



Medical Expense Plan (MEP): Reference guide

Turn “other coverage” into savings

Learn how Beacon's Medical Expense Plan (MEP) may help you save money when you or an eligible family member has access to other medical coverage, such as a spouse's medical plan, a parent's medical plan, or Medicare.

What is the MEP?

Beacon's medical plans—the PPO and CDHP—are self-insured, which means there is no insurance company earning a profit from your participation in the plan. Instead, the full cost of the plan is shared by you, your co-workers, and Beacon. If you or your dependents have access to other coverage, using that coverage can help reduce plan costs. To encourage eligible associates to opt out of Beacon's medical plan and use another available plan, the MEP provides financial incentives.

MEP at a glance

Who it's for	Eligible associates who choose to use other medical coverage instead of Beacon medical coverage for themselves and/or eligible family members
What it is	A Beacon health benefit arrangement that reimburses you for eligible premiums and out-of-pocket medical and prescription costs that you incur through a non-Beacon medical plan
Who pays for it	Beacon Health System (no cost for associates)
Who administers it	BE Solutions
Need customer service?	Call BE Solutions at 866-717-6956



Good to know

If your spouse has other medical coverage available, electing that coverage instead of Beacon medical coverage for your spouse not only makes you eligible to enroll in the MEP—it also allows you to avoid Beacon's spouse surcharge.

ABOUT THIS GUIDE: This reference guide provides a general overview of the Medical Expense Plan (MEP). It is not a guarantee of benefits. It explains how the MEP works at a high level and does not include every detail, process, or protocol. In the event of any conflict or inconsistency between this guide and the official plan documents or policies, the official documents will govern.

The MEP is not health insurance. It is an employer-funded health benefit arrangement that reimburses associates on a tax-free basis after qualified medical expenses are incurred and proof of payment is submitted. The MEP may be changed at any time and does not represent a contractual obligation—either implied or expressed—on the part of Beacon Health System.

If you are covered under a Collective Bargaining Agreement (CBA), certain benefit details may differ, in which case, the terms of your CBA will take precedence. If you are a member of a group that has unique benefits, such as physicians and APCs, certain benefit details may differ from those in this guide.

Eligibility

Associates who are eligible for Beacon medical benefits can enroll in the MEP for yourself or your eligible dependents if you meet one of these requirements:

Timing

Eligibility requirement	When you can enroll in the MEP
You are: • A new hire or rehire, or • Newly eligible for Beacon medical plan coverage	During your initial enrollment period (within 31 days after your hire or eligibility date)
You or your dependent are currently covered in a Beacon medical plan, and you discontinue that coverage in order to elect non-Beacon medical coverage for yourself or your dependent such as a spouse's medical plan	During Open Enrollment or within 31 days following a Qualified Life Event
You or your dependent are currently covered in a Beacon medical plan, and you discontinue that coverage because you or your dependent have become eligible for Medicare	During Open Enrollment or within 31 days of enrolling in Medicare

Good to know



Unless you are a new hire or rehire, or become newly eligible for Beacon medical plan coverage, you can enroll yourself or a dependent in the MEP only if you or they are currently covered in a Beacon medical plan and discontinue that coverage.

Beacon medical benefits eligibility



You

As a Beacon associate, you are eligible for either Beacon medical coverage or the MEP if you are regularly scheduled to work at least 16 hours per week (32 hours per pay period).



Your family

If you are eligible for medical benefits, the following dependents are eligible for either Beacon medical coverage or the MEP:

- Your spouse
- Your children and stepchildren (regardless of marriage status or student status), through the end of the month in which they turn 26
- Your unmarried child aged 26 or older who is fully dependent on you because of mental/physical disability

Good to know



You (or a dependent) cannot be covered by both a Beacon medical plan and the MEP at the same time. After you elect the MEP, your election generally stays in effect year after year until you change your election or become no longer eligible for Beacon's medical benefits.



