



Select Membership Guidelines

Medical Cost Sharing for the Business Community



November 2017

SSG20171101

What is Sedera Health?

Welcome to Sedera Health—a proven group healthcare alternative for the business community.

With the rising costs of health insurance, businesses are looking for a cost-effective and efficient way to provide financially for the medical needs of their employees that also complies with the Affordable Care Act (ACA). Whatever the goals and motivation behind the law, the net result has been neither “Affordable” nor improved access to “Care.” Through a combination of preventive health insurance (that ensures that both employers and employees comply with the Affordable Care Act) and organized benevolence, Sedera Health helps businesses to provide for the medical expenses of their employees.

Sedera Health is built upon the principles used by some of the Christian healthcare sharing groups. For the past 70 years, either the insurance model or the government has dominated the economic model of healthcare. However, in the late 1980’s and early ‘90’s, some modern day Christian groups began comparing the escalating costs of health care with the simple and effective manner in which older Christian groups (such as the Amish) handled their property and casualty needs. We have all heard of the proverbial Amish “Barn Raising.” There is no need to insure the “barn” because the community will come together for a “barn raising” if it should burn down. These Christian groups decided to follow the Biblical mandate of “bearing one another’s burdens” by sharing healthcare costs in a similar fashion, members of the community literally share one another’s medical bills. This method of meeting needs proved effective as it withstood court challenges from its “outside the box” approach (which was in reality a reintroduction of the historical sharing approach modeled by the Amish!).

These Christian groups decided to follow the Biblical mandate of “bearing one another’s burdens” by sharing healthcare costs in a similar fashion, members of the community literally share one another’s medical bills.

Now fast-forward to 2010 and the ACA. The impressive growth of the Christian health care sharing movement had, by now, led to hundreds of thousands of individuals and families not using an insurance model, but rather trusting to the sharing of needs as administered by these health care sharing groups. So the ACA, in recognizing the effectiveness of these groups and their sound legal history, enshrined their legitimacy in law by granting an exemption to the law’s penalties for those who were a part of these recognizable groups.

Although the exemption of the law only applies to very limited number of qualified Christian health care sharing groups and their members, the model of health care sharing has proven legitimate and effective. As long as one can find other ways of fulfilling the law’s mandates, the health care sharing methodology can teach us much.

This is where Sedera Health was born as a concept. Businesses need a group health insurance solution that will fulfill the requirements of the Employer Mandate of the ACA. Employees need a plan that fulfills the Individual Mandate so they are not subject to the penalties individuals face if they do not have insurance. Both of these can be found within the Minimum Essential Coverage (MEC) as defined within the law. Using this insurance model for handling preventative care needs, the minimum requirement of the law for both employer and employee are fulfilled. But what about actually handling the escalating costs of illness? This is where the health care sharing model, which is not insurance, can be applied. But now it is applied within the corporate context, not just for people of faith, but for groups of employers and employees who choose to share common health-related goals. ***Now you are beginning to understand Sedera Health!***

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Key Terms for Understanding

Sedera Term	Definition
Additional Giving	Monies provided voluntarily by members and member businesses on behalf of the global Sedera membership for the purpose of offsetting expenses for members' unshareable medical needs.
Ancillary Member Services (AMS)	Ancillary Member Services (AMS) are the portion of peripheral services that are made available to members via their relationship with Sedera. AMS are designed to augment and enhance the membership experience, as well as reduce cost through discounted arrangements and/or price negotiations.
Benevolence organization	An organization whose primary purpose is to care for the needs of the persons/ members who make up the membership.
Health Care Sharing (HCS)	See Medical Cost Sharing.
Health Savings Account (HSA)	A Health Savings Account (HSA) is a tax-advantaged savings vehicle. HSAs are only available with certain types of qualified health plans. The funds contributed to an HSA are not subject to federal income tax at the time of deposit. Funds may accumulate year-by-year, with interest if not spent. HSAs are owned by the individual, so are portable from job to job.
Initial Unshareable Amount (IUA)	The specified financial amount (in dollars) that members are required to bear on their own prior to any amount that may be eligible for sharing.
Maximum Shareable Amount	Certain medical conditions have a maximum dollar amount (limit) that can be shared for any one need as described in the Guidelines.
Medical Cost Sharing (MCS)	A membership-based non-insurance arrangement established for the purpose of sharing legitimate medical expenses between members. Also referred to as Health Care Sharing.
Medical Necessity	The accepted health care services and supplies provided by health care entities that are appropriate to the evaluation and treatment of a disease, condition, illness or injury and consistent with the applicable standard of care.
Member	A person, or dependent thereof, who has agreed in writing to abide by the requirements of the membership organization and is thereby eligible to participate in the sharing of medical needs with other members.
Member Business	A participating employer that wishes to provide access to the Sedera Medical Cost Sharing membership. Member businesses agree to promote and participate in the MCS membership including making appropriate monthly share contributions to the benevolent fund administrated by Sedera on behalf of their participating employees and eligible dependents (members).
Membership	Term applies universally to both member businesses and members, depending on context used.

Sedera Term	Definition
Membership requirements	The required principles and ongoing behavioral code attested to by members as required for membership.
Minimum Essential Coverage (MEC)	Minimum Essential Coverage (MEC) is a requirement of the Affordable Care Act. MEC consists of some sixty-three preventive and wellness services mandated by federal law. To comply, member businesses that do not qualify for the small employer exemptions must provide a plan for their employees that provides the prescribed MEC coverage. Compliant MEC plans are commonly obtained via a relationship with a Third Party Administrator, or TPA. A MEC plan is only designed to take care of preventive care and wellness needs and, in some cases, to provide the framework for Health Savings. Account (HSA) compatibility.
Monthly share	The monthly monetary allotment contributed to the benevolence fund administered by Sedera by participating businesses in order to maintain their employees' active membership in medical cost sharing. Participating employees may be required to contribute, at the employer's direction, via payroll withholding.
Need	A medical expense that exceeds the member's Initial Unshareable Amount (IUA) was caused by an injury or illness to an eligible member or dependent.
Prior medical conditions	Needs that result from a condition that existed prior to membership (known or producing observable symptoms) are only shareable if the condition appears to be fully cured and 36 months have passed without any symptoms (either benign or deleterious), treatment, or medication, even if the cause of the symptoms is unknown or misdiagnosed.
Proration	If shareable needs are ever significantly greater than shares available in any given month, Sedera may prorate the needs amount requested for medical expenses. This involves an across the board percentage reduction of needs payments, but does not necessarily mean that all member needs will not be met in that month.
Second Opinion Program	A consultation with a medical expert, other than the patient's current doctor, in order to confirm the diagnosis/treatment plan or gain new perspective on available treatment alternatives.
Shareable amount	The amount of the need request that remains after the member's Initial Unshareable Amount (IUA) has been satisfied and falls within the Guidelines for sharing within the membership.
Sharing / Shareable	An eligible need that meets the requirements as determined by the Sedera Guidelines and current membership.
Special Needs Sharing	Needs that do not meet the sharing guidelines, but are not a violation of the member requirements; e.g., a prior medical condition.
Unshareable amount(s)	A medical expense incurred by a member that is not shareable for one or more of the following reasons; violation of member responsibilities, non-current membership status, or any other condition that is excluded by the guidelines.

Organization and Membership

Sedera Health (Sedera) is a group healthcare solutions and benevolence organization. We are modeled after a number of proven and highly successful medical sharing ministries that have facilitated the sharing of their member's healthcare expenses for more than two decades within the confines of the Christian community. The actual sharing model has its roots philosophically in religious movements that can be traced back to the time of Christ.

Sedera is a Delaware corporation founded in response to the urgent need of companies to find affordable ways to help with the healthcare costs of their employees. Sedera's founders have been deeply involved in issues of medical cost containment for the past 18 years, working with clients all around the country with members in all 50 states. Sedera's administrative offices are located in Austin, Texas. Sedera's purpose is to administer a benevolence organization designed to assist its members in the sharing of legitimate medical expenses by and for the exclusive use of its members.



Sedera's emphasis is on facilitating community for its members through the sharing of their financial needs, and by encouraging one another with practical tools to maintain their health. Sedera's member companies and their employees willingly assist one another with healthcare costs through voluntary monthly giving.



The Sedera Medical Cost Sharing (MCS) membership, by and of itself, is not designed to be qualified insurance coverage as defined by the Affordable Care Act (ACA). However, the complete solution provides an alternative that satisfies the federal statute without compromising the moral and spiritual beliefs of member business owners. To comply with the federal law, member businesses establish a qualifying self-insurance plan known as Minimum Essential Coverage or a MEC plan through a direct relationship with a TPA (Third Party Administrator). The MEC is only designed to take care of preventive care needs and, in some cases, to provide a framework for Health Savings Accounts (HSA) qualification. The MCS component enables the sharing of the larger unpredictable medical costs within the membership. Business owners who wish to support their employees' healthcare needs within this framework may participate in Sedera's MCS membership by enabling their employees' access to Sedera.



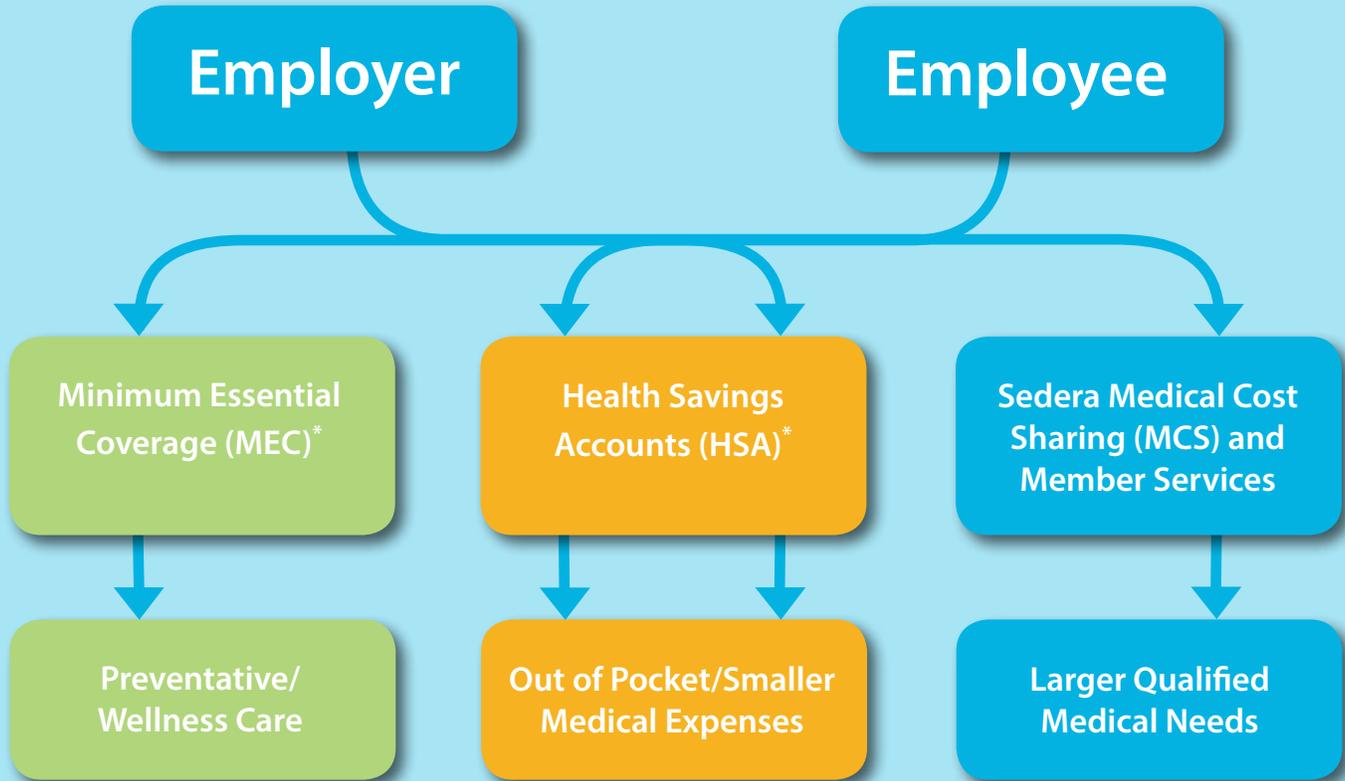
Participating employee member households are required to abide by the Sedera Membership Guidelines, as set forth in this document. Memberships are not refused on the basis of the health status of individual members, although medical conditions that existed prior to membership may be limited or excluded from sharing.

