ThrivePass Prism PEO Playbook

Prepared for:

- **Pre-tax Accounts: FSA, DCA, HSA, HRA, Commuter**
- **COBRA & COBRA Decision Enablement**



Pre-Tax (FSA/DCA/LPFSA/Commuter/HSA/HRA)

Pre-tax Enrollments:

- When changing an election from medical FSA to limited purpose or vice versa, you will need to inform your RM to make the adjustment manually in our pre-tax system.
- Standard Carryover configuration does not require a new enrollment to carry over funds from the previous plan year. If a new enrollment is required, be sure to let your RM know. It is the PEOs responsibility to terminate carryover accounts if the employee terminates employment. The API will not pick this up as there is not an active enrollment to evaluate.

Pre-tax Renewal/Open Enrollment:

- If a participant was originally enrolled in a medical FSA and then later changed to a limited purpose FSA, you will need to communicate with your RM as soon as possible. Both enrollments will stream through the API and the FSA will need to be manually inactivated.
- Pre-tax Mapping must be updated to reflect new plan years
- Pre-tax mapping changes should be provided 30 days in advance and if not properly updated, will cause all participants under the affected employer group to fail.
- Deduction codes must be unique
- If you make any plan changes including creating new plans, please consult with your Relationship Manager 30 days in advance of the plan year start date
- If PEO is changing plan year. Separate Account Type and Deduction codes will be needed for the short plan year.

Contributions:

- FSA/LPFSA/DCA/Commuter negative contributions will stream through the API. This could cause a negative balance for the participants.
- HSA negative contributions will error out, and an Employer Contribution Error Form must be submitted to reverse the contribution.
    - Please note that due to the nature of this reversal, a ticket must be submitted with our bank partner to accomplish.
- HSA CIP failure – Contributions will be pending on the account and will stay pending for 90 days. If the CIP process is not completed within 90 days the account will close. To re-open, we will need to re-issue the letter series upon request from the PEO.
    - The employer can fund all open HSA's and contributions can be submitted for pending accounts. The system would try for 90 days to deposit the money by checking the status of the account every day to see if it turned into an open status and if the account clears CIP in those 90 days it will make the deposit and pull the funds from the employer. If the account never passes CIP, we will not pull contributions from the employer's bank account. If the account opens at a later day, the PEO can re-enter the missing deposits through the portal>Contribution Manager.
- If an HSA has been created in error, contributions have been made and the participant used funds, the participant will have to repay back the account (WCS).
    - Ensure the HSA has been terminated in Prism

    - The contribution reversal process is manual and may take 7-10 business days.
- If contribution through payroll is re-issued with the same voucher date and amount, duplicate contributions will not occur.

HRA and HRA Banking:

- Inform your RM when an employer group has altered their name as the bank account will need to be re-associated.
- HRA coverage tier changes or prefunding must be communicated to your RM if changed after the initial enrollment pulls into ThrivePass.
- Add ThrivePass in the PayeeID
- HRA Renewals – communicate renewals to your RM at least 30 days in advance
    - New plan years created every year
    - Participants must be enrolled every year

Pre-tax Employees/Employer Groups Terminating:

- The API prevents retro terms for the past 30 days. So, an important note for all PEOs is that any retro term past 30 days will not feed to us through the API and will need to be entered manually.
- To ensure that participant terminations stream through the API, make sure that the participant enrollments are terminated in advance of the client termination (and prior to when your pre-tax parser runs). If you have missed this window, you will need to inform your RM of the client termination prior to the effective date of termination, so all accounts are updated appropriately.

COBRA

Plan set up:

- Plan Naming Conventions
    - Standardized for master plans
    - Unique plan descriptions
    - 40 characters or less for all plan descriptions
    - Add client ID to PayeeID for employer sponsored plans
- System flags
    - All pre-tax plans that are COBRA-eligible are marked as such
    - Applicable plans marked as Client Administered
- Carrier Information updated and accessible
    - Payee name and email are required for each carrier/policy
- COBRA Mapping is up to date
    - Termination Reason Codes
        - As part of the mapping exercise, the PEO will determine termination codes that are eligible and ineligible for COBRA which allows ThrivePass to identify when an employee should be offered COBRA versus ignored.

        - Client transferred
        - Client terminated
        - Deceased
        - Retired
        - Layoff
    - Divorce/legal separation life event codes needed
- Rates
    - Premium and billing rate groups should be named differently if both are populated.
    - All plans are defaulted to an end of month benefit termination type. FSA will be set up as event based. If you have plans with a different benefit termination type, please inform your Relationship Manager.
    - Plans with age banded rates are defaulted to renew at the beginning of the plan year based on age. Example: If the QB's birthday is 7/5 and the plan year is 1/1, when will the rate increase? – Rate will increase 1/1/2026.
    - Domestic Partner (DP) Plan IDs should only be populated/tied to the main plan and not vice versa.

