

## Health Insurance Fund Resolution FAQ

1. If passed, will the health insurance funding change reduce the fair share?
  - a. Yes, the change will reduce the conference budget approximately \$3.1 million by 2026; therefore, the average fair share for a local church will decline.
2. Will health insurance costs increase if the resolution is passed?
  - a. The health insurance premium billed to full-time charges will increase, and participant premiums will increase due to the funding change.
3. What will be the impact to my charge if the resolution passes?
  - a. Examples of charge impacts at the end of the 3-year transition period
    - i. Part-time charge no participant
      1. Approximately a 26% fair share reduction
    - ii. Full-time charge \$75,000 fair share, 1 Participant
      1. \$19,500 fair share decrease + \$11,300 HealthFlex increase = \$8,200 cost **savings**
        - a. If currently no HealthFlex participant **savings** = \$1,000
    - iii. Full-time charge \$45,000 fair share, 1 Participant
      1. \$11,700 fair share decrease + \$11,300 HealthFlex increase = \$400 cost **savings**
        - a. If currently no HealthFlex participant **increase** = \$6,800
    - iv. Full-time charge \$20,000 fair share, 1 Participant
      1. \$5,200 fair share decrease + \$11,300 HealthFlex increase = \$6,100 cost **increase**
        - a. If currently no HealthFlex participant **increase** = \$13,300
    - v. Jamion Wolford can provide specific information upon request. Please contact him at [jwolford@wvumc.org](mailto:jwolford@wvumc.org) or 304-344-8331 Ext. 35.
4. Will the resolution impact the Conference Medicare Supplement Plan?
  - a. No, the resolution does not change the Conference Medicare Supplement Plan
5. What happens if the resolution does not pass?
  - a. The recommended 2024 Conference budget and the 2024 HealthFlex premiums were compiled with the assumption that the resolution will pass. Assuming no change to the recommended 2024 Conference budget, The Board of Pensions would have to adjust the 2024 HealthFlex premiums. The amount billed to charges with participants would increase dramatically due to \$500,000 being removed from the budget and the loss in billings from all full-time charges. Changing the Conference budget would require an amendment approved by the Annual Conference. This will also mean that the Conference must be prepared to increase the Conference budget in future years to keep pace with national health insurance cost increases.

6. What will happen to clergy currently receiving support from their church for health insurance other than HealthFlex?
  - a. This support is normally represented on line 3 of the salary sheet and is optional support agreed to between the charge and the pastor. Therefore, the impact will be up to these parties; however, the Board of Pension, Council on Finance and Administration, and Cabinet are aware that billing all full-time charges whether the pastor participates in HealthFlex or not could lead to this benefit be reduced or eliminated for some pastors. Members of the Annual Conference are encouraged to prayerfully discern this resolution with the entire conference body in mind. Also, not making this change will require future fair share increases, resulting in charge cost increases.
7. Why would all full-time charges be billed whether the pastor participates in HealthFlex or not?
  - a. Billing all full-time charges for at least one HealthFlex participant is necessary to ensure the need for health insurance does not dictate appointments. Additionally, by our equitable compensation standards, full-time appointment compensation includes providing health insurance, so all full-time charges should already be budgeting at least the charge per participant HealthFlex premium (\$7,200 for 2023).
8. Will the charge premium per participant vary based upon the participant's elections?
  - a. No, the Conference will continue to bill a flat rate per participant no matter what the participant elects. Assuming the resolution passes, this rate will be \$8,004 for the 2024 year, and this amount is divided and billed monthly to the charge.
9. What will happen with the amounts billed to full-time charges without a participant?
  - a. These dollars will be used to pay the current year's total premium cost. The charge premium was determined including the billing of full-time charges, so there is not anticipated to be excess collection compared to the cost, but any excess billing would be put into the health insurance reserve account for future needs.
10. Will a clergy couple's charge premium still be shared between the two charges?
  - a. Assuming both charges are full-time appointments, both charges would be billed separately the charge HealthFlex premium, \$8,004 per full-time charge in 2024.
11. How will a charge be billed when the pastor is on Medicare and the Medicare Supplement Plan?
  - a. Assuming the charge is a full-time appointment, it would only be billed the charge HealthFlex premium (\$8,004 in 2024). Neither the charge nor the pastor will be billed the Medicare Supplement Plan premium while the pastor is under active status; this premium cost is factored into the budget.