No one is denied membership based on prior medical conditions. However, any needs that do not qualify according to these Guidelines as shareable needs can still be made known to other members through our Special Needs Sharing division (See Section 5.A.). In this way, members with non-shareable needs still have the opportunity to receive help from other members.



OVERVIEW

The following diagram depicts Sedera’s overall solution at a high level:



See “Key Terms for Understanding” for definition of terms and abbreviations above.

Disclaimers

ORGANIZED MEDICAL SHARING PROGRAMS HAVE BEEN FUNCTIONING SUCCESSFULLY FOR DECADES IN THE RELIGIOUS COMMUNITY. YET, BECAUSE OF THE LITIGIOUS NATURE OF AMERICAN SOCIETY, WE INCLUDE THIS WARNING/DISCLAIMER FOR ALL TO CONSIDER:

WARNING: SEDERA HEALTH IS NOT AN INSURANCE COMPANY AND SEDERA’S MEDICAL COST SHARING MEMBERSHIP IS NOT ISSUED OR OFFERED BY AN INSURANCE COMPANY. WHETHER A MEMBER COMPANY CHOOSES TO SEND MONETARY ASSISTANCE TO YOU AND/OR YOUR FAMILY TO HELP WITH YOUR MEDICAL EXPENSES WILL BE TOTALLY VOLUNTARY AND NEITHER YOU NOR SEDERA HAS ANY RIGHT TO COMPEL PAYMENT OF MEDICAL COST SHARING COSTS FROM ANY MEMBER. THE SEDERA MEMBERSHIP IS NOT AND SHOULD NEVER BE CONSIDERED TO BE OR TO BE LIKE A GROUP INSURANCE POLICY OR AN INDIVIDUAL INSURANCE POLICY.

WHETHER YOU RECEIVE ANY MONEY FOR MEDICAL EXPENSES, OR WHETHER OR NOT THIS MEMBERSHIP CONTINUES TO OPERATE, **YOU AS THE MEMBER WILL ALWAYS REMAIN LIABLE FOR YOUR UNPAID MEDICAL EXPENSES AND DO NOT HAVE ANY LEGAL RIGHT TO SEEK REIMBURSEMENT FOR ANY SUCH EXPENSES FROM SEDERA OR ANY OTHER MEMBER OR COMPANY.** THIS IS NOT A LEGALLY BINDING AGREEMENT TO REIMBURSE YOU FOR THE MEDICAL EXPENSES YOU INCUR, BUT IS AN OPPORTUNITY FOR YOU AND YOUR COMPANY TO ASSIST OTHER MEMBERS IN NEED, AND WHEN YOU ARE IN NEED, TO PRESENT YOUR MEDICAL BILLS TO OTHER MEMBERS AND MEMBER COMPANIES AS OUTLINED IN THESE GUIDELINES. THE FINANCIAL ASSISTANCE YOU MAY RECEIVE WILL COME FROM OTHER MEMBER COMPANIES, AND NOT FROM SEDERA HEALTH.

The Concept Behind Sedera

We've established that Sedera is not a health insurance plan, so why do people choose to participate in Sedera? The answer is both informative and compelling...

First, understanding Sedera's Medical Cost Sharing membership only requires a person to reflect on how they treat their own family and neighbors when they're in need. Americans are world renowned as a compassionate and generous people. We take care of our families and friends. When a mother, dad, brother or sister reaches out in need, with glad and compassionate hearts, we help. Likewise, when a good neighbor needs a helping hand, we help. It's what we do, and what makes us, as a people, unique and admired throughout the world. This fundamental concept forms the basis for medical cost sharing; people helping people, directly, in need.

The second principle is that of personal responsibility. In a nation of laws and consequences, personal responsibility is an obligation of the entire citizenry. Accordingly, we believe those who are health conscious and live controlled and balanced lives should be rewarded for doing so. In virtually every aspect of health conscious peoples' lives the advantages are plentiful—the exception being health insurance. Conversely, people who don't live carefully, taking known health risks through their own choices and personal behaviors, prosper greatly from the current healthcare system leaving the "careful" people to essentially pick up the tab. We believe this is a fundamental flaw in the U.S. health insurance system.

Lastly, the quest for freedom trumps all amongst American virtues. At our very foundation, freedom reigns supreme. Rugged individualists founded this nation in pursuit of freedom. Freedom resounds throughout our founding documents. So how the Affordable Care Act, which grossly diminishes freedom, became the law of the land is somewhat remarkable. It is the law though, and all Americans are bound by it. By contrast, Sedera Health is designed to enable and support our member's freedom of choice; be it choosing their own doctors and health care facilities, or choosing their personal strategy in dealing with their medical issues, with Sedera, the choice is theirs.

Many business owners have voiced their discontentment with the current system, and, until now have had little recourse with regard to their options. The Sedera Health solution poses a viable alternative to the insurance dominated status quo. The following pages describe how Sedera may assist your organization and your most valuable asset, your employees.



Frequently Asked Questions (FAQs)

FAQs for Business Owners and Chief Executives	
<p>1. Why should my company participate in Sedera's Medical Cost Sharing membership?</p>	<p>Participation in Sedera's Medical Cost Sharing membership health care sharing program 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 Medical Cost Sharing membership health care sharing program'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>2. Does Sedera's Medical Cost Sharing membership comply with the Affordable Care Act requirements?</p>	<p>Sedera's Medical Cost 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 preventive care needs and, in some cases, to provide a framework for qualifying for a Health Savings Account (HSA) program. Member companies also participate in Sedera's Medical Cost Sharing framework, so their employees have access to the assistance of many other members in handling the costs of medical incidents that exceed their Initial Unshareable Amount (IUA). For low cost medical incidents below the member's IUA, members will pay out of pocket or via their HSA, if they have set one up.</p>
<p>3. What are the risks and liabilities my company may be exposed to through participation in Sedera?</p>	<p>Sedera is a voluntary benevolence membership. It is not insurance. Member companies are not purchasing insurance coverage by participating in medical cost sharing. By participating, member businesses are neither promising their employees that their larger 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>4. Can my employee's monthly shares be collected via payroll deduction?</p>	<p>Yes. Since Sedera facilitates a group medical cost sharing model, this is the only way monthly shares can be collected from participating employees.</p>
<p>5. Can my company pay some or all of the employee's monthly shares?</p>	<p>Yes, participating companies can contribute (we don't use the word "pay" associated with medical cost 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 offer different product bundles to each tier. Talk to your legal representative about legal requirements on tiering qualifications.</p>
<p>6. How would I set up my employees withholding amounts?</p>	<p>Companies should consult with their own legal and tax advisors for more information regarding payroll and income tax implications for their specific situations.</p>

<p>7. Is there any additional administration or work for my company as a result of participation?</p>	<p>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.</p>
<p>8. The cost savings sound great, but how will my employees be affected by Sedera's program?</p>	<p>The employees of participating businesses are granted the opportunity to voluntarily join Sedera's Medical Cost 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 the membership at any time, but if they do, they will no longer be eligible to receive contributions towards their medical expenses from other members, in the event they incur a medical need.</p>

FAQs for Employees

<p>1. What is Sedera Health about?</p>	<p>Sedera believes that our members, in concert with the medical providers of their choosing, have a natural incentive to do what is best for themselves and their families, as well as the primary responsibility for making their own health care decisions. When our members have financial needs due to illness that are greater than they can individually bear, we believe that the Sedera community, in a corporate sense, should assist in carrying one another's burdens. Our method of sharing each other's medical bills seeks to teach these principles as an integral part of our community of sharing philosophy.</p>
<p>2. What kind of company is Sedera Health?</p>	<p>Sedera is a Delaware corporation with administrative offices in Austin, Texas. Sedera is not an insurance company. Sedera provides the framework and administrative support for our group medical cost sharing membership, as well as access to numerous ancillary health services.</p> <p>Access to insured products, such as the Minimum Essential Coverage (MEC), that your employer may be providing, come through relationships that your employer has chosen to purchase directly from those benefit providers.</p>
<p>3. Isn't Sedera really just another health insurance company?</p>	<p>No. Insurance arrangements are a contract whereby one party agrees to be legally responsible for and accept another party's risk of loss in exchange for a payment—a premium. Medical cost sharing is an arrangement whereby members agree to share medical expenses through an act of voluntary giving. Sedera is not licensed or registered by any insurance board or department since we are not practicing the business of insurance. We do not assess applicants' health risks, because neither Sedera nor our members are assuming financial liability for any other member's risk. Unlike insurance, the focus of Sedera's Medical Cost Sharing membership is on how our members help one another with their immediate needs.</p>
<p>4. What's the advantage of Sedera not being a health insurance company?</p>	<p>When healthcare costs are paid by someone other than the person receiving care, typically an insurance company or government entity, the healthcare model can be undermined. We believe many of the current problems with the healthcare system are the direct result of restricting personal freedom and responsibility through dependence on third-party payors. Sedera Health is designed to allow members to help one another while maintaining freedom of choice and personal responsibility.</p>

FAQs (cont. from prior page)

Legal and Regulatory Concerns (FAQs for Employees)	
5. Is this legal?	The medical cost sharing membership operated by Sedera Health is not restricted from operating in any of the 50 United States, and has no legal barriers within the United States of which we are aware.
6. How are members of Sedera Health affected by the federal health care law (the ACA)?	Sedera members, like most citizens of the United States, are required by the ACA to fulfill the individual mandate or be subject to an annual tax payment (currently the greater of \$695 or 2.5% of adjusted gross income). Participating member businesses have chosen to incorporate a structure known as Minimum Essential Coverage (MEC), which is a type of self-insurance administered by a licensed Third Party Administrator (TPA). A self-insurance MEC Plan fulfills the ACA requirement for the Individual Shared Responsibility (a.k.a. the employee mandate), as well as the “offer of insurance” provision for certain employers. The ACA gives employees of small businesses the freedom to opt out of the MEC and go directly to the Marketplace (also called the Exchange) within their state of residence to purchase an individual health plan directly if they prefer.
7. How will the IRS know that I meet the law’s requirements and don’t owe a penalty?	Full details on the IRS reporting requirements are not in the scope of this document. Please note that Sedera cannot provide tax advice. Companies should consult their own legal and tax advisors for more information regarding compliance reporting for the health insurance mandates contained in the Affordable Care Act.

How Does Sedera Work?

8. How does Sedera handle medical claims?	Because there is no “transfer of risk” in the Medical Cost Sharing membership, no “claim” is ever owed. When members incur medical expenses there is simply a medical need. Sedera members send proof of their medical expenses to the Sedera office where they are evaluated according to the Guidelines. Qualified needs are then designated for sharing based on the amount of shares collected from member businesses each month. Each member’s monthly share is voluntary, but is also a requirement to remain an active part of the membership.
9. What is the process for paying my medical bills when I have a need?	At the time of service, members should disclose to medical providers (doctors, laboratories, clinics, hospitals, etc.) that they are “self-pay” patients. The providers will send their bills directly to the member. The member then organizes their bills, fills out a Need Processing Form (NPF) and submits the NPF, copies of all relative medical bills and any proof of payments made towards their \$500 Initial Unshareable Amount (IUA). Sedera will review the need and help administer a process whereby community funds are shared with the member, less the member’s IUA (as applicable). Our team of medical bill negotiators may contact the providers to discuss the appropriate payment for the services that were performed and determine if negotiations are applicable for the billed amounts.
10. How long does it take Sedera to process a medical need?	The sharing turnaround time normally ranges from 14-60 days from receipt of your bills and required information. If your Needs Processing Form is correct and complete, and there are no ongoing financial negotiations with providers, your need will normally be shared at the beginning of the second month after we receive your need. For example, a need received by the end of September would be processed in October and shared at the beginning of November.
11. What if I refuse to authorize Sedera to negotiate my medical bills?	Virtually all medical bills are highly inflated due to “medical price indexing.” Therefore, medical bills are <i>required</i> to be negotiated. Members who refuse bill negotiations negatively impact the community as a whole. Consequently, Sedera reserves the right to reduce the shareable amount by 25%, off billed charges on bills of \$500 or more, in cases where a member refuses authorization to negotiate. See section 3.E.

