

Conference Board of Pensions and Health Benefits AC Presentation

Don Emmert | May 31, 2019

To Bishop Bard, Conference members, various others...
Good Morning.

On behalf of the Conference Board of Pension & Health Benefits, especially in a time such as this, we are grateful for this brief reprieve to review such benign and non-controversial topics as pensions and health care.

The conference board, benefits office, and our administrators have done our very best over this past year to introduce and interpret the vast amount of information related to our benefits plans moving forward. As with all things, some attempts have been more successful than others. But in the midst of the last several months, I have been reminded that sometimes not every single detail in any communication is always understood as intended.

Sometimes...

WWS – “What We Said”

Can be a little a different than WWT

“We Were Told...”

For Example:

This was copied directly from one of my slides from last year.

“Churches will experience one or more of the following: New Expenses, Disappearing Expenses, Increased Expenses, Decreased Expenses.”

What I have heard since...

We were told our Expenses will go down.

For some local churches, this has been true. For others it has not.
---Regarding a new funding variation on an old theme is the Benefits Ministry Shares billing. Similar to the old pension apportionment and CRSP/ CPP direct billing, the Benefits Ministry Shares covers benefits expenses, but it also provides the necessary funding for additional conference expenses that were formerly part of but are now separate from the common budget.

What we said was that every church will pay a separate Benefits Ministry Share amount in 2019, even churches with a retiree appointment or DSA at a reduced rate.

Word has come back that We Were Told our church is not supposed to receive a Benefits Ministry Share statement...
just a bit different interpretation than what we said.
---Regarding our new health care plans...

What we said was that active participants must enroll for the new health care plans and providers through a new online open enrollment process, but that our administrators would handle all the enrollment changes for our retirees.

What we have continued to hear from both actives and retirees over the last 5 months is...

WE WERE TOLD nothing is changing regarding our health care plans.
not even close!

So, before we move forward, I felt it essential for our participants to at least get their providers clarified through the following Pop Quiz.

Who is the Conference Medical care provider in 2019?

Blue Cross Blue Shield

Cofinity

Infinity

Xfinity

The answer is Blue Cross Blue shield

Who is the Conference Prescription provider?

Caremark

4D

MediGap

MedTipster

The answer is MedTipster

Who is the Conference Dental provider?

Guardian

Delta

MetLife

MetAmorphosis

The answer is MetLife

Who is the Conference Vision provider?

VCI

VSP

VCR

VIN

The answer is VSP

Perfect! Now that we have that cleared up, once and for all, one more item of reflection.

Even for the 37 people in the room this morning who are not old enough to remember the events of 1968, we all know the story of an historical event that year which would shape the lives of Michigan EUB's and Methodists for these 50+ years since. That event was...

The picture itself is a little blurry, *but no*, this is not a photo of the first United Methodist Council of Bishops taken in Dallas Texas.

It is the 1968 World Series champion Detroit Tigers. Looking back, I suggest that the achievements of this team are not all that dissimilar

from the achievements of our Boards of Pension, the JDC, conference members and consultants who crafted our Michigan Conference benefits plans.

The '68 Tigers consisted of many skilled players who made valuable, strategic and key contributions throughout the season. Some played major roles and stepped up big. Some stepped back and made way for others. Some stepped out of their normal position to play where needed. But after the final out, it was an entire team that contributed to a world series championship.

So also, have many, many individuals, past and present, contributed to establish our current benefits programs for our clergy and conference staff. Some have stepped up. Some have stepped back. Some have stepped outside their comfort zone to provide what was needed.

But as a result, *everyone has stepped forward to the end that we are in the midst of a tremendously successful season.*

Now, I know our plans will never be all things to all people. And they are not intended to be. But before anyone in the crowd starts throwing things at me from the bleachers, I readily admit it has not all been perfect pitches and home runs. To the contrary, we have experienced a variety of setbacks so far this season. But remember, the '68 Tigers lost 59 games during the regular season and had to come from behind in the late innings 28 times to pull out a win. And once they finally got to game 1 of the world series, they set a world series record for striking out 17 times in a game.

After 3 years of preparation, the 2019 MI Conference benefits season finally began in January...and we have promptly struck out at least 17 times.

During the transition at the beginning of the year, Blue Cross inadvertently migrated some of our retirees back to active status. The good news is that our 80 and 90 year olds do not have to go back to work. The bad news is that after assuring us the problem was fixed, a

month later Blue Cross still had it wrong which led to multiple cards being reissued along with an ample amount of confusion.

Even after multiple reviews and proofing, some guy whose initials begin with Emmert missed a calculation and the January health insurance billing sent to the local churches was incorrect. That one was an easy fix.

What has not been easy is getting the Benefits Ministry Shares statements correct or user friendly. So much so that the recent decision had to be made to start over and we will soon be working with a different company. So please take note, later this summer local churches will begin to see a new and improved statement. In the meantime, do not let any issues with the statement itself discourage anyone from joyfully remitting their Benefits Ministry Shares, *in full*, on a monthly basis.