How it works

Highlights of the MEP

- ✓ Beacon pays the full cost, so you don't have to pay MEP premiums.
- ✓ The MEP reimburses you for premiums paid to a non-Beacon medical plan to the extent they exceed certain dollar thresholds.
- ✓ In addition, the MEP reimburses you for 100% of eligible out-of-pocket costs such as copays and coinsurance from your primary coverage when you access care from a Beacon provider, a Beacon facility, or a Beacon pharmacy. The MEP reimburses you for 80% of eligible out-of-pocket costs when you access care from a non-Beacon pharmacy.

No payroll deductions: There is no cost to enroll—no premiums, copays, or similar costs.

Premium reimbursement: The MEP reimburses you for eligible premiums paid to a non-Beacon medical plan to the extent they exceed the following dollar thresholds, up to the limits listed in the section “Annual maximum reimbursement” on the next page.



One covered individual
\$125 per month



More than one covered individual
\$290 per month

EXAMPLE: If your non-Beacon medical premium is \$200 per month and you elect the MEP for one individual, the MEP will reimburse you \$75 per month (\$200 - \$125 = \$75).

Out-of-pocket cost reimbursement: When you and your covered dependents need health care services or prescription drugs, your non-Beacon medical plan will be your primary coverage and pay its share of eligible expenses first. The MEP will then reimburse you for your eligible out-of-pocket costs, up to the limits listed in the section “Annual maximum reimbursement.” These costs typically include copays for provider visits, copays for prescriptions, coinsurance for medical procedures, and other eligible medical expenses.

When it is eligible for MEP reimbursement	
Provider services	Only when care is provided by a Beacon-employed provider
Facility charges	Only when the expense is incurred at a Beacon-owned facility
Prescription drug copays	100% when filled at a Beacon pharmacy 80% when filled at a non-Beacon pharmacy

Annual maximum reimbursement: The annual maximum reimbursement is \$22,500.

2027 MEP Reimbursement Schedule	
Monthly premium reimbursement for non-Beacon medical plans • One covered individual: • More than one covered individual:	Amount over: \$125 \$290
Annual maximum reimbursement for out-of-pocket claims of eligible expenses • One covered individual: • More than one covered individual:	\$9,200 \$18,400
Total annual maximum reimbursement for both premiums and out-of-pocket claims	\$22,500

Enrollment and Reimbursement

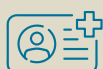
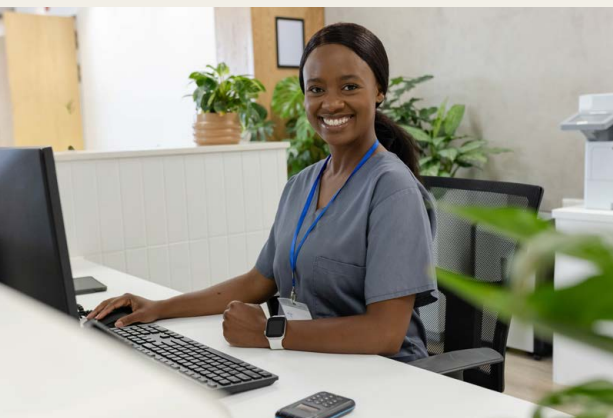
How to enroll: Visit the Benefits Portal to enroll. Go to mybenefitsatbeacon.com or download the MyChoice® mobile app. For more guidance on how to enroll, refer to the *Open Enrollment Guide* or the *Enrollment Guide for newly hired associates*. After you have successfully enrolled, you must complete the [BE Solutions MEP Direct Deposit Authorization Form](#), attach a voided check, and mail, email or fax the completed form to BE Solutions. You will also need to provide proof of premium payments for the non-Beacon medical plan.

Mailing address: BE Solutions
P.O. Box 2017
Elyria, OH 44036

Email: memberservice@besoln.com
Fax: 888-299-1119

Reimbursement: If you are not enrolled in Medicare, you can provide both your primary insurance ID card and the Beacon MEP card to your provider when accessing care. After they submit the claim to BE Solutions, they will be reimbursed directly from the MEP.

