

## IRS Releases PCORI Fee Adjustment

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The IRS has recently adjusted the [Patient-Centered Outcomes Research Institute \(PCORI\) fee](#) to **\$2.66** for plan years ending on or after October 1, 2020 and before October 1, 2021. This is an increase from the prior year's fee of \$2.54.

### What is the PCORI Fee?

The PCORI fee is an annual fee imposed by the Affordable Care Act (ACA) that is paid by health insurers and self-funded health plan sponsors. The fee is used to help fund the Patient-Centered Outcomes Research Trust Fund (PCORTF).

### How is the PCORI Fee Paid?

#### **Self-Funded Health Plans**

- Self-funded health plans, including most [Health Reimbursement Arrangements \(HRAs\)](#), are required to pay the PCORI fee each year.

#### **Fully-Insured Health Plans**

- Employers with fully-insured health plans *are not responsible for paying the PCORI fee*.
- PCORI fees are included in your rates and it is ultimately the health insurers responsibility to pay the fee.

### Calculating the PCORI Fee

To calculate the PCORI fee, you must multiply the applicable dollar amount (adjusted annually by the IRS) by the plan's **average number of covered lives**. For a full list of prior PCORI fee rates, please visit the [IRS PCORI fee Q&A page](#).

### PCORI Fee Due Date

PCORI fee payments are due by **July 31st** of the calendar year following the last day of the plan year. Health insurers and self-funded health plan sponsors are required to report and pay PCORI fees using IRS [Form 720](#).

If you have any additional questions or concerns please contact me at [adillingham@benefitreview.com](mailto:adillingham@benefitreview.com)

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