



QSEHRA vs. ICHRA Comparison Chart

	QSEHRA	ICHRA
Primary Purpose	To allow for reimbursement of individual/family premiums	To allow for reimbursement of individual/family premiums
Employer Size	Employers with <50 full-time employees	All employer sizes
Group Coverage in Place	QSEHRA cannot be offered in combination with a group health plan	Employers may offer a group healthplan and ICHRA to different employee classes
Employee Eligibility	All full-time employees are eligible. Employers can elect to exclude part-time, seasonal or employees <26 years of age.	Employers can select eligibility from 11 employee classes. Class size requirements also apply if still offering a group health plan.
Plan Design & Flexibility	Employer reimbursements must be the same for all classes but can vary based on age and dependent coverage.	Employer reimbursements can vary by employee class, age and dependent coverage.
Annual Reimbursement Maximums	2025: Single = \$6,350 or \$529.16 monthly Family = \$12,800 or \$1,066.66 monthly	No maximum limits on reimbursement.
Funds Roll-Over	Cannot exceed IRS maximums but monthly and annual roll-over is allowed.	Allows for monthly and annual roll-over.
Premium Tax Credit (APTC)	QSEHRA recipients may qualify for financial savings, including tax credits, from Pennie based on current eligibility requirements which include, household size, tax filing status, annual income, and ONLY if the amount of the QSEHRA does not meet affordability standards.	Employees participating in the ICHRA are NOT eligible for APTCs unless the employer offer is considered unaffordable.

	QSEHRA	ICHRA
Employees on Spouse's Plan	Employees with spouse's group coverage can receive QSEHRA premium reimbursements post-tax and pre-tax reimbursements for eligible medical expenses. IRS limits cannot be exceeded.	Employee's covered on spouses' group coverage are not eligible to receive reimbursements.
Health Insurance Parameters	Employees must have minimum essential coverage to qualify.	Employees must have individual/family insured purchased on or off the exchange (Pennie) to participate.
Reimbursable Medical Expenses	Yes, if employer allows. Individual/family insurance premiums and out-of-pocket medical expenses.	Yes, if employer allows. Individual/family insurance premiums, Medicare-related premiums, and out-of-pocket medical expenses.
Compatible with a Flexible Spending Account (FSA)	No.	Yes.
Compatible with a Health Savings Account (HSA)	Yes, if QSEHRA design reimburses for premiums only.	Yes, if ICHRA design reimburses for premiums and certain excepted benefits such as dental and/or vision.
Subject to COBRA?	No.	Yes. Federal COBRA required.