In other situations, you will need to submit proof of payment for both premium reimbursement and out-of-pocket cost reimbursement to BE Solutions yourself using the [BE Solutions Claim Form](#). Expenses can be submitted throughout the year or all at once at the end of the year, whichever you prefer.



ID cards

If you enroll in the MEP, ID cards for you and any covered dependents will be mailed to your home address shortly afterward.

However, if you enroll in both MEP and Medicare, you will not receive printed ID cards.

Examples

EXAMPLE SCENARIO #1:

Associate discontinues Beacon coverage for herself and enrolls in spouse's medical plan



Lori is a Beacon associate who is covered in Beacon's PPO, and her husband Scott is covered in his employer's medical plan. Lori compares the premiums and coverage, and she decides that Scott's plan will meet her needs. During Open Enrollment, Lori discontinues her coverage in the Beacon PPO and elects the MEP for **one covered individual** (Lori).

Lori's medical costs

Scott's medical premiums at his employer for two-person coverage	\$300 per month
Lori's out-of-pocket expenses after Scott's medical plan pays its share:	
• Copays and coinsurance for care provided by Beacon-employed providers at Beacon-owned facilities	\$4,000
• Copays and coinsurance for care provided by non-Beacon providers and at non-Beacon facilities	\$2,500
• Copays for prescription drugs at Beacon pharmacies	\$700
• Copays for prescription drugs at non-Beacon pharmacies	\$100

Lori's reimbursement for the year

Premium reimbursement for one covered individual: (\$300 - \$125) x 12 months	\$2,100
Copay and coinsurance costs for care provided by Beacon-employed providers at Beacon-owned facilities	\$4,000
Copay and coinsurance costs for care provided by non-Beacon providers and at non-Beacon facilities	Not reimbursable
Prescription drug expenses at Beacon pharmacies	\$700
Prescription drug expenses at non-Beacon pharmacies (\$100 x 80%)	\$80
Total reimbursement for the year	\$6,880

Examples

EXAMPLE SCENARIO #2:

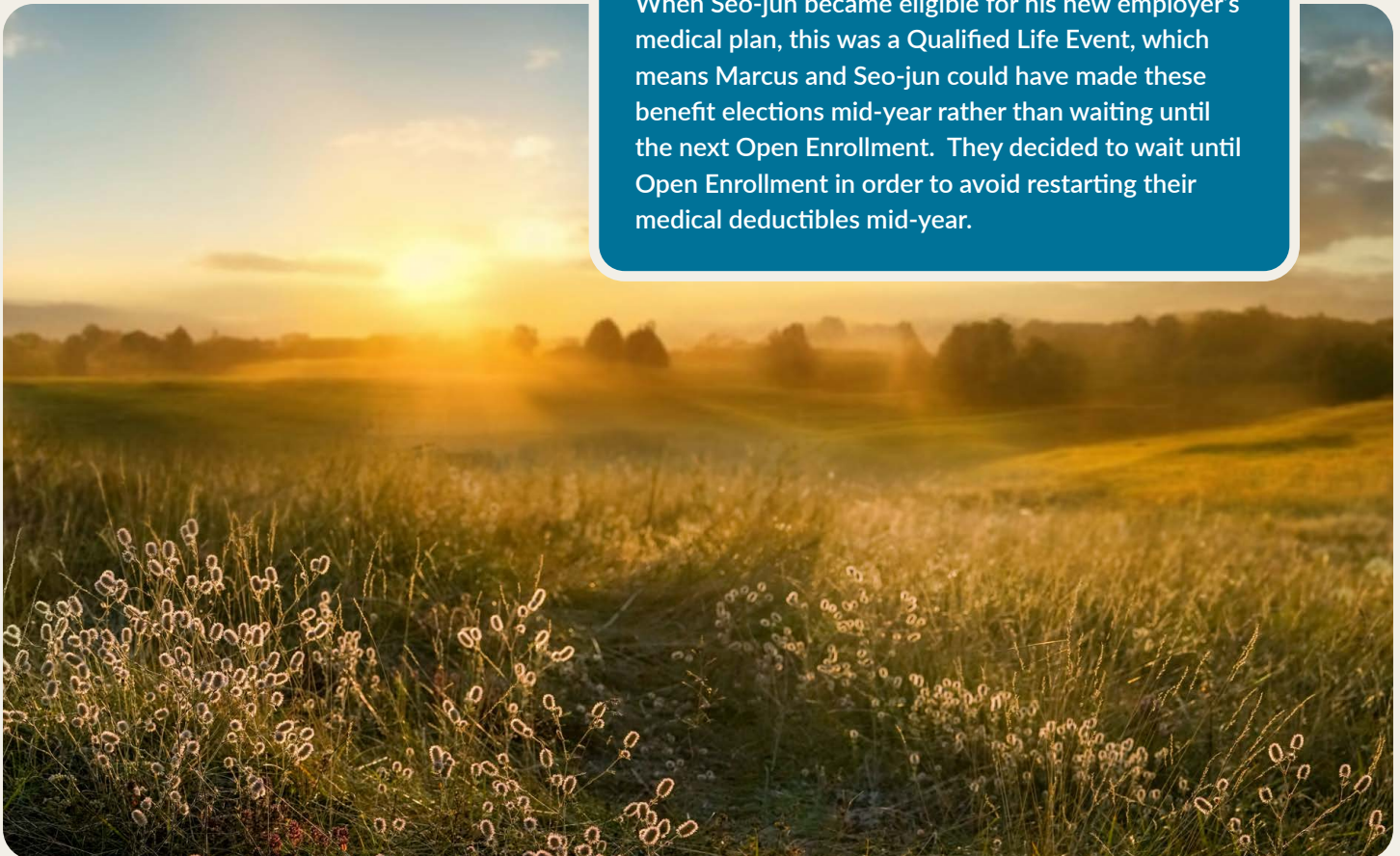
Associate discontinues Beacon coverage for himself and his spouse and both enroll in spouse's medical plan

