

# Application of the Patient-Centered Outcomes Research Trust Fund Fee to Common Types of Health Coverage or Arrangements



Type of Insurance Coverage or Arrangement	Subject to the Fee?	Person Responsible for Paying and Reporting the Fee
Accident and health coverage or major medical insurance coverage	Yes	<ul style="list-style-type: none"> <li>The issuer if insured</li> <li>The plan sponsor if self-insured</li> </ul>
Retiree-only health or major medical coverage	Yes	<ul style="list-style-type: none"> <li>The issuer if insured</li> <li>The plan sponsor if self-insured</li> </ul>
Health or major medical coverage under multiple policies or plans	Yes	<ul style="list-style-type: none"> <li>Each issuer or plan sponsor</li> <li>See below for special rules for coverage under multiple applicable self-insured health plans</li> </ul>
COBRA coverage	Yes	<ul style="list-style-type: none"> <li>The issuer if insured</li> <li>The plan sponsor if self-insured</li> </ul>
Health Reimbursement Arrangement (HRA), including a premium-only HRA	Yes, unless the arrangement satisfies the requirements for being treated as an excepted benefit	<ul style="list-style-type: none"> <li>The plan sponsor</li> <li>See below for special rules for coverage under multiple applicable self-insured health plans and special counting rules for HRAs</li> </ul>
Flexible Spending Arrangement (FSA)	Yes, unless the arrangement satisfies the requirements for being treated as an excepted benefit	<ul style="list-style-type: none"> <li>The plan sponsor</li> <li>See below for special counting rules for FSAs</li> </ul>
State & local government health or major medical plans for employees and/or retirees	Yes	<ul style="list-style-type: none"> <li>The issuer if insured</li> <li>The plan sponsor if self-insured</li> </ul>
Stand-alone dental or vision coverage	No	
Group insurance policy designed and issued specifically to cover primarily employees working and residing outside the United States	No	
Self-insured health plan designed specifically to cover primarily employees who are working and residing outside the United States	No	
Medicare (the insurance program established under title XVIII of the Social Security Act)	No	
Medicaid (the medical assistance program established by title XIX of the Social Security Act)	No	
Children's Health Insurance Program (CHIP) (the medical assistance program established under title XXI of the Social Security Act)	No	
Military health plans (programs established by Federal law for providing medical care (other than through insurance policies) to individuals (spouses or dependents) by reason of the individual being (or having been) a member of the Armed Forces of the United States)	No	
Certain Indian tribal government health plans (programs established by Federal law for providing medical care (other than through insurance policies) to members of Indian tribes (as defined in section 4(d) of the Indian Health Care Improvement Act))	No	
Health Savings Arrangements (HSAs)	No	
Archer Medical Savings Accounts (MSAs)	No	
Hospital indemnity or specified illness benefits	No	
Stop-loss or indemnity reinsurance	No	
Employee assistance programs, disease management programs, or wellness programs	No, provided the program does not provide significant benefits in the nature of medical care or treatment	
Accident-only coverage (including accidental death and dismemberment)	No	
Disability income coverage	No	
Automobile medical payment coverage	No	
Workers' compensation or similar coverage	No	
On-site medical clinic	No	

## Special Rule for Coverage Under Multiple Applicable Self-insured Health Plans:

- Generally, separate fees apply for lives covered by each specified health insurance policy or applicable self-insured health plan.
- However, two or more applicable self-insured health plans may be combined and treated as a single applicable self-insured health plan for purposes of calculating the PCORI fee but only if the plans have:
  - The same plan sponsor; and
  - The same plan year.
- Example:** If amounts in an HRA may be used to pay deductibles and copays under a specified health insurance policy, the HRA (an applicable self-insured health plan) and the policy would be subject to separate PCORI fees. However, an HRA that may be used to pay deductibles and copays under the applicable self-insured health plan is not subject to a separate fee (and the fee will apply only to the applicable self-insured health plan) if both the HRA and the applicable self-insured health plan have the same plan sponsor and the same plan year.
- There is no similar rule for lives covered by more than one insurance policy subject to the PCORI fee.

### Special counting rule for HRAs and FSAs:

- Plan sponsors are permitted to assume one covered life for each employee with an HRA.
- Plan sponsors are permitted to assume one covered life for each employee with an FSA.
- Related Item: [Patient-Centered Outcomes Research Trust Fund Fee: Questions and Answer](#)

SOURCE: [IRS.GOV](https://www.irs.gov)

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