



To: Health Trust Participating Employers  
From: Kristy Gould, Director, MMEHT  
Date: June 16, 2023  
Re: PCORI Fee Reminder – Due 7/31/23 for HRA Plans

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The Patient-Centered Outcomes Research Institute (PCORI) is a non-profit, non-governmental institution that focuses on research, evaluating and comparing health outcomes and the clinical effectiveness, risks, and benefits of various medical treatments and services. Through its research, the institute assists patients, clinicians, purchasers, and policy-makers in making informed health decisions by advancing the quality and relevance of evidence-based medicine.

The Affordable Care Act established a fee to help fund PCORI, starting in 2012. PCORI fees are due no later than July 31 of the calendar year following the end of the policy or plan year. The amount of the fee is based on the average number of covered lives during the policy or plan year. For plan years that ended from Oct. 1, 2022 to Dec. 31, 2022 (including calendar year plans), the fee is **\$3.00** per person covered by the plan.

**The Maine Municipal Employees Health Trust will pay the PCORI fee on behalf of all employers that are insured under one of the Trust's health insurance plans.** Standalone dental and/or vision plans are not subject to the PCORI fee. Nor are Health Savings Accounts (HSAs) or Flexible Spending Accounts (FSAs) that are funded exclusively by employee salary reduction elections.

**Health Trust participating employers that provide a Health Reimbursement Arrangement (HRA) to their employees through an outside vendor are required to pay the PCORI fee on their HRA enrollment. In addition, employers that contribute to their employees' FSAs will be subject to the PCORI fee, if their contributions exceed the lesser of \$500 per year, or a dollar-for-dollar match of their employees' contributions.** Please consult with your FSA or HRA vendor for more information.

Plan sponsors must pay the fee by filing IRS Form 720, the Quarterly Federal Excise Tax Return. Electronic filing is available but not required. Payment will be due at the time the Form 720 is due.

For more information about the PCORI fee, please visit the IRS's website, at <https://www.irs.gov/affordable-care-act/patient-centered-outcomes-research-trust-fund-fee-questions-and-answers>. Information on the IRS Form 720 (including the form itself) may be found online at <https://www.irs.gov/forms-pubs/about-form-720>. You may also wish to contact your FSA or HRA partner for assistance.

*Please note that the Maine Municipal Association and the Maine Municipal Employees Health Trust are sharing this information to assist you with your compliance planning. We recommend that you contact your legal counsel with specific questions relating to this law.*