12.Can I choose my own doctors and hospitals without being penalized?	Yes. Having the personal freedom to choose the medical providers of your choice is fundamental to Sedera’s values. Sedera’s Member Advisors will be happy to assist you in providing quality information to help you make a decision on the best provider(s), but there are no “out-of-network” penalties.
13.Is there a penalty if I don’t use Sedera’s second opinion program (2nd.MD)?	Yes. Since treatment protocols and quality levels vary dramatically throughout the medical profession, Sedera requires our members to utilize 2nd.MD prior to undergoing elective (non-emergency) surgeries. Needs sharing may be reduced by up-to 25% on bills over \$500 for members who either refuse to utilize the 2nd.MD program or intentionally skip the process. Conversely, by using 2nd.MD, the member’s IUA will be reduced by 50%. Example: A member with a \$1000 IUA would have their IUA decreased to \$500 if 2nd.MD is consulted.
14.Does Sedera charge monthly premiums?	Because Sedera’s Medical Cost Sharing membership is not insurance, we do not charge premiums. Sedera members freely choose to assist other members with their medical expenses by contributing a predetermined amount each month; called a “share.” 90.1 percent of each member’s monthly shares are designated solely for assisting other member’s needs.
15.Does Sedera use deductibles and co-insurance?	Sedera’s process differs significantly from insurance practices in this regard; to our members’ advantage. Traditional healthcare deductibles are cumulative over the course of a plan year. Co-insurance is the portion of the medical expense owed by the patient. These insurance cost-sharing measures can amount to thousands of dollars in out-of-pocket costs to insurance policyholders annually. Conversely, when Sedera members incur an eligible medical expense that exceeds their Initial Unshareable Amount (IUA), either \$500 or \$1000 per need, any remaining balance relative to that specific need would be eligible for sharing. This effectively reduces the member’s burden to the first \$500 or \$1000 for any single need.
16. Why would members and/or member companies want to send more than their monthly share amounts?	Member businesses understand the Sedera membership is a mutual sharing and benevolence organization. As a result they sometimes give more than their monthly amount. Sedera facilitates the administration and sharing of these additional monies by giving it to members who have needs that would not normally be shareable, via the Special Needs Sharing program.
17 What if I have a medical need that is not shareable?	Sedera’s skilled Patient Advocates are available to negotiate our member’s medical bills, even if the expenses are not eligible for sharing with the Sedera community. Additionally, needs that do not qualify for sharing which create a financial burden to the member or family, the Special Needs Sharing program may be of assistance. See Section 5 of the Guidelines.
18. What if my medical provider demands payment up front?	Occasionally medical providers require up-front payment prior to delivering service. In these instances, members should make every effort to limit the up-front payment to their selected IUA (\$500 or \$1000) and request to be billed for any remaining charges. See section 3.G. on page 22 for additional details. Special consideration can be given for up-front payment requests that exceed \$3,000. Members are encouraged to contact their Member Advisor prior to making large up-front payments to medical providers.
19. If all the monthly shares go to meet members’ needs, how does Sedera get paid?	Each month 9.9% of the medical cost sharing dollars received are retained by Sedera to cover administrative costs. Additionally, Sedera may retain up to the first 90 days of new members monthly shares to cover program expenses and costs related to expanding the community. An audit of Sedera’s finances is conducted each year by an independent auditing firm.
20. Will Sedera share medical costs that were incurred outside of the United States?	Yes, members’ eligible needs, wherever incurred, will be handled through the Sedera Medical Cost Sharing membership.

Participation Requirements

<p>21. What are Sedera's membership requirements?</p>	<p>Sedera members must be employed and eligible through a business that participates in the Sedera Medical Cost Sharing membership. See Section 2 of the Guidelines for eligibility details. Members understand that medical expenses resulting from the use of illegal drugs, or while participating in unlawful activities, will not be shared. See Section 1 of the Guidelines for a complete list of membership requirements.</p>
<p>22. What if someone does not pay their monthly share or drops out of the membership?</p>	<p>If a member company fails to contribute their monthly shares, their participating employees would no longer be eligible for the Sedera membership unless/until the member company catches up on their committed shares to the Sedera community.</p>
<p>23. Can my membership be dropped if I have very high medical needs?</p>	<p>Members cannot be dropped from this program due to their medical needs. Neither your membership nor your monthly share is affected by the amount of medical expenses you or any family members may have.</p>
<p>24. Can my family members participate in medical cost sharing?</p>	<p>Yes, spouses and dependent children are welcome to participate in the membership. It is up to participating employers as to how much, if anything, they will contribute toward the cost of dependent family members joining. See Section 2 of the Guidelines for eligibility details.</p>
<p>25. What if my dependents do not agree to abide by the Sedera Guidelines?</p>	<p>Sedera members agree to abide by the Sedera Guidelines and Principles of Membership, as directed by the Sedera Board. Parental members are responsible to hold their participating dependent children age 16 - 25 to adherence with the Guidelines. For example, Sedera does not share expenses for injuries resulting from the use of illegal substances. Hence, medical expenses incurred by a member child who is injured while he/she is under the influence of an illegal substance would not be eligible for sharing. Note: Does not apply to dependent children under the age of 16.</p>

Qualifications and Limits

<p>26. Is there a lifetime or yearly maximum amount that is eligible for sharing for any one person or family?</p>	<p>There are no lifetime or annual maximum amounts eligible for sharing for most medical needs. There is no limit on the number of needs that an individual member or household may have.</p>
<p>27. What kinds of needs do Sedera Health members share?</p>	<p>In general, needs for illnesses or injuries resulting in visits to licensed medical providers, emergency rooms, testing facilities, or hospitals are shared on a per person, per incident basis. See Sections 6-9 for more details.</p>
<p>28. What kinds of needs do Sedera Health members not share?</p>	<p>Needs resulting from medical conditions that existed prior to the membership effective date are typically not shared (see Section 7 for details). Also, since routine checkups and preventive care are handled through the participating employer's Minimal Essential Coverage (MEC) self-insurance program, they are not eligible for sharing.</p> <p>Maternity needs related to conception that occurred prior to membership are limited. For any needs that do not qualify for sharing which create a financial burden to your family, the Special Needs Sharing program may be of assistance. See Section 5.</p> <p>A detailed explanation of the limitations on needs shared is explained in Sections 8 & 9.</p>

<p>29. How can I know if a need qualifies for sharing?</p>	<p>The types of needs that qualify for sharing can be found in the Guidelines that follow. Consult Section 10 to familiarize yourself with the general procedures for submitting your need and Sections 6-9 for the specific requirements for sharing certain types of needs. If you have further questions, please do not hesitate to call your Sedera Member Advisor at 1-855-973-3372.</p>
<p>30. What about routine medical care?</p>	<p>The Sedera Medical Cost Sharing membership is designed to help our members with the costs associated with unpredicted injury and illnesses. Routine preventive care and wellness coverage may be provided through your employer via a Minimum Essential Coverage (MEC) self-insurance plan.</p>
<p>31. How does Sedera handle very large medical expenses?</p>	<p>There is no maximum limit to the amount that Sedera will share towards a specific medical need. However, the need must be within the scope of the Guidelines before it will be eligible for sharing. Because of the economic impact of very large medical bills (e.g., those over \$100,000), Sedera has devised an internal mechanism to ensure that adequate shares are available to meet both our member's normal and high-cost needs. For the very large medical expenses that occur from time to time, Sedera makes provision by allocating 15% of member's monthly shares to remain available through a benevolence fund that member companies have independently established. Sedera reserves the right to negotiate medical expenses with providers, and to prorate available shares, as necessary, in order to address all members medical expense needs.</p>
<p>32. What amounts do members share for maternity needs?</p>	<p>For a pregnancy that begins after the start of your membership, maternity needs are shared like any other need. For a pregnancy that began prior to your membership, the amount shared is generally limited to the amount of shares you have sent from the beginning of the mother's membership. See Section 9 for more details.</p>
<p>33. What if I'm a cancer survivor? Does that mean Sedera would never have its members share in any future cancer related bills I might have?</p>	<p>No, in fact there are several ways in which that need could be shared:</p> <ol style="list-style-type: none"> 1) The expenses for your second occurrence of cancer would only be ineligible for sharing if it "resulted from" the first episode of cancer. It is quite possible that a second episode of cancer is unrelated to the first and thus eligible for sharing. 2) Except for insulin dependent diabetes, all conditions you had before your membership may be shareable after a period of time without symptoms or treatments (see Section 7 for details). 3) Even expenses that are not eligible under the basic sharing membership may be shared among our members through the Special Needs Sharing program. See Section 5.
<p>34. How are expenses for medical treatments that occurred overseas handled?</p>	<p>Bills from medical treatments occurring overseas must be written or translated into English and the price converted to U.S. dollars. They are then handled the same as bills from treatment in the U.S.</p>
<p>35. What if I lose my job or change employers? Can I take my Sedera membership with me if I leave my employer? What are my options?</p>	<p>Continuation of membership with Sedera after termination of employment is dependent on whether the former employee chooses to exercise their federal COBRA option to continue their group MEC plan. If you continue your employer sponsored group MEC plan your Sedera membership would be available for continuation as well.</p> <p>Former employees also have the option to enroll in individual health insurance coverage through their state or federal Marketplace within 60 days of termination of their group MEC plan.</p> <p>Additionally, any HSA funds that you may have accumulated during your employment are also fully portable after termination of employment.</p>

Risks	
36. This approach sounds kind of unusual! Does it really work?	The concept of medical cost sharing has been highly successful within the confines of faith-based Christian groups for more than 25 years. Hundreds of thousands of members have shared hundreds of millions of dollars in medical expenses. Hence, there is strong precedence in the concept. We believe that a community of health conscious individuals who care for their fellow man can successfully participate in the sharing of medical burdens. It is important to note however that past successes by faith-based sharing groups assisting one another is no guarantee of the future success of similar programs. There is no promise/contract by Sedera or the members to contribute toward any need you might have in the future. The only promise by Sedera is to guide the voluntary shares given through the medical cost sharing process.
37. What happens if Sedera's members' needs are greater than the monthly shares received?	Sometimes Sedera can overlap needs from two months so that there is enough money for all the needs. However, if all needs cannot be met, we use a prorating method to evenly distribute the burden. For example, if the monthly shares received for a given month equals 80 percent of the needs submitted for a particular month, only 80 percent of each need would be shared that month. This does not necessarily mean that members would not receive enough money through other member shares to pay your medical bills. Sedera employs a Patient Advocacy organization (the Karis Group) to seek fair pricing on medical needs that exceed \$500. So as long as this team is able to get members costs below 80% of the billed charges, there would still be enough to handle all of the needs in that month. If prorating occurs three months out of six at any time, the Board will evaluate, with member input, whether there needs to be an increase in the monthly share. See Section 11 "Balancing Needs and Shares/Proration" for additional details.
Costs and Payment Processes	
38. How much does it cost to belong to Sedera?	Every member provides a specific share amount each month, paid through their employer, who also determines how much of the monthly share will be provided by the company and how much by the employee. The employee portion of the monthly share is handled through a standard payroll deduction. 90.1 percent of these shares are used to help pay other members' medical needs, while 9.9% of the monthly share is retained by Sedera to support our infrastructure and administrative expenses. Sedera may also retain each new member's monthly shares for up-to the first 90 days of their membership in order to cover program expenses and costs related to expanding the community. The monthly share amount varies depending on each member household's dependent status and age (under 30 or over 30), as well as their employer's contribution, if any. See the Sedera website (www.sedera.com) for current monthly share amounts. Monthly share amounts are subject to change by vote of the board, following consultation with the member companies and their participating members.
39. Can my employer pay some, or all, of my monthly share amount?	Yes, there is no limit (other than business financial restraints) as to how much your employer can contribute towards your required monthly medical cost sharing portion.
40. How is my portion of the monthly share collected?	Each member business chooses what portion of the member's monthly share they will pay and what portion the member is required to pay. However, the Minimum Essential Coverage (MEC) plan that member businesses are required to provide has strict limits on the members' portion of the cost, as per ACA guidelines.
41. Are my monthly shares higher if I, or a participating member in my family, uses tobacco products?	Yes. Tobacco use of any kind is clinically proven to cause serious health conditions. The U.S. Department of Health and Human Services website states, "Cigar and pipe smoke, like cigarette smoke, contains toxic and cancer-causing chemicals that are harmful to both smokers and non-smokers. Smokeless tobacco is not a safe alternative to cigarette smoking." Due to the increased likelihood of higher medical costs associated with tobacco use, Sedera households with one or more tobacco users are required to share a higher monthly share rate. Additionally, medical needs for (<i>cont. on next page</i>)

