



# Eye On Washington Health Care Reform Update



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## Patient-Centered Outcomes Research Institute (PCORI) Fee Rate Increased

The Internal Revenue Service (IRS) has released Notice 2017-61. It establishes the applicable dollar amount for policy and plan years, ending on or after October 1, 2017 and before October 1, 2018, in relation to the Patient-Centered Outcomes Research Institute (PCORI) fee established under the Affordable Care Act (ACA).

By way of background, the ACA created a new nonprofit corporation, PCORI, to support clinical effectiveness research. This entity is to be funded in part by fees paid by certain health insurers and applicable sponsors of self-insured health plans. The goal of PCORI is to assist patients, clinicians, purchasers, and policymakers in making informed health decisions by “advancing the quality and relevance of evidence-based medicine through the synthesis and dissemination of comparative clinical effectiveness research findings.” The fee imposed on an insurer is based on the average number of lives covered under the policy. The fee imposed on a plan sponsor of a self-insured health plan is based on the average number of lives covered under the plan.

For policy years and plan years ending on or after October 1, 2017 and before October 1, 2018, the adjusted applicable dollar amount is \$2.39. The adjusted applicable dollar amount for policy years and plan years that end on or after October 1, 2016 and before October 1, 2017 is \$2.26. The PCORI fee will increase for each year, based on the percentage increase in the projected per capita amount of National Health Expenditures.

For a copy of Notice 2017-61 please click on the link provided below.

<https://www.irs.gov/pub/irs-drop/n-17-61.pdf>

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