

LEGAL UPDATE



PCORI Fee Amount Adjusted for 2026



The Internal Revenue Service (IRS) has issued [Notice 2025-61](#) to increase the Patient-Centered Outcomes Research Institute (PCORI) fee amount for plan years ending on or after Oct. 1, 2025, and before Oct. 1, 2026. The updated PCORI fee amount is **\$3.84** multiplied by the average number of lives covered under the plan.

For plan years that ended on or after Oct. 1, 2024, and before Oct. 1, 2025, the PCORI fee amount is **\$3.47** multiplied by the average number of lives covered under the plan.

Applicability of PCORI Fee

The PCORI fee was created by the Affordable Care Act (ACA) and first applied for plan or policy years ending on or after Oct. 1, 2012. The fee is imposed on health insurance issuers and self-insured plan sponsors to fund comparative effectiveness research. The PCORI fee was originally scheduled to expire in 2019. However, a federal spending bill extended the PCORI fee for an additional 10 years. As a result, the PCORI fee will apply through the plan or policy year ending before Oct. 1, 2029.

Payment Deadline

PCORI fees are reported and paid annually on IRS Form 720 (Quarterly Federal Excise Tax Return). These fees are due each year by July 31 of the year following the last day of the plan year. For plan years ending in 2025, the PCORI fee is due by **July 31, 2026**. Employers with self-insured health plans should have reported and paid PCORI fees for 2024 by July 31, 2025.

Calculating the PCORI Fee

The PCORI fees are calculated based on the average number of covered lives under the plan or policy. This generally includes employees and their enrolled spouses and dependents, unless the plan is an HRA or FSA. [Final rules](#) outline several alternatives for issuers and plan sponsors to determine the average number of covered lives.

IRS Resources

The IRS provides the following resources on PCORI fees:

- [PCORI Fee Overview Page](#)
- [PCORI Fee: Questions and Answers](#)
- [PCORI Fee Due Dates and Applicable Rates](#)
- [Chart: Application of the PCORI Fee to Common Types of Health Coverage or Arrangements](#)

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