



West Virginia Conference Health Insurance Recommendations for 2020

Where are we now? Throughout the last year we heard your strong desire to maintain the current level of benefits and to limit cost increases to clergy and their families. The Conference Board of Pensions has proceeded with these priorities in mind.

Why do we have to make changes? For the past two years, health insurance expenses have exceeded income. It has been necessary to draw money from reserves in order to cover deficits approximately \$3,000,000 last year.

What actions did the Conference take? The Board of Pensions has researched options for health insurance coverage.

- Proposals were received from HealthFlex (managed by WesPath), BlueCross/BlueShield, The Health Plan, Aetna and Cigna, and compared all to our current partially self-funded plan (administered by Benefit Assistance Corporation).
- After comparing all proposals submitted, the Board determined there would be no cost benefit and less flexibility in making a change from our current plan.

The recommendation? Therefore, The Board of Pensions makes the following recommendations to the 2019 Annual Conference in order to sustain health insurance coverage:

1. That the apportionment amount for the health insurance program increase by \$425,000 from \$3,900,000 to \$4,325,000.
2. That \$100,000 be apportioned for the Medical Insurance Reserve account (Adding this amount annually to this account has been our practice in order to maintain an adequate reserve).
3. That Health Care Premiums increase as follows:

Single premiums will increase \$32 from \$658.00/ month to \$690.00/ month

Church share 70%

\$483/month \$5,796/year

(an increase of \$22.40/month)

Participant share 30%

\$207/month \$2,484/year

(an increase of \$9.60/month)

Family premiums will increase \$235 from \$1,579.00 to \$1,814 per month

Church share 70%

\$1269.84/month \$15,238/year

(an increase of \$164.50/month)

Participant share 30%

\$544.17/month \$6,530/year

(an increase of \$70.50/month)

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Are there changes to who is eligible? No, those who are eligible for coverage will remain the same as last year.

Who do these recommendations affect? All congregations participate through the apportionment process, as well as those congregations which pay a percentage of their pastor's health insurance premium.

Can we expect similar increases in the future? There is no way for us to accurately predict the future, but based on past trends...most likely yes. Due to the rising costs of healthcare today, we are facing a likelihood of the increase of costs. Our commitment is to manage these expenses as carefully and creatively as possible.

We have made overall adjustments to the conference budget to limit apportionment increase. The entire conference budget will increase 3.55% or \$441,193 in 2020, with \$425,000 of that in Medical Insurance.

How can participants take steps to control their costs and manage their health? They can engage their physician and pharmacist in conversation about possible cost-saving options with regard to their health care and medications. We want to help. The conference website (www.wvumc.org/health-care/) has many resources for information on prescription discounts, the Virgin Pulse health benefit program, and more.

What can my church do to help? We know that health care is challenging and personal whether it is a chronic illness or an acute event. It is our desire to have affordable health coverage that helps us have the medical care that is needed. We want all our pastoral leaders and all who participate in our congregations to be healthy. Encourage your pastor to do all they can to be healthy, including taking their vacation time and their weekly day off, spending time with family and friends, and eating well and exercising.

Questions?

Visit our conference website for more information: www.wvumc.org/health-care/

Or talk with your district superintendent,

Or contact Jim Berner, the conference treasurer: (304) 344-8331 x35 tresrr@wvumc.org