



CONFERENCE BOARD OF PENSION & HEALTH BENEFITS
MEMORANDUM

August 25, 2011

To: Pastors and Treasurers

Re: 2012 Health Insurance Billing Rate

The Conference Board of Pension and Health Benefits has approved an 8.24% increase in the billing rates for 2012 based on the renewal premium rates submitted by our reinsurer and our self-funded claims projection. If the Board had used a fully insured plan the rate increase would be up to 20% more.

The 2012 Blended Rate that will be billed to each Charge will be \$1,290 monthly for every clergy participant. If the appointed pastor in the Charge is covered by the health insurance of his/her spouse, the bill to the Charge will be \$250 monthly.

Enclosed are two alternative charts of the 2012 Contribution Rates for churches and participants, as follows:

- I. The Incentivized Rate for those who participate in the Wellness Program
- II. The Standard Rate for Non-participants in the Wellness Program

As previously announced, *the purpose of the Wellness Program is to proactively address the health risks of our members by helping participants obtain and maintain good health for life and ministry and to control health care cost.* There are three components to the new Wellness Incentive Program starting in 2012:

- 1) Participants in the Wellness Program will be entitled to a reduced Premium Contribution with annual savings of about \$500 to participants.
- 2) A local church will receive a \$500 annual rebate if their pastor remains in the Wellness Program for the full year. This rebate will be distributed to the local church by January 2013 after the twelfth monthly payment for health care in 2012 has been received by the Conference Treasurer.
- 3) A local church whose pastor is in a half-time appointment or more and does not participate in the Conference Health Care Plan will receive a \$500 annual rebate if the pastor participates in the Wellness Program. (The monthly charge to the church is unchanged at \$250.) The rebate check will be distributed by January 2013 after the twelfth monthly payment for health care in 2012 has been received by the Conference Treasurer.

Following are the simple steps that participants will need to follow to earn the Wellness Incentives:

1. **Complete a Health Screen (Biometrics) by November 30, 2011.** HPA was on-site at annual conference every day. If you were unable to attend you may contact HPA to schedule an appointment at their Grand Rapids office. If you had physical anytime from December 1, 2010 to November 30, 2010, you may request an Alternative Screening form from HPA. Call or email Linda at Health Plan Advocate (HPA). Her toll-free phone number is: 1-866-651-3156 ext. 104 or her email: lstauffer@healthplanadvocate.com.
2. **Complete a Health Risk Assessment (HRA) and Lifestyle Profile Questionnaire** and bring it with you to your health screening by November 30, 2011.
3. **Participate in telephone health coaching.** If you are in the High Risk category based on the Biometrics and HRA, a health coach from HPA will call you to review the results of your health risk assessment and discuss goals to help you obtain and maintain a healthy lifestyle.
4. **Results-Based Incentive Program.** Starting on January 1, 2013, the Wellness Incentive will move from a participation-based to a results-based program. In order to receive the Wellness Incentive in 2013, the following will be required:
 - a) Complete a Health Risk Assessment and Health Screening by November 30, 2011, and participate in Health Coaching.
 - b) Participants who do not use tobacco must meet 2 out of 3 of the criteria below:
 - Blood pressure below 140/90
 - Cholesterol Level below 240 or Total cholesterol/HDL ratio of 4.5 or below
 - Body Mass Index (BMI) below 30 or a 5% weight loss from 2011 weight

*Tobacco users must meet all of the above criteria. If you have a BMI of over 30, HPA will need your weight to determine your progress in meeting the criteria. Please note that it is important to participate in 2011 and complete the requirements by November 30, 2011 as it will be considered the base year.

The Conference health package for active (non-Medicare) participants remains in the same networks and includes medical with the Cofinity Network and prescription drugs with Express Scripts, dental with Delta Dental and vision with VSP. Our Third Party Administrator is Professional Benefits Services (PBS). As a local If you have issues with any of the networks, please contact PBS to expedite resolution. Refer to your membership card for the phone numbers and websites for these companies.

The Board appreciates your cooperation in making it possible for us to be good stewards of the health care of our clergy and lay employees. Should you have any questions, please be in touch or contact the Conference Treasurer's Office.

