

# **Bon Secours Mercy Health Education Benefit Program**

## **Plan Overview**

Initial Implementation March 1, 2020

Revised January 1, 2024

# **Bon Secours Mercy Health Education Benefit Program**

## **Section 1- Introduction**

### **1.1 Purpose**

Bon Secours Mercy Health (“BSMH”) is committed to offering a leading education benefit that supports associates’ lifelong learning, economic mobility, and creates an equitable benefit accessible to all associates. Through BSMH’s education benefit, associates can enroll in a variety of educational programs from high school completion to degrees, and more. Eligible associates will receive funding for select programs and have access to administration and supporting services from BSMH’s education benefits provider, Guild Education (“Guild”), to support them on their educational journey. This Program is intended to satisfy the requirements under IRC Section 127, and benefits payable under this Program are to be excluded from an associate’s income to the maximum extent permitted under IRC Section 127.

### **1.2 Disclaimer**

This Program does not establish a standard of clinical care or practice or standard of non-clinical practice to be followed in every case. The Program should guide actions with the understanding that departures may be required at times.

Where collective bargaining agreements (CBAs) are in effect and a CBA’s express language conflicts with all or a portion of this Program, the CBA language shall supersede the conflicting portions of this Program except where the expressed language of the agreement conflicts with state or federal law.

### **1.3 Effective Date**

This Program has been revised on January 1, 2024 and shall supersede and replace all prior educational assistance programs sponsored by Bon Secours Mercy Health.

### **1.4 Administration: Human Resources Worklife Benefits**

If an associate does not meet the eligibility requirements provided in Section 2, then such associate will become ineligible for benefits under the Program. Associates will have real time access to their eligibility or reimbursement status through their Guild portal at [bsmh.guildeeducation.com](https://bsmh.guildeeducation.com), where applicable. Associates have the right to appeal a denial of enrollment into the Program to the Bon Secours Mercy Health Associate Benefits Appeals Team. Upon evaluation by the Team, associates will be advised of the final, binding decision within a reasonable period.

Bon Secours Mercy Health reserves discretionary authority to interpret the Program, make eligibility and benefit determinations and make other determinations about the Program. All determinations by Bon Secours Mercy Health are final and binding upon all parties.

## **Section 2 - Eligibility**

### **2.1 Eligibility**

To be eligible for qualifying programs as an Eligible Associate, associates must satisfy all the following qualifications:

- 2.1.1 Employed by BSMH (eligible on day 1 of employment).
- 2.1.2 Be a full-time, part-time associate, ACA PRN (Affordable Care Act | Pro re nata) or PRN. The associate's status (full-time, part-time, PRN or ACA PRN) will be determined at the time of term start (for Tuition Assistance programs) or application (for Tuition Reimbursement programs) to confirm eligibility.
- 2.1.3 Be in an active associate status including those on a leave of absence.
- 2.1.4 Be a US-based associate.
- 2.1.5 Not be in a final written warning in the last 12 months.

### **2.2 Additional Requirements**

- 2.2.1 Associates who have satisfied the eligibility requirements of Section 2.1 shall be immediately eligible for participation in the Program.
- 2.2.2 If an associate works two or more jobs, the total budgeted hours combined between all jobs will be used to calculate the associate's employment status.
- 2.2.3 Participation must not interfere with the performance of the associate's job duties. Course attendance cannot occur during regularly scheduled work hours unless approved by supervisor.
- 2.2.4 Bon Secours Mercy Health reserves the right to deny the initial tuition benefit approval or overturn ongoing receipt (for future terms) of the tuition benefit based on an associate's disciplinary action.
- 2.2.5 Course approval does not relieve an associate from regular or emergency duties. If necessary, Bon Secours Mercy Health may require an associate to be absent from class.
- 2.2.6 If an associate loses eligibility prior to the term start date, the associate will not be eligible for the BSMH education benefit; if the associate desires to continue in the education Program, the associate should work with the applicable learning provider regarding payment for the entire cost of the term/semester. Payment requirements for ineligible associates are determined by the learning provider or university.

