



HealthFlex Summit—October 2019



**Wespath**  
BENEFITS | INVESTMENTS

# HealthFlex Exchange for 2021: Join the Movement!

# Why HealthFlex Exchange?

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## Offer Participants Choices to Select Their Own “Best Fit”

- Control how cost increases are absorbed by the conference through fixed contribution—**premium credit**
- Encourage greater consumerism through account-based health plan options
- Same high quality, UMC-focused group health plan that Wespath has always provided





**Video Segment A**



# HealthFlex Exchange—Concept

## More Plan Options

6 Medical/Rx • 3 Dental • 3 Vision Options



**Higher** premiums,  
**Lower** out-of-pocket



**Lower** premiums,  
**Higher** out-of-pocket

## You “Shop” for Plan with “Credit”

(Premium Credit)



**More** premium owed



**Less** premiums owed

Premium costs offset by “credit” (fixed premium credit)



PREMIUM

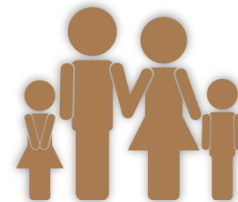


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CREDIT



You contribute  
additional \$  
monthly



PREMIUM



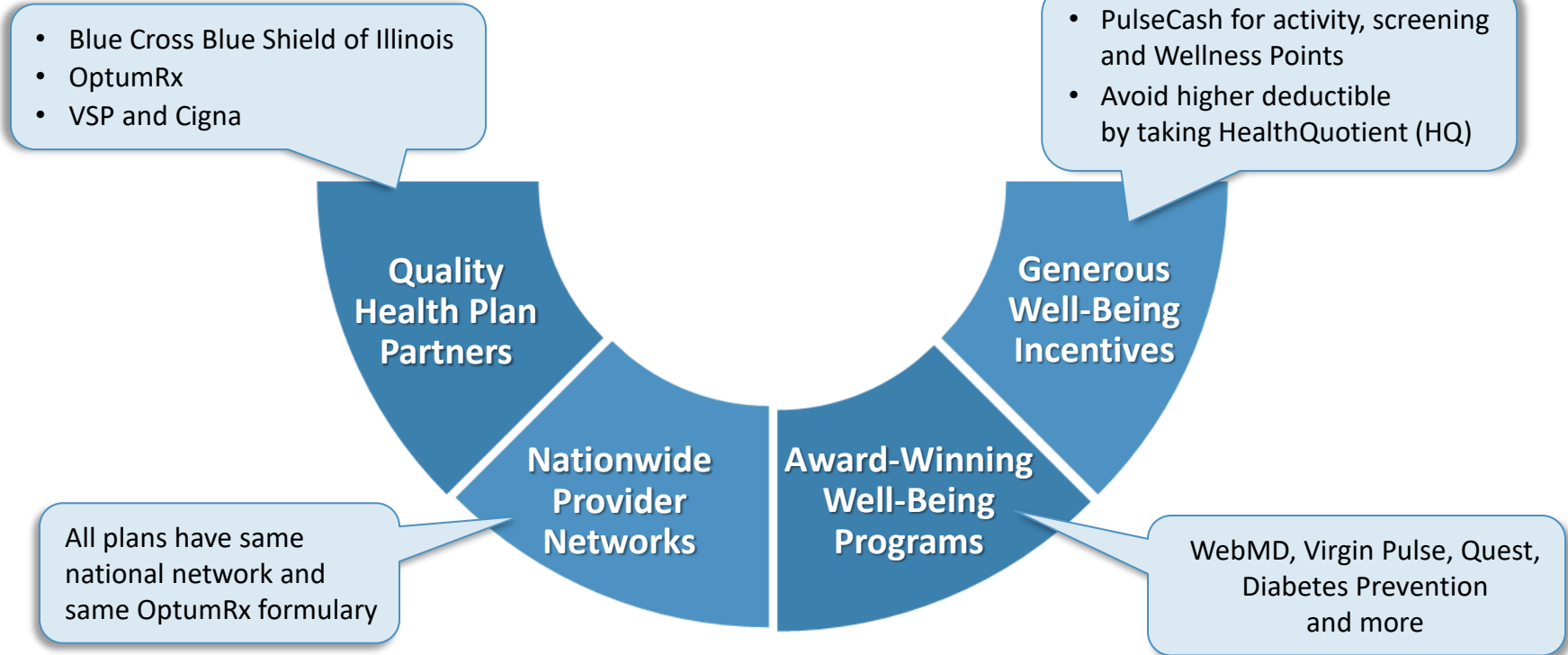
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CREDIT

