

2021 ICHRA Employee Notice

Use This Notice When Applying for Individual Health Insurance Coverage

February 1, 2021

AMBER MERRILL,

Your employer is offering you an Individual Coverage Health Reimbursement Arrangement (ICHRA). Please read this notice before you decide whether to accept the HRA. In some circumstances, your decision could affect your eligibility for the premium tax credit. Accepting the ICHRA and improperly claiming the premium tax credit could result in tax liability.

This notice also 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 also 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 Basics

What should I do with this notice?

Read this notice to help you decide if you want to accept the HRA.

Also, keep this notice for your records. You'll need to refer to it if you decide to accept the HRA and enroll in individual health insurance coverage, or if you turn down the HRA and claim the premium tax credit on your federal income tax return.

What's an ICHRA?

An Individual Coverage Health Reimbursement Arrangement (ICHRA) is an arrangement facilitated by Take Command Health under which your employer reimburses you for your and your family's individual health insurance premiums, up to a certain dollar amount for the plan year. 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.

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.

Note: There are different kinds of HRAs. The HRA that is being referenced throughout this notice, and that your employer is offering you, is an ICHRA. It is not a qualified small employer health reimbursement arrangement (QSEHRA) or any other type of HRA.

What are the basic terms of the ICHRA that my employer is offering?

You are eligible to participate in the ICHRA if you are part of a class of employees designated by the employer as being eligible for ICHRA.

Your class is for employees who are all the following:

Your class is for employees whose primary site of employment is in one of the following rating areas:

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Your employer will contribute up to the following amounts to reimburse you for your and your family's individual health insurance premiums each month that you participate in the HRA.

Amount per Month				
Age	Self-Only*	Employee + Spouse	Employee + Children	Employee + Family
21 & under	\$355.0	\$444.0	\$444.0	\$533.0
22	\$355.0	\$444.0	\$444.0	\$533.0
23	\$355.0	\$444.0	\$444.0	\$533.0
24	\$355.0	\$444.0	\$444.0	\$533.0
25	\$355.0	\$444.0	\$444.0	\$533.0
26	\$355.0	\$444.0	\$444.0	\$533.0
27	\$374	\$467	\$467	\$561
28	\$392	\$491	\$491	\$589
29	\$411	\$514	\$514	\$617
30	\$430	\$537	\$537	\$645
31	\$448	\$561	\$561	\$673
32	\$467	\$584	\$584	\$701
33	\$486	\$608	\$608	\$729
34	\$504	\$631	\$631	\$757
35	\$523	\$654	\$654	\$785
36	\$542	\$678	\$678	\$814
37	\$561	\$701	\$701	\$842
38	\$579	\$724	\$724	\$870
39	\$598	\$748	\$748	\$898
40	\$617	\$771	\$771	\$926
41	\$635	\$795	\$795	\$954
42	\$654	\$818	\$818	\$982
43	\$673	\$841	\$841	\$1010
44	\$691	\$865	\$865	\$1038
45	\$710	\$888	\$888	\$1066
46	\$729	\$911	\$911	\$1094
47	\$747	\$935	\$935	\$1122
48	\$766	\$958	\$958	\$1150
49	\$785	\$981	\$981	\$1178

Amount per Month				
Age	Self-Only*	Employee + Spouse	Employee + Children	Employee + Family
50	\$803	\$1005	\$1005	\$1206
51	\$822	\$1028	\$1028	\$1234
52	\$841	\$1052	\$1052	\$1262
53	\$859	\$1075	\$1075	\$1290
54	\$878	\$1098	\$1098	\$1318
55	\$897	\$1122	\$1122	\$1347
56	\$916	\$1145	\$1145	\$1375
57	\$934	\$1168	\$1168	\$1403
58	\$953	\$1192	\$1192	\$1431
59	\$972	\$1215	\$1215	\$1459
60	\$990	\$1239	\$1239	\$1487
61	\$1009	\$1262	\$1262	\$1515
62	\$1028	\$1285	\$1285	\$1543
63	\$1046	\$1309	\$1309	\$1571
64 & over	\$1065.0	\$1332.0	\$1332.0	\$1599.0

*The listed self-only amount for your age, multiplied by the number of months you are eligible for the HRA, is the self-only HRA amount available for the plan year. If you apply for individual health insurance coverage through the Exchange, you will need to provide this number, which the Exchange will use to figure out if your HRA is considered affordable.

