



Employer Subsidies

Summit Guide

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Overview

Employers can subsidize the employee's cost of COBRA coverage on a pre-tax basis by paying all or a portion of the applicable premium for a period of time. Subsidies can be managed in this Employer Subsidy section.

Users can create an expiring or non-expiring subsidy that will be applied up to the coverage premium amount, fee, or the sum of the premium amount and the fee.

This section allows users to create a wide range of subsidies at the employer level, which may be assigned to participants' premium billed benefits.

Billing Adjustment Subsidies

Billing Adjustment subsidies are assigned to a participant's coverages. Summit will automatically adjust the participant's past, current, and/or future billing according to the subsidy adjustment amounts. Updates to the participant's billing will trigger the Employer Subsidy Adjustment report.

Expiring Subsidies

Expiring Subsidies will continue to be applied to the participant's COBRA, Direct Bill, Retiree, Qualified Beneficiary, Qualified Direct Bill, and Qualified Retiree status coverages until the end of the selected billing period or until the maximum amount has been reached and as long as the coverage has billing and rates. If the coverage has an expiration/end date, the subsidy will be applied until the end of the last billing period. If billing is added to the coverage, the subsidy will continue to be applied.

Non-Expiring Subsidies

Non-expiring subsidies can be added that will apply to a participant's billing as long as the coverage status is COBRA, Direct Bill, Retiree, QB, QD, or QR, and the coverage has billing and rates.

Coverages with Multiple Subsidies

Multiple subsidies can be applied to the same coverage up to the sum of the coverage's billed premium amount and fee amount until the end of billing. The user sets the subsidy priority order when multiple subsidies are applied to a coverage. Summit's default priority will be the order that each subsidy is added to the coverage [by earliest to latest date]. If the user changes the subsidy priority order, Summit will recalculate the billing to apply each subsidy in sequential order.



Prorating Subsidies

By default, if a subsidy is applied to a partial billing period, the subsidy amount/percentage will be prorated for the number of days in the billing period.

The listing grid in this section displays all subsidies created for the employer with the subsidy details.

Employer Subsidies + Add Subsidy

Refresh Excel Print

Subsidy Name ▲	Billing Periods / Max Amount	Subsidy Type	Priority	Premium	Employer Fee	TPA Fee	Plans	Status Types	Effective Date
ARPA Subsidy - 2021	6	Percentage	1	100.00 %	0.00 %	100.00 %		C	04/01/2021  

The listing grid displays the following information for each employer-level subsidy:

- **Subsidy Name** – The subsidy name will populate in this field.
- **Billing Periods/Max Amount** – The subsidy’s number of billing periods and/or the Maximum Amount field will be populated for an expiring subsidy. If the subsidy is non-expiring, this field will contain no data.
- **Subsidy Type** – The Subsidy Type [Amount or Percentage] will populate in this field.
- **Priority** – This field shows the priority number.
- **Premium** – The Subsidy Amount percentage or flat amount will populate in this field if the premium is subsidized. Enter as a negative number.
- **Employer Fee** – The Subsidy Amount percentage or flat amount will populate in this field if the fee is subsidized, and the employer fee option is set to Employer. Enter as a negative number.
- **TPA Fee** – The Subsidy Amount percentage or flat amount will populate in this field if the fee is subsidized, and the employer Fee option setting is TPA. Enter as a negative number.
- **Plans** – The benefit to which the subsidy has been assigned will populate in this field. If multiple benefits have been assigned, this field will display “Multiple Plans.”
- **Status Types** – The subsidy’s applicable status types will display in this field [C = COBRA, D = Direct Bill, R = Retiree].
- **Effective Date** – This is the effective date of the subsidy.

Edit and Delete icons will display for each subsidy, allowing the user to view and edit subsidy information or delete the subsidy entirely.

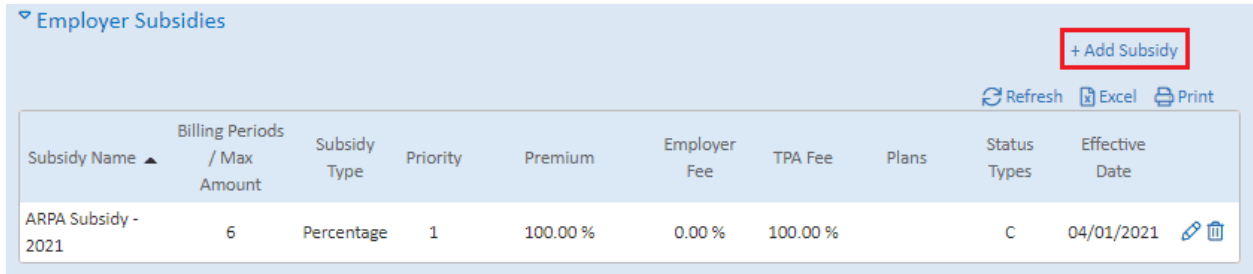
The **Refresh** link will refresh the list of subsidies on the tab if another user has added or modified subsidies in the list.

