

# Frequently Asked Questions (FAQs)

## FAQs for Business Owners and Chief Executives

<p><b>1. Why should my company participate in Sedera’s health care sharing membership?</b></p>	<p>Participation in Sedera’s health care sharing membership is always voluntary, both from the company’s and the employee’s perspectives. Business owners choose to work with Sedera because they believe in our shared values of the importance of community and personal responsibility, and because they want to use our approach to ensure quality provision for their staff if they are ill. There are numerous factors that contribute to Sedera’s health care sharing membership’s greater efficiencies for both companies and employees. By leveraging the impact of community sharing with personal responsibility, reductions of 30-50% off group insurance rates are common.</p>
<p><b>2. Does Sedera’s health care sharing membership comply with the Affordable Care Act requirements?</b></p>	<p>Sedera’s health care sharing membership is not a substitute for insurance as defined by the ACA. To deal with the requirements of the ACA, member companies use a qualifying self-insurance plan administered by a licensed third-party administrator, or TPA. This type of plan is referred to as Minimum Essential coverage (MEC). The MEC, however, is only designed to take care of preventative care needs and, in some cases, to provide a framework for qualifying for a Health Savings Account (HSA). Member companies also participate in Sedera’s health care sharing framework, so their employees have access to the assistance of many other members in handling the costs of medical incidents greater than \$500. For most medical incidents under \$500, members will pay out of pocket or via their HSA, if they have set one up.</p>
<p><b>3. What are the risks and liabilities my company may be exposed to through participation in Sedera?</b></p>	<p>Sedera health care sharing is a voluntary benevolence membership. It is not insurance. Member companies are not purchasing insurance coverage by participating in health care sharing. By participating in Sedera businesses are neither promising their employees that their medical bills will be paid, nor are they taking on liability to pay those bills as a company. Member businesses are simply committing to provide money on a monthly basis (shares) toward the medical costs of other participating employees in the membership. In the same way, other member businesses are committing to share towards your employees’ medical costs.</p>
<p><b>4. Can my employee’s monthly shares be collected via payroll deduction?</b></p>	<p>Yes. Since Sedera is a group-sharing model, this is the only way monthly shares can be collected from participating employees.</p>
<p><b>5. Can my company pay some or all of the employee’s monthly shares?</b></p>	<p>Yes, participating companies can contribute (we don’t use the word “pay” associated with health care sharing intentionally since it is voluntary) as much of the employee’s and their eligible dependents monthly shares as they wish. It should be recognized that this is viewed as a component of the employee’s total compensation. Companies can tier their employees based on legal requirements and</p>

	offer different product bundles to each tier. Talk to your legal representative about legal requirements on tiering qualifications.
<b>6. How would I set up my employees withholding amounts?</b>	Companies should consult with their own legal and tax advisors for more information regarding payroll and income tax implications for their specific situations.
<b>7. Is there any additional administration or work for my company as a result of participation?</b>	Any new system takes some work to master, but the Sedera team will be there to train your staff, educate your employees, and generally do all they can to make the transition as smooth and seamless as possible. Experience says that your staff will come to value the changes that happen as employees learn to assume more responsibility for their own health care choices.
<b>8. The cost savings sound great, but how will my employees be affected by participating in Sedera?</b>	The employees of participating businesses are granted the opportunity to voluntarily join Sedera's Health Care Sharing membership. As such, participating employee's voluntarily choose to pay the portion of the monthly sharing cost that is not carried by your company. Any employee can drop their membership at any time, but if they do, they will no longer be able eligible to receive contributions towards their medical expenses from other members, in the event that they incur a medical need.