

HRA COMPARISON CHART

	Traditional HRA	QSEHRA	ICHRA	EBHRA
Availability Date	2002	2017	2020	2020
Authorizing Law / Regulations / Guidance	Notice 2002-45	21st Century Cures Act (December 2016) Notice 2017-67	Final Department Regulations (June 2019)	Final Department Regulations (June 2019)
ACA-Compliant	Yes, but only if: Integrated with group health plan, or Covering fewer than 2 active employees, or Limited to "excepted benefits"	Yes	Yes	Yes
Annual Contribution Limits	None	\$5,150 for single coverage (2019 limit) \$10,450 for family coverage (2019 limit)	None	\$1,800 per employee (2020 limit)
Employer Eligibility	No restrictions	Small employer (fewer than 50 full-time employees), and No group health plan for any employees	No restrictions	No restrictions
Group Health Plan Requirements	Required for integration (ACA compliance)	Employer cannot have group health plan for any employees	Employer can have group health plan, but employees in a class cannot be offered choice between ICHRA and group plan coverage	Employer must have group health plan
Employee Eligibility	All employees covered by group health plan (exceptions for retiree-only and one-participant plans)	All employees must be eligible, with permitted exclusions (age 25, 90 days service, part-time, seasonal, union, nonresident aliens)	All employees (but plan can be structured based on employee classes, subject to minimum size rules)	All employees (enrollment in group health plan not required)
Reimburseable Medical Expenses	All Section 213 medical expenses (subject to terms of HRA) No premiums for individual insurance or Medicare, however	All Section 213 medical expenses (subject to terms of QSEHRA) Premiums for individual insurance or Medicare included	All Section 213 medical expenses (subject to terms of ICHRA) Premiums for individual insurance or Medicare included	All "excepted benefits"
Carry Over of Unused Amounts	Yes (if permitted by plan terms)	Yes (if permitted by plan terms) Each year's reimbursements cannot exceed annual limits, however	Yes (if permitted by plan terms)	Yes (if permitted by plan terms) Carried-over amounts do NOT count toward annual limit
Minimum Essential Coverage (MEC) Requirements	Employees must have MEC	Employees without MEC can participate (but any QSEHRA reimbursements are then taxable)	Employees must have individual coverage (typically qualifies as MEC)	Employees need not have MEC
Employees with group plan coverage through spouse's employer	Cannot participate in HRA	Can participate in QSEHRA (but no reimbursement of premiums paid for coverage under spouse's plan)	Cannot participate in ICHRA	Can participate in EBHRA (but no reimbursement of premiums paid for coverage under spouse's plan)
Premium Tax Credits	N/A	QSEHRA participants eligible for PTC, but amount of PTC is reduced by amount of QSEHRA allowance	ICHRA participants not eligible for PTC (but employees can opt-out of ICHRA and get PTC if ICHRA allowance is not "affordable")	N/A