



PCORI Fee (due 7/31/2025)

Background

The Affordable Care Act (ACA) imposes a fee on employers that offer certain types of self-insured health plans, which includes QSEHRA and ICHRA, to help fund the Patient-Centered Outcomes Research Institute (PCORI). The fee is reported and paid to the IRS only once per year, and it is due on July 31st for the previous year's HRA.

The PCORI fee for plans ending in December 2024 is \$3.47 per covered life, based on the average number of lives covered throughout the plan year. For HRAs with Take Command, all plans have a plan year ending 12/31. The fee is reported on [IRS Form 720](#) which, despite being a quarterly return, only needs to be filed once annually during the 2nd quarter if you have nothing besides the PCORI fee to report. If the PCORI fee owed is \$0 (due to 0 covered lives), IRS Form 720 does not need filed unless other taxes are being reported.

To assist you in complying with this requirement, we have provided 1) some information about filing IRS Form 720 and paying the fee, and 2) an estimate of your fee calculation based on the information in our system.

Note: The below is informational only. We are not licensed tax professionals (we're the health people), and this information is not to be used as tax guidance. Please consult with your licensed tax professional on the usage of this information, calculation of fees, and completion of forms and make any changes that you determine are necessary.

Filing IRS Form 720

IRS Form 720 needs to be completed, signed, and mailed to the IRS by the HRA plan sponsor (the employer) so that it's **received by July 31st**. The form should be mailed to:

Department of the Treasury
Internal Revenue Service
Ogden, UT 84201-0009

Paying the Fee

The PCORI fee needs to be paid to the IRS by the HRA plan sponsor (the employer). The IRS provides two options for paying this fee:

1. Payment can be made electronically through [EFTPS](#). Electronic payments must be **scheduled by 8pm ET the day before the due date** to be received timely; *or*
2. Payment can be mailed with Form 720 with check or money order, with Form 720-V, Payment Voucher. Mailed payments should be **received by July 31st**.

For more detailed information, see the [IRS Instructions for Form 720](#).



Calculating the Fee

The PCORI fee for plans ending in December 2024 is \$3.47 per covered life, based on the average number of lives covered throughout the plan year. The IRS provides guidance and several different methods that a plan sponsor can use to determine the average number of lives covered by the HRA. One method, the "Snapshot Method", involves using covered lives at dates from each quarter of the plan year.

Based on the information in our system and using the "Snapshot Method", we estimate the following:

{\$Employer Name}		
Snapshot Method	Date Used	Employees Covered on HRA
Q1 2024	{\$date from Q1}	{\$covered lives Q1}
Q2 2024	{\$date from Q2}	{\$covered lives Q2}
Q3 2024	{\$date from Q3}	{\$covered lives Q3}
Q4 2024	{\$date from Q4}	{\$covered lives Q4}
Average Number of Covered Lives:		{\$avg covered lives}
Rate for Avg. Covered Life:		\$3.47
Fee:		{\$fee}

The information above is also available via your invoices for the dates listed.

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The following pages provide additional information on completing IRS Form 720.



FORM 720, PAGE 3

Part III			
3	Total tax. Add Part I, line 1, and Part II, line 2	4	3 [Avg Lives x 3.47]
4	Claims (see instructions; complete Schedule C)	5	
5	Deposits made for the quarter <input type="checkbox"/> Check here if you used the safe harbor rule to make your deposits.	6	
6	Overpayment from previous quarters	7	
7	Enter the amount from Form 720-X included on line 6, if any	8	
8	Add lines 5 and 6	9	
9	Add lines 4 and 8	10	[Avg Lives x 3.47]
10	Balance Due. If line 3 is greater than line 9, enter the difference. Pay the full amount with the return (see instructions)	11	
11	Overpayment. If line 9 is greater than line 3, enter the difference. Check if you want the overpayment: <input type="checkbox"/> Applied to your next return, or <input type="checkbox"/> Refunded to you.		

Third Party Designee	Do you want to allow another person to discuss this return with the IRS (see instructions)? <input type="checkbox"/> Yes. Complete the following. <input type="checkbox"/> No		
	Designee name ▶	Phone no. ▶	Personal identification number (PIN) ▶

Sign Here	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
	[Signature]	[Date]	[Signer's Title]
	Signature	Date	Title
	Type or print name below signature. ▶ [Signer's Name]	Telephone number ▶ [Phone #]	

FORM 720-V, Payment Voucher (only include if paying with check or money order)

Form 720-V Department of the Treasury Internal Revenue Service		Payment Voucher Don't staple or attach this voucher to your payment.		OMB No. 1545-0023 2025	
1 Enter your employer identification number (EIN). See instructions. [EIN]		2 Enter the amount of your payment. Make your check or money order payable to "United States Treasury." [Avg Lives x 3.47]		Dollars	Cents
3 Tax period <input type="radio"/> 1st Quarter <input type="radio"/> 3rd Quarter <input checked="" type="radio"/> 2nd Quarter <input type="radio"/> 4th Quarter		4 Enter your business name (individual name if sole proprietor). [Company Name] Enter your address. [Business Address] Enter your city or town, state or province, country, and ZIP or foreign postal code. [Business Address]			

Our goal is to provide a fantastic experience for you and your employees. If you have any questions, we are happy to help! Please contact our Admin Support Team at ClientSuccess@takecommandhealth.com or your Client Success Manager (if applicable).

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