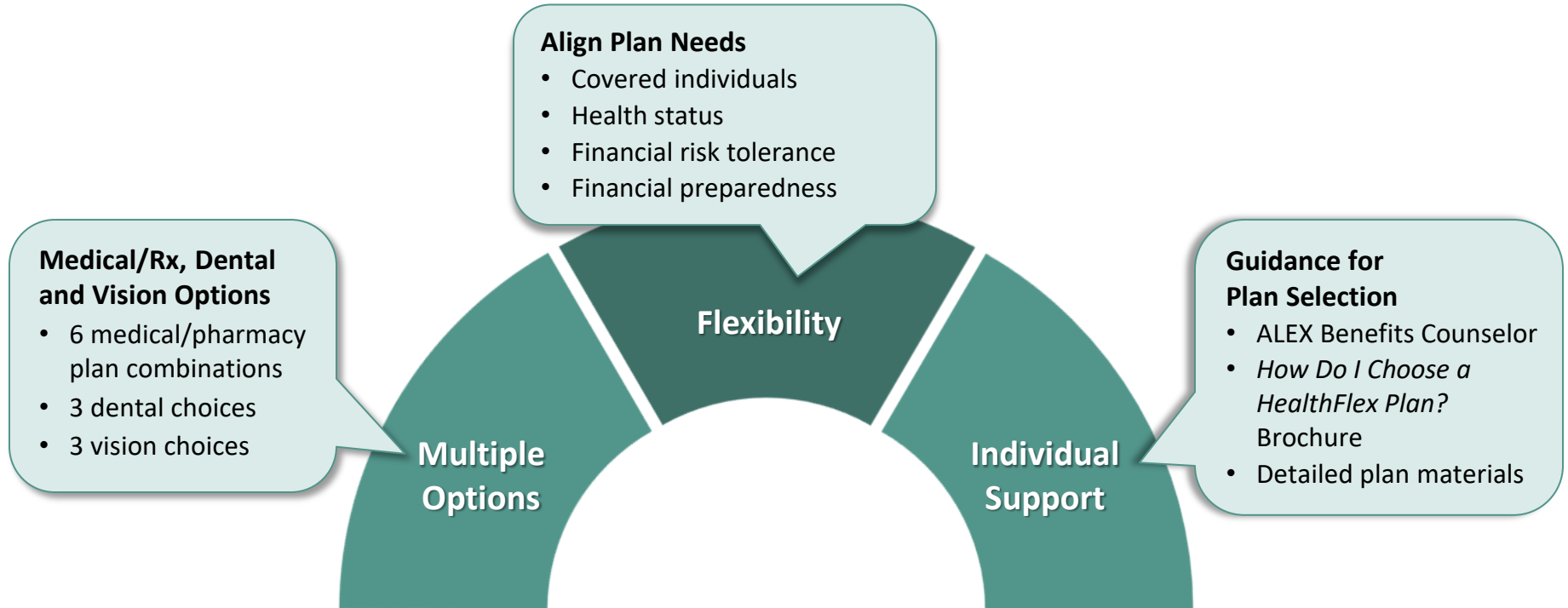


You receive  
extra \$ in a  
health account  
monthly

# HealthFlex Exchange—High Quality



# HealthFlex Exchange—More Choices



# Benefits to Your Participants

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## Same

- Broad coverage for medical, pharmacy, behavioral health, vision and dental—all plans
- Comprehensive well-being programs and incentives
- Wespath customer service support

**NEW:** Tax-advantaged reimbursement accounts  
Tools/resources to support consumerism





# Benefits to Your Conference

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## Same:

- Strategic leadership and consultation vendor management/oversight
- Risk management and rating approach that blends stewardship, equity and connectionalism
- Quality training, reporting, communications

**NEW:** Strategy that supports long-term financial stewardship for churches and the conference



# Wespath Strategic Roadmap for Health

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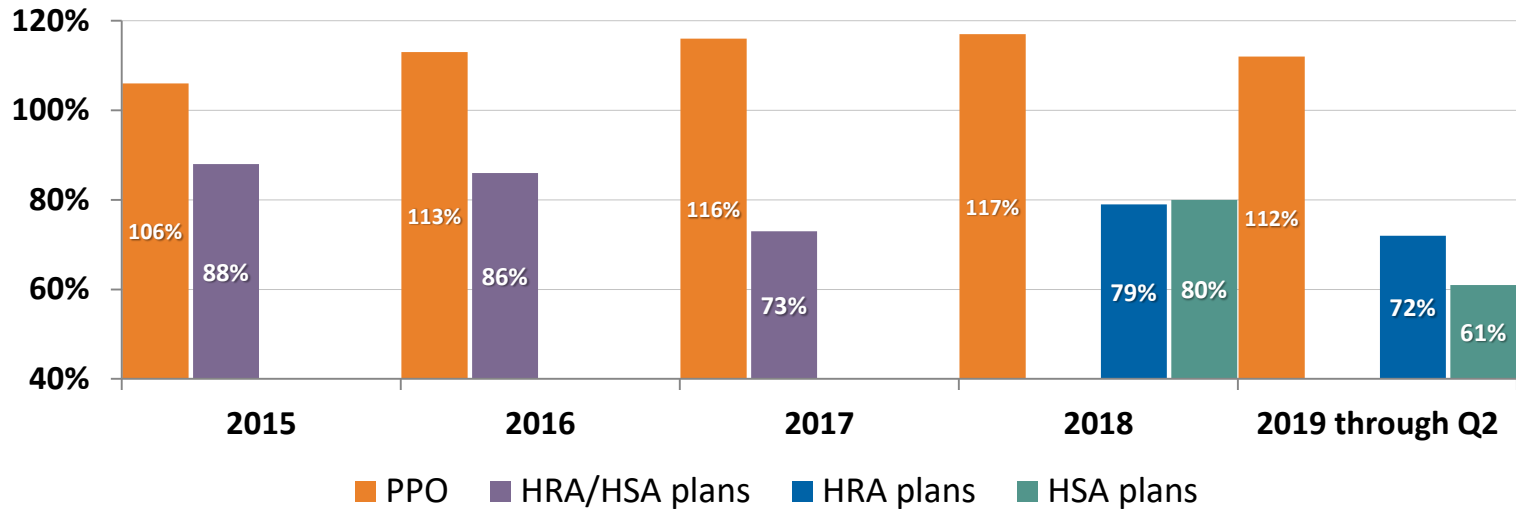
## 3- to 5-Year Plan to Enhance Wespath's Health Benefit Offering

