



Emergency Grace Period Premium Deferral Program *Premium Deferral Scenarios*

The following examples illustrate two potential repayment schedules for Groups participating in the Emergency Grace Period Premium Deferral Program:

Scenario 1: Deferring a Single Month's Premium

Group's monthly premium is \$2800. Group signs the Emergency Grace Period Deferral Program Agreement ("Agreement") with Horizon BCBSNJ and selects to initially apply the 60 day Emergency Grace Period to April premium. Group wishes to defer April premium only. The \$2800 due in April will be amortized over the maximum six month repayment period ("Repayment Period"). Starting in June, after the Emergency Grace Period, Group will begin to repay the deferred April premium on a pro rata basis over the Repayment Period by making installment payments of \$400/month in addition to regular monthly premium until April premium is repaid in full by December.

Coverage Month	Invoice Amount	Due Date	Payment Due	Deferred Balance
April	\$2800	April 1	\$0	\$2800
May	\$5600	May 1	\$2800	\$2800
June	\$5600	June 1	\$3200	\$2400
July	\$5200	July 1	\$3200	\$2000
August	\$4800	August 1	\$3200	\$1600
September	\$4400	September 1	\$3200	\$1200
October	\$4000	October 1	\$3200	\$800
November	\$3600	November 1	\$3200	\$400
December	\$3200	December 1	\$3200	\$0

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Scenario 2: Deferring Two Months' Premium

Group's monthly premium is \$2800. Group signs the Agreement with Horizon BCBSNJ and selects to initially apply the 60 day Emergency Grace Period to April premium. Group wishes to defer April and May premium per the Bulletin's directive allowing any unpaid premium during the emergency grace period to be deferred and amortized. The \$5600 due for coverage in April and May will be amortized over the Repayment Period. Starting in June, after the Emergency Grace Period, Group will begin to repay the deferred April and May premium on a pro rata basis over the Repayment Period by making installment payments of \$800/month in addition to regular monthly premium until April and May premium is repaid in full by December.

Coverage Month	Invoice Amount	Due Date	Amount Paid	Deferred Balance
April	\$2800	April 1	\$0	\$2800
May	\$5600	May 1	\$0	\$5600
June	\$5600	June 1	\$3600	\$4800
July	\$5200	July 1	\$3600	\$4000
August	\$4800	August 1	\$3600	\$3200
September	\$4400	September 1	\$3600	\$2400
October	\$4000	October 1	\$3600	\$1600
November	\$3600	November 1	\$3600	\$800
December	\$3200	December 1	\$3600	\$0