

## SERVICES & FEES PATIENT-CENTERED OUTCOMES RESEARCH INSTITUTE (PCORI) FEE CALCULATION

WE MAKE  
THE COMPLEX  
SIMPLE

Under the Affordable Care Act (ACA), the nonprofit Patient-Centered Outcome Research Institute (PCORI) was formed. PCORI was created to research and evaluate clinical effectiveness of medical treatments. The ACA stipulates that this entity will be funded in part by the PCORI fee.

The fee is imposed on insurers issuing health insurance policies and on employers sponsoring self-insured health plans. The rule applies to policy and plan years ending on or after October 1, 2012 and before October 1, 2019. The fee is \$2 (\$1 in the case of policy years ending before October 1, 2014) multiplied by the average number of lives covered under the policy or plan. For policy or plan years ending on or after October 1, 2014, the fee is increased based on increases in the projected per capita amount of national health expenditures.

The final regulation requires insurers and plan sponsors to report and pay the fee for a policy year or plan year no later than July 31 of the year following the last day of the policy or plan year.

### PCORI FEE CALCULATION SERVICES INCLUDE:

- Calculation of the average number of lives subject to the fee for the HRA plan year.
- Calculation of the PCORI fee due based on the average number of lives times \$1 or \$2 per employee, depending on the plan year-end date.
- Sterling will then provide to the employer the total fee due, the IRS Form 720 that the employer must complete when submitting payment to the IRS, and instructions on how to complete the filing and make payment. We cannot complete Form 720 or process the payment to the IRS.

### PCORI FEE CALCULATION PRICING:

For Sterling clients who administer their Health Reimbursement Arrangement (HRA) with us, the cost is a flat price of \$150. Sterling clients simply notify their Sterling broker, sales representative or client services representative to take advantage of this service.

For non-Sterling clients who do not administer their HRA with us, the costs are based on the number of covered employees as shown below. Non-Sterling clients will need to complete a short, simple PCORI Fee Calculation application and return it to Sterling at 475 14th St., Suite 650, Oakland, CA 94612 or email it to [customer.service@sterlingadministration.com](mailto:customer.service@sterlingadministration.com). Payment must be made before we can complete the PCORI Fee calculation.

NUMBER OF COVERED EMPLOYEES	STERLING PRICE FOR PCORI FEE CALCULATION
1 - 250	\$200
251 - 500	\$300
501 - 1,000	\$400
1,001+	\$500

Please contact us at 800-617-4729 for more information on this and other services from Sterling.