41. (cont)	tobacco users age 50 and older are limited to \$25,000 for each of the following four disease categories: Cancer, Heart conditions, COPD and Stroke. See Section 8.A. Exceptions: The occasional celebratory cigar or pipe, for example, at the birth of a baby, is acceptable, as is the use of electronic cigarettes (“vaping”) during the process of attempting to quit smoking.
42. Are my monthly shares a pre-tax deduction like health insurance premiums?	No. The monthly share is a voluntary contribution towards a membership that facilitates the sharing of member’s medical bills. As such, the money members contribute to the Sedera Medical Cost Sharing membership is a post-tax contribution.
43. How often can the monthly share amounts be changed?	The monthly share can only change when approved by Sedera’s Board of Directors. It is Sedera’s policy that all decisions impacting member shares are only made in close consultation with the member businesses.



1. Sedera Principles of Membership

Sedera membership requires agreeing to all of the requirements of this section as well as the submission of an application for membership. As long as members continue to meet these requirements and fulfill all membership duties as determined by the Board of Directors, their membership will continue. If at any time a member no longer meets all these membership requirements, they must notify Sedera immediately, and their membership and all privileges will cease, unless otherwise indicated.

While member health status has no effect on eligibility for membership, there are limitations on the sharing of needs for some conditions that existed prior to the membership effective date.

Needs that do not qualify for medical sharing may still be met in part or in whole through Special Needs Sharing. See Section 5.A. See Sections 6-9 for a detailed list of shareable and non-shareable needs.

The following requirements 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.

The following requirements 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:

- A. 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.
- B. I understand that Sedera Health is a benevolence organization, not an insurance entity. I also understand that while Sedera assures that every effort will be made to make sure that members fulfill their monthly sharing commitment, Sedera, in and of itself, can not guarantee payment of any medical expenses.
- C. I am a current employee, or eligible dependent of an employee, of a participating employer group and am eligible for membership with Sedera through that employer relationship.
- D. I agree to practice good health measures and strive for a balanced lifestyle.
- E. I agree to refrain from the usage of any form of illegal substances.
- F. I understand that medical needs caused by, or due to, the act of performing any illegal or unlawful activity will not be shareable.
- G. I agree to submit to mediation followed by subsequent binding arbitration, if needed, for any instance of a dispute with Sedera or its affiliates.
- H. I agree to sign and submit a membership continuation agreement each renewal year confirming my commitment to adhere to these principles.

The Primary Member (employee) accepts the responsibility to notify and inform all persons listed on their application for membership of these principles of membership. Any applicant (or their eligible dependents) who is not comfortable with the Sedera Guidelines is free to decline the offer to participate in the Sedera Medical Cost Sharing membership.



2. Enrollment and Household Membership Requirements

There are four primary levels of household participation for Sedera Health membership. Monthly share amounts are derived from household membership status. See Section 2.B. for details.

Unmarried children age 18 and younger, and unmarried children ages 19-25 who meet the requirements of Section 2.C. below, may be included as a child in a family membership and may submit medical needs for sharing if they meet the member requirements as listed above and are included on the membership enrollment form.

2.A.	Enrollment date limitations	None. Unlike federally regulated health insurance plans, Sedera's membership has no calendar date restrictions for enrollment. However, membership effective dates always begin the first day of the requested month of enrollment.
2.B.	Determination of household membership	Four tiers (Household Members): <ul style="list-style-type: none"> • Employee Only (EO) • Employee & Spouse (ES) • Employee & 1 or more Children (EC) • Employee & Family (EF)
2.C.	Child dependent participation	Limited to children age 18 and younger, and unmarried children ages 19 through 25 who are bona fide dependents of a member parent. Sedera will give special consideration, on a case-by-case basis, to unmarried children ages 26 and older that remain dependent on their member parent(s) due to special needs. Any such determination will be made by Sedera, at its sole discretion.
2.D.	Marriage	When a member's children become married, they must request their own membership, if feasible by employment, even if they may otherwise qualify as a dependent.
2.E.	Transition allowance	<ol style="list-style-type: none"> 1. Married children, and those age 26 and over, will no longer be eligible to participate on their parent's membership at the end of the 12-month membership year. 2. Gap Time—Medical incidents that occur from the time a child leaves their parents' membership to the date they begin their own coverage will not be shareable.
2.F.	Newborn	Newborns whose addition to the household membership will increase the monthly share amount will be included within the household membership retroactive to the date of birth as long as the member notifies Sedera to add the child to the membership no later than 30 days after birth. Otherwise the effective membership date will be no earlier than the date of notification to Sedera. Sedera should be notified as soon as possible to add subsequent newborn children to the membership. Please be aware that there are specific guidelines that address sharing needs for a newborn. See Section 9.
2.G.	Adoption	Adopted, unmarried children are considered members of the household the same as biological children. Any physical condition of which the adopting parents are aware that the adopted child has prior to the adopting parents being legally responsible for the child's expenses, or prior to the child's effective date within his parents' membership, will be considered a "condition that existed before membership" under Section 7.
2.H.	Grandchildren	Grandchildren may be included as part of their grandparents' membership if they meet all of the following criteria: <ol style="list-style-type: none"> 1. They live permanently with their grandparents (their residence), and 2. The grandparents have legal custody, or the grandchild is the child of a minor, and 3. They meet the eligibility guidelines for children, and 4. They have no other agency, person, or group responsible for their medical bills.
2.I.	Reinstatement of Membership	Members who cancel their Sedera Membership, whether through termination of employment or otherwise, may reapply for membership, if eligible, via access from their participating employer. All re-enrollments are treated as new enrollments, regardless the elapsed time between termination and reinstatement. Prior medical conditions (if any) would be subject to a 36-month look back period and waiting periods may apply before Needs associated with those conditions would be eligible for sharing. See Section 8.B

3. Member Responsibilities

Members should familiarize themselves with the following responsibilities in order to more effectively participate in medical cost sharing. Each member's faithful participation directly contributes to other members.

A. New members—Must fully complete, initial where required, sign and date the Sedera membership application. Your employer will handle the monthly shares through their payroll system.

B. Monthly shares—Each member's monthly shares are handled through payroll withholding via the employer's payroll system. Member companies will notify their employees what portion of the monthly share they will pay, and what portion will be withheld from the member's paycheck. All contributions are entirely voluntary. NO ONE is obligated to be a part of this medical cost sharing membership.

Each month the monthly shares that members and member companies have contributed are made available to other members who have confirmed medical needs. The amount each individual member contributes depends on the member household size and member and spouse ages; under the age of 30, or older. For purposes of the definition of spouse in reference to a husband or wife, "husband or wife refers to the other person with whom an individual entered into marriage as defined or recognized under state law for purposes of marriage in the State in which the marriage was entered into or, in the case of a marriage entered into outside of any State, if the marriage is valid in the place where entered into and could have been entered into in at least one State." See the Sedera website (www.sedera.com) for details on member share amounts by household membership class.

C. Submission of Medical Needs to Sedera— See Section 10 for full details.

D. Misuse of Trust and Accountability—At all times, Sedera members are expected to act with honor and integrity. Members presenting a falsified need, using deceptive practices, or participating in another member's misuse of trust will have their membership cancelled. When a need is submitted requesting other members to share financially in order to relieve the burden of a medical expense, the member submitting the need is committing that those monies will be used to help pay their financial obligations to their medical providers, as directed by Sedera, to the extent of the monthly shares received. Members submitting needs further commit to work with Sedera's staff and its authorized affiliates to seek equitable prices from providers and to document amounts paid to providers. When an issue of possible misuse of trust by a member arises (whether or not still active or currently a member), Sedera may seek the assistance of the member's employer and provide them with the necessary information to address the issue and hold the member accountable. The member may request resolution of the question through the mediation and arbitration provisions



described in Section 12 of the Guidelines.

E. Authorization Requirement—The majority of medical bills are grossly inflated. Therefore, member cooperation with bill negotiation is required on medical bills that exceed the member's IUA. Members agree to authorize Sedera, and/or its affiliates, to negotiate billed charges on their behalf. Members who refuse bill negotiations negatively impact the community as a whole. Consequently, Sedera reserves the right to reduce the amount shared by 25%, off billed charges for bills over \$500, in cases where a member refuses authorization to negotiate on their behalf.

F. Second Opinion program—In order to ensure that members receive the most up-to-date and effective medical treatment available, Sedera requires its members to utilize "2nd.MD," the nation's premier second opinion program, prior to undergoing elective surgeries. Needs sharing may be reduced by up-to 25% on non-emergency surgical procedures that exceed \$500 for members who either 1. Refuse to utilize the 2nd.MD program, or 2. Fail to notify Sedera of the surgery in advance of the the procedure.

Conversely, for consulting with 2nd.MD, the member's IUA will be reduced by 50%. Example: The member's \$500 IUA would be reduced to \$250 if the 2nd.MD program is consulted.

G. Advance Payment for Medical Services—In instances where medical providers require payment prior to service, Sedera members should make every effort to avoid paying full-billed charges for services in excess of their IUA, as this eliminates the ability to negotiate highly inflated medical costs. Paying the full-billed amount for medical services reduces the effectiveness of the self-pay patient approach and ultimately results in higher costs to the community. As such, Sedera reserves the right to reduce sharing by up-to 25% per bill for members who repeatedly or habitually pay full-billed charges in advance.

4. Member Participation in Sedera Health

A. Nominations and Elections

Because Sedera Health is a community focused benevolence organization, member companies are encouraged to play an active part in determining how the membership functions. Member companies participate in important decisions by voting their preferences. The board of Sedera, Inc. is not bound by this vote, but is guided by it.

1. For board members—The Sedera Board currently consists of three members. The qualifications for board members are available upon request. Sedera Health founder and CEO, Tony Dale, MBBS, is a permanent board member and appoints one other board member. The founding investors in Sedera have one board seat. In addition to this, there are a variable number of non-voting board observers, who are welcome to fully participate in all board meetings, made up of any of the equity owners in Sedera and currently joined by the President of Sedera, Jamie Lagarde.
2. For share increases—If needs requested are greater than shares available and “prorating” of needs occurs for any three months out of six, member companies will be provided an opportunity to vote on whether they want to increase the monthly share amounts. A month will not be considered to be part of the three prorated months if all the needs for that month have been met through a surplus of shares the following month or by extra giving of members for prorated needs. See Section 5.B. The board may increase share contributions to the members at other appropriate times, such as when it believes that the occurrence of prorating demonstrates the inadequacy of the share amounts to meet all the needs that members have agreed to share. Discounts or share increases for various age groups may only be changed by majority vote of the Sedera Board.
3. Advisory input—The board may also seek an advisory vote of member companies on any issue, e.g. whether to make changes in the Guidelines concerning which medical needs should be shared. The board may consider, but shall not be bound by, any such vote.

