

# Understand Your ICHRA Benefits

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## Personalized benefits for the modern workforce.

We've all come to expect a certain level of control over the things that matter to us most. And few things matter more than our healthcare. But in a group health plan, we have very little control.

Every individual has different needs, and yet, conventional group health plans attempt to be a one-size-fits-all solution. With ICHRA, on the other hand, we are empowered to consider our own personal

requirements from our health insurance.

Who are our doctors? What prescriptions do we take? What procedures do we have planned in the year ahead? These considerations are too important to entrust to someone else.

For the first time, we can expect the same tax advantages and employer support we enjoyed in our group plan while taking direct ownership of our healthcare.

## Key Advantages

1. Far greater selection of plans to choose from.
2. Take direct control over your health – you can act in the best interest of yourself and your family.
3. Change jobs, not doctors. ICHRA plans are portable - you can bring your health plan with you through changes in employment.
4. Your portion of premium is excluded from your taxable income. (off-exchange)
5. Your employer's contribution towards premium is tax-free.
6. Savings and access to potential government subsidies for small business employees.



## What is ICHRA?

Individual Coverage Health Reimbursement Arrangement

A shift from “defined benefit” to “defined contribution”.

First available January 1, 2020, ICHRA is a rapidly growing alternative to conventional group health insurance.

ICHRA is a medical reimbursement plan that allows employers of all sizes to provide defined, non-taxed financial contributions to employees for qualified medical expenses, including monthly premiums.

Conventional group health insurance consists of a **defined benefit**. Employers are tasked with understanding each employee’s individual medical requirements and meeting this wide array of needs with a small selection of plans from a few carriers.

ICHRA, on the other hand, consists of a **defined contribution**. Employers provide a non-taxed allowance of funds to their employees and empower them to select their own plan, with all their personal and family needs taken into consideration.

Experts predict ICHRA will become the most common form of employee benefits in the United States over time.



## Did you know?

The US Department of Health and Human Services estimates that 800,000 employers will offer an ICHRA to more than 11 million employees and family members by 2025.