COBRA Renewal/Open Enrollment:

- Checking the COBRA electable box on new plans should be the last step when building a plan and adding rates and coverage tiers.
- If you are adding a new rate structure (risk factor, rate band, regional etc.) please inform your RM at least 30 days in advance.
- If a plan is changed from risk factor to rate group or vice versa, for the API integration to work correctly, the PEO will need to create a new plan (do not update the existing plan).
- Adding a new carrier? Please share what requirements the carrier might have for carrier notifications (terminations, enrollments, urgent reinstates, etc.)
    - EX: special identifiers, group codes and plan structures
- If you have plans with state continuation considerations, please inform your RM as soon as possible.
- Provide new plan year SBC's (Medical SBC's required for COBRA DE)
- Populate the Plan Renewal Month for plan year renewal tracking purposes. Please note that the Plan Renewal Date fields are set up at the client level and at the global plan level. The one at the client level would be looked at first and then if not existent, we will default to the one on the global plan level.
- Update rate effective dates every year even if rates are not changing.
- Plan and rate updates are pulled in real time. When a PEO makes a rate update, members enrolled or pending in the applicable plan may receive a plan change notice.

COBRA Processed Report:

- It is important that the processed report be reviewed weekly for anyone that was loaded that should not have been and for someone that was ignored that you feel should have been imported.

- If a QB was ignored, that should not have been, the member will need to be added to the portal by the PEO.
- We are unable to pull in only FSA without any additional COBRA eligible plans to review. We pull in QB information based on COBRA qualifying plans and then determine if it is a COBRA event. FSA plans are not plans that can be identified in Prism as COBRA eligible, additionally there are no events for FSA in Prism. This is a scenario that will need to be entered manually in the portal.
- If a QB has already fed over to ThrivePass and additional plans are added at a later date, the processed report will show the QB as "Processed" however the plans will error out upon import since the QB is already in the system. The PEO will need to email ThrivePass to add the missing plans so a new specific Rights Notice can be sent out.

NPM Parser – COBRA General Notice for New Hires

- If ThrivePass sends the COBRA General Notice to new hires, the API logic will look for any new hires that are eligible for benefits.
- If an employee transitions from part-time to full-time status and this change updates the Value of LastHireDate in Prism, then that employee would be pulled and sent a General COBRA Notice.
- The General notice will not be sent to employees of new clients unless the LastHireDate is updated in Prism.

COBRA/Employer Groups Terminating:

- Employer groups that terminate will not stream through the API. If coverage should be terminated, please inform your RM.
    - Report Center – Client and employee activity

COBRA - Bringing on a new employer group:

- If they have active COBRA QB's, these will need to be entered into the portal as "Legacy" after the plan add/update has run.
    - Ask your RM for an instructional guide if needed
- If open enrollment is needed for the legacy QB, please inform your RM immediately after entering the legacy QB in the portal. You should enroll the QB in the closest available plan(s). ThrivePass will offer a special open enrollment.

API Integration

Notes:

- Warnings will cause all participants under the employer group to fail.
- Logic will look back 30 days for demographics, enrollments and contributions.
- HSA - if there is a 0 YTD and a 0 match, this can cause us to skip the enrollment. Please check with your RM on the logic set up.
- We will pull the work email from participants. If a work email is not present, we will pull in personal email. Preferred email is not taken into consideration.

- Plan Add vs Plan Update
    - Risk factors with varying decimal points Ex: 1.00 vs 1.0 vs 1 this will create 3 different plans in our system. Please be consistent when adding risk factors.
- COBRA – Invoicing parser (aka employee count parser). If an employer group offers a COBRA electable plan, our Benefit Eligible Employee Count parser will count anyone who is eligible to enroll in the COBRA electable plan. To ensure we don't pick up the people who are not benefit eligible, the COBRA electable plans must have Eligibility Rules set up.
- COBRA – All plans are defaulted to an end of month benefit termination type. FSA will be set up as event based.
- COBRA – Dependent age off's are defaulted to age 26 at the end of the month the dependent turns 26. A plan list will need to be provided for any exceptions.
- If API is reset, we will lose access to the data since the database was reset
- ThrivePass will be the source of truth for COBRA
    - No need to update the COBRA module in Prism unless otherwise determined
    - A termination from COBRA looks the same as an employment termination which could cause duplicate COBRA offerings. Please ensure you are reviewing the COBRA processed report regularly.
- API Schedule – Ask your Relationship Manager for the cadence
    - COBRA Division>Plan Add/Update>QB
    - Carrier Contact
    - Pre-tax IB/IC/IH
    - Weekly Pre-tax plan refresher
    - HRA
    - Employee Count Parser for COBRA/COBRA DE invoicing – runs on the 30th of every month.