Marcus, a Beacon associate, is married to Seo-jun and covers them both in Beacon's CDHP plan. Seo-jun changed jobs mid-year, and his new employer provides a competitive medical plan. In preparation for Open Enrollment, Marcus compares the premiums and coverage offered in Seo-jun's medical plan and decides it makes sense for both of them to switch to the medical plan available through Seo-jun's employer. During Open Enrollment, Marcus discontinues his coverage in the Beacon CDHP and elects coverage for **more than one covered individual** (Marcus and Seo-jun) in the MEP. During Seo-jun's Open Enrollment period, Seo-jun enrolls in his employer's HDHP, electing Associate plus Spouse coverage.



Good to know

When Seo-jun became eligible for his new employer's medical plan, this was a Qualified Life Event, which means Marcus and Seo-jun could have made these benefit elections mid-year rather than waiting until the next Open Enrollment. They decided to wait until Open Enrollment in order to avoid restarting their medical deductibles mid-year.



Examples

EXAMPLE SCENARIO #3:

Associate discontinues Beacon coverage for himself and his children and all three enroll in spouse's medical plan



Malik is a Beacon associate who currently covers himself and two child dependents in the Beacon PPO. Malik is married to Anna, who has medical coverage available through her employer. During Anna's employer's Open Enrollment period, she elects family coverage in their medical plan. During Beacon's Open Enrollment, Malik discontinues Beacon medical coverage for himself and his two children, and he enrolls in the MEP for **more than one covered individual** (Malik and his children).

Malik and his children's medical costs

Anna's medical premiums at her employer for family coverage	\$500 per month
Malik's out-of-pocket expenses for himself and his children after Anna's medical plan pays its share:	
• Copays and coinsurance for care provided by Beacon-employed providers at Beacon-owned facilities	\$8,000
• Copays and coinsurance for care provided by non-Beacon providers and at non-Beacon facilities	\$3,000
• Copays for prescription drugs at Beacon pharmacies	\$800
• Copays for prescription drugs at non-Beacon pharmacies	\$400

