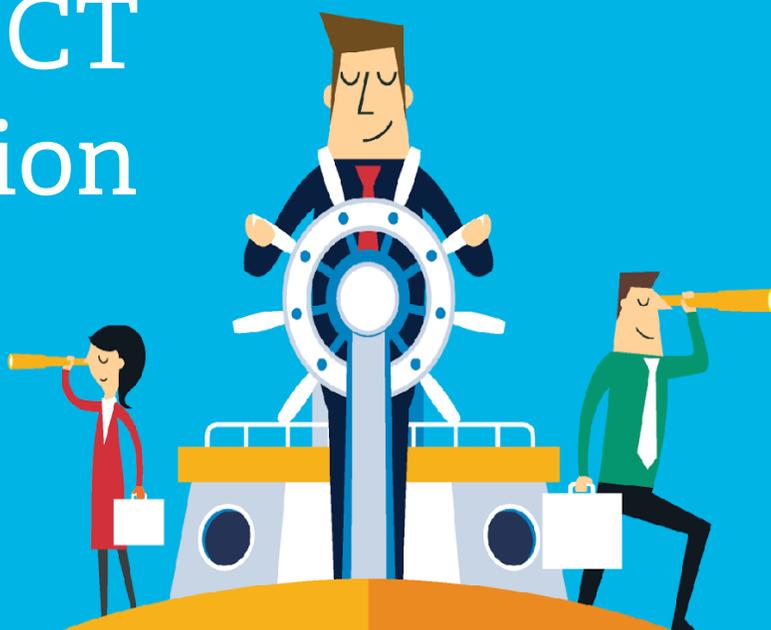


Sedera SELECT Administration Packet



SederaHealth
Lowering the cost of health care. Together.

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From Our CEO

Welcome to Sedera! We're excited to have your company participate in our ever-growing Sedera Medical Cost Sharing community.

We look forward to serving you and your members. In this packet, you will find key information and resources that will help you and your members understand and use Sedera's Medical Cost Sharing.

If you have any questions, please feel to reach out to your Group Services Representative at 1-855-973-3372 or via email at groupservices@sedera.com.

We're committed to helping your members successfully navigate medical cost sharing and get access to the care they need. We are at your service.

Sincerely,



Jamie Lagarde
President and CEO

Membership Requirements

The following principles protect all members by assuring honor and integrity on the part of members and by minimizing medical risks and ensuring proper accountability while encouraging good health practices.



All Sedera members must agree with and attest to the following statements:

1. I believe that a community of moral, ethical and health-conscious people can most efficiently and effectively encourage and care for one another by sharing each other's medical needs directly.
2. I understand that Sedera Health is a benevolence organization, not an insurance entity, and that while Sedera will make every effort to meet its member's medical needs, Sedera, in and of itself, cannot guarantee payment of any medical expense.
3. I agree to practice good health measures and strive for a balanced lifestyle.
4. I agree to refrain from the usage of any form of illegal substances.
5. I understand that medical needs caused by, or due to, the act of performing any illegal or unlawful activity will not be shareable.
6. I agree to submit to mediation followed by subsequent binding arbitration, if needed, for any instance of a dispute with Sedera or its affiliates.
7. I am an employee, member, or a participant of a sponsoring entity that is providing access to Sedera and am eligible for membership with Sedera through that relationship. I understand that Sedera, by and of itself, does not make any representations that it satisfies any federal or state law requirements for healthcare coverage or insurance.
8. I agree to sign and submit a membership continuation agreement each renewal year confirming my/my household's commitment to adhere to these principles.
9. I have read and understand all of the above, as well as the Sedera Membership Guidelines and am certifying that all of my answers are true and accurate and indicate my agreement to abide by the Membership Guidelines as well as the Member Principles and Responsibilities.

Your Sedera Product – Sedera SELECT

Your organization is participating in Sedera SELECT. This product was developed specifically for employer groups and their eligible employees.