Reimbursements can only be paid for expenses that were incurred on or after February 1, 2021 (the date you became eligible for your ICHRA), while the ICHRA is active, and while you are eligible to participate as described above. The plan year generally runs from January 1st through December 31st except for the first year if the plan starts in the middle of the calendar year, in which case the plan year will be from the start of the plan through December 31st.

You may request reimbursement for expenses that you or your spouse or dependent incurred, as long as the person who incurred the expense is covered by individual health insurance coverage. Amounts made available under the HRA will be made available on the first day of each month.

May I opt out of the ICHRA?

Yes. You may opt out of the ICHRA for yourself and your family members. You can opt out of your ICHRA on the [Take Command Health Member Portal](#) or by contacting Take Command Health. If you opt out of the ICHRA and the ICHRA is considered unaffordable you may claim the premium tax credit for yourself and any family members enrolled in Marketplace coverage if you are otherwise eligible. If you opt out of the ICHRA and the ICHRA is considered affordable, you may not claim the premium tax credit for yourself or any family members. You can determine if the ICHRA is affordable through the onboarding process on the [Take Command Health Member Portal](#), on the [Take Command Health website](#), or at [Healthcare.gov](#).

If I accept the ICHRA, do I need to be enrolled in other health coverage too?

Yes. You (and your family members, if applicable) must be enrolled in individual health insurance coverage or Medicare for each month you (or your family members) are covered by the HRA. You may not enroll in short-term, limited-duration insurance or only in excepted benefits coverage (such as insurance that only provides benefits for dental and vision care) to meet this requirement.

How do I enroll in ICHRA?

You must first enroll on the [Take Command Health Member Portal](#) and provide proof of enrollment for yourself and any family members if applicable in individual health insurance coverage, Medicare Parts A and B, or Medicare Part C (Medicare Advantage).

If you are enrolled in an individual plan, the simplest document to provide as proof of coverage is a monthly insurance bill. Any alternative document provided should show the plan name and metal tier, names of the insured individuals, monthly premium amount, and that no premium tax credits have been applied. If you are enrolled in Medicare Parts A and B or Medicare Part C, acceptable documents for proof of coverage include a Medicare ID card, statement of benefits, Social Security statement, or monthly Medicare bill.

Short-term, limited-duration insurance, or excepted benefits coverage (such as insurance that only provides benefits for dental and vision care) will not satisfy the requirement to maintain individual health insurance coverage. If you have a spouse or dependent, you need to enter their information on the Member Portal to receive the appropriate reimbursement rate.

How do I get reimbursed?

Once you finish enrolling and your proof of coverage gets approved, you may then submit reimbursement requests to Take Command Health on the Member Portal. Requests for reimbursement must be submitted by March 31st following the year in which the expense was incurred.

Your employer will receive statements from Take Command Health that indicate how much to reimburse you. **These statements will contain only your reimbursement amount and will not contain any confidential protected health information.** Your employer will then reimburse your claims directly through your paycheck.

As part of your ICHRA health care reimbursement, we check that everyone still has active individual health insurance coverage quarterly to make sure that you are still compliant and eligible to receive reimbursements. You must submit proof that your individual health insurance coverage is still active to continue receiving reimbursements. You must also attest with each reimbursement request that you or any dependents for whose care you are seeking reimbursement has qualifying individual health insurance coverage.

What do I do if my coverage ends or changes?

If you (or a family member, if applicable) are no longer enrolled in individual health insurance coverage or Medicare, the HRA won't reimburse you for medical care expenses that were incurred during a month when you (or your family member, as applicable) did not have individual health insurance coverage or Medicare. This means that you may not seek reimbursement for medical care expenses incurred when you (or your family member, if applicable) did not have individual health insurance coverage or Medicare.

If your individual health insurance coverage or Medicare ends, you must notify Take Command Health that your coverage was terminated and the effective date of the termination.

If you have a change in coverage (premium change, add/remove dependents, etc.), you must notify Take Command Health, and upload proof of your new premium on the [Take Command Health Member Portal](#).