### 5 Areas for Development

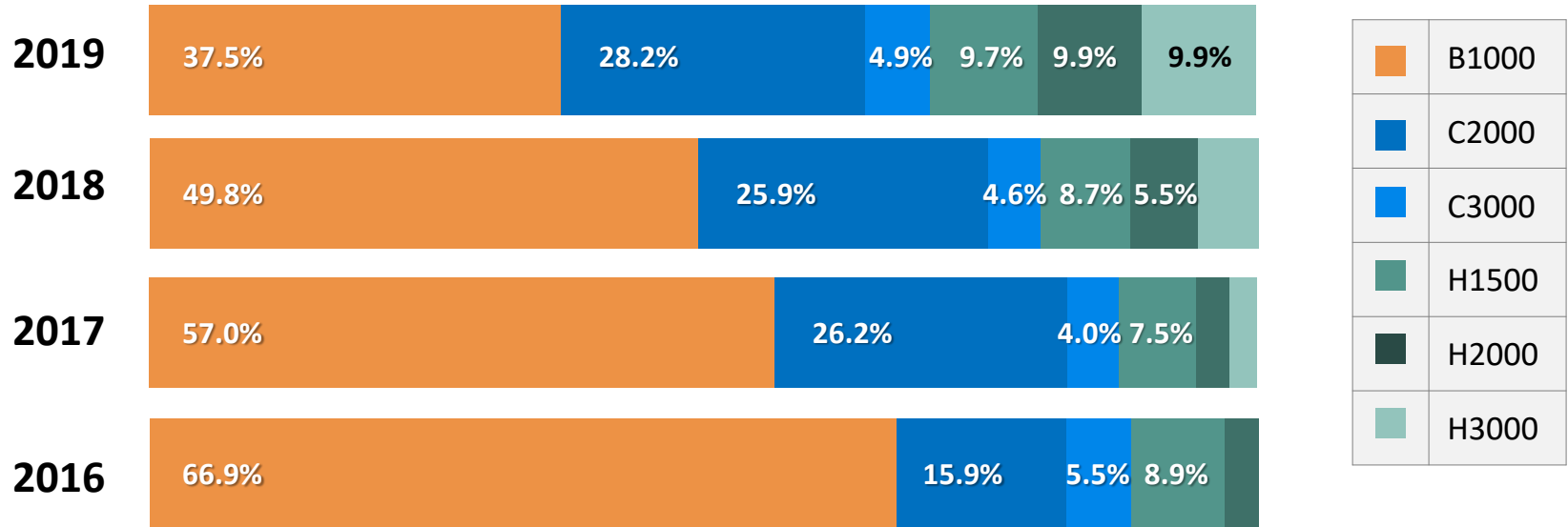
- Cost efficiency and market competitiveness
- Participant experience and engagement
- Population health
- Balancing flexibility with operational efficiency
- Growth opportunities

# Cost Efficiency and Market Competitiveness

HealthFlex Exchange Associated with Greater Enrollment in Account-Based Plans, with Improved Loss Ratios



