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## Increasingly popular benefits model trends among large and small businesses—and their employees

*New HRA Council data report shows large businesses are the fastest growing segment adopting Individual Coverage HRAs in lieu of group coverage*

**At a glance:**

- Large employers with more than 200 employees are the fastest growing cohort, with adoption among all large employers up 83 percent over 2023.
- The largest cohort of new adopters, 84 percent, are small businesses who are offering health insurance for the first time.
- New zip code data reveals top metro areas for HRAs

HOUSTON, TEXAS [May 14, 2024] – The HRA Council today released its third data report, 2024 Growth Trends in ICHRA & QSEHRA, tracking the continued growth of Individual Coverage and Qualifying Small Employer Health Reimbursement Arrangements. Overall adoption of HRAs is up nearly 30 percent over 2023, with an 83 percent increase in large employers choosing ICHRA. Small employers remain the largest cohort, with 84% of new adopters now able to offer health insurance to employees for the first time.

Statistically significant zip code data is featured for the first time in the report, with heat maps showing adoption to demonstrate how HRAs solve for modern teams of remote and hybrid workers, as well as for growing companies with multiple locations.

“Not only are a majority of small employers able to offer health insurance for the first time,” said HRA Council Executive Director Robin Paoli, “a majority of their employees have never had their own health insurance. ICHRA and QSEHRA are enabling more Americans to choose quality, ACA-compliant health plans with mental and behavioral health care and other essential benefits.”

The report shows 60 percent of employees choose either a Gold or Silver plan, often with enriched benefits, while approximately a third choose Bronze plans which often come with the popular tax-advantaged Health Savings Account option. Workers are becoming well-informed health insurance consumers, assessing a variety of plans with their local doctors and hospitals in-network, and choosing the best health insurance coverage for themselves and their families.

Two strong trends reflected in the report are employee satisfaction and younger employees gaining access to care. First, once a company adopts an ICHRA or QSEHRA, they tend to keep it, in part because employees are able to select health insurance with personally significant options. Second, ICHRA and QSEHRA continue to bring younger lives into the national risk pool, with approximately two-thirds of employees being under age 45. As dependents often are younger than the covered employee, families coming into the individual plan marketplace via HRAs are lowering the average age and strengthening the risk pool.

For more information about the HRA Council, the 2024 Data Report, and how HRAs offer affordable, quality choices for employer sponsored health insurance, please visit:

[HRACouncil.org/report](https://HRACouncil.org/report)