Key things to note about Sedera SELECT:

- Maternity has 2 IUAs: 1 for the mother, 1 for the baby.
 - Limited sharing for pregnancies that occurred prior to membership.
 - Complications of pregnancy that occur after membership start date are shareable regardless of when the pregnancy occurred.
- Pre-existing conditions are shared on a graduated scale based on length of membership.
 - After year 1, we will share up to \$25,000.
 - After year 2, we will share up to \$50,000.
 - After year 3, any Need associated with your pre-existing condition will be fully shareable.
- There is a 36 month lookback period prior to Membership to determine pre-existing conditions. See the Guidelines for details.
- There are some therapies that have a sharing cap of \$3500 per Need.
- Membership after age 65 is allowed, if member is an employee and has at least Medicare Part A.
- Tobacco Use has a \$75 surcharge per household.
 - Tobacco use has a \$25,000 sharing restriction for members age 50+ related to certain conditions.
- Psychiatric and Behavioral health have a sharing cap of \$10,000 per inpatient Need and \$3,000 per outpatient Need.

Guidelines associated with Sedera SELECT can be accessed [here](https://sedera.com/select-member-guidelines) (sedera.com/select-member-guidelines)

Things to know about contributing your shares to the Community

Submitting your group's medical cost shares to the community is done via autopayments to your new Medical Cost Sharing Account. Because the monthly contributions are going to the community, payments are not made to Sedera. Instead, Sedera will automatically transfer the monthly statement amount from your operating account into the Medical Cost Sharing Bank Account you opened specifically for Medical Cost Sharing. Sedera will then facilitate the sharing of Needs on a weekly basis, withdrawing your company's allocated amount for each week's Needs.



Submissions are due by the 1st of the month. The statement amount is your employees' contribution to the medical cost sharing community. The amount of money that has been contributed determines how much money is available for the payment of the community's Needs which is why paying on time is VERY important!



Timely payments help you avoid late fees. When accounts are not current by the 15th, Sedera will assess a 1.5% late fee. If not paid by the end of the month, an additional 1.5% late fee will be assessed each month going forward. A company who is 90 days delinquent will have their membership terminated.

Sharing your employees' Needs is dependent on the status of your account. Being part of a community means we take care of each other's medical Needs. Having current accounts shows your company's commitment to the community and warrants the community sharing any Needs your employees submit. If your account is not current, your employees' Needs will not be shared until outstanding statements are resolved.

IMPORTANT!!! Changes (new additions, terminations or changes in dependent status) should be submitted by the 20th of each month. Sedera will only retro-date changes up to 30 days. Please see our [Refund Policy](#).

How to make your employees' shares available for Needs sharing

We would prefer that our Employer groups enroll in our autopay process. However, we realize that your bank may not exist on our platform. If you are NOT enrolled in the autopay process, there are several ways you can do this (see below). Please note, if you are not enrolled in our autopay process Sedera may assess an administrative fee for manually reconciling Medical Cost Sharing contributions with statements.

Option 1: Through bill pay at your current Company bank. You can log-in to your Company bank account that you want the funds withdrawn from and then set up a “bill pay” to your new Medical Cost Sharing Bank Account:

IF your current bank transfers the funds electronically:

- **You are paying yourself:** “Your Company Name” NOT Sedera Health
- You'll just have to put in the routing and account numbers associated with your new Medical Cost Sharing Bank Account.
-

If your current bank MAILS checks:

- **You are paying yourself:** “Your Company Name” NOT Sedera Health.
- Mail to the bank where your new Medical Cost Sharing Bank Account resides.
- You must include “Your Company Name Acct #[XXXX]” as the Reference Line so they know where to deposit the check when it comes to the branch.

Option 2: Through an ACH Transfer.

You can initiate a transfer from your current Company Bank Account to the institution where your new Medical Cost Sharing Bank Account resides. Each bank has their own process for setting up and processing an ACH. Please reach out to them if they have not already provided you with instructions.

Pre-tax and Post-tax Considerations

We get a lot of questions about pre-tax and post-tax treatment of the monthly contributions to your Sedera membership. The following are some thoughts that can help you think through some of the aspects of participating in Sedera's Medical Cost Sharing community.

DISCLAIMER: Sedera cannot and does not provide tax, legal or accounting advice. This material has been prepared for informational purposes only, and is not intended to be, and should not be relied on for, tax, legal or accounting advice. It is strongly recommended that all Sponsoring Entities and Members should consult their own tax, legal or accounting advisors concerning their particular situation.

What is your relationship with the member?

