ICHRA: From Emerging Trend to Proven Strategy for Employers of All Sizes

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Once considered a niche solution, the **Individual Coverage Health Reimbursement Arrangement (ICHRA)** has become a widely adopted benefits strategy, and the latest data proves it.

ICHRAs enable employers to contribute toward employee health plan premiums, **empowering choice, reducing costs, and strengthening retention.** As a flexible and scalable alternative to traditional group plans, **ICHRAs are reshaping how businesses provide health coverage.**

A New Era in Employer Health Benefits

January 1, 2020 — ICHRA launched as a new model of employer-sponsored coverage, following a 2019 federal rule allowing employers to reimburse employees for individual health insurance.[1]

Expanding Choice & Employee Engagement

70% of employees selected **gold or silver-tier** health plans through ICHRA in 2025.[1]

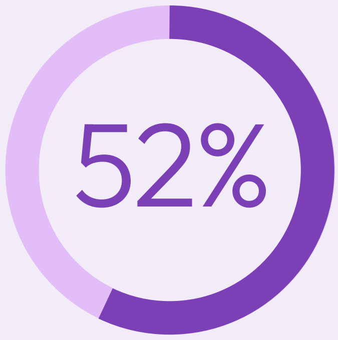
65% of members who switched to ICHRA kept their existing insurance carrier.[2]

Long-Term Impact & Policy Progress

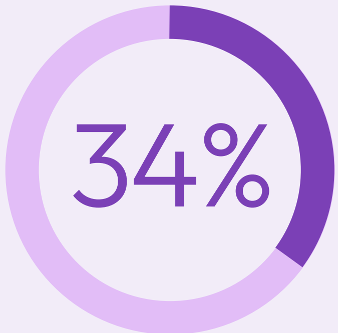
92% of employers offering ICHRA in 2024 **renewed** for 2025.[1]

Multiple states, including Ohio, Georgia, and Indiana, have introduced or passed **ICHRA-friendly incentives.**[3]

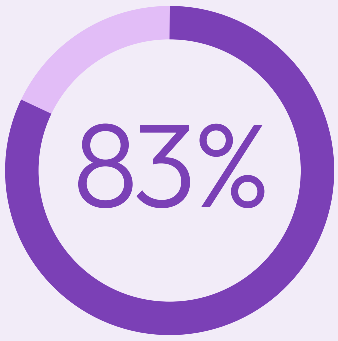
Growth Across Employer Segments



year-over-year increase in **small employer adoption** among early ICHRA providers.[1]



rise in ICHRA adoption among **applicable large employers** (50+ employees) from 2024-2025.[1]



of employers offering ICHRA had **never offered coverage before,** while **17%** transitioned from traditional group insurance.[1]

A Smart Strategy for a Modern Workforce

ICHRA delivers a powerful solution for employers navigating today's benefits challenges — from managing distributed workforces to tackling rising premiums and meeting diverse employee needs. By redefining how businesses approach health coverage, **ICHRA has become not just a benefit, but a strategic advantage in today's workplace.**

Discover how ICHRA can work for your business. Visit decisely.com/ichra.

Sources: [1]HRA Council Report 2025 | [2]Deft Research Study 2024 | [3]Becker's Payer Issues 2025