



TO: Our Valued Clients and Brokers
FROM: Health Plans, Inc.
DATE: May 6, 2024
RE: PCORI Fee Payment Due from Plan Sponsors by July 31, 2024

This is our annual reminder that PCORI (Patient-Centered Outcomes Research Institute) fees, implemented under the Affordable Care Act, are due by July 31st. PCORI fees fund research to evaluate and compare health outcomes and clinical effectiveness related to medical treatments, services, procedures and drugs in order to help patients, clinicians, purchasers and policymakers make informed health care decisions.

The fees are due on July 31 of the calendar year following the last day of the plan year.

Fee payable no later than July 31, 2024

Plan Year End Date	Applicable Fee
Between 1/1/23 and 9/30/23	\$3.00 x average covered lives
Between 10/1/23 ² and 12/31/23	\$3.22 x average covered lives

In future years, the fee will be subject to adjustments indexed to national health expenditures.

Unlike most other assessments that HPI collects and pays on behalf of plan sponsors, this fee must be filed on a plan sponsor’s tax Form 720 and paid directly to the IRS by the plan sponsor. Clients will want to work with their tax advisors to calculate and pay this assessment.

Upon request, your Health Plans Account Manager will provide you with quarterly census reports to calculate average covered lives using the “snapshot” method. For more details regarding the PCORI fee and the methods of calculating the fee, please refer to the [Compliance Bulletin issued on August 17, 2012](#).

Please contact your HPI Account Service Team directly if you have any questions or would like to request a quarterly census PCORI report.

Regards,

Andrew H. A. Meggison

Director, Regulatory Affairs

hpiTPA.com

1500 West Park Drive, Suite 330

Westborough, MA 01581

The information contained in this message is based on our current understanding of recent regulatory developments which may affect group benefit plans. It should not be construed as specific legal advice or legal opinion. The contents are for general informational purposes only and are not a substitute for the advice of legal counsel.