

OFFICIAL GUIDE TO THE INDIVIDUAL COVERAGE HRA (ICHRA)

From **zizzl**Health



WHAT IS ICHRA?

Individual Coverage Health Reimbursement Arrangements (ICHRA) are a new type of health insurance offering available for the first time in 2020. With an ICHRA, employers offer their employees a pre-tax contribution to choose and buy their own individual health insurance plan.



WHAT ARE THE ADVANTAGES OF ICHRA?

Employers get total budget control and they never have to face unexpected renewal increases again. Additionally, employers no longer have to try to find a one-size fits all plan. Instead of choosing a plan or provider, employers simply choose a contribution amount for their employees.

Employees get more health insurance choices than ever, with the ability to buy the right plan with the right amount of insurance. The icing on the cake? Both employers and employees enjoy the pre-tax benefits of ICHRA contributions.

CONTRIBUTE WHAT YOU CAN, EMPLOYEES BUY THEIR OWN PLAN

With an ICHRA, you get to jump out of the endless cycle of renewals and unexpected premium increases. When open enrollment approaches, you simply contribute what you can, and employees use that contribution to purchase their own health insurance plan, pre-tax of course.



SWITCHING FROM GROUP TO ICHRA

Think of switching from a group plan to an ICHRA like switching from a pension plan to a 401K. You're still offering your employees the benefit, but now they get to choose what works best for them..