Malik's reimbursement for the year

Premium reimbursement for more than one covered individual: $(\$500 - \$290) \times 12$ months	\$2,520
Copay and coinsurance costs for care provided by Beacon-employed providers at Beacon-owned facilities	\$8,000
Copay and coinsurance costs for care provided by non-Beacon providers and at non-Beacon facilities	Not reimbursable
Prescription drug expenses at Beacon pharmacies	\$800
Prescription drug expenses at non-Beacon pharmacies $(\$400 \times 80\%)$	\$320
Total reimbursement for the year	\$11,640

Examples

EXAMPLE SCENARIO #4:

Spouse enrolls in new employer's medical plan; associate discontinues spouse coverage

Andrea's husband Joe just started a new job which comes with a competitive benefits package, including medical coverage. Joe enrolls in his employer's medical plan, but it does not provide coverage for spouses who have available coverage elsewhere, so Andrea cannot be covered by that plan. During Open Enrollment, Andrea changes her coverage in the Beacon PPO plan from Associate + Spouse to Associate Only and enrolls in the Beacon MEP for **one covered individual** (Joe). Throughout the year, Andrea submits expenses for Joe's premiums and out-of-pocket expenses to BE Solutions for reimbursement from the MEP.



EXAMPLE SCENARIO #5:

Associate becomes Medicare-eligible and discontinues Beacon coverage for herself



Kris, who is currently enrolled in Beacon's PPO, turns 65 and becomes eligible for Medicare. This is a Qualified Life Event, which means Kris can request a change to benefits mid-year rather than waiting until the next Open Enrollment. Kris decides to discontinue coverage in Beacon's PPO when she enrolls in Medicare and elects the MEP for **one covered individual** (herself).

EXAMPLE SCENARIO #6:

Associate's spouse covered by Medicare



Eligible for MEP

Juan is a Beacon associate who is married and enrolled in the Beacon CDHP at the

Associate + Spouse level. Juan's spouse is also enrolled in Medicare coverage. During Open Enrollment, Juan makes an election to discontinue coverage for his spouse in Beacon's medical plan and enrolls in the MEP for **one covered individual** (Juan's spouse).



Not eligible for MEP

Janna is a Beacon associate who is enrolled in the Beacon CDHP at the Associate Only

level. Janna's spouse has been enrolled in Medicare coverage for several years and is not covered by a Beacon medical plan. During Open Enrollment, Janna cannot elect to enroll in the MEP because she is not discontinuing Beacon medical coverage for her spouse at the same time.

Examples

EXAMPLE SCENARIO #7:

Associate discontinues Beacon coverage for children only

Marisol and her husband have recently divorced. Marisol, a Beacon associate, has been carrying the coverage for herself and their two children. However, the divorce agreement provides that her ex-husband is to provide healthcare coverage for the children at the start of the new year. During Open Enrollment, Marisol changes her coverage to Associate Only and the children's father enrolls them in his employer's plan. Marisol elects coverage in the MEP for **more than one covered individual** (her two children).



EXAMPLE SCENARIO #8:

Associate under age 26 will be covered on parent's medical plan



Madison is a Beacon associate who is age 22. Madison's father elects to cover Madison in his employer's plan starting in January. Madison discontinues Beacon medical plan coverage on herself and elects the MEP for **one covered individual** (herself).

EXAMPLE SCENARIO #9:

Associate not currently covered by a Beacon medical plan

Alex and his spouse are both currently covered in his spouse's employer's medical plan but not a Beacon medical plan. Alex wants to enroll in the Beacon MEP, but he is not eligible. This is because unless you are a new hire, rehire, or become newly eligible for Beacon medical plan coverage, you can enroll yourself or a dependent in the MEP only if you or they are currently covered in a Beacon medical plan and discontinue that coverage.



EXAMPLE SCENARIO #10:

Associate newly eligible for benefits



Anne has been working at Beacon for several years in a PRN status. She recently became a part-time associate with a regular schedule and is now eligible for benefit coverage. Anne is already covered in her spouse's medical plan and does not wish to change that. Because she could elect coverage for herself and her spouse in the Beacon medical plan but foregoes that opportunity, she can elect the MEP for **more than one covered individual** (both herself and her spouse).