# Plan Migration in HealthFlex Exchange



Traditional plan sponsors have 83% enrollment in B1000 in 2019

# Participant Experience and Engagement

## Account-Based Plans Drive Engagement in Health Benefits

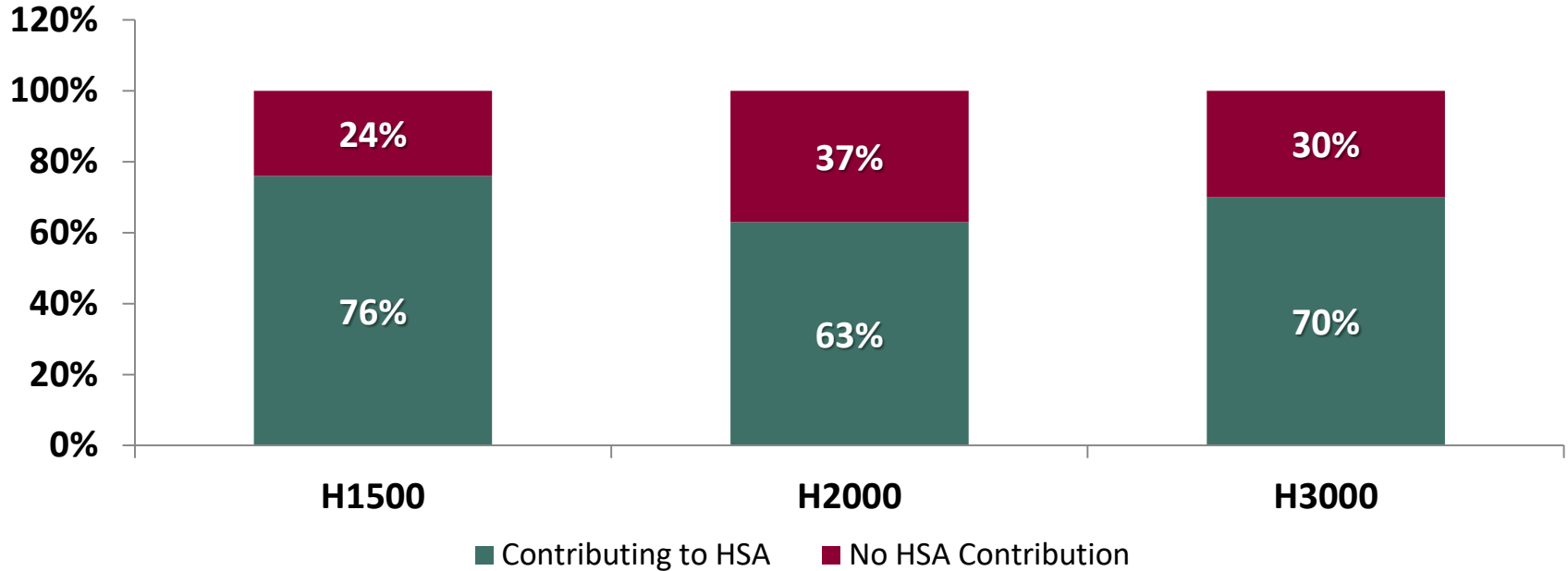


Enrollment in HRA/HSA plans and contribution to health accounts are top markers of health benefits engagement tracked by Wespath



Higher deductible and ownership of health account funding fosters greater attention to health care utilization without foregoing care

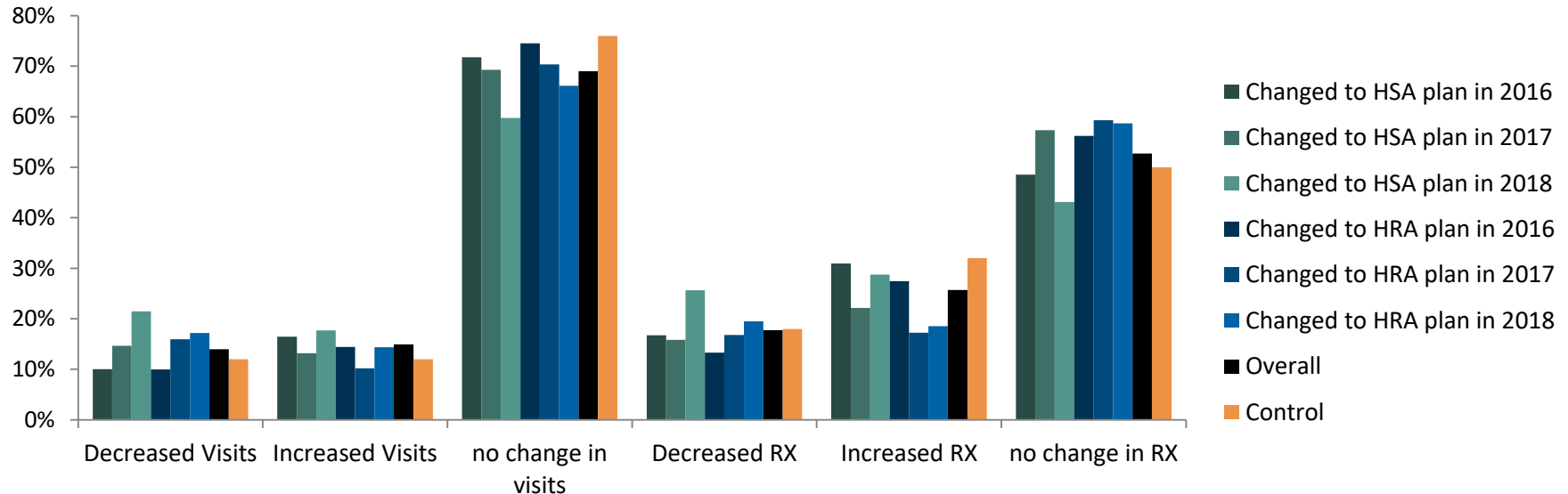
# Personal HSA Contribution Status by Plan



Population (n= 1,066) includes individuals eligible to contribute to HSA in 2018

# No Negative Impact on Overall Plan Use

**On average, those moving to HRA/HSA plans did not decrease their utilization**



No change includes +/- 2 visits or 2 prescriptions; For most cohorts, less than 20% of members decreased visits and Rx fills.

