

Individual Coverage Health Reimbursement Arrangements (ICHRA)



What Is An ICHRA?

A health benefit plan for employers of all sizes to reimburse employees for qualified healthcare benefits on a tax-free basis.

How Does an ICHRA Work?

- 1) Employers offer their employees a set monthly allowance.
- 2) Employees choose and purchase an individual healthcare plan.
- 3) Employers then reimburse employees up to the HRA allowance amount.
- 4) All reimbursements are exempt from payroll and income tax.

What Does the ICHRA Plan Cover?

Employer defines expense coverage—but it can include premiums for individual health plans and Medicare premiums.

ICHRA Plan with ASi Visa® Card

When your employer offers an ICHRA, the plan allows a lump sum of funds provided to you from your employer to offset your healthcare expenses. These funds are typically dispersed onto an ASi Benny Visa® card. Depending on the design of your employer's HRA, you will use this card for premiums, copays, coinsurance, and deductible expenses.



Who Can Offer an ICHRA?

Employers with at least one W-2 employee, businesses, nonprofits, government entities, and religious organizations.

Eligible Employees

Employers can base employee eligibility on 7 different classes:

Salaried, Hourly, Seasonal, Full-Time, Part-Time, Employees in different locations, or a combination of the previous classes.

All employees in the same class must be treated the same. Special rules may apply for age and family size.

How Can ASi Help?

Administration of HRA plan, assist with plan design, claims processing, drafting plan documents, and much more. Please contact our Client Services Department for additional information.

Want More Information?

Call our office 559-256-1320 or 866-777-1320

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