The **Excel** link will export the list of subsidies as an Excel worksheet.

The **Print** link will open the user’s default print dialogue box and allow the user to print the list of subsidies.

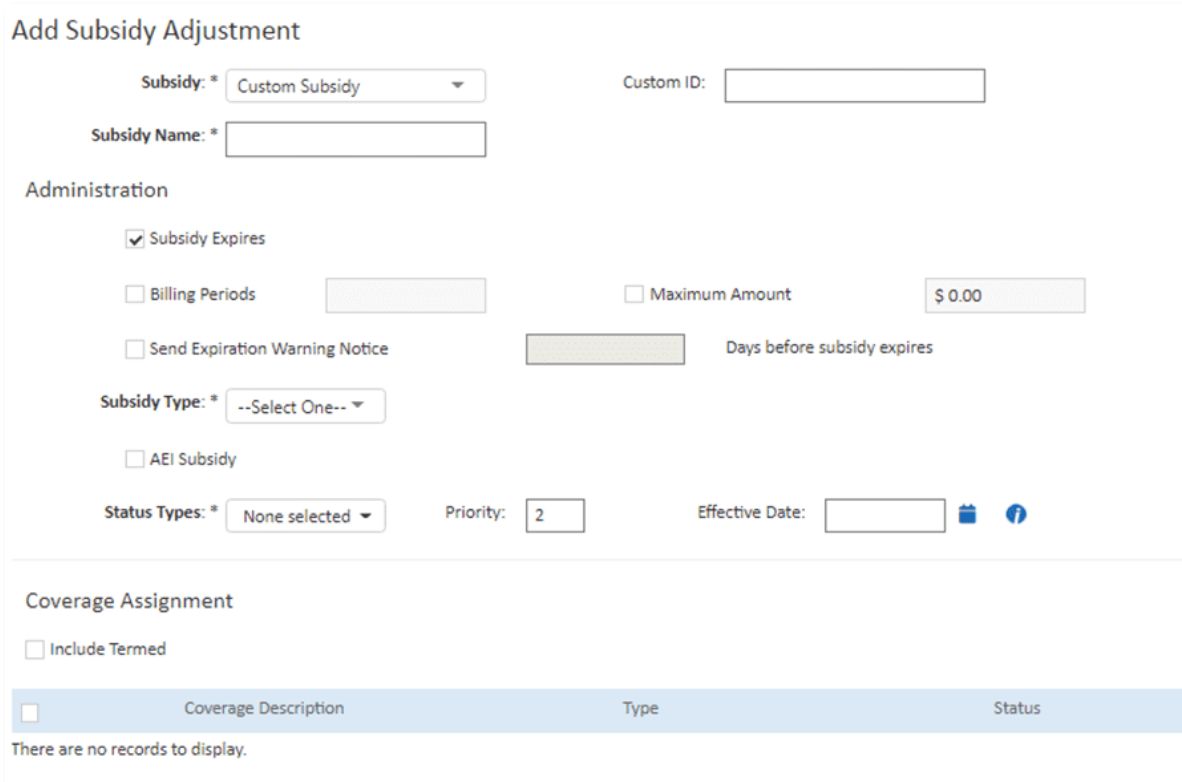
Add a Subsidy

To add a new employer-level subsidy, click the **+Add Subsidy** link.



Subsidy Name ▲	Billing Periods / Max Amount	Subsidy Type	Priority	Premium	Employer Fee	TPA Fee	Plans	Status Types	Effective Date
ARPA Subsidy - 2021	6	Percentage	1	100.00 %	0.00 %	100.00 %		C	04/01/2021

This will open the Add Subsidy Adjustment modal, where you can create and configure an employer-level subsidy.



Add Subsidy Adjustment

Subsidy: * Custom Subsidy Custom ID:

Subsidy Name: *

Administration

Subsidy Expires

Billing Periods Maximum Amount \$ 0.00

Send Expiration Warning Notice Days before subsidy expires

Subsidy Type: * --Select One--

AEI Subsidy

Status Types: * None selected Priority: 2 Effective Date:

Coverage Assignment

Include Termed

<input type="checkbox"/>	Coverage Description	Type	Status
There are no records to display.			