# Operational Efficiency

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## Account-Based Plans Drive Engagement in Health Benefits



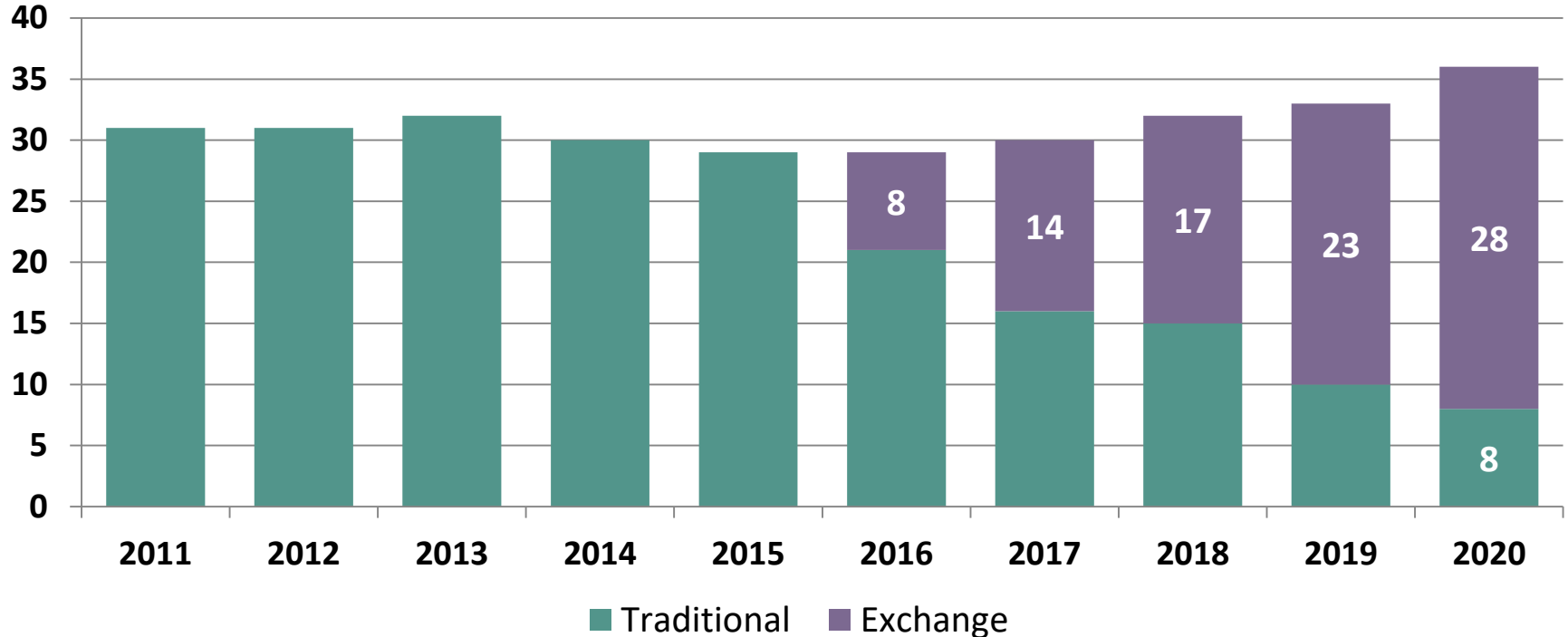
HealthFlex Exchange will be the only HealthFlex offering beginning January 1, 2021 (communicated in 2018)



Streamlined administration offers greater opportunity to focus on targeted needs within the HealthFlex Exchange population



# HealthFlex Exchange: Growth and Popularity



# Included in All HealthFlex Plans



100% coverage on in-network **wellness and preventative services**



An **out-of-pocket maximum** that is a cap on all covered expenses (not including dental/vision expenses)



The same provider **networks/ drug formularies** and discounts on service and medication