### **2.3 Ineligibility**

The following associates are not eligible for the Program:

- 2.3.1 Physicians and Medical Residents (whose education benefits are outlined in their contracts).
- 2.3.2 Joint-ventures or affiliated organizations (e.g., Ensemble, Charity Health, Roper, etc.)
- 2.3.3 Providers and Advanced Practice Clinicians (APCs)

- 2.3.4 Any individual who is not an associate of BSMH, including volunteers, independent contractors, temporary associates, and consultants.
- 2.3.5 Associates who voluntarily terminate employment or are terminated for cause before completing a term lose eligibility immediately and will be subject to the 18-month work commitment period payback (if tuition has been paid) or will not be reimbursed for that term if reimbursement has not yet been paid.
- 2.3.6 Doctoral/PhD+ and executive education programs outside of in-network DNP programming or programs reimbursed through Tuition Reimbursement will be reviewed separately and administered by the Associate Services Center.
- 2.3.7 Courses that began prior to the associate's hire date are ineligible.

## **2.4 Financial Aid**

- 2.4.1 If an associate's education program is eligible for Federal Financial Aid, the associate must complete a FAFSA form and complete the Financial Aid awarding process to determine grant eligibility. This must occur before the program start date and annually thereafter. If eligible for any Federal or State Grants, associates are required to accept grant aid, and grants will be applied to tuition and mandatory fees before payment of benefits.
- 2.4.2 Guild can assist with any questions associates have regarding submission deadlines or requirements for Federal Financial Aid applications.

## **2.5 Academic Performance Requirements**

Associates enrolled in the Guild-administered benefit must maintain a cumulative Grade Point Average (GPA) of 2.0 or better for undergraduate degree programs and a 3.0 cumulative GPA for graduate programs. Failure to maintain the required GPA will result in loss of eligibility until the associate is able to improve their GPA to the required threshold. Some programs have prerequisites; if they do, the associate must meet those requirements in order to move forward in those programs. Each learning provider may enforce their own academic standards and requirements.

## **2.6 Qualifying Programs**

### **2.6.1 For Full Tuition Assistance (priority pathways):**

BSMH will provide 100% of tuition and mandatory education fees (after any grant aid and/or scholarships are applied) to the learning provider through Guild for priority pathways for all associates that are accepted into, enrolled in, and meet all eligibility criteria. See Section 7.9 for more information on the priority pathways.

### **For Standard Tuition Assistance (direct payment to learning institutions):**

BSMH will provide up to \$5,250 per funding year (after any grant aid and/or scholarships are applied) to the learning provider through Guild for undergraduate degrees, certificates, and graduate degrees for all associates that are accepted into, enrolled in, and meet all eligibility criteria.

**For Tuition Reimbursement:**

BSMH will provide up to \$5,250 per funding year (after any grant aid and/or scholarships are applied) to the learning provider through Guild for undergraduate degrees, certificates, and graduate degrees and up to \$10,000 per funding year (after any grant aid and/or scholarships are applied) for priority pathways for all associates that are accepted into, enrolled in, and meet all eligibility criteria. See Section 7.9 for more information on the priority pathways.

2.6.2 When applicable, grants and scholarships will be applied to tuition and mandatory fees prior to payment of benefits by BSMH.

**2.6.3 Qualifying Books and Other Qualifying Expenses:**

BSMH will reimburse eligible associates for the cost of all required program-associated expenses (such as books and supplies specified by the course syllabus), any enrollment-associated expenses (such as transcript fees and application fees), and professional expenses (such as qualifying certification exam fees). permitted under IRC Section 127, up to the funding limit associated with the program in which the associate is enrolled.

Associates must submit receipts and a course syllabus through Guild for reimbursement through <https://reimbursement.guildeeducation.com>. Failure to submit the required paperwork and receipts within 90 days of term end or expense date may result in delay or denial of reimbursement.

For Full Tuition Assistance only, there is an exception to the ineligible expense items for travel expenses for online BSN programs through Chamberlain and Herzing Universities with required clinical skills retreats. These travel expenses are eligible for reimbursement, but reimbursement requests must be submitted directly to BSMH. Approved submissions will be paid directly to the associate by BSMH.

2.6.4 Associates cannot submit tuition reimbursement for a class that was denied previously under Full and Standard Tuition Assistance (see Section 3 below).

