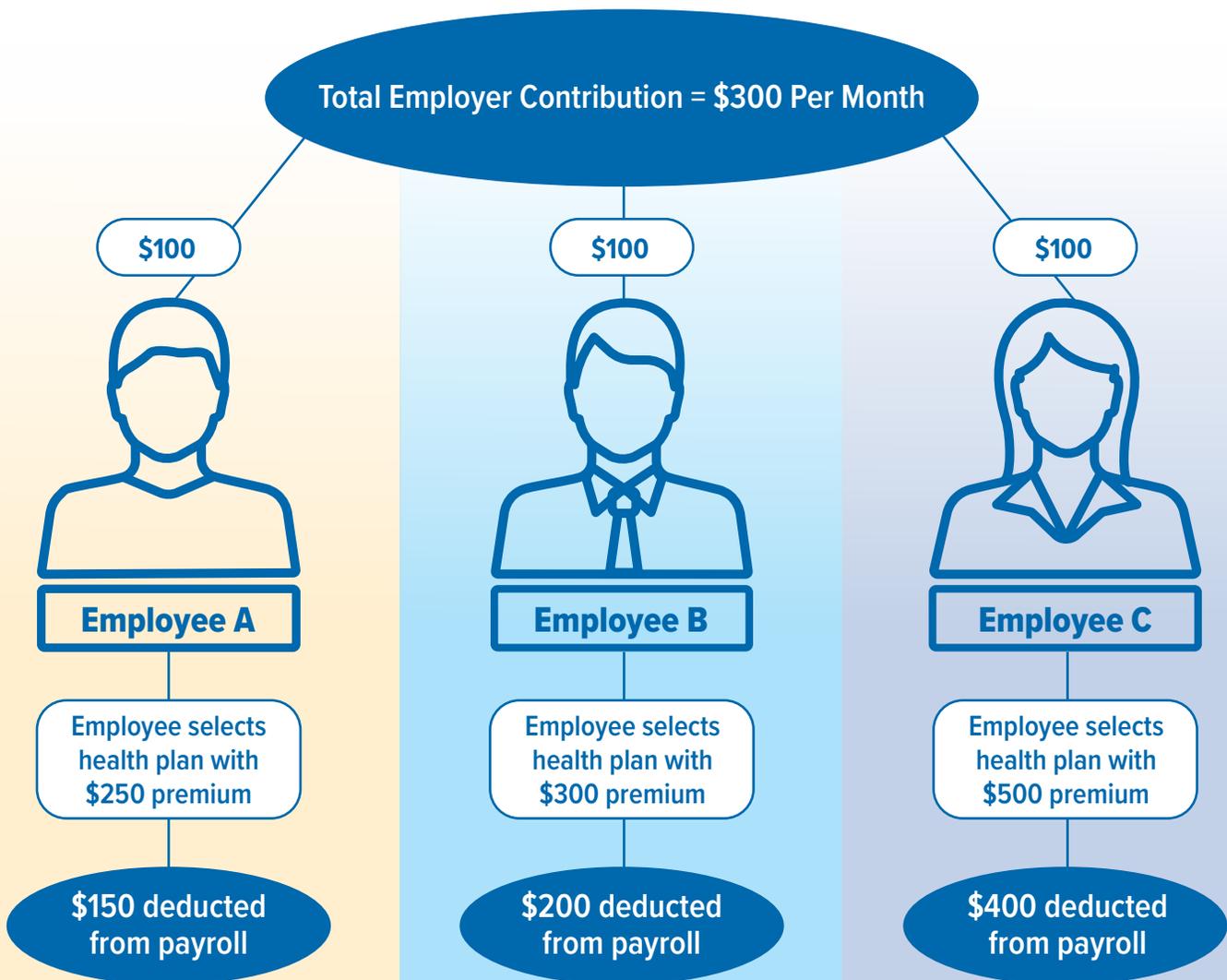
**Then an ICHRA may
be an option for you.**



How an ICHRA Works

1. You determine which of your employees are eligible to participate.
2. You set a monthly amount to contribute towards employees' health plan premiums.
3. Employee selects an individual health plan.
4. Employee uses what you contribute to help pay for his or her health plan.
5. Any remaining balances can be payroll deducted.

Let's take a closer look at how an ICHRA works*



*This is an example. Amounts will vary by employees. Your agent will assist you in creating the appropriate contribution strategy.

