

The Fee is \$2.66 per Covered Life for Plan Years Ending in 2021

The IRS issued [Notice 2020-84](#), which increases the Patient-Centered Outcomes Research Institute (PCORI) fee amount for **plan years ending on or after Oct. 1, 2020, and before Oct. 1, 2021**. Specifically, the PCORI fee amount for plan years ending on or after Oct. 1, 2020, and before Oct. 1, 2021, is increased to **\$2.66** multiplied by the average number of lives covered under the plan.

The IRS provided transition relief related to the 2020 PCORI fee calculation, due to the anticipated termination of the PCORI fee prior to its extension. This transition relief allowed issuers and plan sponsors to use any reasonable method for calculating the average number of covered lives for this period, in addition to existing methods, so long as it was applied consistently for the duration of the plan year. However, this transition relief was not extended for the 2021 plan year. As a result, **plans and issuers must use one of the existing methods for calculating the PCORI fee for 2021**.

As a reminder, employers of certain self-insured health plans are responsible for paying PCORI fees annually. Fees for plan years that ended in 2020 are due **Aug. 2, 2021**, since July 31, 2021, is a Saturday.