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**HRAs continue to offer personalized, high-quality healthcare to more American workers—
in one year, coverage tripled for ICHRAs; doubled for QSEHRAs**

*Tax-advantaged accounts bolster the ACA Marketplace, job market competitiveness,
and access to employer-funded health coverage*

WASHINGTON, D.C. [June 28, 2023] – Today, the HRA Council released its 2023 data report on the state of Health Reimbursement Arrangements, including Qualified Small Employer HRAs (QSEHRAs) and Individual Coverage HRAs (ICHRAs). The report shows that between 2022 and 2023, the number of American workers offered insurance through an ICHRA tripled; QSEHRA offerings, only available to small employers with less than 50 employees, doubled.

“ICHRAs and QSEHRAs cover workers with quality ACA health insurance they select based on their own health needs,” said Robin Paoli, Executive Director of the HRA Council. “Employers empower employees to secure the coverage and care they need with predictable budgets for health benefits. Choosing their own health coverage enables employees to select trusted providers and be secure in the ACA-compliant insurance that protects them from discriminatory practices such as pre-existing conditions and gender-based premiums.”

The report adds more detail and context to the rise in popularity of HRAs, described as 401(k)s for health coverage, including their effectiveness as a viable benefits solution and their critical role in shaping bipartisan health policy poised to create a more accessible and affordable healthcare system.

HRA Council members report HRAs are an on-ramp to benefits for businesses who have never been able to offer health insurance, thereby reducing the number of people without coverage. The report spotlights how HRAs help small and mid-size businesses attract and retain talent in a competitive job market.

Small companies are not the only ones reimbursing employees for health coverage. ICHRA adoption among Applicable Large Employers (ALEs) more than doubled between 2022 and 2023 and has grown by a factor of 25x since 2020.

Other report highlights include:

- The marketplace—and its risk pool—is strengthened by younger workers offered HRAs; 61% of those offered an ICHRA are younger than 44.
- Health plan selections funded by ICHRA are nearly evenly split between Gold, Silver, and Bronze tiers with employees becoming wise consumers who choose the coverage best for them and/or their families.
- While ALE growth continues to build momentum, small businesses with fewer than 20 employees currently comprise 88% of the employers offering ICHRAs and QSEHRAs.

“QSEHRAs and ICHRAs are a bipartisan success to advance health equity and connect more American workers with Affordable Care Act plans offering access to mental, behavioral, and physical care,” said Paoli. “HRAs deliver on the choice and portability that American workers deserve while giving employers a well-regulated, modern solution to cover more workers, including remote, hybrid, part-time, seasonal, and employees in diverse American regions.”

[The report is available for download here](#) and is based on data from administrators and enrollment platforms that comprise the Council, including Alegeus, Flyte HCM, HealthSherpa, HRASimple, nexben, OneBridge Benefits, PeopleKeep, Remodel Health, Stride Health, Take Command, and zizzl health.

About the HRA Council

The HRA Council is a non-profit, non-partisan advocacy organization of HRA administrators, carriers, enrollment firms, and practitioners working together to ease employers’ ability to offer HRAs and employees’ ability to use an HRA to enroll in coverage. With a shared mission, the Council educates employers and policymakers, works towards industry standards, shares collective industry research, and advocates for HRA-friendly regulations.