**Deductible that must be met** before medical services are covered



**Coinsurance payments** on inpatient and outpatient services




# HealthFlex Plans

Premiums for all plans the same as what is displayed on 2020 rate sheets

	HSA Plans			HRA Plans		B1000
	H1500	H2000	H3000	C2000	C3000	B1000
Health Account Employer Contributions	\$750 for 1 person \$1,500 for > 1 person	\$500 for 1 person \$1,000 for > 1 person	None	\$1,000 for 1 person \$2,000 for >1 person	\$250 for 1 person \$500 for >1 person	None
Deductible You pay all	\$1,500 per person \$3,000 per family	\$2,000 per person \$4,000 per family	\$3,000 per person \$6,000 per family	\$2,000 per person \$4,000 per family	\$3,000 per person \$6,000 per family	\$1,000 per person \$2,000 per family
	If > 1 person is covered the family deductible always applies					
Co-insurance You pay part (Plan pays   You pay)	80%   20%	70%   30%	40%   60%	80%   20%	50%   50%	80%   20%
Out-of-Pocket Max (OOP) After this, plan pays all	\$6,000 per person \$12,000 per family	\$6,500 per person \$13,000 per family	\$6,500 per person \$13,000 per family	\$6,000 per person \$12,000 per family	\$6,500 per person \$13,000 per family	\$5,000 per person \$10,000 per family
Pharmacy Benefit Highlights	Generics \$15 (30 day), \$35 (90 day) after deductible Preferred brand 25% after deductible (with min/max cost)		You pay 60% after deductible	Generics: \$15 (30 day), \$35 (90 day)  Preferred brand: 25% (with min/max cost)		Generics \$15 (30 day), \$35 (90 day)  Preferred brand 20% ( min/max )
	Certain <b>preventive</b> medications are not subject to deductible					

Deductibles illustrated above assume participant and covered spouse (if applicable) meet HealthQuotient (HQ) incentive requirement.

# Plan Similarities and Differences

	 HSA Plans	 HRA Plans	 B1000
<b>Doctor, Urgent Care and ER Visits:</b> Fixed co-payment			✓
<b>Doctor, Urgent Care and ER Visits:</b> Co-insurance after deductible is met	✓	✓	
<b>Pharmacy:</b> Co-payment or co-insurance before deductible is met		✓	✓
<b>Pharmacy:</b> Co-payment or co-insurance after deductible is met (some preventive medications not subject to deductible)	✓		
<b>Mental Health Outpatient Counseling</b> Fixed co-payment (does not apply to deductible)			✓
<b>Mental Health Counseling:</b> Co-insurance <i>before</i> deductible is met (does not apply to deductible)		✓	
<b>Mental Health Counseling:</b> Co-insurance <i>after</i> deductible is met	✓		

# Dental Plan Choices—Cigna

	PPO	Passive PPO 2000	Dental HMO Sample Participant Costs*
<b>Deductible</b>	\$50 per person \$150 per family	\$50 per person \$150 per family	None
<b>Preventive / Diagnostic Care</b>	Plan pays 100%	Plan pays 100%	<ul style="list-style-type: none"> <li>• Periodic/Comprehensive oral evaluation; prophylaxis (cleaning): <b>\$0</b></li> <li>• X-rays panoramic (every 3 yrs) or bitewings: <b>\$0</b></li> </ul>
<b>Basic Restorative</b> (Fillings, root canal, extractions)	Plan pays 90% in-network Plan pays 70% out-of-network	Plan pays 80%	<ul style="list-style-type: none"> <li>• All amalgam filling, anterior composite filling: <b>\$0</b></li> <li>• Posterior composite filling: <b>\$47 – \$115</b></li> <li>• Molar Root canal: <b>\$335</b></li> <li>• Periodontal scaling/root plane: <b>\$42 – \$83/quad</b></li> </ul>
<b>Major Restorative</b> (Crowns, dentures, implants)	Plan pays 60% in-network Plan pays 50% out-of-network	Plan pays 50%	<ul style="list-style-type: none"> <li>• Crown: <b>\$88 – \$150 + \$410 – \$460</b> for materials</li> <li>• Partial dentures: <b>\$525 – \$715</b></li> </ul>
<b>Orthodontia</b> (Up to age 19)	50% up to \$2,000 in-network 50% up to \$1,000 out-of-network	50% up to \$2,000	<ul style="list-style-type: none"> <li>• Child orthodontics: <b>\$2,040</b></li> <li>• Adult orthodontics: <b>\$2,376</b></li> </ul>

\* HMO dentists not available in all areas. See full Patient Charge Schedule (PCS) online for member cost share for a list of detailed services: <https://www.wespath.org/assets/1/7/5433.pdf>

# Vision Plan Choices

	Exam Core	Full Service	Premier
<b>Exam</b> Every 12 months	\$20 co-pay	\$20 co-pay	\$20 co-pay
<b>Glasses / Lenses</b> Every 12 months	No coverage	\$20 co-pay	\$20 co-pay
<b>Glasses / Frames</b>	No coverage	\$160 allowance every 24 months	\$200 allowance every 12 months
<b>Contact Lenses</b>	No coverage	\$160 allowance for contacts and exam; every 12 months instead of glasses	\$200 allowance for contacts and exam, every 12 months in addition to glasses

# Health Accounts Help Participants Save

Tax-advantaged accounts boost consumerism and help save money on current and future expenses



	HSA Plans			HRA Plans		
	H1500	H2000	H3000	C2000	C3000	B1000
Employer Contributions (included)	\$750 for 1 person  \$1,500 for > 1 person	\$500 for 1 person  \$1,000 for > 1 person	No employer contribution	\$1,000 for 1 person  \$2,000 for >1 person	\$250 for 1 person  \$500 for >1 person	No employer contribution
	HSA			FSA (all plans)		
Personal Contributions (participant choice)	Participants can also contribute to a health savings or flexible spending account— IRS limits apply					

