



DATE: September 2021
TO: Evangelical Covenant churches and affiliated ministries
FROM: Christina Kempe, Scott Hanson, and Steve Klimkowski
RE: **2022 benefits updates and premium rates**

We pray this letter finds you and your ministry in good health and hopeful for the future. The Bethany Benefit Service (BBS) team of the Evangelical Covenant Church writes to you with updates for 2022 premium rate changes and plan updates. Please read this letter carefully as it contains important information.

Responding to COVID-19: BBS waived co-pays for telehealth visits from March 2020 to June 2021 in an effort to encourage our members to pursue proper care without unnecessarily exposing themselves to public spaces. We continue to provide no-cost primary care visits through Teladoc (for those enrolled in medical coverage with BBS) and 98point6 (for those enrolled in Medicare primary coverage and those who have opted out of medical coverage with BBS) so all members can talk with a physician at any time at no cost. We are also covering all COVID-19 testing, treatment, and vaccination at 100% to alleviate any financial obstacles to receiving relevant care. We are grateful for God's provision as we have navigated this difficult season and mourn with those who have experienced loss.

Your feedback is requested: Before the end of the calendar year, BBS will distribute a survey by email to all Covenant churches, ministers, and other affiliated ministries and leaders requesting feedback on your needs and wants related to health insurance and other benefits for you and your staff. We plan to make 2023 program decisions based on survey results, so please keep an eye out for the survey and complete it thoughtfully. This is the best opportunity to express your opinions and thoughts about what the Covenant needs in a benefits program so we can continually improve the resources provided to the Covenant!

Bethany Benefit Service will have a new name: In January, Bethany Benefit Service will officially change our name to Covenant Benefits. We have found that some Covenant churches do not recognize BBS as a Covenant ministry, and we are excited to more clearly identify as an interwoven resource provided by the Evangelical Covenant Church for Covenant churches, ministries, and ministers. Covenant Benefits will also encompass ministerial retirement programs including the Covenant Pension Trust and GuideStone's associational plan for the Covenant. We look forward to continuing to serve the Covenant as Covenant Benefits!

Lockbox for premium payments: We have upgraded our payment processing system to better serve our local churches and ministries—payments are now being processed securely and directly by our banking partner. Please remit premium payments to the new P.O. Box listed on our invoices. Other addresses and contact information remain the same.

2022 benefits changes: Before 2021, BBS had not increased our deductible and maximum out-of-pocket limits in more than a decade. Among the members of the Church Benefits Association, only one other church denomination offers a lower deductible, and that denomination provides additional

plan options with higher deductibles. In 2022, we will keep office visit and prescription copays the same, but we will marginally increase deductible and maximum out-of-pocket limits. Deductible and maximum out-of-pocket limits will change as follows:

	<u>Deductible</u>	<u>Max out-of-pocket</u>
2021	\$350	\$1,575
2022	\$400	\$1,800

Rates: After a careful review of the financial, actuarial, and experiential underpinnings of our benefit plan with our vendors and consultant, Bethany Benefit Service is increasing the annual premium by 6% in 2022. This rate increase is consistent with the average projected increase for US employer medical costs in 2021 and 2022. Although we strive to keep premiums as low as possible (while protecting the plan's long-term viability), the ongoing inflation in medical and prescription drug expenses—in tandem with specific intensive medical needs among some of our Covenant family—continues to impact our costs. Please know that we do not pass on the full impact of cost increases to our members. In fact, over the past three years, BBS has contributed an average annual subsidy of \$2.7 million to the plan to help keep it affordable. We share the cost with you to assure that our pastors, lay staff, and their families continue to receive the excellent health coverage that BBS provides.

We continually seek to enhance benefits provided to Covenant churches and ministries, both in terms of cost and coverage. In 2023, significant adjustments to plan structure, pricing, and available benefits may be instituted based on feedback from you via the upcoming survey program (see “Your feedback is requested” above).

2022 health insurance premiums are as follows. Dental and vision only (medical and script opted out) will be adjusted to reflect actual expected cost. Life and long-term disability premium rates will remain flat.

2022 HEALTH INSURANCE PREMIUMS

TIER	2022 RATE
EE: EMPLOYEE ONLY	\$753
Dental/vision EE	\$65
Med/script EE	\$700
EC: EMPLOYEE + CHILD(REN)	\$1,781
Den/vis EC	\$132
Med/script EC	\$1,656
ES: EMPLOYEE + SPOUSE	\$1,881
Den/vis ES	\$117
Med/script ES	\$1,744
FF: FULL FAMILY	\$2,013
Den/vis FF	\$177
Med/script FF	\$1,868
MEDICARE SUPPLEMENT (actively working)	\$467

Enrollment: If you are interested in enrolling ministers and/or staff in the BBS benefits program, you may use the enclosed enrollment application or request a fillable pdf by emailing us at benefits@covchurch.org. Please do not hesitate to contact us with questions or for a personalized comparison and quote.

When comparing BBS to other options for your pastors and staff, it is important to remember **the comprehensive and high-quality nature of coverage** that is included in the health insurance package—a low-deductible Blue Cross Blue Shield PPO, prescriptions, dental, and vision. It is also important to remember that BBS exists to serve the Evangelical Covenant Church. By enrolling your pastors and staff in this insurance package, you are “in it together” with other local Covenant churches, camps, and affiliates to care for one another.

Please take time to review the enclosures for more information. We are blessed and honored to serve you in your ministry.

On behalf of the Covenant Board of Pension and Benefits,



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DIRECTOR OF BETHANY BENEFITS



Scott Hanson
DIRECTOR OF PENSION



Steve Klimkowski
CHIEF FINANCIAL OFFICER OF THE ECC