How you handle the member's contribution towards the Sedera's Medical Cost Sharing membership will vary depending on the relationship you have with the member. If the member is your W-2 employee, you will most likely withhold the monthly contribution of participating in Sedera and pre-tax and post-tax considerations will come into play. If you have no W-2 relationship with the member, the member will be paying the cost of the contribution to you for Sedera's Medical Cost Sharing membership and therefore it will all be post-tax.

Defining the relationship with your member.

The IRS has clear definitions around what qualifies individuals as W-2 employees. The IRS has a Fact Sheet that outlines the [differences between W-2 \(employees\) and 1099 \(contract\) workers when classifying a worker](#). Correct classification of a worker is the responsibility of your organization.

Components of Medical Cost Sharing

Pricing for membership in Sedera Medical Cost Sharing is referred to as the Monthly Member Contribution and is broken into two components – Member Services and Medical Cost Sharing. The Tobacco Surcharges are additional shares towards the community and are treated the same as Medical Cost Sharing.

Member Services

This portion of your Medical Cost Sharing monthly contribution is used to pay for member services and your medical concierge/billing negotiation services. It may qualify as a Fringe Benefit Exclusion under your Section 125 plan. Excluded benefits aren't subject to federal income tax withholding, social security, Medicare, federal unemployment (FUTA) tax, or Railroad Retirement Tax Act (RRTA) taxes and aren't reported on Form W-2.

Medical Cost Sharing

Medical Cost sharing amounts are funds that go directly towards the sharing of Needs in our community. Medical Cost Sharing is not insurance and does not qualify as a Fringe Benefit Exclusion. Any fringe benefit you provide is taxable and must be included in the recipient's pay.

Liberty RX

If you have members that elect to participate in this optional discount prescription program, it may qualify as a Fringe Benefit Exclusion under your Section 125 plan.

We are NOT tax, legal or accounting advisors

Pre-tax and post-tax withholdings are the responsibility of each Sponsoring Entity. We have provided some considerations for you to discuss with your tax advisor when determining what, if any, portion of Sedera's Medical Cost Sharing Monthly Member Contributions can be withheld on a pre-tax basis.

4 Things Your Members Can Do To Become Sedera-Savvy



1. Schedule a welcome call with a Member Services Representative. Sedera-savvy members are always in communication with Sedera regarding their medical costs. New Members save the Member Services phone number (855) 973-3372 to their phone for quick and easy communication with Sedera in the future. <https://sedera.youcanbook.me/>

2. Register with Teladoc after start of membership. Sedera-savvy members utilize telemedicine when they want to access care at their convenience. New Members should save the Teladoc™ phone number, 1-800-TELADOC, to their phone for access to a doctor- anytime, anywhere. They can also download Teladoc's™ mobile app makes it even easier to access services. To learn more, please visit: www.teladoc.com. **NOTE:** Some groups may have different contact information for their telemedicine service. Please use that information instead if it was provided.

3. Bookmark the Mobile App on the Home screen of a mobile device. Members can easily submit their Needs online and add pictures of their receipts when they visit their provider, making it easy to track when members have reached their Initial Unshareable Amount (IUA). member.sedera.com

4. Download and read the New Member Welcome Packet. The New Member Welcome Packet, which members receive once their membership becomes effective, includes more information on Medical Cost Sharing and helpful tips for becoming Sedera-savvy.



Additional Resources For You

Sedera has a website dedicated just to group administrators. On this website you can find all the tools you need to administer Sedera – change forms, flyers, FAQs and links to videos your members may enjoy.

This website is password protected and reserved for Clients Only:

<http://sedera.com/group-portal>

Password: sedera_group

In addition, there are many member resources available to members on our website under the Member Helps tab. (sedera.com/member-helps). The password to this page is sedera_member.

We invite you to join us for our quarterly Community Townhall for group administrators. Our goal is to use this as both an educational time and a Q&A forum. We want to equip you so you can better care for your members. [Click here](#) to register for the next webinar.

Sedera Contacts

Sedera Contacts	
All Sedera contacts can be reached through our member services number 1-855-973-3372	
Member Questions: (adds/changes/terminations)	Member Services memberservices@sedera.com
Group Questions: (on-boarding/enrollments)	Group Services groupservices@sedera.com
Medical Cost Sharing Account setup questions:	Yessenia Rodriguez banking@sedera.com
Questions regarding statements/payments:	Contributions contributions@sedera.com
MEC related questions:	Contact your Agent or MEC Administrator directly