

WILL THIS SAVE MONEY?

For the Conference? Immediate cost savings is not a primary objective, but cost predictability is. A traditional premium cost-sharing plan can be unpredictable and can increase significantly over time.

For the Participant? This may result in savings for some participants and may mean a cost increase for others. On average the cost to participants above what they are currently spending on Conference health insurance will be minimal. The Defined Contribution is not considered taxable income to the participant and has no impact on salary or conference average compensation.

For the Local Church? There will be a cost increase for 2016 over 2015 of approximately 3 percent. However this plan reduces what our increase would be if we were to stay in a similar plan to what is currently offered. We would like to plan for the 2016 defined contribution to remain steady for some time.



WHY NOW?

Our current health insurance plan, PPOB-750, will not be available after Dec. 31, 2015. By 2018, significant tax penalties go into effect on similar plans. Not acting now will mean an unnecessary increase in expenses for the next two years. To act now is to be proactive and move into alignment with the current healthcare environment.

A guiding principle of the Board of Pension and Health Benefits is to offer sufficient health care coverage to clergy and their families at a sustainable price to the local church.

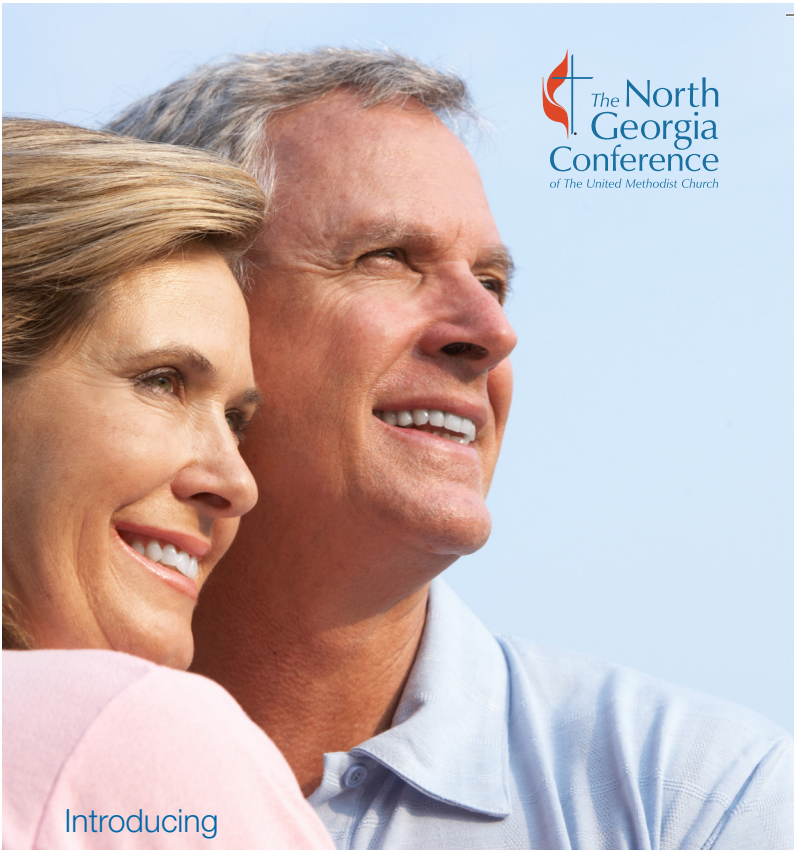


The North Georgia Conference Board of Pensions and Health Benefits is recommending a new healthcare option from HealthFlex to be adopted at Annual Conference 2015.

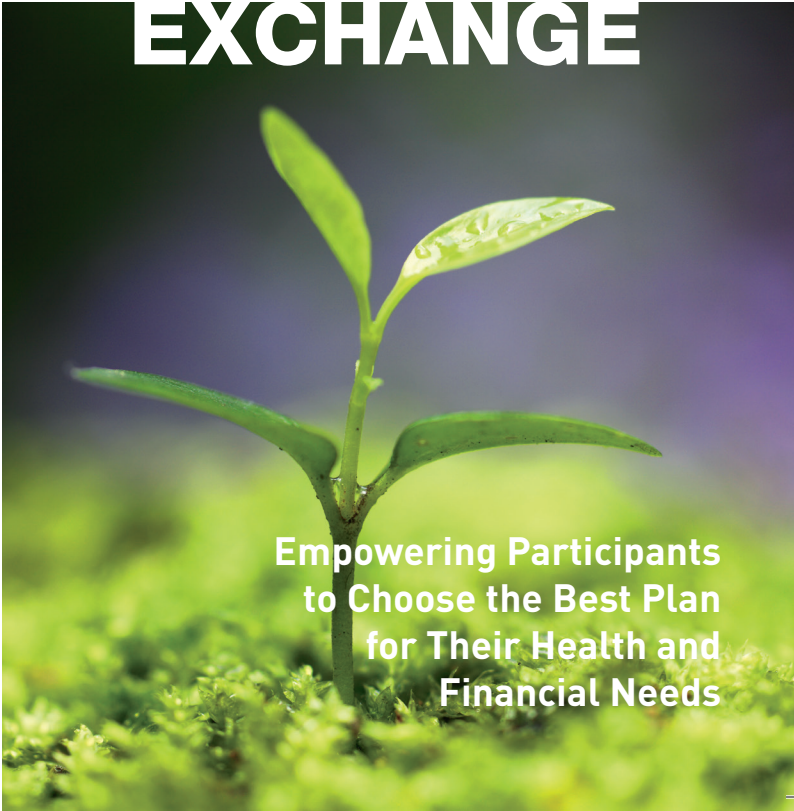
TIMELINE

If HealthFlex Exchange is Approved ...