- **Subsidy Name** – This is a required field that must be unique within the employer. Employer Paid, for example.
- **Custom ID** – This optional user-defined field may be used for importing the subsidy on the participant’s record. The field value must be unique within the employer when added by the user.
- **Subsidy Expires** – When this checkbox is checked, the subsidy is flagged as an expiring subsidy, and expiration settings for the subsidy will be enabled for configuration. If this option is not checked, the subsidy will be non-expiring.

- **Expiring Subsidy** – The user will be required to enter a subsidy duration in the **Billing Periods** field and/or enter a maximum subsidy amount in the **Maximum Amount** field to determine when the subsidy expires. When both the expiring billing period and a maximum subsidy amount are configured, the subsidy will be applied until whichever occurs first: the subsidy’s maximum amount is reached or the number of billing periods is reached. Participant billing will be recalculated and adjusted if the Subsidy Expires value changes after the subsidy is assigned to a participant’s coverage.
- **Non-Expiring Subsidy** – Non-expiring subsidies will be applied to a participant’s coverage until there is no billing and the coverage’s status is not “Terminated.”

Administration

Subsidy Expires

Billing Periods Maximum Amount

Send Expiration Warning Notice Days before subsidy expires

- **Billing Periods** – This checkbox is available if the **Subsidy Expires** checkbox is checked. Checking this will indicate that the subsidy should expire after the set number of billing periods entered in the associated numeric field. The user will be able to select the number of billing periods or enter the number of billing periods (1-9999). The Billing Period option will apply to each assigned benefit when the subsidy is assigned to multiple benefits. When the **Subsidy Expires** option is checked:
 - The user will only be able to edit the number of billing periods at the employer level.
 - The user will only be able to add or edit the number of billing periods if Subsidy Expires is Checked.
 - The default value is 1.
 - Participant billing will be recalculated and adjusted if billing period options are changed after the subsidy has been assigned to a coverage.
- **Maximum Amount** – This optional checkbox will display if the **Subsidy Expires** checkbox is checked. The Maximum Amount option applies to each assigned benefit when the subsidy is assigned to multiple benefits. The Maximum Amount field indicates the maximum total amount of subsidy payments that will be applied to the selected coverages.
 - Users will only be able to edit a subsidy’s Maximum Amount value at the employer level.
 - This option is unchecked by default.
 - Participant billing will recalculate and adjust if the Maximum Amount fields are updated after the subsidy has been assigned to a coverage.
 - The amount text box accompanying this checkbox is a required field if the checkbox is checked, and the amount must be greater than 0.
 - The Maximum Amount setting will be automatically unchecked if the user unchecks the Subsidy Expires field.

- **Send Expiration Warning Notice __ Days before subsidy expires** – If this option is checked, Summit will create an event and notice for the expiration of a subsidy to be sent to participants prior to the subsidy’s expiration. When enabled, this Send Subsidy Expiration Warning Notice event will be triggered when an expiring subsidy is assigned to a participant’s coverage based on the indicated number of days before the subsidy expires. The warning notice is available in English and Spanish.
- **Subsidy Type** – This dropdown allows you to select whether the subsidy is fee-based or percentage-based. The selection will enable additional fields where you may enter either the Amount or Percentage that applies to Premiums, TPA Fees, and Employer Fees to each coverage associated with the subsidy.
 - **Percentage** – The premium adjustment option and fee adjustment option will be a percentage when the Subsidy Type is set as percentage. The premium adjustment percentage is applied to the participant’s coverage premium and/or fee.
 - **Amount** – The premium adjustment amount option and fee adjustment amount option will be a dollar amount when the Subsidy Type selected is Amount. The premium adjustment amount will be applied to the participant’s coverage premium and/or fee. Amount is selected by default.
- **Billing Period Adjustment Amounts** – The Billing Period Adjustment Amounts include text fields for Premium, TPA Fee, and Employer Fee. The user will be required to enter a value in at least one of the text boxes. If the employer-level fee option is “Employer,” the coverage’s employer fee amount will be subsidized. If the employer-level fee option is “TPA,” the coverage TPA fee amount will be subsidized. Applying the subsidized fee amount to the coverage fee will be consistent with the participant fee specifications.

Edit a Subsidy

To edit an existing subsidy, click the edit icon in the Actions column of the list grid.

Employer Subsidies + Add Subsidy

Refresh Excel Print

Subsidy Name ▲	Billing Periods / Max Amount	Subsidy Type	Priority	Premium	Employer Fee	TPA Fee	Plans	Status Types	Effective Date	
ARPA Subsidy - 2021	6	Percentage	1	100.00 %	0.00 %	100.00 %	Medical	C	04/01/2021	

This will open the Edit Subsidy Adjustment modal.