B. Member Communication

Sedera believes that all members of our sharing membership should have a voice in providing input for the mutual advantage of the whole. We encourage Sedera members to communicate with our staff about all issues of health care. Member input can help us be more aware of ways to improve the membership. Example: If a member learns of a new and effective medical treatment that improves quality, saves time or reduces cost. Input offered in a constructive and helpful spirit is highly valued, and always welcome.

¹ Dr. Dale has the British equivalent of the US' M.D. degree. His official degree is “Bachelor of Medicine, Bachelor of Surgery.”



5. Additional Giving

While Sedera practices good stewardship by adhering to our Guidelines and limiting the needs we share to those that member companies have agreed to share, we also strongly encourage giving above and beyond what is required. This can be done through Special Needs Sharing, through extra giving in proration months, and through the sponsorship program.

A. Special Needs Sharing

Needs that do not meet the Guidelines may be eligible for sharing as Special Needs Sharing requests. These monies are provided by Member companies who voluntarily give to in addition to their regular monthly shares. Sedera reserves the right to decide which needs will or will not be shared for Special Needs Sharing, but all Special Needs Sharing requests must exceed the Member's selected IUA. See Section 6.A.2. Special Needs Sharing requests will be evaluated on such criteria as the extent of the financial burden caused to the family through this medical incident, the availability of assistance from other sources, the degree to which the need was avoidable, and the amount of other pending requests. Before members submit a Special Needs Request, they should speak to their Sedera Member Advisor at 1-855-973-3372.

B. Proration months

In months where a proration occurs, most members who had a shareable need that month will only have the prorated amount shared, which may still leave a significant burden on some members. In such cases, the monthly update will show the extra amount the member company, and other member companies assigned that need, would have to send so that the member's need would be fully met. All members are asked to consider giving out of their surplus, beyond their minimum monthly share, to minimize the effect of the proration.

While Sedera practices good stewardship by adhering to our Guidelines and limiting the needs we share to those that member companies have agreed to share, we also strongly encourage giving above and beyond what is required.



6. Needs that Members Share

This section explains how the shareable amount of a member's medical expenses will be determined. There is no annual limit or lifetime limit on the number of conditions or the total dollar amount of different needs that may be shared. Original, itemized bills for the medical expense members want shared must be submitted within six months of treatment. Bills submitted more than six months after the service date of treatment will not ordinarily be shareable.

A. Basic Need Levels

Medical needs are submitted on a per member, per incident, basis. These are injuries and illnesses resulting in medical expenses incurred by receiving medically necessary treatment from licensed medical professionals; including physicians, emergency rooms and hospital facilities (whether inpatient or outpatient).

6.A.1.	Initial Unshareable Amount (IUA)	The financial portion (\$500 or \$1000 U.S. dollars) that members are required to pay prior to any amount being eligible for sharing. After the IUA has been satisfied a qualified need, as determined by the Guidelines, becomes eligible for sharing consideration.
6.A.2.	Maximum shareable amount per need	<p>There is no lifetime maximum amount eligible for sharing for any member or household.</p> <p>Sedera Medical Cost Sharing funds are allocated as needed to handle both large and small medical bills that qualify for sharing. Because large bills are a fact of life in any community, Sedera allocates a specific portion of every month's shares to the very large bills coming in that month. Fifteen percent of the total monthly shares received is allocated to very large needs.</p>
6.A.3.	Determination of "Need"	Expenses related to the same medical condition, including those for separate incidents, (e.g. separate treatments or episodes of symptoms) will be shared as one need and accumulate towards the total need amount. When 12 consecutive months have passed without any symptoms, medication, or other treatment for the condition that originally created the need, or related subsequent conditions, and the condition recurs, it will be treated as a new need.
6.A.4.	Multiple needs within a 12-month period	<p>Members that experience multiple needs within their 12-month membership year are required to pay the first three IUAs at the selected amount (\$500 or \$1000). If there is a fourth need during the same membership year, no IUA would apply. The fourth need, and any subsequent need(s), would be eligible for immediate sharing; subject to any stated restrictions or limitations in the Guidelines.</p> <p>For households with multiple members (2 or more), a maximum of five IUAs apply per 12-month membership year. Beginning with the sixth need during the same membership year, medical expenses would be eligible for immediate sharing; subject to any restrictions.</p> <p>PLEASE NOTE: No one person within a multiple household will be required to share more than three IUAs in a given 12 month membership year.</p> <p>Example: A Sedera member family of four with an IUA of \$500 experiences the following medical needs during the same 12-month membership year:</p>

<p>6.A.4. Multiple needs within a 12-month period</p>		<p>Incident 1) Dad develops pneumonia which requires hospitalization for three days at a total cost of \$12,000. His initial unshareable amount is \$500 leaving the remaining \$11,500 eligible for sharing.</p> <p>Incident 2) Mom is diagnosed with skin cancer requiring lab work and surgical removal on an outpatient basis at a total cost of \$3,500. Her Initial Unshareable Amount is \$500, leaving the remaining \$3,000 eligible for sharing.</p> <p>Incident 3) The eldest child experiences an appendicitis attack and undergoes emergency surgery at a cost of \$9,500. Her Initial Unshareable Amount is \$500, leaving the remaining \$9,000 eligible for sharing.</p> <p>Incident 4) Dad accidentally falls from a ladder and breaks his arm requiring emergency surgery and setting with billed charges adding coming in at \$10,000. The Initial Unshareable Amount remains of \$500, applies, resulting in \$9,500 being eligible for sharing.</p> <p>Incident 5) Mom turns her ankle during a tennis match. She visits an Urgent Care Center and is provided X-Rays, crutches and pain medications at a cost of \$475. This is below the family's \$500 IUA, so is not yet shareable. A week later, mom visits an Orthopedic Specialist to inspect the injury at a cost of \$325. This brings the total cost of the need to \$800, of which \$300 (\$800 - \$500) is then shareable with the community.</p> <p>At this point, the family has incurred \$35,800 in medical expenses but only \$2,500 in out-of-pocket expense due to medical cost sharing—<u>less any cost reductions achieved through our professional negotiation team on behalf of the member (typically 50-60%).</u></p> <p>Incident 6) Dad experiences chest pain during his morning exercise routine and is taken to the Emergency Room at the local hospital for examination and testing. He remains over night for observation. Total cost \$15,000. Because the family has exceeded five needs during their membership year there is no IUA, so the full amount (less any price reductions achieved through negotiation) is eligible for sharing.</p> <p>If any family member were to experience a seventh medical incident (as well as any subsequent needs within the scope of the Guidelines) during the remaining membership year, it would also be eligible for immediate sharing. Please note, the same rules in this example apply to any multiple member household of two or more members.</p>
<p>6.A.5. Effect of discounts</p>		<p>Keeping medical expenses to a minimum is an advantage to all Sedera members. Therefore, members are asked to contact their Member Advisor in all medical incidents that are not emergency situations. If you are involved in a medical emergency, please contact your Member Advisor within 48 hours, or as soon as reasonably possible. Members who pay full-billed charges for medical services may be subject to sharing reductions. See Sections 3.E. and 3.G.</p>
<p>6.A.6. Multiple simultaneous needs</p>		<p>If more than one shareable condition is treated during the same period of time, the member may submit separate needs requests for each condition. Each need must be submitted with a separate Need Processing Form. The member's IUA will apply to each need, subject to the multiple needs limit. See 6.A.4.</p>

B. Payments from Others Who are Obligated to Pay

6.B.1.	Insurance entities and/or government programs	<p>Obligated insurance and/or government entities are always considered the primary payor for any member's medical expense. Members who are eligible for benefits through either insurance arrangements or government programs are required to contact their Sedera Member Advisor before submitting their medical need. Their Member Advisor can assist in submitting the member's medical expenses to the entity (e.g., Medicare, Medicaid, Worker's Compensation, or any other responsible private insurance payor) prior to submitting them to Sedera. Notice of payment, or rejection, must be received from the potentially liable party before Sedera will consider sharing the need. Any amount paid by an obligated third party payor will reduce the members IUA, dollar for dollar, up to the full amount. Amounts paid over and above the IUA by obligated third parties will not be shared.</p> <p>Example 1: A member's child is playing at a friend's home and suffers a fall down the stairs. The child requires treatment for lacerations and a broken wrist. The total medical expenses come to \$4,000. The accident was later attributed to a toy being left on the stairway, causing the child to trip. The member discovers that the parents' homeowners' policy has a \$1,000 medical liability provision and the property insurance company awards a claim to the member's medical provider. In this case, the member's Initial Unshareable Amount (IUA) would be eliminated and the burden for Sedera members would also be reduced as follows:</p> <p>a) Original need request; \$4,000 medical expense - \$500 member portion (selected IUA) <hr style="width: 20%; margin-left: 0;"/> = \$3,500 Sedera shareable amount</p> <p>b) Adjusted need request, after insurance award; \$4,000 medical expense - \$1,000 insurance award \$0 member IUA eliminated <hr style="width: 20%; margin-left: 0;"/> = \$3,000 adjusted Sedera shareable amount</p>
6.B.2.	Pursuing legal remedy	<p>In the event that a member suffers injury at the hand of another person/party leading that person/party to be liable for payment and the liable party refuses to pay unless or until a legal remedy is reached, the member will be responsible to pursue such legal remedy against the liable person/party.</p>
6.B.3.	Other available assistance	<p>Members must seek reimbursement from other responsible payers, including government entities, for any portion of their needs, when the member is eligible for such benefits. See 6.B.1.</p>
6.B.4.	Health Savings Accounts (HSA)	<p>Members with access to HSA funds are not required to use these monies, but may wish to do so for expenses that precede their IUA or other approved medical expenses.</p>
6.B.5.	Discounts	<p>Discounts given by any health care provider should be listed on the Needs Processing Form and will not be eligible for sharing. Generally speaking, we encourage members to only pay their Initial Unshareable Amount (IUA) at the point of service so that Sedera's staff will have the opportunity to negotiate the rest of the medical cost for that incident.</p> <p>See also Effect of Discounts; Section 6.A.6.</p>
6.B.6.	Balancing needs and shares/proration	<p>The amount of a need that is shareable may be affected by the amount of other members' needs. Each month there is a fixed amount of committed shares available from members to be sent out to meet needs. However, the needs of members (cont.)</p>

	<p>Balancing needs and shares/proration (cont.)</p>	<p>fluctuate, and in any one month may be greater, or lesser, than the shares available. Needs take varying amounts of time to process to be ready for sharing and there is rarely an exact match between the amount of shares available for a month and the needs that have been received. Many times the mismatch between needs and shares is remedied by overlapping needs received over two months, but occasionally the discrepancy is too large for this simple adjustment. The handling of large fluctuations is described as follows:</p> <ol style="list-style-type: none"> 1. When monthly shares exceed medical needs—If the available monthly shares exceed the requested needs in any given month, and all of the prorated needs from the previous month have also been met, the additional shares may be used to offset needs for the following month. 2. When medical needs exceed monthly shares/prorating—Sedera’s goal is that all qualifying needs presented by the members will be shared. However, in the event that the shareable needs are significantly greater than the shares available for that particular month, we may use a prorating contingency plan. <p>For example, if \$500,000 in total needs are requested to be shared in a given month, but only \$400,000 in monthly shares are available, Sedera would take the percentage of shares as compared to needs—$\\$400,000/\\$500,000 = 80\%$—and apply that percentage to each need. Thus, Sedera members would share 80% of the normal shareable amount of each need presented for that particular month. If a member has a need for which the Sedera community would normally share \$1000, \$800 would be available for sharing; however, our experience is that through our bill negotiations process adequate funds have been available to meet the final negotiated costs of all qualified needs.</p>
<p>6.B.7.</p>	<p>Time limit for sharing documentation</p>	<p>The sooner that bills are submitted typically enables the best opportunity for price reduction via negotiations with medical providers. When there are a number of bills related to treating the same incident, it is helpful for them to be submitted together if they can all be obtained within a 30-day period.</p> <p>Original, itemized bills should be submitted to Sedera with a Need Processing Form as soon as possible. Barring extraordinary circumstances, bills submitted more than 6 months from the date of service will not be shared.</p>



7. Medical Conditions Existing Prior to Membership

Expenses for any medical service/treatment provided during membership which meets these guidelines are shareable while being a member in good standing, except as explained below or as otherwise agreed prior to membership.

