



Individual Coverage HRA 90-Day Notice

Individual Coverage Health Reimbursement Arrangement – IMPORTANT NOTICE

USE THIS NOTICE WHEN APPLYING FOR INDIVIDUAL HEALTH INSURANCE COVERAGE

Your employer sponsors an Individual Coverage HRA (ICHRA) Plan. ***This important notice affects your Plan. Please retain it in your records.***

You are getting this notice because your employer is offering you an Individual Coverage Health Reimbursement Arrangement (ICHRA). Please note that your acceptance and enrollment in the ICHRA in some circumstances, could affect your eligibility for the premium tax credit. Accepting the ICHRA and improperly claiming the premium tax credit could result in tax liability. You will have the ability to opt in or out of coverage under the ICHRA prior to each plan year.

An ICHRA is an arrangement under which your employer reimburses you for your medical care expenses (and sometimes your family members' medical care expenses), up to a certain dollar amount for the plan year. These expenses may include premiums applicable to your individual health insurance coverage and/or out of pocket medical expenses depending on how the employer designs your plan.

If you enroll in an ICHRA, **you must also be enrolled in** individual health insurance coverage or Medicare Part A (Hospital Insurance) and B (Medical Insurance) or Medicare Part C (Medicare Advantage) (collectively referred to in this notice as Medicare) for each month you are covered by the HRA. If your family members are covered by the HRA, **they must also be enrolled in** individual health insurance coverage or Medicare for each month they are covered by the HRA. If you and your dependents do not maintain coverage under individual health insurance any reimbursements, you receive while not covered **would be taxable income.**

This notice has important information that the Exchange (known in many states as the "Health Insurance Marketplace") will need to determine if you are eligible for advance payments of the premium tax credit. An Exchange operates in each state to help individuals and families shop for and enroll in individual health insurance coverage. You may need this notice to verify that you are eligible for a special enrollment period to enroll in individual health insurance coverage outside of the annual open enrollment period in the individual market.

The permitted benefit under your ICHRA plan is the maximum amount you can be reimbursed during the plan year.

Employee only: \$ _____

Family: \$ _____

Other (specify): \$ _____

There are different kinds of HRAs. The HRA that's being referred to throughout this notice, and that your employer is offering you, is an **individual coverage HRA**. It is not a qualified small employer health reimbursement arrangement (QSEHRA) or any other type of HRA. The ICHRA you are being offered is employer-sponsored health coverage. This is important to know if you apply for health insurance coverage on the Exchange.