

QSEHRA vs ICHRA

	<u>QSEHRA</u>	<u>ICHRA</u>
Employer Size	Less than 50 full-time employees	Any size employer
Employee Eligibility	Must be offered to all full-time employees. If including additional employee classes, all benefits must be offered on the same terms	Can be offered to different employee classes (e.g., full-time, part-time, remote, seasonal)
Annual Contribution and Reimbursement Limits	Annual Contribution Limits (2025 limits are \$6,350 for individual employees, \$12,800 for employee + family)	No contribution limits.
Health Insurance Requirements	Employees must have Minimum Essential Coverage (MEC) to qualify for reimbursements.	Employees must have individual or family coverage purchased on or off the exchange to participate.
Group Coverage Compatibility	Cannot be offered alongside a group health plan.	Employers may offer group coverage and an HRA to different classes, employees must not have the option to choose between the two.
Reimbursable Qualified Medical Expenses	If the employer allows, any or all items listed in IRS Publication 502 are eligible.	If the employer allows, any or all items listed in IRS Publication 502 are eligible.
Premium Tax Credit Impact	Employees participating in the HRA are eligible for premium tax credits, but the tax credit is reduced by the amount of the HRA allowance.	Employees offered the HRA can waive the HRA and collect credits if their HRA allowance is considered unaffordable. They cannot have both.
Employees with a Spouse's Coverage	If enrolled in a spouse's group plan, can receive post-tax contributions from the HRA for premium reimbursement and pre-tax reimbursement for eligible medical expenses.	Not eligible for reimbursement from HRA.