

BLUE CROSS AND BLUE SHIELD with MERP									
TAC Renewal				OPTION 3					
PPO				MERP					
1300-NG, 3A-NG				4000-NG, 3A-NG					
Deductible				\$4,000/\$8,000		\$3,700		\$2,700	
Coinsurance				80%		Loaded onto the Card		Loaded onto the Card	
Max out of Pocket				\$4700 / \$9400				Loaded onto the Card	
Office Visit (PCP/Specialist)				\$40 / \$40					
ER Copay				\$250					
				\$0					
				\$10					
				\$20					
				\$35					
Current				OPTION 3					
Renewal				\$194 cost per employee per month for the MERP					
Employee Only		\$1,516.20	\$1,713.30			\$1,669.58	\$1,659.16	\$1,652.22	
Spouse Only		\$1,337.68	\$1,511.58						
Child Only		\$288.36	\$325.84						
Child(ren) Only		\$634.06	\$716.48						
Spouse & Children Only		\$2,051.56	\$2,318.26						

66					
MONTHLY TOTAL (75 employees)					
	\$113,715.00		\$128,497.50		
	\$1,364,560.00		\$1,541,970.00		
ANNUAL TOTAL					
		\$110,706.00		\$125,218.50	
		\$1,328,472.00		\$1,502,622.00	
			\$149,437.00		\$123,916.50
			\$1,486,998.00		

BLUE CROSS AND BLUE SHIELD with HRA									
TAC Renewal				ALT PLAN 2					
PPO				HRA					
1300-NG, 3A-NG				HRA 410					
\$1,500 / \$4,500				\$5,000/\$5,000					
80%				100%					
\$3,500 / \$8,700				\$5,000/\$10,000					
\$30 / \$30				N/A					
\$150				N/A					
\$0				\$0					
\$10				\$10					
\$20				\$20					
\$35				\$35					
Current				ALT PLAN 2					
Renewal				\$4.35 cost per employee per month to administer the HRA (\$3,915 annual)					
Employee Only	52	\$1,516.20	\$1,713.30	\$1,566.30	Annual Employer Cost @ 100% Utilization	Annual Employer Cost @ 60% Utilization	Annual Employer Cost @ 40% Utilization		
Spouse Only	1	\$1,337.68	\$1,511.58	\$1,375.90	\$262,500.00	\$157,500	\$105,000		
Child Only	7	\$288.36	\$325.84	\$296.58					
Child(ren) Only	6	\$634.06	\$716.48	\$652.16					
Spouse & Children Only	0	\$2,051.56	\$2,318.26	\$2,110.16					

66						
MONTHLY TOTAL (75 employees)	\$113,715.00	\$128,497.50	\$117,472.50	\$139,673.75	\$130,923.75	\$126,548.75
ANNUAL TOTAL	\$1,364,560.00	\$1,541,970.00	\$1,409,670.00	\$1,676,085.00	\$1,571,085.00	\$1,518,585.00

Clay County reimburses \$3,500 after employee has met \$5,000 deductible, bringing employees OOP to \$1,500

Deductible
1300-NG, 3A-NG
\$1,500 / \$4,500
80%
\$3,500 / \$9,700
\$30 / \$30
\$150
ER Copy

TAC Renewal			
PRO			
	1300-NG, 3A-NG		
	\$1,500 / \$4,500		
	80%		
	\$3,500 / \$9,700		
	\$30 / \$30		
	\$150		
	\$0		
	\$10		
	\$20		
	\$35		
Current	Renewal	Difference	
Employee Only	\$2	\$1,516.20	\$1,713.30
Spouse Only	1	\$1,337.68	\$1,511.58
Child Only	7	\$288.36	\$325.04
Child(ren) Only	6	\$634.06	\$716.48
Spouse & Children Only	0	\$2,051.56	\$2,318.26
			\$206.70
ANNUAL TOTAL (75 employees)			\$1,544,970.00
Annual Increase - 75 x 197.10 x 12 = \$177,390.00			

66 are actually enrolled but based the calculations on 75 since this is the number eligible if all positions are filled and they take the coverage

BLUE CROSS AND BLUE SHIELD

OPTION 1			
HMO			
	BEN 1375-NG, 3A-NG		
	\$1,500 / N/A		
	80%		
	\$3,500 / N/A		
	\$30 / \$30		
	\$150		
	\$0		
	\$10		
	\$20		
	\$35		
OPTION 1	Difference		
Employee Only	\$2	\$1,613.66	\$97.46
Spouse Only	1	\$1,419.62	\$81.54
Child Only		\$306.02	\$17.66
Child(ren) Only		\$672.88	\$39.82
Spouse & Children Only		\$2,177.22	\$125.66
			\$1,452,294.00
ANNUAL TOTAL (75 employees)			\$1,452,294.00
Annual Increase/Decrease			-\$67,714.00