**2.7 Ineligible Expenses**

Expenses ineligible for reimbursement by BSMH include, but are not limited to, continuing education credits/units (CECs/CEUs), licenses, meals, lodging, transportation (please see travel expense exception for Full Tuition Assistance in section 2.6.3), tools, supplies, subscription fees, parking fees, uniforms, drug tests, late fees, child care, medical insurance, electronics, and fines.

**Section 3 – Program Descriptions**

The ministry provides the following education support tiers and will assist associates in choosing which one meets the financial and education needs of the associate:

- **Full Tuition Assistance (priority pathways):** Full tuition coverage above the Standard Tuition annual maximum for priority pathways as defined by BSMH and within Guild's in-network academic partners. These educational priority pathways are for specific programs as defined by BSMH to encourage pursuit of critical careers within the ministry. Most fees are paid up-front on behalf of the associate to the school. Some costs may still require reimbursement to the associate such as books, etc. Any education assistance received over the IRS tax free limit of \$5,250 is taxable to the associate and will be assessed on their paycheck.
- **Standard Tuition Assistance (direct payment to learning institutions):** Tuition assistance of up to the IRS tax free limit of \$5,250 per funding year for academic programs (i.e., high school completion, college preparatory courses, certificates) and undergraduate degrees within Guild's in-network academic partners. For associates pursuing nursing and graduate degrees, BSMH will offer up to \$10,000 per funding year for degrees in Guild's in-network academic partners. Tuition up to stated limits will be paid directly to the learning institution on the associate's behalf with no up-front out-of-pocket expense. Some costs may still require reimbursement to the associate such as books, etc. Any education assistance received over the IRS tax free limit of \$5,250 is taxable to the associate and will be assessed on their paycheck.
- **Tuition Reimbursement:** Tuition reimbursement, with proof of payment, of up to the IRS tax free limit of \$5,250 per funding year for undergraduate degrees, certificates, and graduate degrees outside of Guild's in-network academic partners or up to \$10,000 per funding year (i.e. above the Standard Tuition Reimbursement annual maximum) for priority pathways as defined by BSMH. See Section 7.9 for more information on the priority pathways. All fees are paid by the associate up-front, and eligible expenses are then submitted to Guild for reimbursement. Any education assistance received over the IRS tax free limit of \$5,250 is taxable to the associate and will be assessed on their paycheck.

### 3.1 Full Tuition Assistance (priority pathways)

#### 3.1.1 Program Overview

BSMH's Full Tuition Assistance program provides associates access to priority pathways aligned with BSMH's strategic priorities and business needs. Available through the Guild program catalog, BSMH's full tuition assistance offering includes programs like registered nurse, patient care tech, medical assistant, laboratory, phlebotomy (only available to specific job families), high school completion, college preparatory course, and more.

3.1.2 A full list of programs can be found at [bsmh.guilleducation.com](https://bsmh.guilleducation.com). Since programs change over time, refer to Guild's list for the latest eligible options.

- 3.1.3 By attending one of Guild's network academic partners, associates generally incur no upfront out-of-pocket expenses for tuition. Some costs may still require reimbursement to the associate such as books, etc.

### **3.2 Standard Tuition Assistance (direct payment to learning institutions)**

- 3.2.1 **Program Overview**  
BSMH's Standard Tuition Assistance program provides associates access to a curated network of academic programs targeted to support economic mobility and prepare associates for life-long careers at BSMH. Available through the Guild program catalog, BSMH's standard tuition assistance offering includes select certificates, and select undergraduate and graduate degrees.
- 3.2.2 A full list of programs can be found at [bsmh.guilededucation.com](https://bsmh.guilededucation.com). Since programs change over time, refer to Guild's list for the latest eligible options.
- 3.2.3 By attending one of Guild's network academic partners, associates generally incur no upfront out-of-pocket expenses for tuition within the annual maximum. Some costs may still require reimbursement to the associate such as books, etc.

### **3.3. Tuition Reimbursement**

- 3.3.1 **Program Overview**  
BSMH's Tuition Reimbursement offering provides associates the option to access U.S. based schools and institutions that are not part of Guild's network academic partners but are regionally, nationally or institutionally accredited. Associates pay for tuition expenses up front and submit required documentation (including cumulative grade and valid documentation for tuition payment) for reimbursement after the add/drop date for the term (which is generally about two weeks after the start of the term).