7.A.1.	Conditions cured and 36 months symptom and treatment free	<p>Needs that result from a condition that existed prior to membership (known or producing observable symptoms) are only shareable if the condition is fully cured and 36 months have passed without any symptoms (either benign or deleterious), treatment, or medication, even if the cause of the symptoms is unknown or misdiagnosed. Tests or a statement from a licensed medical doctor's may be required to verify the lapse of symptoms, treatment, and medication; as indicated in Section 7.A.3. below.</p> <p>Please note: New needs are not considered as "resulting from a condition that existed before membership" unless the prior condition actually caused the new need. Sedera may require that the member provide a written statement from a physician that the current need was not caused by the prior condition. Even though a need may not be shareable because it resulted from a condition existing before membership, it may still qualify to be shared among our members as a Special Need. See Section 5.A.</p>
7.A.2.	Exceptions for high blood pressure, hemorrhoids and sleep apnea	<p>Sharing restrictions do not apply for high blood pressure, as long as the member has not been hospitalized for high blood pressure in the 36 months prior to membership and the condition is controlled through medication and/or diet. However, medication for treatment of high blood pressure as a chronic condition will not be shared.</p> <p>Additionally, expenses related to medical treatment for conditions related to hemorrhoids and/or sleep apnea, in the 36 months prior to membership, are not subject to the restrictions stated in 7.A.1. above.</p>
7.A.3.	Verification for certain conditions	<p>For some conditions listed below (all of Section 8 and Appendix), a written verification signed by both the member and the member's treating physician must be submitted to substantiate that the condition did not exist prior to the membership effective date, or that the member went without symptoms, treatment, and/or medication for at least 36 months since the last time the condition occurred prior to membership.</p>
7.A.4.	Exceptions for certain other medical conditions	<p>Because health care dynamics vary considerably from one employer group to the next, Sedera reserves the right to make exceptions for certain medical conditions on a case-by-case basis; provided the outcome is positive to the membership as a whole.</p> <p>As such, Sedera will carefully consider unique situations and/or conditions of prospective members, who may have received treatment in the past or who are currently receiving treatment for a medical condition that is not clearly defined in the Guidelines. Any exception to the Guidelines, rendered by Sedera, must be provided in writing in advance of the membership effective date. Any and all exceptions shall be given in the sole and absolute discretion of Sedera. Sharing exceptions for a condition for one or more members shall not obligate Sedera to include the same or similar condition of any other current or prospective member.</p>



8. Shareable Conditions

Shareable Conditions for which Medical Expenses Are Eligible for Sharing

Medical expenses are eligible for sharing if they fit within the Guidelines approved by the Board of Directors. The Guidelines place some limitations on the types of physical maladies and medical services for which needs are shared and limit the sharing of needs incurred due to illnesses related to certain prior medical conditions.

This section is designed to enable members to determine whether the medical services required for specific injuries and illnesses would be shareable, and to confirm if or when medical expenses would be shared for known medical conditions. There are some services and charges that are not shareable (Sections 8.C. & 8.D.). Members are advised to contact their Sedera Member Advisor if they have any questions regarding the application of these Guidelines. Also, see Section 11 regarding Advisory and Binding opinions.

A. Medical Conditions for which Expenses Are Eligible for Sharing

Most physical conditions are eligible for sharing within a range of special provisions for certain conditions as explained below.

Member need requests for medical expenses resulting from conditions within the time periods indicated prior to membership, require a verification statement signed by both the member and their doctor, as described in Section 7.A.3. This is to ensure that the condition did not exist prior to membership, or that the member has not received treatment, exhibited symptoms or taken medications for the specific condition for the required time period prior to membership.

Needs that result from medical expenses not associated with a medical condition the member had prior to their membership effective date, and within the range of treatment started in Section 8.B. below, are generally shareable.

B. Medical Expense Needs for which Medical Cost Sharing is Limited

Visits to licensed medical providers, emergency rooms/urgent care centers, hospitals, laboratory & testing facilities, as well as out-patient surgery centers for physician ordered lawful medical treatments for illnesses and injuries are generally shareable. Expenses for services rendered outside of the United States are shareable provided the documentation meets the requirements of Section 10.

A look-back period of 36 months applies to all prior medical conditions for Sedera applicants. A prior medical condition, as previously defined, is a condition in which the applicant has either received medical treatment, taken medications for, or exhibited observable symptoms. Any prior medical condition that has not exhibited symptoms during the 36 continuous months prior to membership effective date is considered cured and will have no sharing restrictions.

Prior medical conditions will become eligible for sharing based on the member's tenure with Sedera, as indicated by the following graduated sharing schedule:

Time constraints for prior medical conditions after membership effective date	Sharing Eligibility
First 12 months	Not shareable
Months 13 – 24	Shareable to \$25,000
Months 25 – 36	Shareable to \$50,000
Month 37 and after	Fully shareable

Note: Sharing restrictions do not apply to “controlled” high blood pressure and cholesterol counts in most cases (controlled via medication and/or diet). See Appendix for details pertaining to special provisions for conditions stated in the above table.

Additional Sharing Restrictions:

Tobacco users age 50 and older, until confirmed tobacco free for 12 months, shareable limit: \$25,000 for each of the following conditions:

1. Cancer
2. Heart conditions
3. COPD
4. Stroke

There are special rules and limitations for certain services and some services are not shareable as indicated below:

8.B.1.	ADD, ADHD, and SPD treatment	Maximum shareable amount of \$3,000 per member per diagnosis per year, and up to 120-day prescription supply per shareable need.
8.B.2.	Alternative medical practices	Shareable pending prior written approval by Sedera. Member is required to demonstrate the proposed value of the prescribed alternative treatment; monetary savings, less-invasive treatment, shortened treatment protocol, et al.
8.B.3.	Alcohol or drug abuse treatment	Treatment for Alcohol / Substance Abuse/ Chemical Dependency is shareable to a maximum of \$3,000 per separate need.
8.B.4.	Ambulance transports	Shareable as part of a need whenever medically indicated by a licensed medical doctor, and/or whenever practical due to the severity, proximity and circumstances associated with a specific illness or injury.
8.B.5.	Audiological	Shareable if to correct hearing loss, but not for hearing aids. Cochlear implants are shareable if prescribed by a licensed medical provider, but Sedera staff must give advanced written approval.
8.B.6.	Chaplaincy	Not shareable outside of Sedera's ancillary services network, however access to Chaplains is provided as part of the ancillary member services program. Chaplains, both male and female, are available to members via telephone. They are experts in listening and providing spiritual support and encouragement.
8.B.7.	Chiropractic	Services related to treatment of a specific musculoskeletal injury or musculoskeletal disease are shareable for up to 25 office visits (sharing limited to \$3,000 per Need), including related items for treating the musculoskeletal injury or musculoskeletal disease such as prescribed nutritional supplements for up to 120 days and X-rays. Maintenance treatments are not shareable. All other chiropractic services will be treated as "Alternative Medical Practices" (Section 8.B.2.).
8.B.8.	Colonoscopy	Not shareable, unless prescribed by a licensed medical provider due to symptoms related to a shareable need. However, if your employer provides a Minimum Essential Coverage (MEC) plan, colonoscopy coverage may be included under preventive care.
8.B.9.	Cosmetic surgery	Shareable only for disfiguration due to shareable injury or accident.
8.B.10.	Counseling	Not shareable outside of Sedera's ancillary services network, however, membership includes access to professional counseling services (up-to 3 hours) per member per year.
8.B.11.	Dental	See Dental problems, Appendix #5.

8.B.12.	Fertility	Not shareable.
8.B.13.	Hospice care	Shareable for 90-day periods with physician approval or certification of terminal illness.
8.B.14.	Hospitalization	Shareable at semi-private room rate, or if a licensed medical provider prescribes ICU or quarantine.
8.B.15.	Hospital emergency rooms and urgent care facilities	Generally shareable for medically necessary services resulting in expenses that exceed the expense threshold.
8.B.16.	Hyperbaric therapy	Shareable for treatment of specific illness or injury. Outpatient included in 35 visit maximum per condition, to a maximum of \$3,500 per separate need.
8.B.17.	Therapeutic massage therapy	Shareable if prescribed by a licensed medical provider. Up to 25 sessions, to a maximum of \$3,000 per separate need.
8.B.18.	Laboratory tests and check-ups	Shareable only when prescribed by a licensed medical provider due to symptoms of a condition not in existence prior to membership. However, routine check-ups and laboratory testing may be covered under employer provided Minimal Essential Coverage.
8.B.19.	Long-term Care / Skilled Nursing	Shareable as part of a need whenever medically indicated by a licensed medical doctor, and/or whenever practical due to the severity, proximity and circumstances associated with a specific illness or injury.
8.B.20.	Medical equipment—rental/purchase	Shareable if prescribed by a licensed medical provider. a. First month rental—As with all the sharing guidelines, cost efficiency for the membership is desired in paying for medical equipment. With that in mind, the first month's rental of prescribed, qualifying medical equipment (see paragraph c.) will be shared up to a maximum amount of the cost of purchasing the item. b. Rentals after the first month, and all purchases—Rental of equipment after one month, or any purchase of equipment, requires written preapproval to be shareable. c. Qualifying equipment—The equipment: i. Must be a customary or necessary part of directly treating the condition (such as oxygen tanks and devices/respirators, special shoes, orthotics, crutches, compression socks, etc.). This would not include hospital beds; or ii. Purchase or rental must result in an overall savings in cost (for example, hospital bed allowing for earlier release from the hospital). d. Maintenance/Repair/Replacement—The cost of maintaining, repairing, or replacing equipment is not shareable.
8.B.21.	Medical supplies	Generally shareable within 120 days of treatment start as prescribed by a licensed medical provider.
8.B.22.	Naturopathic	Shareable pending prior written approval by Sedera: 1. Treated as “Alternative Medical Practices” and 2. Shareable if prescribed by licensed doctor of naturopathy
8.B.23.	Newborn care	See Maternity Guidelines Section 9
8.B.24.	Nutritionists	Generally not shareable unless prescribed by a licensed medical provider. “Alternative Medical Practices” provision may apply.