ICHRAs are Growing in Popularity.

There are noteworthy advantages and benefits to both the employer and employee that company benefit managers should consider.

Advantages for the employer:

- Tool to attract and retain talent
- Tax advantages on contributions provided
- No contribution or participation requirements to sign up
- Easy to use, online tools to enroll employees and manage and fund contributions
- Option to offer different contribution amounts to different classes of employees through payroll deduction

Benefits to the employee:

- Flexibility in choosing a plan that works best for him or her
- Ability to keep the plan if he or she leaves the company or changes jobs
- Contributions are not taxable to the employee and are excluded from his or her gross income
- Option to potentially earn tax credits to lower monthly plan costs
- Special enrollment opportunity on the Marketplace* if eligible



*Employees qualify for a Marketplace plan based on the affordability of the employer's offering per IRS guidelines.

ICHRA Reimbursement Models

Depending on your coverage needs, there are two ways to administer an ICHRA.

**Most
turn-key
option**

Path 1: Integrated-Carrier Facilitated Payment and Service Model

When you choose the integrated-carrier path, the carrier manages the ICHRA on the employee's behalf. The employee does not have to upload proof of premium payments or do any administrative tasks associated with their plan. This is taken care of by the carrier.

Path 2: Employee Reimbursement

For employees on Original Medicare, out-of-state coverage or coverage through another carrier, there is another reimbursement option.

Employees can pay their premiums to their carrier directly, submit proof of payment, and request reimbursement through an online portal or mobile app. A third-party company is used to facilitate reimbursements to the employee.

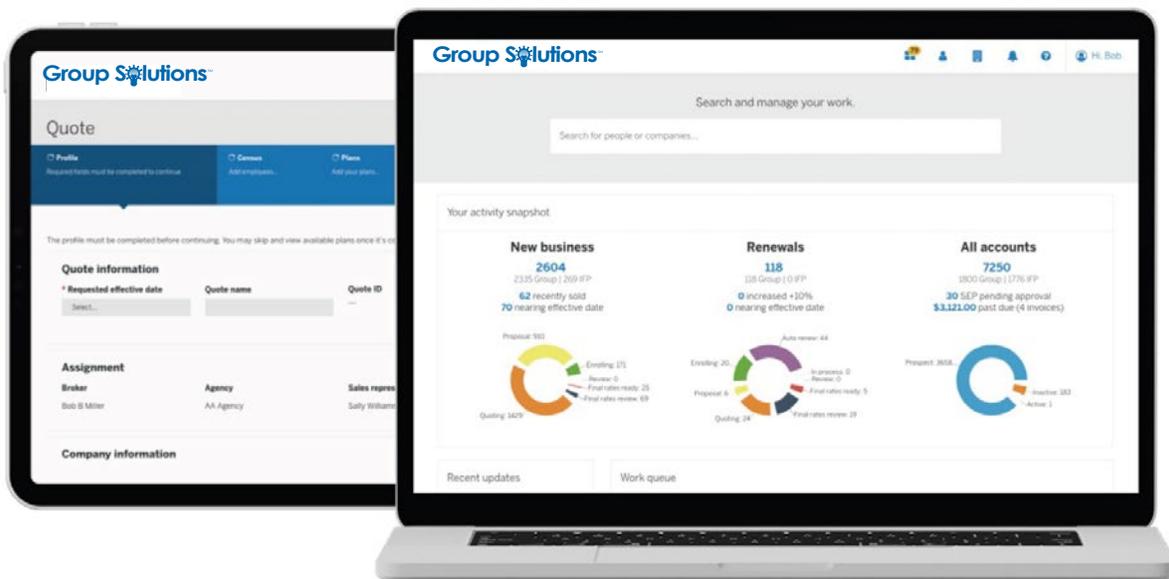


Introducing Group Solutions

Group SolutionsSM

With top-notch technology and HRA integration, Group Solutions is the best way to manage your ICHRA

- One simple system for quoting and enrollment
- Your agent can select plans for your employees to choose from, however they are in control of having the option to enroll in any individual plan in the market.
- Robust decision support tools for employees
- Detailed, consolidated invoicing and simplified billing and payments
- Transparency through employer reporting options to easily view premiums payments, employee balances, contribution amounts and current census.
- Unlike other platforms, Group Solutions allows you to continue to work with your local agent for ongoing service and support.



Have Questions?

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