The Edit Subsidy Adjustment modal is largely the same as the Add Subsidy Adjustment modal. However, there is also an **Apply changes and recalculate Participant Billing** checkbox option present in the Administration section.

Edit Subsidy Adjustment

Subsidy: * ARPA Subsidy - 2021 Custom ID:

Administration

Subsidy Expires

Billing Periods: Maximum Amount:

Send Expiration Warning Notice: Days before subsidy expires

Subsidy Type: * Percentage Premium: TPA Fee:

Employer Fee:

Apply changes and recalculate Participant Billing

AEI Subsidy

Status Types: * COBRA Priority: Effective Date:

Coverage Assignment

Include Termed

Coverage Description	Type	Status
<input type="checkbox"/>		

When changes are made to an employer-level subsidy assigned to a participant’s coverage, Summit billing adjustments are made in real-time to that participant’s coverage billing.

If the **“Apply changes and recalculate participant billing”** field is checked on the employer-level subsidy, changes to the subsidy will be applied to participant billing. If the option is not checked, changes made to the employer-level subsidy will ONLY be applied to future participants. Changes to participants’ billing will not be applied to terminated coverages.

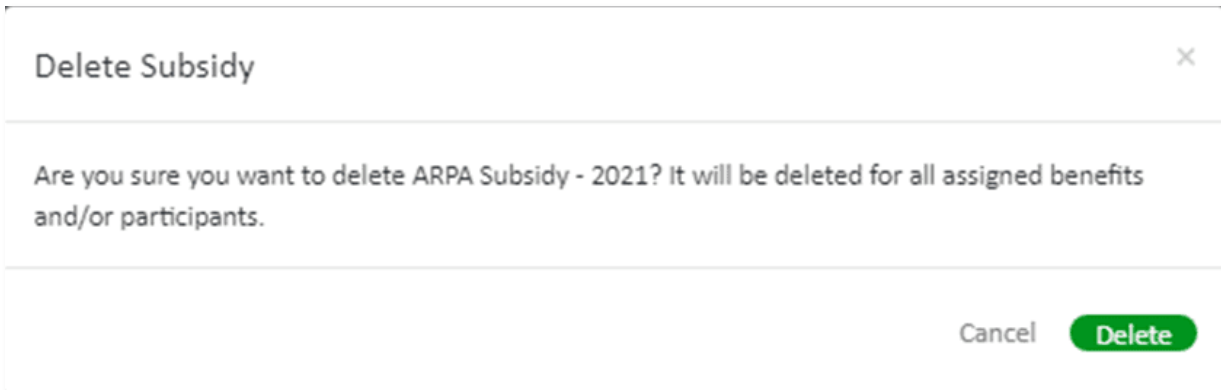
Delete a Subsidy

Subsidies may be deleted by clicking the delete icon on the action column of the list grid.

Employer Subsidies + Add Subsidy

Subsidy Name ▲	Billing Periods / Max Amount	Subsidy Type	Priority	Premium	Employer Fee	TPA Fee	Plans	Status Types	Effective Date	
ARPA Subsidy - 2021	6	Percentage	1	100.00 %	0.00 %	100.00 %	Medical	C	04/01/2021	

A popup will confirm that you wish to delete the subsidy.



Participant billing will be adjusted and recalculated when a subsidy is deleted.

Subsidy Election Notice Language

When a subsidy is assigned to a coverage, Election Notices for that coverage will include subsidy information and merge fields.

The standard subsidy language to be merged where applicable is: *"The amount(s) above do not reflect any subsidy or severance packages to which you may be entitled."*

This and additional subsidy detail merge information to be included determined as follows:

- **No Subsidies** – If no subsidies are assigned to an available benefit, no subsidy language or subsidy merge fields will be included on the election notice.
- **Multiple Subsidies** – If multiple subsidies are assigned to a participant's benefits, the standard subsidy language will be used in the election notice's subsidy merge fields.
- **1 subsidy for multiple but not all benefits** – When one subsidy is applied to multiple but not all benefits for the participant, the standard subsidy language will be used in the election notice's subsidy merge fields.
- **1 subsidy for all benefits** – When one subsidy is assigned to all benefits for the participant, the standard subsidy language will be used, AND the subsidy merge field will include the subsidy name, start date, number of billing periods, expiration date [if applicable], the maximum amount [if applicable], premium adjustment amount, and fee adjustment amount.
- **1 subsidy for 1 benefit** – When one subsidy is applied to only one benefit for the participant, the standard language will be used in the subsidy merge field, AND the subsidy merge field will include the subsidy name, start date number of billing periods, expiration date [if applicable], the maximum amount [if applicable], premium adjustment amount, and fee adjustment amount, and the coverage name.