# ALEX Helps Participants Choose

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- Lively graphics, animation and humor
- About 20 minutes to complete for HealthFlex Exchange
- Side by side financial comparison of all the plans
- Includes actual premiums and premium credits to provide cost information
- Personalized recommendation for plan choices and health account contributions



# What Is a “Premium Credit” (Credit)?

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- Different approach to cost share
- Fixed-dollar amount from the plan sponsor
- Used to “**shop for**” HealthFlex plan(s)




# Premium Credit

- Can be used for medical/Rx, dental and vision plan premiums, not Flexible Spending
- Appears as monthly “credit” toward HealthFlex plans purchase
- Must enroll in a medical plan to receive the premium credit

The screenshot displays a benefits portal interface with a blue border. At the top, it shows 'Total Employee Cost' as \$90.86 Monthly. Below this is a summary table with three rows: 'Total Cost' at \$928.86, 'Total Credit' at \$838.00, and 'Credit Used' at \$838.00. The next section is 'Employer Contribution' with 'Credit Remaining' at \$0.00. Below that is an 'About You' section with a right-pointing arrow. The 'Election Information' section is expanded, showing a 'Premium Credit' of \$-838.00. Below this are four rows of plan elections, each with a green checkmark: 'Medical' at \$820.00, 'Additional Benefits' at \$0.00, 'Dental' at \$44.00, and 'Vision' at \$4.86.

	<b>Total Employee Cost</b>	<b>\$90.86*</b>
	Show Details	Monthly
	Total Cost	\$928.86
	Total Credit	\$838.00
	Credit Used	\$838.00
	<b>Employer Contribution</b>	
	Credit Remaining	<b>\$0.00</b>
	About You	>
	Election Information	∨
	Premium Credit	<b>\$-838.00</b>
	Medical	<b>\$820.00</b>
	Additional Benefits	<b>\$0.00</b>
	Dental	<b>\$44.00</b>
	Vision	<b>\$4.86</b>

# Credit Helps Pay HealthFlex Plan(s)

	Monthly Credit Amount	Monthly Medical Premium	Difference
 <b>Pastor John</b>	\$700	\$800	-\$100

Premium more than  
premium credit



Participant owes more



Additional monthly cost deducted  
from paycheck

 <b>Pastor Judy</b>	\$700	\$600	\$100
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Premium less than  
premium credit



Participant owes nothing



Excess deposited to HRA or HSA

# Roles and Responsibilities

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## Plan Sponsor

- Sets premium credit/selects default plan(s)
- Attends “train the trainer”
- Hosts participant workshops
- Answers participant questions in partnership with Wespath Health Team and AE Support Center
- Sets up local church billing in partnership with payroll provider

## Wespath

- Premium credit modeling and recommendations
- Hosts “train the trainer”
- Produce communication materials for workshops and plan sponsor use
- Supports with some direct communication to participants
- Communicate elections to vendors
- Provide reports to plan sponsor

# Premium Credit Modeling Available Now!

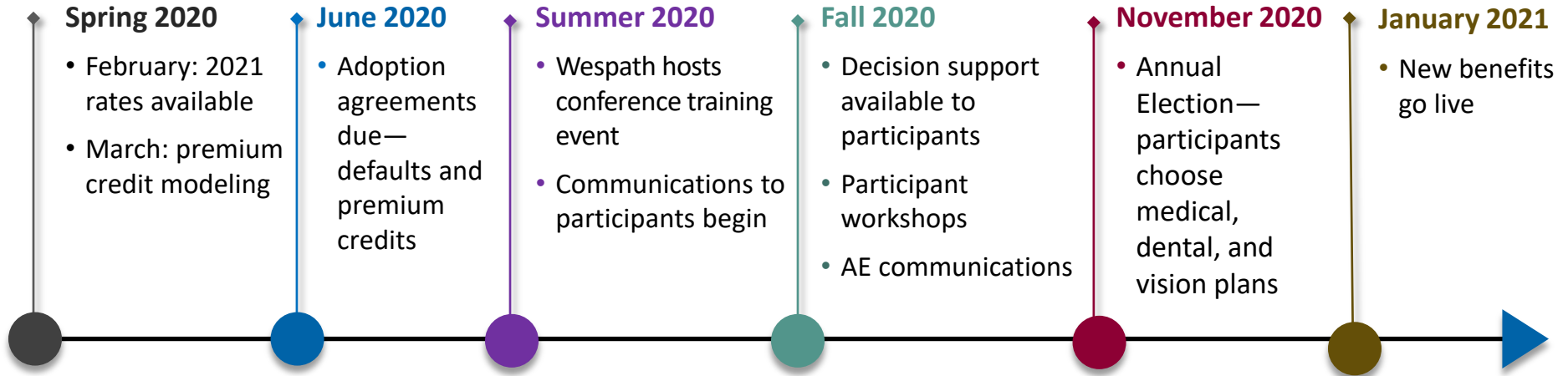
Current premium credit	2019 premium credit	Participant share of default plan	Proposed Premium Credit	Annual Premium Credit	Composite
		Participant Share			
Employee Only	\$625	\$180	\$ 650.00	\$7,800.00	\$ 936,000.00
Employee and One Dependent	\$1,192	\$340	\$ 1,200.00	\$14,400.00	\$ 1,468,800.00
Family	\$1,508	\$400	\$ 1,700.00	\$20,400.00	\$ 2,162,400.00
					\$ 4,567,200.00
					\$ 13,924.39