- June 2015 – Annual Conference Votes on Health Care Proposal
- September 2015 – Workshops are Offered to Participants and Local Churches
- October 2015 – Workshops are Offered to Participants and Local Churches
- November 2015 – Open Enrollment
- January 2016 – Coverage Begins



HealthFlex EXCHANGE



HealthFlex Exchange was created as a model that will give HealthFlex participants more flexibility to choose their coverage while giving plan sponsors, such as the North Georgia Conference, more control and predictability over health plan costs.

WHAT IS HEALTHFLEX EXCHANGE?

With HealthFlex Exchange, participants can choose from five HealthFlex plan designs. Each plan is paired with one of four pharmacy plans. Each participant will receive a fixed contribution from the Conference, and can pick one of the five plans. They can “buy up” to more generous plans or “save” by selecting less generous plans, depending on their needs.



- Participants will choose coverage that best fits their health needs and financial situations. It encourages greater accountability by participants, but retains the valued HealthFlex benefits and wellness opportunities that are currently offered.
- HealthFlex Exchange provides cost transparency to participants. This system discloses the true cost of healthcare services and plan benefits.
- The HealthFlex Exchange is administered and operated through the General Board of Pension and Health Benefits. HealthFlex Exchange retains the HealthFlex framework, including the same (United HealthCare, UBH, & Catamaran) networks, carriers and wellness programs.
- HealthFlex Exchange has the same eligibility rules as other HealthFlex plan designs.
- This program aligns with changes in the health care industry nationwide.

WHAT THIS MEANS TO THE NORTH GEORGIA CONFERENCE

For the North Georgia Conference, HealthFlex Exchange offers the opportunity to stabilize health coverage costs. A fixed-dollar amount (called the “Defined Contribution”) will be allotted for each HealthFlex participant to fund their coverage.

The Annual Conference will designate the fixed “Defined Contribution” amount. In the past model, the Conference selected one or two medical plans to offer to all participants. In the HealthFlex Exchange, the Conference gives participants a choice among five medical plans, so that each participant can choose the plan most appropriate to their needs.

The current plan being offered to North Georgia Conference participants will be discontinued Dec. 31, 2015 and the conference must pick a different direction before significant tax penalties become a reality in 2018.

WHAT THIS MEANS FOR PARTICIPANTS

HealthFlex Exchange encourages participants to more actively choose their health care providers, manage their health expenses, and improve their health with respect to factors they can control.

Each participant will be allocated the same “Defined Contribution” to “shop” between one of five health plan options. Depending on which plan the participant chooses, they will pay for some or all premiums for the HealthFlex plan of their choice. The Defined Contribution will appear as a “credit toward purchase” when the participant selects a HealthFlex plan.

Participants who choose a plan costing less than their defined contribution credit can “bank” the overage (in other words be credited to the participants Health Reimbursement Account or Health Savings Account).

Participants who choose a plan that costs more than the defined contribution credit amount will see a monthly premium charge which will be deducted from their paycheck to cover the cost different.

With greater choice, also comes more support resources. The General Board and the Conference Benefits Office will provide training and education material (such as participant workshops) to help participants understand plan choices. Additionally, a program called Businessolver will help participants select the plan that best aligns with their budget, medical needs, family demographics, and risk tolerance for unplanned medical expenses.

The same wellness programs and vendors will be used along with the same carriers and networks as are currently offered through HealthFlex. Because coverage remains under the HealthFlex umbrella, there will be limited disruption because it comes from the same providers we currently use.

During the Annual Election period in November, HealthFlex Exchange participants will enter the Businesssolver system through the HealthFlex/Web-MD portal or call the General Board’s Health Team.



WHAT THIS MEANS FOR LOCAL CHURCHES

The Annual Conference will bill each local church its share of the predetermined “Defined Contribution” amount, plus any participant costs that are determined by plan selection that should be held on a pre-tax basis from the participant’s paycheck.

The Conference Benefits Office will provide information on overall billing and reporting processes.

The current way of billing clergy through Mandatory Clergy Salary Deduction (MCSD) will end.

WHAT DOES HEALTHFLEX EXCHANGE INCLUDE?

In addition to a choice of five HealthFlex plans, HealthFlex Exchange offers:

A dental plan through CIGNA will be offered to every participant who selects a medical plan through HealthFlex Exchange at participant’s cost.

HealthFlex Exchange will include basic “exam core” vision plan through VSP for covered individuals. Participants may buy additional VSP “materials” coverage (for example, glasses and contacts).

A behavioral health plan with a shared deductible and out-of-pocket maximum will be included with each plan, just as the traditional HealthFlex plans are structured.

All wellness programs will remain the same in HealthFlex Exchange. This includes HealthQuotient (HQ), WebMD, Blueprint for Wellness, EAP, Optum NurseLine, Weight Watchers and HealthFlex wellness incentives

WHAT HEALTHFLEX EXCHANGE ISN'T

HealthFlex Exchange shouldn’t be confused with the Health Insurance Marketplace (i.e., the federal and state public exchanges established through the Affordable Care Act), or with private exchanges offered by consulting groups.

HealthFlex Exchange remains a self-insured HealthFlex group health plan offered through the General Board’s Center for Health with the same carriers, networks, wellness programs and incentives.

The HealthFlex Exchange is offered exclusively for United Methodist Church plan sponsors and participants.