## **Section 4 - Work Commitment and Repayment**

- 4.1.1 As a condition for the payment of tuition and expenses by Bon Secours Mercy Health or affiliated for-profit entities, the associate must agree to remain employed by Bon Secours Mercy Health and/or an affiliated for-profit entity, for a minimum of 18 months from each term start in a full-time or part-time position. Working in a PRN position will not count toward the time required for the 18-month work commitment after graduation.
- 4.1.2 BSMH will utilize any PTO available and then work with an outside vendor to collect any additional funds. Associates will be contacted by a third-party entity for any financial obligations owed to the ministry to set up payments.
- 4.1.3 Work commitment will be calculated from the date of the last payment of the Program benefit on a rolling 18-month period.
- 4.1.4 Repayment schedule applies to each term. Repayment obligation is determined by the education benefit payment date as noted on the associate's paycheck.

- 4.1.5 If an associate voluntarily terminates employment within 18 months, 100% of covered expenses received in the prior eighteen (18) month period must be repaid to the organization by the associate.
- 4.1.6 If associates move to a position within BSMH that is not eligible for this Program, the time in the new position will count towards their 18-month commitment.
- 4.1.7 Associates are not required to repay the organization if their employment ends due to workforce reduction, outsourcing, divestiture, redundancy, sale of business, retirement, long term disability, or death. Associates on military duty/deployment and do not return are not obligated to repay the organization.
- 4.1.8 Repayment provisions apply if the associate separates from employment while on leave or if the associate fails to return from a leave.
- 4.1.9 Work commitment and repayment provisions for union represented associates are defined by their CBA.

## **Section 5 - Income Tax Consequences**

- 5.1.1 Under the Internal Revenue Code section 127, BSMH may provide up to \$5,250 per calendar year in educational assistance to each associate tax-free for FICA, federal and most state and local income tax purposes.
- 5.1.2 Education assistance (tuition and fees) more than \$5,250 in a calendar year will be treated as taxable to the associate for federal income tax purposes and in all states except for AL, PA, NJ, and Puerto Rico. The full amount of education assistance for associates residing in AL, PA, NJ, and Puerto Rico is fully taxable for state or Puerto Rico income tax purposes. Associates will be responsible for paying relevant taxes on any education benefit received above the \$5,250 in a calendar year.
- 5.1.3 Taxability limits for a given calendar year are calculated using the date the tuition reimbursement is processed for payment (generally by early December). For any Full Tuition Assistance or Standard Tuition Assistance made, the calendar year is calculated using the date the payment and reflected on the associate's paycheck.
- 5.1.4 Consult your tax advisor for additional information.

## **Section 6 – Application Process**

### **6.1 Instructions**

- 6.1.1 BSMH funds the education benefit on behalf of associates. Guild administers support for all eligible associates, such as managing tuition payments, benefit interest forms, applications, and educational coaching and support services. Guild does not cost anything for BSMH associates.
- 6.1.2 To obtain benefits, associates must apply, complete, and submit required forms in a timely fashion, provide the required information, and ensure all stated associate eligibility requirements are met. To apply, associates will need to create and access their Guild account via [bsmh.guilededucation.com](http://bsmh.guilededucation.com).



**6.1.3 Tuition Assistance:**

- Associates must submit applications before the start of the academic term. Associates can submit reimbursement requests for program-associated expenses (books and supplies specified by the course syllabus) at term start and no later than 90 calendar days after term end.
- Associates can submit reimbursement requests for enrollment-associated expenses (such as transcript fees and application fees) and professional expenses (such as qualifying certification exam fees) after the expense date and no later than 90 calendar days after the expense date.
- Associates can only submit their application fees for Tuition Assistance programs after their application is approved by Guild.

**6.1.4 Tuition Reimbursement:**

- Associates must submit applications for each term no sooner than 30 days prior to term start / expense date and no later than 90 calendar days after term end / expense date.
- Associates can submit reimbursement requests for program-associated expenses (books and supplies specified by the course syllabus), following application approval, no sooner than two weeks after term start / expense date, and no later than 90 calendar days after term end / expense date.
- Associates can submit reimbursement requests for enrollment-associated expenses (such as transcript fees and application fees) and professional expenses (such as qualifying certification exam fees) after the expense date and no later than 90 calendar days after the expense date.
- BSMH will provide funding for up to two attempts for certification exam fees.

