

Question

Can employee get both HRA \$ AND a subsidized plan through the ACA? IE, can they get *subsidized* premium AND the HRA payment?

How would an employer identify cosmetic surgery, i.e., not a 213(d) expense?

What is the minimum and maximum limit an employer can give annually to an employee for medical benefits, I know the EBHRS is 1,800,
Did you say the premium on an ICHRA is 100% employer paid?

If my company offers an ICHRA and i am on my husbands employer plan can my employer still reimburse me or must i purchase a plan on the market place?

Can an employee have an HRA and HSA at the same time?

This does not allow for reimbursement for being on a spousal plan where those premiums are covered on the spouse's pay check, correct?

Is that \$1,800 max on the EBHRA per person? or per employee?

How does an ICHRA work with the employer mandate rules?

Whch option pays claims first the FSA or HRA?

If you are self-insured, can you push high utilizers or high cost claimants of the system to the off exchange option and do adverse selection out of the plan?

Response

No. An individual who is (i) enrolled in an ICHRA; or (ii) ELIGIBLE for an ICHRA that is affordable, cannot qualify for a subsidy toward coverage on a public Exchange (similar to an individual who is offered coverage under an employer's group health plan).

Expenses submitted for reimbursement by the ICHRA or an excepted benefit HRA would be required to meet substantiation requirements just like those currently in place for HRAs and health FSAs today.

There is no minimum or maximum limit for employer funding of an ICHRA. However, there is a maximum limit of \$1800 annually for the excepted benefit HRA.

The employer gets to decide what amount to make available monthly in the ICHRA, which the employee and dependents may then use toward individual coverage premiums and other Section 213(d) expenses (if allowed by the plan design). In most cases, the employer funding available in the ICHRA will NOT be enough to cover the entire monthly premium for individual health insurance coverage and the individual will then be responsible for the remainder.

The ICHRA would be available only to those who are enrolled in individual coverage (on or off-Exchange) or Medicare. It would not be available for reimbursement of claims for someone who is enrolled in a group health plan through another employer.

Yes, so long as the HRA is (i) available only to reimburse health insurance premiums; OR (ii) is available only after the minimum HDHP deductible is met (a post-deductible HRA). However, if the HRA is available to reimburse qualifying medical expenses other than just insurance premiums right away, the individuals would not be eligible to contribute to an HSA.

That's correct. An HRA cannot provide reimbursement for health insurance premiums that are already being provided or paid for on a tax-favored basis (e.g. paid for by an employer or paid pre-tax through a cafeteria plan). That would be considered double-dipping.

The annual \$1800 maximum for the excepted benefit HRA is an annual limit per employee (to be used by the employee and family members). The amount does not increase depending upon the number of dependents.

An ICHRA will be considered an offer of minimum essential coverage (MEC) for purposes of satisfying Section 4980H(a) requirements. In addition, if the amount of funding available in the ICHRA makes the lowest cost silver plan on the local Exchange "affordable", it will also satisfy Section 4980H(b) requirements. We are still waiting on further guidance from the IRS as to exactly how this will work.

If there are expenses eligible for reimbursement under an FSA and an HRA, there is some flexibility for the employer to define the reimbursement order (or the employer could let the employee choose). It is generally more advantageous to plan participants to allow reimbursement under the FSA first if the HRA allows for a carryover because the FSA dollars are otherwise forfeited (subject to the \$500 carryover limit).

Generally, no. The ICHRA rules require that all individuals within a particular class be offered the ICHRA on the same terms and conditions, with a bit of flexibility in regard to age and tier of coverage. The rules also define exactly which classes can be used. In addition, keep in mind the rule under HIPAA which prohibits discriminating based on health status, which would still apply.

Question

Under an ICHRA, would "other 213(d) expenses" be used for deductibles and co-pays?

Response

If the ICHRA is made available more broadly to reimburse other Section 213(d) expenses beyond just the individual health insurance premiums, it could reimburse expenses incurred prior to meeting the medical plan's deductible or copays; but it could also be available more broadly to reimburse any qualifying medical expenses (similar to what is reimbursable by a health FSA or HSA).

Is the Medicare-related costs limited to the eligible employee, or can it be for a spouse not on the employer's coverage?

An ICHRA is available to reimburse Medicare-related costs only for those individuals who are enrolled in individual coverage or Medicare (and therefore have coverage "integrated" with the ICHRA). If the spouse or other dependents are enrolled in individual coverage or Medicare, the ICHRA could provide reimbursement for them as well.

I waived my employer insurance but enrolled in my husband High deductible health plan. can I enrolled in the EBHRA?

Similar to a health FSA, if the excepted benefit HRA is available broadly to reimburse all qualifying medical expenses and is not post-deductible, it would cause HSA-ineligibility.

Are you allowed to offer a class for employees both hourly and salary that are over 65 and older and name this plan Medicare Plan

No. Medicare-eligibility or age is not one of the permitted classes that allows for a differentiation for ICHRA purposes.

Employee Class: Full time Salary and Hourly employees working 35 hours or more per week: Are you permitted to offer single coverage \$300 and Family Coverage \$600 OR just offer \$600 per employee for Medical and RX?

If you're asking about the ICHRA, employers are permitted to differentiate contributions based on tier of coverage (number of dependents). In other words, it would be compliant to contribute \$300 per month if only the employee is enrolled in the ICHRA, and \$600 per month if the employee + spouse or dependents are enrolled in the ICHRA.

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