OPTION 2			
PRO			
	1400-NG, 3A-NG		
	\$2,000 / \$6,000		
	80%		
	\$4,000 / \$8,000		
	\$35 / \$35		
	\$150		
	\$0		
	\$10		
	\$20		
	\$35		
OPTION 2	Difference		
Employee Only	\$2	\$1,644.12	\$127.92
Spouse Only	1	\$1,447.74	\$110.06
Child Only		\$312.08	\$23.72
Child(ren) Only		\$686.22	\$52.16
Spouse & Children Only		\$2,220.36	\$168.80
			\$1,479,708.00
ANNUAL TOTAL (75 employees)			\$1,479,708.00
Annual Increase/Decrease			\$145,728.00

OPTION 3			
PRO			
	4000-NG, 3A-NG		
	\$4,000 / \$8,000		
	80%		
	\$4,700 / \$9,400		
	\$40 / \$40		
	\$250		
	\$0		
	\$10		
	\$20		
	\$35		
OPTION 3	Difference		
Employee Only	\$2	\$1,476.08	-\$40.12
Spouse Only	1	\$1,292.62	-\$45.06
Child Only		\$278.64	-\$9.72
Child(ren) Only		\$612.68	-\$21.38
Spouse & Children Only		\$1,962.44	-\$69.12
			\$1,328,472.00
ANNUAL TOTAL (75 employees)			\$1,328,472.00
Annual Increase/Decrease			-\$36,108.00

ALT PLAN 2			
PRO			
	HRA 410		
	\$5,000 / \$5,000		
	100%		
	\$5,000 / \$5,000		
	N/A		
	N/A		
	\$0		
	\$10		
	\$20		
	\$35		
ALT PLAN 2	Difference		
Employee Only	\$2	\$1,596.30	\$50.10
Spouse Only	1	\$1,375.00	\$38.22
Child Only		\$296.58	\$8.22
Child(ren) Only		\$652.16	\$18.10
Spouse & Children Only		\$2,110.16	\$58.60
			\$1,409,670.00
ANNUAL TOTAL (75 employees)			\$1,409,670.00
Annual Increase/Decrease			\$45,090.00

TAC HSA was higher than the \$1,000 deductible UHC plan



Nonstop Health MERP

FAQs

1. What happens to the surplus in the claims reserve?

There is potential for 2/3 of the surplus from the claims reserve to either be refunded via ACH to the group or applied as a premium credit for the following year. This happens after a run-out period for any remaining claims from the previous plan year. Nonstop Health retains the remaining 1/3.

2. What happens if an employee tries to use the card for non-eligible expenses?

The Nonstop Visa card is medically coded to work only for Medical and Rx expenses. For example, if an employee goes to CVS to pick up a prescription along with toilet paper and gum, the card will not work for the whole purchase. They would need to run the prescription charge itself on the Nonstop card, then complete a separate transaction for the non-eligible items.

3. What happens to the card when an employee leaves?

MERP coverage terminates at the end of the month, just like medical coverage with TAC. For example, if an employee terms on September 2nd, both health coverage and the MERP would run through the end of that month, so the employee retains the ability to spend on the Visa card until then.

A common follow-up question: could a terminated employee try to use the remaining time to "wipe out" the card? While technically possible, in practice the vast majority of members do not spend their full MERP balance, which helps offset any cost. It's also worth remembering that every charge still has to be a medically coded expense for Medical or Rx, not just any purchase.

4. Are there COBRA obligations for terminated employees with MERPs?

Yes. The MERP is an ERISA plan and is subject to federal COBRA, so COBRA participants must be offered the same benefits as active employees. That said, employers can choose to unbundle COBRA and offer only the medical plan (not the Nonstop MERP) or offer both and let the employee opt in or out of the MERP portion.

5. What additional administration should we plan for?

HR questions will likely be one of the biggest learning curves in implementing a MERP. Because it's new, it will require dedicated education and communication support:

- Nonstop Health provides a dedicated Account Manager to support Higginbotham and Clay County year-round.
- Nonstop Health will support education materials before, during, and after Open Enrollment.

We're also working with Coby and his team to determine whether the MERP can be added to the HUB portal, so Danja can add and term employees there the same way she does for other coverages. If that's not possible, a simple email with the relevant information can be sent to Higginbotham or the eligibility team at Nonstop.



| 6. What compliance items are new for our group?

These items are notably different from what Clay County has been subject to before, since the group has not previously carried this type of plan:

PCORI Fees: MERPs owe the annual PCORI (Patient-Centered Outcomes Research Institute) fee, filed on Form 720.

- Nonstop Health and Higginbotham both help calculate the fee, but neither assists with completing Form 720 or advises on the tax-deductible component of the fee.
- A PCORI report is available on both the broker and client portals showing these calculations.
- The 2026 filing cost is \$3.84 per covered life — approximately \$288 for Clay County — due July 31, 2027.