Getting Individual Health Insurance Coverage

How can I get individual health insurance coverage?

If you already have individual health insurance coverage, you do not need to change that coverage to meet the HRA's health coverage requirement.

If you don't already have individual health insurance coverage, you can enroll in coverage through the Exchange or outside of the Exchange—for example, directly from an insurance company.

While you can get your own individual health insurance, [shopping through the Take Command Health Member Portal](#) will help ensure that you get coverage that qualifies you for reimbursement through your ICHRA. Contact Take Command Health if you need help picking a plan or determining if a plan qualifies you for reimbursements.

If you do get coverage on your own, your coverage must be major medical individual (not group) health insurance or Medicare Parts A and B or Part C. There are many plan types that do not qualify, such as indemnity, critical illness, short-term, preventative MEC plans, group health insurance plans, sharing plans, or plans that pay a cash benefit.

If you are enrolled in Medicare Part A and B or Medicare Part C, your enrollment in Medicare will meet the HRA's health coverage requirement. For information on how to enroll in Medicare, visit [Medicare.gov](#).

When can I enroll in individual health insurance coverage?

Generally, anyone can enroll in or change their individual health insurance coverage during the individual market's annual open enrollment period from November 1 through December 15. (Some state Exchanges may provide additional time to enroll.) If your ICHRA starts on January 1, you (and your family members, if applicable), generally should enroll in individual health insurance coverage during open enrollment.

In certain circumstances, such as when your ICHRA starts on a date other than January 1 or if you are newly hired during the HRA plan year, you (and your family members, if applicable) can enroll in individual health insurance coverage outside of open enrollment using a special enrollment period.

If you qualify for a special enrollment period, make sure you enroll on time:

- If you are newly eligible for HRA coverage that would start at the beginning of the HRA plan year and you receive this notice 90 days before your plan year begins, you generally need to enroll in individual health insurance coverage within the 60 days before the first day of the HRA plan year.
- If the HRA was not required to provide this notice 90 days before the beginning of the plan year, or you are newly eligible for HRA coverage that would start mid-plan year (for example, because you are a new employee), you may enroll in individual health insurance

coverage up to 60 days before the first day that your HRA can start or up to 60 days after this date. Enroll in individual health insurance coverage as soon as possible to get the most out of your ICHRA.

Note: If you enroll in individual health insurance coverage through this special enrollment period, you may need to submit a copy of this notice to the Exchange or the insurance company to prove that you qualify to enroll outside of the open enrollment period. For more information on special enrollment periods, visit [HealthCare.gov](https://www.healthcare.gov) or the website for the Exchange in your state.

Do I need to get new individual health insurance coverage each year if I want to enroll in my ICHRA each year?

Yes. Individual health insurance coverage is typically sold for a 12-month period that is the same as the calendar year and ends on December 31st. If your HRA starts on January 1st, you will either need to get new individual health insurance coverage or re-enroll in your individual health insurance coverage. If your HRA has a plan year that starts on a day other than January 1st, because your individual health insurance coverage will stay in effect until December 31st, you do not need to get new individual health insurance coverage or re-enroll until the next open enrollment period.

If you are enrolled in Medicare, your Medicare coverage generally will remain in place year to year.

Information About the Premium Tax Credit

What is the premium tax credit?

The premium tax credit is a tax credit that helps eligible individuals and their families pay their premiums for health insurance coverage purchased through the Exchange. The premium tax credit is not available for health insurance coverage purchased outside of the Exchange.

Factors that affect premium tax credit eligibility include enrollment in Exchange coverage, eligibility for other types of coverage, and household income.

When you enroll in health insurance coverage through the Exchange, the Exchange will ask you about any coverage offered to you by your employer, including through an HRA. Your ability to claim the premium tax credit may be limited if your employer offers you coverage, including an HRA.

The Exchange also will determine whether you are eligible for advance payments of the premium tax credit, which are amounts paid directly to your insurance company to lower the cost of your premiums. For more information about the premium tax credit, including advance payments of the premium tax credit and premium tax credit eligibility requirements, see [irs.gov/aca](https://www.irs.gov/aca).

If I accept the ICHRA, can I claim the premium tax credit for my Exchange coverage?