8.B.25.	Optical	Shareable for expenses due to cataracts, glaucoma and other diseases or injury to eyes. Vision therapy subject to 35 visit maximum per need, to a maximum of \$3,500 per separate need.
8.B.26.	Organ transplants	Generally shareable. Subject to limitations for conditions prior to membership.
8.B.27.	Osteopathic	Shareable—up to 25 visits for adjustments and manipulation, to a maximum of \$3,000 per separate need. Other medical treatments shareable subject to meeting medical necessity requirements.
8.B.28.	Outpatient surgery centers	Generally shareable for medically necessary services resulting in expenses that exceed the member's Initial Unshareable Amount.
8.B.29.	Out-of-country (USA) medical expenses	Generally shareable for medically necessary services resulting in expenses that exceed the member's Initial Unshareable Amount.
8.B.30.	Physical therapy	Shareable for inpatient treatment, and up to 35 outpatient sessions per need to a maximum of \$3,500 per separate need.
8.B.31.	Physician office visits	Generally shareable for medically necessary services resulting in expenses that exceed the member's Initial Unshareable Amount.
8.B.32.	Prescriptions	<p>Prescriptions for medication related to a qualifying medical condition are shareable for the customary cost of the first 120 days. (Treatments for cancer, anti-rejection drugs, and sublingual immunotherapy—a curative treatment for allergies—are not subject to this limitation.) All medication, prescribed or not, administered during inpatient hospital stays will be shareable. Sedera employs various mechanisms in order to substantially reduce the cost of maintenance medications, including the use of a mail-order pharmacy program (buy-up option).</p> <p>Note: Sedera members do not share the cost of prescriptions for maintenance of chronic or recurring conditions (e.g. diabetes, eczema, blood pressure control) beyond the initial 120-day period. Subsequent sharing of a prescription for maintenance of the same condition will occur only when there is a new need. Sedera members do not share expenses for psychotropic medications for chemical imbalances that cannot be verified by laboratory tests.</p>
8.B.33.	Prosthetics and orthotics	Generally shareable, but not for cosmetic only purposes.
8.B.34.	Psychiatric care	Shareable as follows: Inpatient psychiatric care due to involuntary commitment, and the treatment for injuries and detectable organic agents causing cognitive disabilities are shareable up to \$10,000 per condition. Psychotropic medication to treat chemical imbalances not demonstrable by lab tests is not shareable except as a part of an involuntary commitment. Other types of psychiatric care or services are shareable to a maximum of \$3,000 per separate need.
8.B.35.	Psychological services	Not shareable, however, membership includes access to professional counseling services (See Section 8.B.10.).
8.B.36.	Speech therapy	Shareable in relation to an illness, injury or accident. Subject to 35 outpatient visits per condition, to a maximum of \$3,500 per separate need.

8.B.37. Sterilization	Elective sterilization such as tubal ligation and vasectomy, or the reversal of the same, is not shareable. Reversals may be shareable as Special Needs Sharing.
8.B.38. Therapy	Shareable for various therapies related to injury or disease. Not for developmental issues and/or psychological therapies. Subject to 35 outpatient sessions per need, to a maximum of \$3,500 per separate need.
8.B.39. Transplants	See Organ Transplants (Section 8.B.26.)
8.B.40. Travel expenses	Shareable only when significant savings result and can be demonstrated. Contact your Sedera Member Advisor for more information.
8.B.41. Visiting nurses	Shareable for up to 45 days following a hospitalization stay.
8.B.42. Weight reduction	Shareable only if prescribed by a licensed medical provider. \$3,000 maximum shareable amount per member.

C. Injuries Involving Motor Vehicles

Most needs for motor vehicle related injuries are shared. A “motor vehicle” is any vehicle with an engine/motor used for transportation, work, or recreation. Medical bills must be submitted to any responsible or liable party before they will be considered for sharing. See Section 6.B.1.

8.C.1. Shareable with requirements	Needs from injuries in an accident where the member is an operator or passenger (in, on, or being towed by the vehicle) of on-road, or off-road motor vehicles such as snowmobiles, go-karts, off-road motorcycles, four-wheel ATVs, tractors, farm implements, construction equipment, six-wheel ATVs, golf carts, personal moving devices, motorized watercraft of all kinds, and all aircraft, will be shareable for the amount of the need that is not the responsibility of any insurance entity or other liable party, and if all of the following conditions are met. The operator and any rider: <ul style="list-style-type: none"> a. Were appropriately licensed, as required by applicable law, to operate the vehicle involved in the incident, and b. Were not engaged in formal racing or stunt competition, and c. Were not operating the vehicle recklessly, or under the influence of alcohol or any illegal substance.
8.C.2. Shareable expenses	Needs from injuries sustained in a motor vehicle accident where the member is not an operator or passenger (in, on, or being towed by the vehicle), but a pedestrian, bicyclist, bystander, etc., is shareable for the amount of the need that is not the responsibility of any insurance entity or other liable party.

D. Miscellaneous Items Not Shared

8.D.1.	Abortion	Needs resulting in expenses for abortion of a living, unborn baby will not be shared.
8.D.2.	Abuse of drugs or alcohol	Injuries or illnesses that directly result from a member abusing drugs or alcohol will not be shared.
8.D.3.	Accidents to teeth while chewing	Needs resulting from breaking or injury to natural teeth by accident while chewing are not shareable.
8.D.4.	Armed conflicts	Injuries or illnesses resulting from a member's active participation as a combatant in an armed conflict, but not including acting in self-defense or in defense of hearth or home, are not shareable.
8.D.5.	Infertility expenses	Needs resulting in expenses for prescriptions, tests, treatment, in vitro fertilization, or other procedures related to infertility are not shareable. However, medical expenses for an embryo adoption and implantation will be eligible for Special Needs Sharing requests.
8.D.6.	Injuries obtained from certain acts	Injuries or illnesses caused as a result of participation in a public riot, criminal act, assisted suicide, or euthanasia will not be shareable.
8.D.7.	Monetary interest/late charges	Financial charges incurred for late payment or interest charges from any care provider or interest or finance charges from any lending institution that a member borrows from to pay medical bills are not shareable unless a substantial savings for early payment (40% or greater) will result.
8.D.8.	Non-medical expenses	Telephone calls, cots and/or meals for visitors and other expenses not directly related to medically necessary services are not shareable.
8.D.9.	Over the counter products	Herbs, vitamin supplements, teas etc., are not shareable unless prescribed by a member of a hospital staff for a hospitalized patient, or prescribed by a doctor. The guidelines for "Alternative Medical Practices" may also apply in some cases. See Section 8.B.2.
8.D.10.	Routine medical care	Expenses such as routine physicals, checkups, vaccinations, flu shots, long-term maintenance prescriptions and other routine medical expenses are not shareable. Routine physicals, checkups, vaccinations, etc., are likely to be covered by the employer sponsored MEC plan. Please contact your Sedera Member Advisor at 1-855-973-3372 for more information.
8.D.11.	Self-inflicted injuries	Non-accidental, self-inflicted injuries for members over 12 years of age are not shareable.
8.D.12.	Surrogacy	Expenses related to a surrogate pregnancy, whether or not the surrogate is a member, are not shareable.
8.D.13.	Travel expenses	Travel and lodging expenses are normally not shareable. However, reasonable travel, transportation, meals, and lodging will be considered for sharing if a substantial savings (40% or more) will result. See Section 8.B.41.



9. Maternity Needs

In general, maternity needs include expenses for prenatal care, delivery, postnatal care and miscarriage, and are treated like any other medical expense.

The specific guidelines for maternity needs that are shareable are referenced in Sections A, B and C below:

A. Maternity Needs that are Shareable		
9.A.1.	General rule	Shareable maternity needs include expenses for prenatal care, delivery, postnatal care, miscarriage, and congenital conditions. Shareable services also include those of doulas. There are special criteria for sharing needs of the child from genetic defects and hereditary diseases. See Section 8.A. and the Appendix.
9.A.2.	Separate needs	Bills for all pregnancy and birth-related complications of the mother will be shared as a part of the maternity need. Routine postnatal care of the child, including no more than one routine outpatient doctor visit, will be part of the mother's maternity need. Any pre-birth need of the child or a post-birth need of the child beyond routine natal care will be considered a need separate from the mother's maternity need.
9.A.3.	Adopted child	Medical expenses of the birth mother and an adopted child, for which the adopting parents are liable and which are not from a "medical condition existing prior to membership," are shareable the same as other maternity needs, less any credit amount to which the member is entitled under the federal adoption income tax credit due solely to those medical expenses. However, any physical condition which the adopted child has prior to the adopting parents being legally responsible for the child's expenses, or prior to his effective date within his parents' membership, will be considered a "medical condition existing prior to membership" under Section 7.
9.A.4.	Early sharing request	If a maternity care provider will reduce the normal charges if a member prepays some or all of the bill, Sedera will consider sharing the maternity need prior to the birth. The member must request an estimate and submit it with the Need Processing Form. If the resulting bills are less than the pre-paid amount, the member must contact Member Services who will advise where to send the surplus.

B. Application and Exceptions to Minimum Shareable Threshold		
9.B.1.	Maternity as any other medical need	Like any other need, only the portion of a maternity expense that exceeds the member's Initial Unshareable Amount (IUA) will be eligible for sharing. See 6.A.1 and 2.
9.B.2.	Home births	The member's IUA will be waived for home births. Additionally, home births are not subject to prorating because they significantly reduce overall maternity costs.
9.B.3.	Waiver for VBAC	The member's IUA is waived for a vaginal birth after cesarean (VBAC).

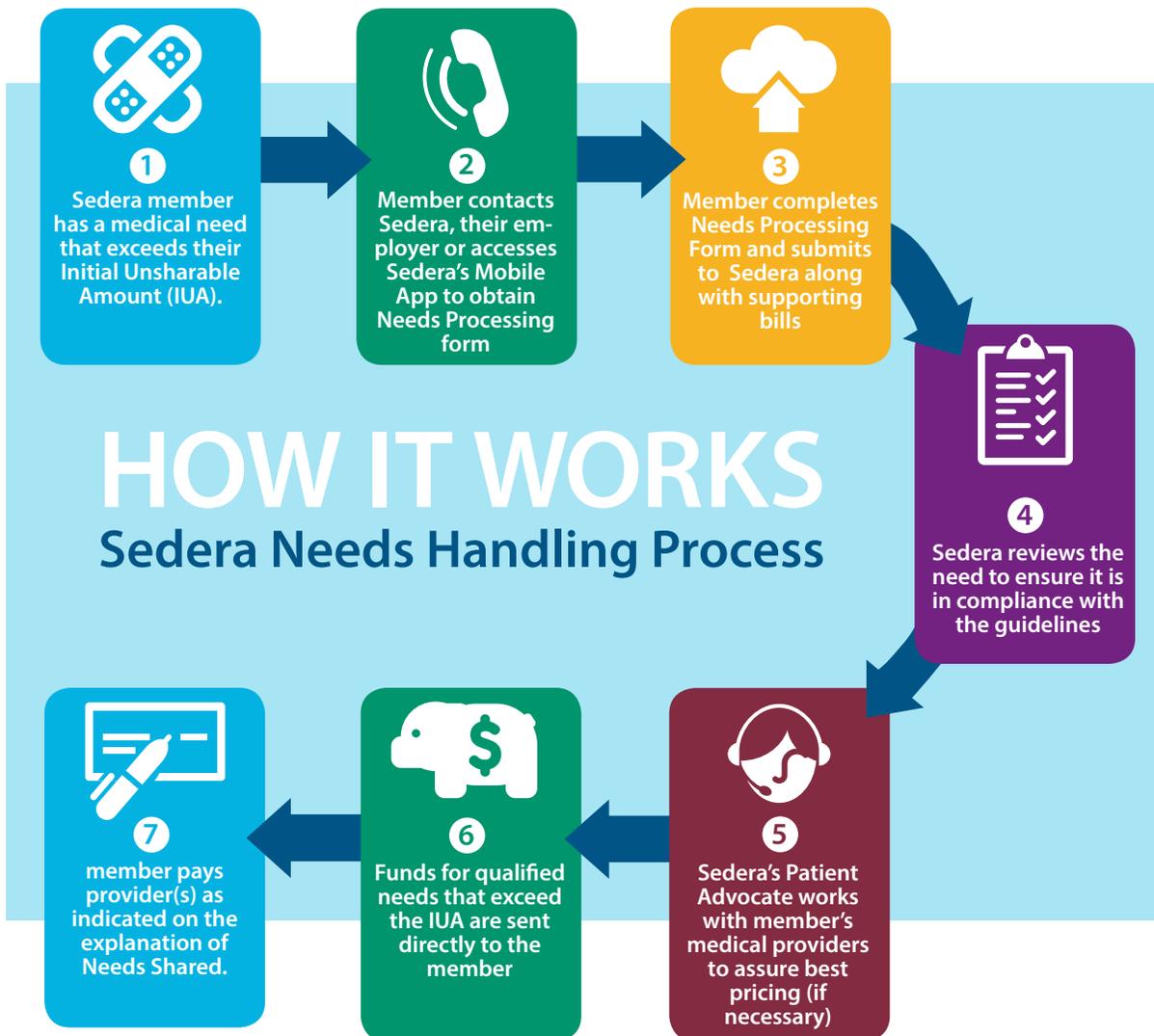
C. Maternity Limits for Conditions that Existed Prior to Membership

9.C.1.	General rule	If a member became pregnant prior to her membership, the amount that she is eligible to have shared for her maternity needs from the pregnancy will be equal to the total amount the member has sent in monthly shares from the beginning of her membership or from when added to an existing membership. The same amount will also be available for the child's medical needs. If a member terminates the membership or allows it to lapse for any reason, and later rejoins, the amount available for maternity needs will be calculated from the date of the most recent start of her membership.
9.C.2.	Expenses prior to membership	Any maternity expenses that are incurred while the mother is not a member are not shareable except as a Special Sharing Need. See Section 5.
9.C.3.	Routine maternity expenses after membership	All routine pre and postnatal care of both the mother and child incurred on or after the effective date of membership will be shareable as part of the mother's maternity need limit.
9.C.4.	Complications and conditions through birth	Complications of the mother or child that are treated, discovered, or produce symptoms during gestation, will be considered a condition that existed prior to membership and the expenses will not be shareable, except as a Special Need, until the applicable waiting period has occurred. See 8.A. for genetic defects and hereditary diseases and 7.A.1-4. for all other conditions.
9.C.5.	Complications and conditions after birth	Any complication of the mother which first produces symptoms and is first discovered after birth will be considered part of the mother's shareable maternity need. Any complication to or defects in the child which first produces symptoms and is first discovered after birth will be a regular need of the child's if the child is a member at birth.
9.C.6.	Premature births	The baby's need is fully shareable for a baby born prematurely requiring extraordinary medical care.

