

The Individual Coverage HRA, or ICHRA for short (pronounced “ICK-rah”), allows businesses of any size to reimburse employees for their health insurance premiums tax-free. Employees can shop for and select plans that fit them best rather than be limited to the one group plan their employer chose. We think it’s a great way for small businesses to offer affordable plans to their team.

## ICHRA: The Basics

Businesses of nearly any size can enjoy substantial advantages over the traditional group plan, including tax savings and lower rates typically reserved for individual plans.

ICHRA allows an employer to reimburse employees pre-tax for their premiums at a selected amount that can vary between employees based on criteria that the employer selects. This can include part-time and seasonal workers, and even employee dependents.

What’s more, instead of having just a single plan offered by their employer, employees can shop for ACA-compliant plans that fits their needs best.

## Features and Benefits

- + Businesses of nearly any size can take advantage of ICHRA
- + Plans can be offered to full-, part-time, or seasonal workers
- + Employers control contribution amount — can differ among employee class\*
- + A low-cost silver Peak plan is nearly 50% less than a comparable silver group plan\*\*
- + Includes substantial tax benefits

## ICHRA FAQ

### Would my small business qualify?

- » Available to a business with two or more unrelated employees

### How does an ICHRA work?

- » Employers select a platform to administer their plan or they may use their broker
- » A contribution amount, which can be varied by employee class\*, is set by the employer
- » Employees shop for plans through the platform or broker

### What kinds of plans can employees choose from?

- » Employees choose among qualified individual plans, including Peak and non-Peak plans.
- » Employee spouses and dependents are eligible

### Who owns the insurance plan?

- » The employee will own their insurance plan. Employers control the contribution.

### How is this different than money I can simply give to employees?

- » Unlike stipends, ICHRA reimbursements are not taxed as wages.

### How much can my business save?

- » Peak can provide preliminary estimates at no obligation. Visit [peakhealthalliance.org/ichra](http://peakhealthalliance.org/ichra)

## ICHRA in 3 Steps

### STEP ONE

Employers set up their ICHRA plan and contribution amounts

### STEP TWO

Employees shop for and select a qualified plan

### STEP THREE

Employees get reimbursed for their premiums

**ICHRA puts cost control and savings in the hands of small businesses while employees get a choice of plans that fit their needs best.**

Visit [peakhealthalliance.org/ichra](http://peakhealthalliance.org/ichra) or call us at 970-455-0381 for more information or a preliminary quote

*\*Classes are subject to certain restrictions and limitations. \*\*Peak’s lowest-cost silver plan is 48% less than Anthem’s lowest-cost group plan.*