

TO: Our Valued Clients and Brokers
FROM: Health Plans, Inc.
DATE: June 11, 2020
RE: Update on PCORI Fee Payment Due from Plan Sponsors by July 31, 2020

This updates the [PCORI Fee eBlast](#) that HPI sent you on June 8 to include the IRS-issued rates applicable to plans with Plan Years ending between October 1, 2019 and December 31, 2019, as shown below.

Fee payable no later than July 31, 2020

Plan Year End Date	Applicable Fee
Between 1/1/19 and 9/30/19	\$2.45 x average covered lives
Between 10/1/19 and 12/31/19	\$2.54 x average covered lives

As of this afternoon, the IRS had not yet updated Form 720, on which the PCORI fee is reported, to include Plan Years ending during the 4th quarter of 2019. Clients with plans in that category will want to work with their tax advisors to determine how to report and pay their PCORI fees to the IRS by July 31, 2020.

Here are the next steps for plan sponsors who have not yet begun their covered lives calculations:

- Either request quarterly census reports from the HPI Account Service Team or work with your internal records so that you can determine the amount to pay using the rate in the chart above.
- Work with your tax advisor to File IRS Form 720 by July 31, 2020

Please do not reply to this email. Please contact the HPI Account Service Team directly if you have questions or would like to request a quarterly census PCORI report.

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](#).

Thank you.

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HealthPlansInc.com



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.