Plan / Tier	Projected Enrollment	2020 Rates	Participant share	Conference Share	Annual premium credit
<b>B1000 w/ P1</b>					
Employee Only	50	\$850.00	\$200.00	\$ 650.00	\$7,800.00
Employee and One Dependent	30	\$1,600.00	\$400.00	\$ 1,200.00	\$14,400.00
Family	15	\$2,300.00	\$600.00	\$ 1,700.00	\$20,400.00
<b>CDHP/C2000 w/ P2</b>					
Employee Only	35	\$840.00	\$190.00	\$ 650.00	\$7,800.00
Employee and One Dependent	40	\$1,590.00	\$390.00	\$ 1,200.00	\$14,400.00
Family	40	\$2,100.00	\$400.00	\$ 1,700.00	\$20,400.00
<b>C3000 w/ P2</b>					
Employee Only	7	\$710.00	\$60.00	\$ 650.00	\$7,800.00
Employee and One Dependent	9	\$1,350.00	\$150.00	\$ 1,200.00	\$14,400.00
Family	6	\$1,850.00	\$150.00	\$ 1,700.00	\$20,400.00
<b>H1500 w/ P3</b>					
Employee Only	6	\$800.00	\$150.00	\$ 650.00	\$7,800.00
Employee and One Dependent	9	\$1,550.00	\$350.00	\$ 1,200.00	\$14,400.00
Family	13	\$2,100.00	\$400.00	\$ 1,700.00	\$20,400.00
<b>H2000 w/ P4</b>					
Employee Only	3	\$750.00	\$100.00	\$ 650.00	\$7,800.00
Employee and One Dependent	7	\$1,400.00	\$200.00	\$ 1,200.00	\$14,400.00
Family	9	\$1,900.00	\$200.00	\$ 1,700.00	\$20,400.00
<b>H3000 w/ P5</b>					
Employee Only	19	\$650.00	\$0.00	\$ 650.00	\$7,800.00
Employee and One Dependent	7	\$1,200.00	\$0.00	\$ 1,200.00	\$14,400.00
Family	23	\$1,700.00	\$0.00	\$ 1,700.00	\$20,400.00

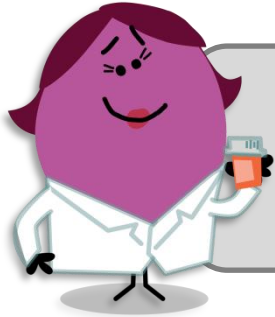
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Modeling for 2021 begins in March following receipt of 2021 premiums  
 Preliminary modeling can be completed sooner using 2020 premiums

# Timeline

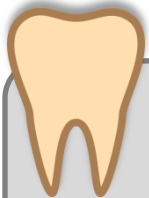


# What Your Participants Will Love



**ALEX<sup>®</sup>**

The flexibility to choose the right plan or plans for their own household



More dental and vision choices

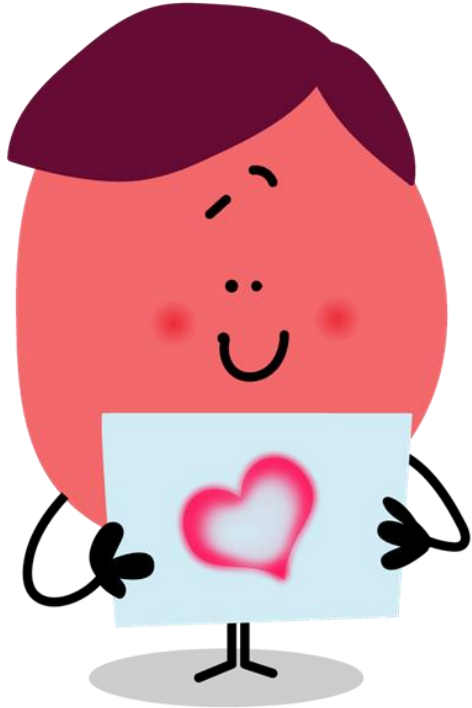


More tax-advantage money (Health Savings Accounts)



# What YOU Will Love

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- ✓ Communications support from Wespath
- ✓ **Train the Trainer**—the camaraderie and education both from Wespath and your fellow transitioning groups
- ✓ Premium credit modeling and consultation to choose the right credit and default plan for your population



# Wisdom from Those Who Have Gone Before

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- Don't change too much at once—align member cost share as closely as possible to current
- Connect with other plan sponsors to set up changes to local church billing early
- Pre-conference meetings or webconferences
- Attend Train the Trainer (August)





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