10. Submission of Medical Needs

Eligible medical expenses will be shared for all household members who meet the membership requirements in Section 1. For a need to be shared, the member household must be current with their annual membership continuation verification and all monthly shares paid-to-date. Members are advised to carefully follow these instructions for submitting their Needs requests.

The following diagram depicts the general process for processing a member need:



The Process *(cont. from prior page)*

1. As soon as a member anticipates the likelihood of a medical need (non-emergency), they should contact their Sedera Member Advisor at 1-855-973-3372 so that we may assist them through the process
Note: Emergency medical needs should be addressed immediately by the nearest qualified emergency professional. Please notify your Member Advisor as soon as reasonably possible after an emergency care visit.
2. Members who have already experienced a medical need that exceeds their Initial Unshareable Amount (IUA) should contact their Sedera Member Advisor or their Human Resources Representative for a Needs Processing Form, or access the Sedera mobile application as soon as reasonably possible.
3. Upon completion of the Need Processing Form, it should be sent to Sedera along with copies of all supporting bills. As part of the input process of the Needs Processing Form, the member will be required to reaffirm their understanding and acceptance of the Guidelines as well as authorization for Sedera to facilitate payment to the member using healthcare sharing funds that are provided from other members.
4. Upon receipt of the member's Need Processing Form, Sedera will review it against the Guidelines. If the need is determined to be qualified, it is put in the qualified needs group.
5. Qualified medical bills that exceed the members IUA are deemed "shareable needs" and are processed through our bill negotiations process. A Patient Advocate (PA) will then contact the member to review the negotiations process and get a Medical Information Release Form (MIRF) signed which authorizes the PA to negotiate on the member's behalf.

Negotiations for reductions - One of the primary contributors to Sedera's maintaining low monthly share requirements is the success we have historically achieved by bill reductions from original invoices through our skilled negotiators. Sedera encourages members to only pay their Initial Unshareable Amount (IUA), so that our Patient Advocacy team can negotiate the remaining bills on behalf of the member. When members submit their needs, they are committing to cooperate with Sedera's staff and representatives to seek equitable prices from providers and to document amounts the member has paid to providers.

6. As long as the monthly needs requested are less than the monthly contributions received they are paid directly to the member upon completion of negotiations. In the event that medical needs require proration, payment of the bills will be held until the amount of proration has been confirmed and the bill negotiation and mediation process is completed.
7. Sedera members are responsible for paying their providers directly. Sedera does not pay medical providers on behalf of our members. Needs payments will be sent directly to members. Members also receive an Explanation of Needs Shared which explains the dollar amount applied to each provider.

11. Binding Decisions

Although Sedera's staff members are trained to be forthright in phone conversations, oral opinions offered by any Sedera employee does not constitute or ensure a binding decision. Members who call to inform us of their circumstances in order to discover if the need qualifies will be given an opinion—not a binding decision. Written rulings will be issued only to members who submit requests in writing. The written inquiry must explain the circumstances and medical procedures involved and specify that a written ruling be returned in writing. Such written response from Sedera will constitute a decision that will commit Sedera to share the bill through its normal needs sharing process.



12. Disputes and Reconciliation

Sedera Health is a community of business members and their employees that wish to help one another. Members resolve to handle disputes fairly between each other or with Sedera in private or within the community. A member who chooses to violate this common belief and covenant and takes a dispute to court demeans the entire Sedera membership and places undue strain on the community. Sedera members who pursue court proceedings against Sedera, its members or its affiliates, understand that their memberships will be consequently terminated.

Therefore, in becoming a member or reaffirming one's membership, members agree that any claim or dispute, with or against Sedera, its employees, directors, other members or associate members, that is related to Sedera and its membership in any way, shall be settled by non-biased mediation or, if mediation is unsuccessful, by legally binding arbitration. Sedera agrees similarly with respect to any matter that it may have against a member. Any such mediation and/or arbitration shall take place in Austin, Travis County, Texas. The procedure to be used depends upon the nature of the issue as explained in paragraphs A and B.

A. Questions Regarding Whether a Need is Shareable

Nearly all needs can be determined to be shareable or not shareable according to the Membership Guidelines. In matters where the Guidelines may not provide absolute clarity, Sedera shall have the sole discretion to determine whether the need should be shared. Sedera may, but shall not be required to, consider prior procedure and precedent in making such a determination. Any such determination shall be final and binding. If Sedera cannot determine whether the need is shareable, or if the member believes Sedera is misinterpreting the Guidelines or their particular circumstances, upon the member's written request, the need may be submitted to a panel of seven randomly chosen members who have agreed to review the need to determine whether it is shareable. If any two members out of the total number agree that the need should be shareable, then Sedera will treat the need as shareable in the usual fashion.

B. Resolution of All Other Issues

Any issue not included under paragraph A to be resolved by the member panel shall be settled in accordance with mediation and if such mediation is unsuccessful, by binding arbitration. Any such mediation and/or arbitration shall be conducted solely in Austin, Travis County, Texas. Such arbitration shall be conducted in accordance with the rules of arbitration published from time to time by the American Arbitration Association. However, if both Sedera and the member agree, the dispute may be submitted to a randomly selected panel of seven members instead.

C. Agreement Not to Go to Court

Members understand that these methods shall be the sole remedy for any controversy or claim arising out of their relationship with Sedera and to the extent permitted by law, expressly waive their rights to file a lawsuit in any civil court against Sedera, its employees, members, associate members and directors, for such disputes, except to enforce an arbitration decision obtained under paragraphs A or B. This also includes any determinations as to whether the matter in dispute comes within this arbitration agreement or can be required to be arbitrated. Judgment upon an arbitration award under either paragraph A or B may be entered only in the District Court of Travis County, Texas. To the greatest extent permitted by law, each member and each company employing any member hereby waives the right to trial by jury.

13. Amendment of Guidelines

A. Procedures

These Guidelines may be amended by the Sedera Health Board of Directors. The board has the option of first taking an advisory vote of member businesses.

B. Effective Date

Amendments to the Guidelines will go into effect as soon as administratively practical or as designated by the board. If members have a need that began prior to the adopted change, the sharing of bills related to that need will be determined by the Guidelines as they existed on the date the bills were incurred. Medical expenses related to a member's need that would have been shareable under the Guidelines in effect when a need began will remain shareable regardless of subsequent Guideline changes.

C. Notice of Amendments

Members will be notified of changes to the Guidelines through postings on the Sedera website, or by provision of updated Guidelines booklet when they are notified that their Membership Continuation Form is coming due.



Appendix

Details for shareable needs relative to medical conditions existing prior to membership continued from Section 7—alphabetical order:

Medical Condition	Sharing Status	Modifier/Exception
1. Back problems	Shareable	During the first three years of membership the statement described in 7.A.3. must be provided. Sharing limits stated in Section 8.A. and B. will apply if a need request is determined to be a prior medical condition.
2. Cancer	Shareable	Unless related to cancer of a type the member had prior to becoming a member. During the first three years of membership the statement described in 7.A.3. must be provided. Sharing limits stated in Section 8.A. and B. will apply if a need request is determined to be a prior medical condition.
3. Complications from maternity	Shareable	Bills for complications to the mother are considered part of the maternity need.
4. Complications following non-shareable medical procedures	If complications arise from a medical procedure that is not eligible for medical cost sharing (e.g. a routine colonoscopy and most cosmetic surgery), expenses for treating the complications are shareable unless the procedure that caused the incident was not shareable due to a lifestyle choice in violation of the Guidelines (e.g. abortion), or the complication itself is not shareable (e.g. a dental problem arising from the treatment of a dental problem).	
5. Dental problems	Sedera members share:	
	a. The breaking or injury of natural teeth and caps (but not repairs to dentures or partial plates) by accidents other than when eating and certain motor vehicle accidents.	
	b. Operations on bones in the mouth (not teeth).	
	c. Life- threatening dental problems.	An example would be an allergic reaction to previous dental work materials on a life- threatening level. Sharing of bills would be limited to helping with the immediate life-threatening problem only. It would NOT include subsequent routine dental work.
	Sedera members do not share expenses for dental work on the teeth either above or below the surface of the gums, and/or routine dental work such as (but not limited to): cleanings, fillings, crowns, removal of wisdom teeth, dentures, treatment of periodontal disease, etc.	Except as provided in 5.a. - 5.c. above.

6. Diabetes	Shareable	During the first three years of membership the statement described in 7.A.3. must be provided. Sharing limits stated in Section 8.A. and B. will apply if a need request is determined to be a prior medical condition.
7. Genetic defects	Shareable when at least one of the following is true:	
	a. The condition had not been diagnosed nor exhibited observable symptoms in the 36 contiguous months prior to the effective date of membership;	Sharing limits stated in Section 8.A. and B. will apply if a need request is determined to be a prior medical condition.
	b. Neither the condition nor a symptom of the condition was discovered until after membership had begun;	
	c. The condition exists in a person who has been included in a membership from birth and the mother was included in a membership prior to the delivery; or	
d. If the condition exists in a person who was adopted, the person has been included in a membership since the adoption, and the adopting parents were unaware of the condition at the time the adoption was finalized.		
8. Heart conditions	Shareable	During the first three years of membership the statement described in 7.A.3. must be provided. See high blood pressure exception below. Sharing limits stated in Section 8.A. and B. will apply if a need request is determined to be a prior medical condition.
9. Hereditary diseases	Shareable	Under the same conditions as Genetic Defects
10. High blood pressure	Shareable	Provided the member has not been hospitalized for high blood pressure within three years prior to membership and has been able to control this condition through medication and/or diet. An incident that begins after membership becomes effective is shareable and would qualify for one 120-day period for sharing of prescription expenses (See Section 8.B.32.) Medication thereafter for maintaining a chronic condition is not shareable.
11. Pregnancy/ Maternity	Shareable	See Section 9 for special provisions
12. Sexually Transmitted Diseases (STDs)	HIV, AIDS, or other STDs contracted without breaking any applicable laws (e.g. blood transfusions or medical procedures) will be shared.	Expenses for sexually transmitted diseases, including the HIV virus are otherwise not shareable. It is the member's responsibility to demonstrate that the disease was not contracted illegally (e.g., sharing needles in illegal drug use).
13. Temporomandibular Joint Dysfunction (TMJ) Syndrome	Shareable	Subject to a one-time maximum sharing limit of \$3,000.

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David & Sharon Robinson, Sedera Health members



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