Another item that has not helped the transition is the mystery of the vanishing prescription cards. New cards were issued when we moved to MedTipster in January. So far this year we have had to reissue approximately 40% of them. No doubt some of this we can blame on the post office, but a good number of folk have already fessed up and said they just threw the first batch away.

Also related to our prescription coverage is some confusion surrounding preauthorization requirements for certain prescription medications. Specifically with specialty drugs and injectables other than insulin, a step or approval process might first be necessary if less expensive alternatives are available.

No one wants a hassle or delay when they need medication, and we always intend to provide everyone the care that is needed. But this preauthorization piece is a necessary element in containing costs so that we may be able to sustain our prescription coverage for all. To give a brief perspective, the cost to the conference for prescriptions so far this year is about \$2 Million, which is about 7% higher than this time last year.

We have encountered an additional medical problem, and this one is the most important. It is suffice at this time to inform you that our former Third Party Administrator from the West conference shut down our account at the beginning of the year and has refused to pay any 2018 unpaid medical claims that ran into the new year. Many who have been adversely affected already know the problems this has created through recurring bills from your medical providers. You need to know that this problem is not a result of incompetency from the Benefits Office or our administrators or our insurance companies.

To the contrary, our administrators at BenePro have been working for months to secure the necessary medical claims information so that the conference can make these payments directly which we have just begun receiving over the last 4 weeks.

The important thing is this. If you are having claims problems, please let us know and provide as much information as you have available from your own records.

For those in the midst of this debacle and who have already contacted us, thank you for your patience. You have not been forgotten and will be updated as we continue to push through the 300 claims that we now know about. Eight of those claims just hit my desk last Friday. Be assured, we will work together until every claim is resolved.

Speaking of which, representatives from our health care consulting teams are again in attendance to provide assistance to our health care participants. This year they were somehow put it the time out corner, but they have a table just outside the hall to your right when you exit. Please utilize them if you have questions or need information, especially regarding specific claims issues.

And just a final note: As I have already mentioned, some problems are quick and easy to fix. Others are long and complicated and exasperating for everyone. But in every situation, if you really need a solution rather than merely an audience, I guarantee you will receive 100% better

results by directly contacting the Conference Benefits or BenePro offices as opposed to merely filing a complaint on social media such as
In Your Facebook YouTwit or Insta Grumble

In spite of all these undesired adventures, I submit that our conference has put together a championship benefits package of retirement, welfare, and health plans that can compete with anyone.

With profound thanks to everyone on the team, we all have reason to celebrate... which I for one intend to do.

Now of course, any team can have the most talent and the best lineup in the world, but it is up to each individual to perform to their potential to be successful. While it is no surprise the entire country has *a health insurance problem*, our conference has a health problem. Therefore, an increasingly integral element of our health plan is preventive and wellness initiatives.

The annual conference health screening is again being offered at no charge to all enrolled in the conference Active group health care plan. This specific screening involves a vast array of tests which has proven to be a very effective benefit for many over the past several years. This year's participation will be double compared to last year, which is absolutely tremendous. In addition, I am very pleased that Bishop Bard has added his endorsement by *intentionally* shedding some blood at annual conference this morning, and joining others who know their numbers.

The Virgin Pulse Walking Program continues to be available for all in the conference health plan. Oh, that's right. We have also experienced issues in migrating our eligible populations to the new conference so...

#1 If you are currently engaged in the program, thank you and keep on walking...Not right now.

#2 For information regarding the walking program, check the conference website or contact the Benefits Office.

#3 If you experience a problem with enrollment, give our office a call so we may confirm your eligibility.

You will be hearing the name Vital Incite in the days ahead. Vital Incite is a company with which we have partnered who incorporates our medical and prescription claims data not only to project current and future expenses, but to identify our group's health risks, recommend next steps, and offer considerations for Care Coordination and Condition Management.

Unfortunately, the following are some of the initial findings from Vital Incite's first quarterly report regarding our group.

- 40% of our population has hypertension
- 19% of our population has diabetes, almost twice the prevalence rate of 10%. Even more concerning is that only 39% of our diabetics have had 2 or more A1c checks in the past 12 months.
- 17% of our population are considered *high risk* compared to a 9% benchmark
- 12% are *very high risk* compared to 2%-3% at benchmark
- On the financial front, only 1% of our population are taking specialty medications but that 1% represents 36% of our total cost.

The Good News is that Vital Incite has defined our population as having the greatest opportunity for improvement they have ever seen. Which in fact is true. Our two largest issues identified so far, hypertension and diabetes, in many cases can often be slowed, contained, and reversed through changes in lifestyle.

In conclusion, for as long as our team is together, regarding the ministry of pension and health benefits, we have a season to play. We have a great lineup. And we have exceptional supporting plans to help us celebrate our lives and live them to their potential. The ball is now in our hands.

God bless you.