**6.2 How to apply**

6.2.1 Associates can browse program offerings via [bsmh.guideducation.com](https://bsmh.guideducation.com). Guild's support specialists and coaches can assist with any questions associates have regarding the enrollment process and can aid in program selection. To get help from a Guild support specialist or coach, please visit [bsmh.guideducation.com](https://bsmh.guideducation.com).

6.2.2 In addition to associate eligibility, academic eligibility, and program coverage criteria (as described above), acceptance is at the discretion of the learning provider. Learning providers and universities will also enforce their own academic standards and policies for continued enrollment.

**6.3 Confirming Eligibility**

6.3.1 For associates enrolled in Tuition Assistance programs, eligibility for tuition and qualified program-associated expenses will be confirmed on the date of program application approval and on the start date of each academic term, based on established associate eligibility (see eligibility), academic eligibility (see academic performance requirements), and program coverage criteria (see qualifying programs).

- 6.3.2 For associates enrolled in Tuition Reimbursement programs, eligibility for tuition and qualified program-associated expenses will be confirmed at application submission date or on the start date of each academic term, whichever comes first, based on established associate eligibility, academic eligibility and program coverage criteria and proof of successful academic performance based on the transcript (official or unofficial) from the most recent prior term where relevant.
- 6.3.3 For qualified enrollment-associated and professional expense reimbursement requests, eligibility will be confirmed at the reimbursement request submission date, based on the established associate eligibility, academic eligibility, and program coverage criteria where relevant.

#### **6.4 Simultaneous Enrollments and Transition Between Programs**

- 6.4.1 Associates are permitted to participate in only one BSMH-sponsored program at a time, however, associates can enroll in a double major, major/minor within a specific program, or an English Language Learning program in parallel with another program. Associates may switch between programs, subject to BSMH's eligibility requirements articulated above, and relevant university admissions requirements. Funding caps, as described in the Standard Tuition Assistance and Tuition Reimbursement Programs above, are applicable for the current funding year a student is enrolled in. In the event a student moves from one program type to another (e.g., Full Tuition Assistance to Standard Tuition Assistance), any amount already spent in the current funding year will count towards the new program's funding limit. Anything over the funding limit will be considered taxable income and taxes will be paid via payroll deductions.

#### **6.5 General Operating Information**

- 6.5.1 Terminated associates (inclusive of voluntary termination) are not benefits eligible on a go-forward basis. If an associate enrolled in a program through Tuition Assistance is terminated after their eligibility verification date, they are eligible for tuition assistance for that term or program only (if program does not have multiple terms) only but are no longer eligible to submit reimbursement requests for expenses for the current or prior terms/programs, even if the submission window has not passed. Once terminated, associates enrolled in Tuition Reimbursement are no longer eligible to submit reimbursement requests for tuition and/or expenses for the current or prior terms/programs, even if the submission window has not passed or a reimbursement application was already approved.
- 6.5.2 Program options and offerings available through BSMH's benefit may be evaluated for opportunities for improvement, therefore they are subject to change with or without notice. Examples of these changes include; programs being removed from the program catalog for new students only, programs moving between funding types, and programs

being added to the program catalog.

- 6.5.3 Available program dates or term start dates for program offerings through BSMH's benefit vary between programs and may be subject to change with or without notice. To see what program dates or term start dates are available, visit [bsmh.guilededucation.com](http://bsmh.guilededucation.com).

### **Additional Programs**

BSMH will continue to maintain the administration of certain former education benefits for associates who are currently enrolled in:

- A. Direct pay Cincinnati State Medical Assistant cohort program

Students currently enrolled in this program should continue to work directly with their schools and the BSMH Human Resources Team for support and benefit administration.

### **Confidentiality**

BSMH will make every reasonable effort to maintain the confidentiality of all information related to associate's requests for payment of education expenses. BSMH will disclose the information to only those who have a need to know in order to review and process your request.