Sincerely,

Mike

Michael Anthes, Chair
Board of Pension and Health Benefits

Lou

Lou Grettenberger, Chair
Health Care Committee

Enclosures:

I. 2012 Health Insurance Rates for Wellness Program Participants

A. Each Charge is billed the projected Blended Rate per clergy of
\$1,290 monthly or **\$15,480** annually.

****The church will receive a \$500 rebate if their clergy participates in the Wellness Program.**

B. Clergy Premium Contribution Based on July 1, 2011 Cash Salary for Participants in the Wellness Program are reduced by about \$500.				
Compensation In \$5,000 Increments	Composite Rate	Percent Contribution	Participant Contribution Monthly	Participant Contribution Annually
Under \$20,000	\$1,290	7.00%	\$90.30	\$1,083.60
\$20,001 to \$25,000	\$1,290	8.00%	\$103.20	\$1,238.40
\$25,001 to \$30,000	\$1,290	9.00%	\$116.10	\$1,393.20
\$30,001 to \$35,000	\$1,290	10.00%	\$129.00	\$1,548.00
\$35,001 to \$40,000	\$1,290	11.00%	\$141.90	\$1,702.80
\$40,001 to \$45,000	\$1,290	12.00%	\$154.80	\$1,857.60
\$45,001 to \$50,000	\$1,290	14.00%	\$180.60	\$2,167.20
\$50,001 to \$55,000	\$1,290	16.00%	\$206.40	\$2,476.80
\$55,001 to \$60,000	\$1,290	17.00%	\$219.30	\$2,631.60
\$60,001 to \$65,000	\$1,290	18.00%	\$232.20	\$2,786.40
\$65,001 to \$70,000	\$1,290	19.00%	\$245.10	\$2,941.20
Over \$70,000	\$1,290	20.00%	\$258.00	\$3,096.00

C. The rate for churches with non-participating clergy will be **\$250** monthly.

****The church whose clergy is not in the conference health plan will receive a \$500 rebate if their clergy participates in the Wellness Program.**

II. 2012 Health Insurance Rates for Wellness Program Non-Participants

A. Each Charge is billed the projected Blended Rate per clergy of

\$1,290 monthly or \$15,480 annually.

****The church will not receive a \$500 rebate if their clergy does not participate in the Wellness Program.**

B. Clergy Premium Contribution Based on July 1, 2011 Cash Salary without incentive benefit pays about \$500 more.				
Compensation In \$5,000 Increments	Composite Rate	Percent Contribution	Participant Contribution Monthly	Participant Contribution Annually
Under \$20,000	\$1,290	10.00%	\$129.00	\$1,548.00
\$20,001 to \$25,000	\$1,290	11.00%	\$141.90	\$1,702.80
\$25,001 to \$30,000	\$1,290	12.00%	\$154.80	\$1,857.60
\$30,001 to \$35,000	\$1,290	13.00%	\$167.70	\$2,012.40
\$35,001 to \$40,000	\$1,290	14.00%	\$180.60	\$2,167.20
\$40,001 to \$45,000	\$1,290	15.00%	\$193.50	\$2,322.00
\$45,001 to \$50,000	\$1,290	17.50%	\$225.75	\$2,709.00
\$50,001 to \$55,000	\$1,290	20.00%	\$258.00	\$3,096.00
\$55,001 to \$60,000	\$1,290	21.50%	\$277.35	\$3,328.20
\$60,001 to \$65,000	\$1,290	22.50%	\$290.25	\$3,483.00
\$65,001 to \$70,000	\$1,290	23.75%	\$306.38	\$3,676.50
Over \$70,000	\$1,290	25.00%	\$322.50	\$3,870.00

C. The rate for churches with non-participating clergy will be \$250 monthly.

****The church whose clergy is not in the conference health plan will not receive the \$500 rebate if their clergy does not participate in the Wellness Program.**

Other Information:

A. Rates for optional participation of local church employees:

	<u>Monthly</u>	<u>Annually</u>
Single	\$696	\$8,353
Couple	\$1,427	\$17,121
Family	\$1,758	\$21,096

B. CRSP/ CPP

2012 DAC	\$62,781		2011 DAC	\$61,716
CRSP = NO LIMIT	\$3,767	=CPP Maximum=	\$3,703	CRSP = NO LIMIT
2012 CAC	\$58,911		2011 CAC	\$58,353