



Western North Carolina Conference

The United Methodist Church

2022 Clergy Health Insurance Memo

Follow Jesus, Make Disciples, Transform The World

TO: WNCC Clergy & Congregations
FROM: R. Mark King, Conference Treasurer
RE: Health Benefit Rates **2022**

The Conference Board of Pension and Health Benefits upon recommendation from the Health Benefits Subcommittee of the Board has approved the 2022 rate schedule for our Conference Active and Retiree Health Plans.

The board works very diligently in its responsibility to care for the clergy and their families of our conference. It also considers the impact that premiums and charges to the local churches creates. We are in a covenant together to care for each other with responsible stewardship but also appropriate and necessary benefits

The Western North Carolina Conference manages a self-funded health and dental plan for our Active Clergy Health Plan. This has been our practice for several years even as alternatives have been and continue to be researched. We are the insurance company. Third party administrators, Healthgram and PharmAvail, assist in managing our plans. Our constituency is the conference clergy under appointment as well as lay staff employees in the conference and district offices. Dependent coverage for the active plans is also a part of the mix. We pay claims as they are incurred, according to

the coverage in the plans. We offer a hybrid fully funded Retiree Plan. COVID 19 for the past year and a half has presented a whole myriad of health challenges for our clergy and their families. We do hope soon we can come out of this season, but the Board has prepared as best as possible for the enduring time being.

In preparing for the 2022 rates, we studied the claim history for the past twelve months, the current stop-loss scenarios, copays and deductibles, the trending for health care costs in our state (trending much lower primarily due to COVID), costs of certain pharmaceuticals that could be eliminated or directed to alternatives and/or generic brands and other factors. The investments of the Board have also done very well in 2021.

ACTIVE AND RETIREE RATES FOR 2022

The Conference Board of Pension and Health Benefits, on recommendation of the Health Benefits Committee, has approved **NO RATE CHANGES** for both the Active and the Retiree plans from 2021 to 2022.

For the Active Clergy, we will offer our three plans- Plan 6000 which was the old Basic Plan with higher co-pays, deductibles and co-insurance; Plan 4000, the old Basic Plus plan with lower co-pays, deductibles and co-insurance but with the additional costs of \$5,685 (individual rate) at the expense of the clergy selecting; and the Plan 5500-Health Savings Account (HSA) option that allows clergy and dependents to set aside a pre-tax amount that can be used for deductibles and co-insurance. The HSA itself must be set up with a third party institution arranged by the clergy insured and is not a part of the Annual Conference's program. HSA plans require, by law, a high deductible health plan and we are tailoring our offering to accommodate. However, if this plan is chosen, participants must bear in mind there is no co-pay and they are

responsible for the total cost of their health expenses up until the deductible. Then the conference plan begins coverage, based on co-insurance amounts and limits, after the deductible has been met. The deductible can be funded through the HSA. As a component of this third option, the conference will “seed” the HSA, upon satisfactory evidence of all requirements fulfilled with the third party, based on the following: \$500 per year for individual clergy, \$1,000 per year for clergy with spouse or children, \$1,500 per year for family. Churches likewise can seed the HSA. Additionally, as an incentive, we will offer a credit of up to \$400 for the personal contribution that each clergyperson pays. The church cost for all three plans is the same less the clergy personal contribution. Dependent coverage is paid 100% by the clergy.

You may find all rates plus dependent costs [here](#).

IF YOU DON'T NEED TO MAKE ANY CHANGES BETWEEN PLANS OR ADD/DELETE DEPENDENTS, DO NOTHING! BUT IF YOU DESIRE A PLAN CHANGE OR ADD/DELETE DEPENDENT COVERAGE, [A NEW ENROLLMENT FORM IS REQUIRED!!!!](#)

DUE DATE: December 1, 2021

For retirees, the premium is based on the number of years of service in Western North Carolina Conference. For example, a retiree prior to 1/1/2003 is billed 60% of the total premium. This is based on the action of the 2002 Annual Conference, incorporating a sliding scale rate for health benefits in conjunction with the years of service.

FLEXIBLE SPENDING ACCOUNTS & HEALTH SAVINGS ACCOUNT

As introduced in 2016, the Conference will again be sponsoring a **Flexible Spending Account Plan** for each of our clergy persons **eligible for and participating in either Active Plan 6000 or Plan 4000** in 2022. YOU CANNOT PARTICIPATE IN BOTH HSA AND FSA arrangements. Therefore there is no FSA option with the HSA Plan.

To offer this benefit for the whole conference, we have received compliance directives from the general counsel at our third-party administrator, Catapult, who administers our insurance and FSA plans, that in order to offer the Conference FSA Plan, it must be the ONLY FSA plan for those covered by our Health Benefits to participate. This is because the health insurance plans are a part of the WNCC's Section 125 Cafeteria Plan and thus the only avenue to offer a valid FSA arrangement.

Our plan, as managed by Catapult, fully complies with the Internal Revenue Code Section 125. Furthermore, the conference pays the fees for administering this plan—something we DO NOT pass along to the churches and agencies. Finally, the plan goes along with the clergyperson regardless of appointment changes.

For lines 2b, 2c, 2d and 2e of the Clergy Compensation forms, only those who are participating in Conference benefit options (dependent health coverage, life insurance, medical and dependent flexible spending accounts) will be allowed to complete and submit the appropriate amounts on those lines. This is due to these items falling under the Conference's Section 125 Plan.

If you have any questions regarding the above or other benefits related items, please contact Dale Bryant, the Conference Benefits Administrator or myself as your Conference Treasurer either via

phone or email. As with last year, look for an instructional video to be posted on the Conference Web-Site highlighting our benefit plans.

NEW 2022 ENROLLMENT FORM REQUIRED
EVEN IF YOU ARE ENROLLED IN AN FSA FOR 2021.

Finally, we are pleased to offer Supplemental Life Insurance, Critical Illness and Accident coverages once again. The conference automatically includes life insurance per individual and dependents covered under the Active Health Plan of \$10,000. Furthermore, clergy can purchase additional coverages at group rates up to five times annual salary to a maximum of \$150,000. Finally, if critical illness and accident coverages are desired, supplemental plans are available at clergy costs. The conference will be utilizing Colonial Life Insurance for these coverages and no longer with The Guardian. Therefore, new enrollment forms, even if currently with The Guardian, will be required. More information will be forthcoming for the application process.

ALL FORMS DUE TO TREASURY SERVICES

BY DECEMBER 1, 2021

[2022 Health Rates & Individual Contributions](#)

[2022 FSA Enrollment Form](#)

[WNCC Healthgram Active Plan Enrollment Form](#)