No. You may not claim the premium tax credit for your Exchange coverage for any month you are covered by the HRA. Also, you may not claim the premium tax credit for the Exchange coverage of any family members for any month they are covered by the HRA.

If I opt out of the ICHRA, can I claim the premium tax credit for my Exchange coverage?

It depends.

- If you opt out of the HRA and the HRA is considered unaffordable you may claim the premium tax credit for yourself and any family members enrolled in Exchange coverage if you are otherwise eligible.
- If you opt out of the HRA and the HRA is considered affordable, you may not claim the premium tax credit for yourself or any family members.
- If you are a former employee, the offer of an HRA will not prevent you from claiming the premium tax credit (if you are otherwise eligible for it), regardless of whether the HRA is considered affordable and as long as you don't accept the HRA.

How do I know if the ICHRA I've been offered is considered affordable?

You can determine if the ICHRA is affordable through the onboarding process on the [Take Command Health Member Portal](#), on the [Take Command Health website](#), or at [Healthcare.gov](#).

Do I need to provide any of the information in this notice to the Exchange?

Yes. Be sure to have this notice with you when you apply for coverage on the Exchange. If you're applying for advance payments of the premium tax credit, you'll need to provide information from the answer to "What are the basic terms of the ICHRA that my employer is offering?" on page 2. You will also need to tell the Exchange whether you are a current employee or former employee.

If I'm enrolled in Medicare, am I eligible for the premium tax credit?

No. If you have Medicare, you aren't eligible for the premium tax credit for any Exchange coverage you may have.

Frequently Asked Questions

Can I contribute to my ICHRA?

An ICHRA is a health reimbursement arrangement, so there is not an "account." All reimbursements given through the ICHRA must be funded by your employer.

Can I receive ICHRA reimbursements if I'm on my spouse's employer group plan?

No. At this time an ICHRA may not be used to reimburse together group health plan coverage, such as spousal coverage. However, Take Command Health will update you should the laws change.

What happens if I have money left over or I have unreimbursed expenses at the end of the year?

Any offered amount that has not been claimed as a reimbursement is forfeited at the end of the year and may not be used for expenses incurred in the new year. You may use any remaining amount from the previous year to reimburse expenses that were incurred during the previous year, but each year's expenses must be submitted by March 31st of the following year. Your employer and Take Command Health are not responsible if you do not submit your expenses within that

timeframe. If you do not have enough available balance from the previous year to cover expenses incurred during the previous year, you may use your available balance from the new year as long as you request reimbursement for the previous year expenses by March 31st of the new year.

What happens to the money in my ICHRA if my employment gets terminated?

If your employment is terminated, you may be eligible to purchase COBRA continuation coverage. If you had an unused ICHRA balance, you will have 90 days to request reimbursement for health insurance premiums that were incurred while you were an eligible employee. Any individually purchased health insurance plan you have will not be affected, and you may no longer have reduced eligibility for Premium Tax Credits.

Are my ICHRA benefits taxable?

Reimbursements received through the ICHRA are not taxed and are excludable from the employee's income and wages for federal income tax and employment tax purposes.

Will I have any administrative costs for the ICHRA?

No, your employer will pay the entire cost of administering the ICHRA.

Is my individual health insurance coverage I purchase subject to ERISA?

The individual health insurance coverage that is paid for with amounts from your ICHRA, if any, is not subject to the rules and consumer protections of the Employee Retirement Income Security Act (ERISA).

Who can I contact with questions about the ICHRA?

Paula Fankhauser
(402) 499-9772
paula.fankhauser@mosaicinfo.org

Reach out to the above contact with any ICHRA questions. If they're not able to help, please reach out to the Take Command Health Success Team at success@takecommandhealth.com or chat with them through the [Take Command Health Member Portal](#).

How does my ICHRA affect my HSA?

Your ICHRA does not affect your HSA. You may contribute to your HSA and use your HSA to pay for medical expenses normally.

Plan Administration

The ICHRA is sponsored and administered by your employer and is facilitated by Take Command Health.

Your Privacy Rights

Take Command Health's privacy policy is strictly enforced. A copy can be found at the [Take Command Health website](#).

Notice: Nothing in this document may be construed as tax advice. Premium tax credit eligibility and the taxability of benefits can vary for individuals, so it is best to talk to a tax professional if you have questions.