

# Jackson Health System

## EdAssist Student Loan Repayment™

### PURPOSE

Jackson Health System offers EdAssist Student Loan Repayment designed to help attract and retain the very best employees by providing education loan repayment assistance to employees who have already achieved their educational goals. EdAssist Student Loan Repayment is administered through EdAssist, a third-party partner for the purpose of repaying education loans from various sources including U.S. based Federal, State, and Private Education loans.

### ELIGIBILITY GUIDELINES

- Full-time (A1) benefit eligible employees of Jackson Health are eligible to participate in EdAssist Student Loan Repayment after completing 12 months of continuous service and considered in good standing.
- Loans are only eligible for EdAssist Student Loan Repayment if (1) a completed degree has been earned/completed, (2) it was earned at a nationally or regionally accredited institution; and 3) the loan is from a degree that is related to current specialty or future career development and opportunity with Jackson Health.
- Education Loans eligible for EdAssist Student Loan Repayment must be:
  - Qualified U.S. based education loans: loans borrowed by the employee, which are—
    - incurred on behalf of the employee by the employee
    - in active repayment
    - Attributable to education furnished during a period the recipient was an eligible student
  - The term “qualified higher education expenses” means the cost of attendance (as defined in section 472 of the Higher Education Act of 1965, 20 U.S.C. 1087II) at an eligible educational institution.
- U.S. based Education Loans eligible for Loan Repay include:
  - Federal Perkins Loans
  - Private Student Loans
  - Subsidized Stafford Loans (FFELP/Direct)
  - Unsubsidized Stafford Loans (FFELP/Direct)
  - Health Professional Loans
  - Grad PLUS Loans (FFELP/Direct)
  - Student Consolidation Loans
  - Student Refinance Loans
  - State Loans
- Ineligible or Non-Applicable Student Loan Repayment Expenses
  - Late fees
  - Installment plan/deferred payment fees
  - Direct Parent PLUS loans
  - Private Parent loans
  - Loans not in employee name

- Other methods of refinance: Example: Home Equity Lines used to repay Education
- Other methods of repayment: Funds from 403(b)/401(k) or other retirement account
- Participating employees may be enrolled in the Student Loan Repayment and/or Tuition Program Management concurrently with a combined max of \$5,000 per fiscal year. Jackson Health System’s fiscal year runs from October 1<sup>st</sup> to September 30<sup>th</sup>.
- Employment Commitment
  - Participating employees will have a 24 month repayment obligation from date of voluntary separation

**COVERAGE AMOUNTS**

**All Payments will be made directly to the Loan Servicer(s) monthly up to the specified monthly amount below not to exceed the annual cap or combined tuition cap limit of \$5,000:**

Physician & Leadership	Nurses	Clinical / Non-Clinical
Up to \$291.66 Monthly	Up to \$208.33 Monthly	Up to \$125 Monthly
Up to \$3,500 Annual Maximum	Up to \$2,500 Annual Maximum	Up to \$1,500 Annual Maximum
\$35,000 Lifetime Cap Limit	\$25,000 Lifetime Cap Limit	\$15,000 Lifetime Cap Limit

**\*payments are made monthly therefore the maximum monthly requested amount cannot exceed the amount specified above.**

**EMPLOYEE RESPONSIBILITY**

- Participating employees are required to make regular, required monthly payment toward their loan(s) as required by the terms of loan(s).
- Employer contributions are in excess of the employee’s required monthly payment.
- Any late fees or penalties incurred due to employee missed or late payments are the sole responsibility of the employee.
- Employees must communicate to their loan servicer(s) that additional payments should be applied to principal.
- Employees are required to use the EdAssist system to either set up monthly recurring payments or manually submit a payment request each month. All payment requests MUST be made a minimum of 14 days in advance to complete the application process.
- If a payment request, either through recurring payments or manually, is not requested during a given month the employee will forfeit that month’s payment.

**GUIDELINES FOR SUBMISSION OF STUDENT LOAN REPAYMENT APPLICATION TO EDASSIST**

Applications must be submitted online using the EdAssist LoanRepay website which can be accessed via a link on the Jackson Health Employee Intranet.

- The first step is to enter your student loan(s) into the system by choosing “Add Loan”. Once you have added your student loans, you can request payments for any of those loans by

clicking on the Payments icon. Select the loan/loans you would like to have a payment made for and enter the relevant details for that loan. The Payment Request will contain all the relevant details such as payment date, Educational Provider, Degree obtained, field of study, and graduation date. Participating employees must upload official documentation as defined in the system to be reviewed by the EdAssist Compliance Team. Participating employees must submit designated documentation such as proof of graduation, proof of loan, or proof of loan payment.

- The system rules will review the request for adherence with the policy.
- EdAssist will review the documentation for adherence to the program policy.
- The employee will be notified via email of approval or denial of his/her request.

## **REQUIRED DOCUMENTATION**

### **Proof of Student Loan**

Proof of Student Loan can be retrieved from your online student loan portal or taking a snapshot of your paper monthly billing statement.

- Loan servicer name
- Employee name
- Loan account number
- Loan type
- Total loan balance
- Required monthly payment amount
- Payment due date
- Proof of loan payment (i.e. monthly payment receipt)
- Payment Address (billing remittance)

### **Proof of Graduation**

Proof of graduation documentation can be obtained from the college or university from which you graduated. The following are examples of acceptable documentation:

- Copy of transcript
- Copy of diploma
- Graduation certificate

## **PAYMENTS**

- Direct Pay Student Loan Payments will be made directly to the Loan Servicer(s) identified by a participating employee at the time of application not to exceed the monthly cap amount above.
- Payments will be applied to accounts as identified by the participating employee according to loan servicer policies.

- Payments will begin from the date of participation in the program – retroactive payments will not be made.
- Changes to payment distributions should be made directly to loan servicer(s).
- Inquiries about total loan balances, payments received, etc. should be directed to the associated loan servicer(s).

#### **TAX IMPLICATIONS**

- The Internal Revenue Code (“IRC”) contains provisions that impact the taxability of student loan payments made on behalf of an employee through Jackson Health’s participation in EdAssist Student Loan Repayment. Student loan payments will be taxable to the participating employee.
- Jackson Health will report all associated payments on participating employees’ associated W-2 for the prior plan year.
- All associated taxes are the responsibility of the participating employee.

This policy is subject to change at any time.