



# We Know A Few Things About Health Reimbursement Arrangements...

“Health Reimbursement Arrangements” (HRAs) are not the same thing as a “Health Savings Account” (HSA). In use for many years, HRAs have now been expanded into four types for use by employers:

## HDHP/HRA

(High Deductible Health Plan / HRA)

- Clarified by IRS in 2006 and 2013
- Available to employers of any size
- Must be 100% funded by the employer
- Must be ‘wrapped’ with a Group Health Plan (GHP)
- Employer determines the annual benefit maximum
- Employer determines the benefit payment percentage
- Employer determines covered eligible expenses
- Employer contributions are fully tax deductible
- Benefit payments to participants are tax exempt
- Subject to ERISA non-discrimination rules

## QSEHRA

(Qualified Small Employer HRA)

- Permitted since 2017
- Unavailable to an “Applicable Large Employer” (ALE)
- Allows reimbursement of an Individual Health Plan (IHP)
- Cannot offer a Group Health Plan (GHP)
- Annual benefit maximum limited to \$5,150/\$10,450\* (\*annually indexed by IRS)

## ICHRA

(Individual Coverage HRA)

- Permitted since 2020
- Available to employers of any size
- Offered to employees ineligible for GHP coverage
- No limit on the annual benefit maximum
- Employees must be covered by an IHP or Medicare
- Technically considered a type of “group” arrangement
- Can run alongside of a Section 125 Cafeteria plan
- Subject to ERISA non-discrimination rules

## EBHRA

(Excepted Benefit Health Reimbursement Arrangement)

- Permitted since 2020
  - Available to employers of any size
  - Must be offered in conjunction with a GHP
  - Employees do not have to enroll in the GHP
  - Annual benefit maximum limited to \$1,800\*
  - Limited to ancillary expenses and COBRA premiums
  - Cannot be used for GHP, IHP premium payment
  - Cannot be used for Medicare B&D premium payment
  - Can run alongside of a Section 125 Cafeteria plan
  - Subject to ERISA non-discrimination rules
- (\*annually indexed by IRS)

Join us for  
CE Course #321350  
**Health Reimbursement Arrangements – What an Advisor Should Know**

Thur. June 17, 2021 • 10:30 AM  
One Hour CE Credit  
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# Our HRA Service Partners Include:

## Third Party Administrators

- Administrative Solutions/Navia (**ASI**)
- Benefit & Risk Management Services (**BRMS**)
- Employee Benefit Administration & Management (**EBAM**)
- HR Services, Inc (**HRSI**)
- **Redwood** Health Services
- **Starmark** Administration & Marketing/Trustmark
- **Sterling** Administrators

## High Deductible Health Plans

- **Aetna Health Plan** (HMO, POS)
- **Anthem Blue Cross** (HMO, PPO, EPO)
- **Blue Shield of California** (HMO, PPO)
- **California Choice** (HMO, PPO, EPO)
- **CieloStar** Level Funding (PPO)
- **Cigna** Level Funded (PPO)
- **Cigna+Oscar** (EPO)
- **Covered California** Small Business (HMO, PPO, EPO)
- **Health Net** (HMO, PPO)
- **Kaiser Permanente** (HMO)
- **Roundstone** Benefit Captive/Self-Funded (PPO, EPO)
- **Trustmark** Small Business Level-Funding (PPO)
- **United Healthcare** (HMO, PPO)



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