### **Associate and Student Responsibility**

Associates agree that by participating in BSMH's Education Benefits Plan Overview, participating associates shall be bound by all the terms and conditions of the Plan, and shall remain fully responsible for complying with, and any liability arising out of violations of, the Plan. Participating associates acknowledge and agree that BSMH reserves the right to take any disciplinary or legal action, including termination, that BSMH, in its sole discretion, deems necessary in the event a participating associate or former associate has violated the Plan.

### **Additional Information**

This information does not create an express or implied contract of employment or any other contractual commitment. BSMH may modify this information at its sole discretion without notice, at any time, consistent with applicable law. Employment with BSMH is on an at-will basis, which means that either BSMH or the associate is free to terminate the employment relationship at any time for any or no reason, consistent with applicable law.

BSMH may take disciplinary action against any associate who abuses this plan, including through fraud or misrepresentation, up to and including termination of employment.

If you have any questions, visit [bsmh.guilededucation.com](http://bsmh.guilededucation.com) to submit a ticket or chat with a Guild

representative. For eligibility questions, please contact the Associate Services Team at 877-692-7780 or open a case in HR ServiceNow.

## Section 7 - Definitions

- 7.1 **ACA PRN**: An associate that works 130 hours or more per month in the previous 12 months, as determined on October 1 each year, to qualify for benefits.
- 7.2 **BSMH**: Bon Secours Mercy Health, Inc.
- 7.3 **Eligible Associate**: An associate who satisfies the eligibility requirements of Section 2.
- 7.4 **Full Time Associate**: Budgeted to work 30 or more hours per week.
- 7.5 **Part Time Associate**: Budgeted to work 15-29 hours per week.
- 7.6 **Participating Employer**: Bon Secours Mercy Health, Inc. and any employer participating in the Bon Secours Mercy Health Welfare Benefits Plan.
- 7.7 **PRN Associate**: An associate who works when needed and does not have assigned hours per week.
- 7.8 **Program**: This Bon Secours Mercy Health Education Benefit Program, as set forth herein and amended from time to time.
- 7.9 **Priority Pathways**: Fields of study deemed by Bon Secours Mercy Health to be of strategic priority to the business. These include at this time:
- Nursing
  - Nursing Support
  - Respiratory Therapy
  - Medical Assisting
  - Laboratory
  - Imaging
  - Pharmacy Technician
  - Sterile Processing
  - Surgical Technology
- 7.10 **Term**:
- Tuition Assistance:**
- Students can submit their reimbursement request during their term and up to 90 days after term-end.
  - For application fees, student must submit after their application is approved by Guild.
- Tuition Reimbursement:**
- Associates can submit applications for each term no sooner than 30 days prior to term start / certificate exam date and no later than 90 calendar days after term start / certificate start date.
  - Associates can submit reimbursement requests no sooner than two weeks after term start / certificate exam start date and no later than 90 calendar days after term end / certificate exam date.

## **Section 8 – General Information**

- 8.1 Program Sponsor: Bon Secours Mercy Health, Inc.
- 8.2 The Program initial effective date is March 1, 2020 and has been revised periodically.
- 8.3 The Program is administered by Bon Secours Mercy Health Associate Services Center and Guild Education as of October 5, 2021.
- 8.4 BSMH will pay all educational benefits out of its general assets and does not maintain any special fund or assets to pay for the benefits.
- 8.5 The Program is intended to not discriminate in favor of highly compensated associates (as defined in IRC Section 414(q)), and the Program will comply with all respects with the requirements of IRC Sections 127(b)2 (and (3) and the underlying Treasury regulations. If, in the judgment of BSMH, the operation of the Program in any calendar year would result in such discrimination, then BSMH shall select and exclude from participation in the Program any such highly compensated associates as shall be necessary to ensure that, in the judgment of BSMH, the Program does not discriminate in favor of highly compensated associates.
- 8.6 Bon Secours Mercy Health, Inc. reserves the right to amend or terminate this Program at any time for any reason without notice.
- 8.7 The Plan number is BSMH-HR-Plan Overview\_012

**IN WITNESS WHEREOF**, Bon Secours Mercy Health, Inc. has caused this instrument to be duly executed in its name and on its behalf.

Bon Secours Mercy Health, Inc.