



South Carolina

Individual Coverage Health Reimbursement Arrangement (ICHRA)

FROM BLUE CROSS BLUE SHIELD OF SOUTH CAROLINA





What Is an Individual Coverage Health Reimbursement Arrangement?

ICHRAS ARE A WAY FOR AN EMPLOYER TO PROVIDE EMPLOYEES WITH A HEALTH PLAN WHILE MANAGING COSTS. WITH AN ICHRA, EMPLOYERS SET A DOLLAR AMOUNT THEY ARE COMFORTABLE CONTRIBUTING EACH MONTH WHILE THEIR EMPLOYEES CHOOSE A PLAN TO FIT THEIR NEEDS.

Employers Who Might Select an ICHRA

EMPLOYERS WHO ARE
ON A FIXED BUDGET

OR

EMPLOYERS WHO DO NOT
HAVE ENOUGH EMPLOYEES
TO PARTICIPATE IN A TRUE
GROUP HEALTH PLAN

OR

EMPLOYERS WHO WANT
THEIR EMPLOYEES TO
HAVE A WIDE VARIETY
OF PLAN OPTIONS

Benefits of an ICHRA

Benefits of an ICHRA for the Employer

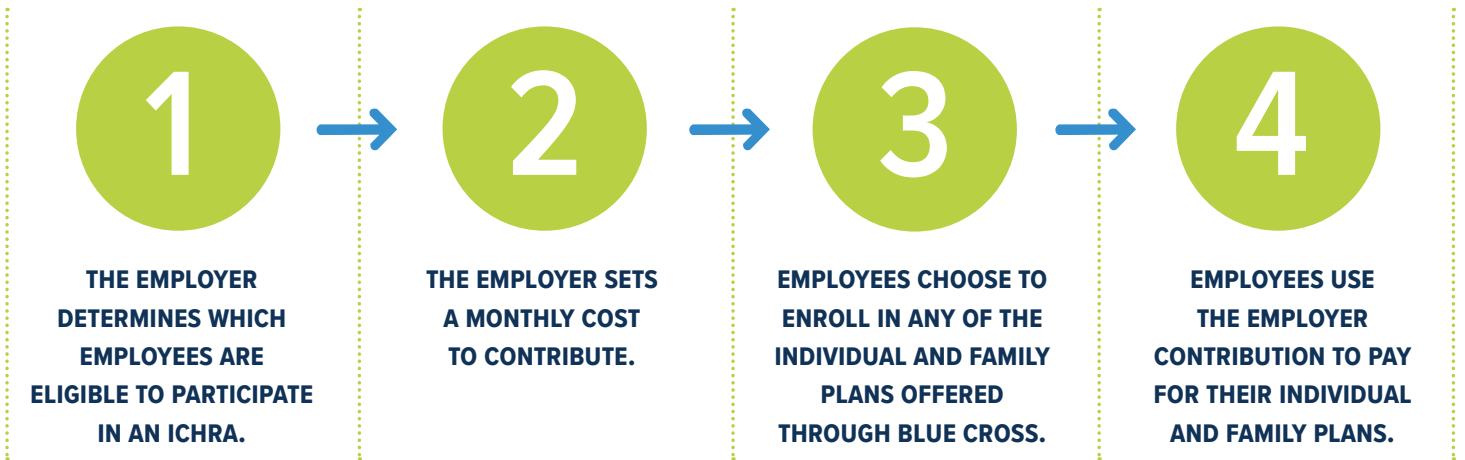
- It is a tax-deductible expense for the employer.
- Employers define their benefit budgets and control health benefit costs.
- It takes the burden of managing a health plan off the employer.
- Employers can use our AccrueHealth portal to access monthly reports on their ICHRA accounts that include employees enrolled, contributions posted and bank account activity.

Benefits of an ICHRA for the Employee

- An ICHRA is a tax-free benefit.
 - ICHRA contributions are excluded from the employee's gross income.
 - ICHRA contributions are not taxable.
- Choice/flexibility/personalization of plans: Employees can choose health insurance plans that best fit their individual and family needs.
- Plan portability: Employees own their health insurance coverage and can take it with them if they change jobs.



How Does an Ichra Work?



- There are no setup fees.
- AccrueHealth charges an HRA administrative fee to the employer of \$25 or \$2.25 per member per month, whichever is greater.

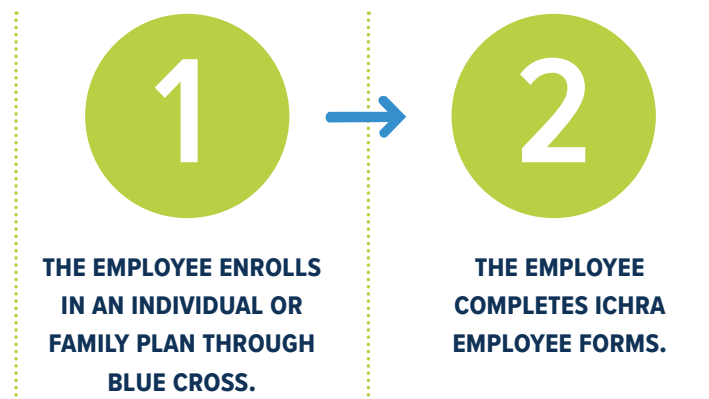
Contact your agent to learn about reduced HRA administration fees for active chamber members in South Carolina.



How Does an ICHRA Work?

- 1 The employer uses standard payroll information to complete an employee census provided by BlueCross.
- 2 BlueCross then uses that census information to help the employer create classes of employees.
- 3 The employer sets a monthly contribution to employees.
 - There are no minimum contribution requirements or maximum contribution caps with an ICHRA.
 - Employers can offer each permitted class a different allowance amount.
 - Employers can choose to offer different allowance amounts based on an employee's age or family size.
- 4 BlueCross generates a quote that tells the employer who qualifies to participate in the ICHRA based on affordability.
- 5 The employer completes ICHRA group forms.
- 6 The employer will receive a welcome letter requiring approval of premiums and ICHRA amounts for funding.

Employee Enrollment Is Easy!



How does BlueCross make plan substantiation easier?

When employees choose a BlueCross health plan or BlueCross Medicare supplement plan, BlueCross automatically manages the ICHRA plan substantiation requirement for the employees!



Easy Payment and Reimbursement Models

WE MAKE IT EASY ON EVERYONE WITH OUR PAYMENT AND REIMBURSEMENT MODELS.

Payments Through Payroll Express

If employees choose coverage through a BlueCross individual or family plan and the employer allows payroll deduction for any remaining premium, payments can be made by the employer through Payroll Express.

Employee Reimbursement

If you have employees who have original Medicare coverage, out-of-state coverage or coverage through another carrier, reimbursement for those employees is seamless.

1. Employees will need to pay their monthly premiums as billed by their carriers.
2. Employees will then submit a copy of the invoice and proof of payment to Enrollment.Accruehealth@bcbsc.com.
3. Reimbursement payments are direct deposited into the employees' bank accounts.

All group and employee forms, questions and comments should be sent to Enrollment.Accruehealth@bcbsc.com.



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