



CBOP/CBO Training—October 2020



Wespath

BENEFITS | INVESTMENTS

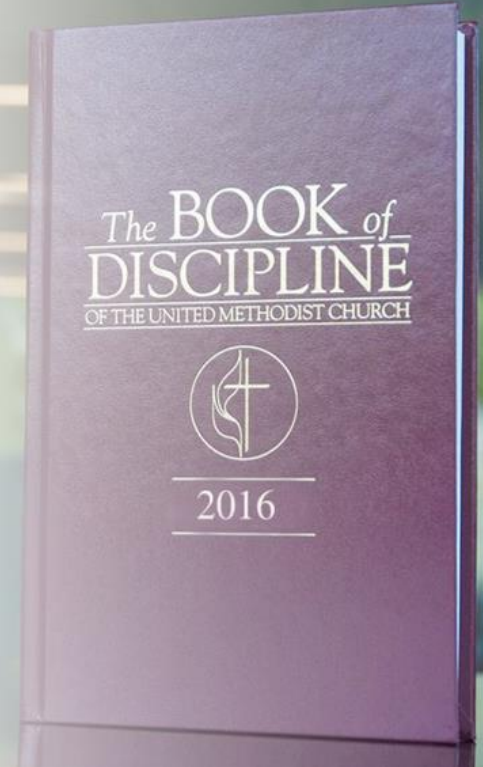
Health and Well-Being Offerings for Actives and Retirees

Book of Discipline Requirements—Active Health

¶639.7—Access to health benefits for active clergy and lay employees

Health care plan (insurance)

- Group plan or multiple-employer plan, **or**
- Federal- or state-facilitated programs



Book of Discipline Requirements—Well-being

¶639.7—Health and wellness programs

- Full-time clergy
- Lay employees employed by the conference



Book of Discipline Requirements—Retiree Medical

¶639.6—access to health benefits for retired clergy

- Medicare supplement plans
- Prescription drug coverage plans

“Providing access does not compel an annual conference to fund such coverage”

— *The Book of Discipline*



Wespath's Health and Well-Being Offerings

Active Health Benefits

- HealthFlex
- Comprehensive health benefits offering; self-insured by Wespath
- 32 annual conferences, 5 employers as of 2021
- 9,000 primary participants; **>18,000 covered lives**

Post-65 Retiree Health Benefits

- Via Benefits
- Decision support and health reimbursement account administration
- 28 annual conferences, 3 employers as of 2021
- **9,000 covered lives**

Well-Being Focus

- Virgin Pulse
- Offered within HealthFlex and as standalone
- 14 conferences plus HealthFlex in 2021
- 14,500 primary participants; **>26,000 total covered lives**

Health and Health Care—A Dynamic Benefit

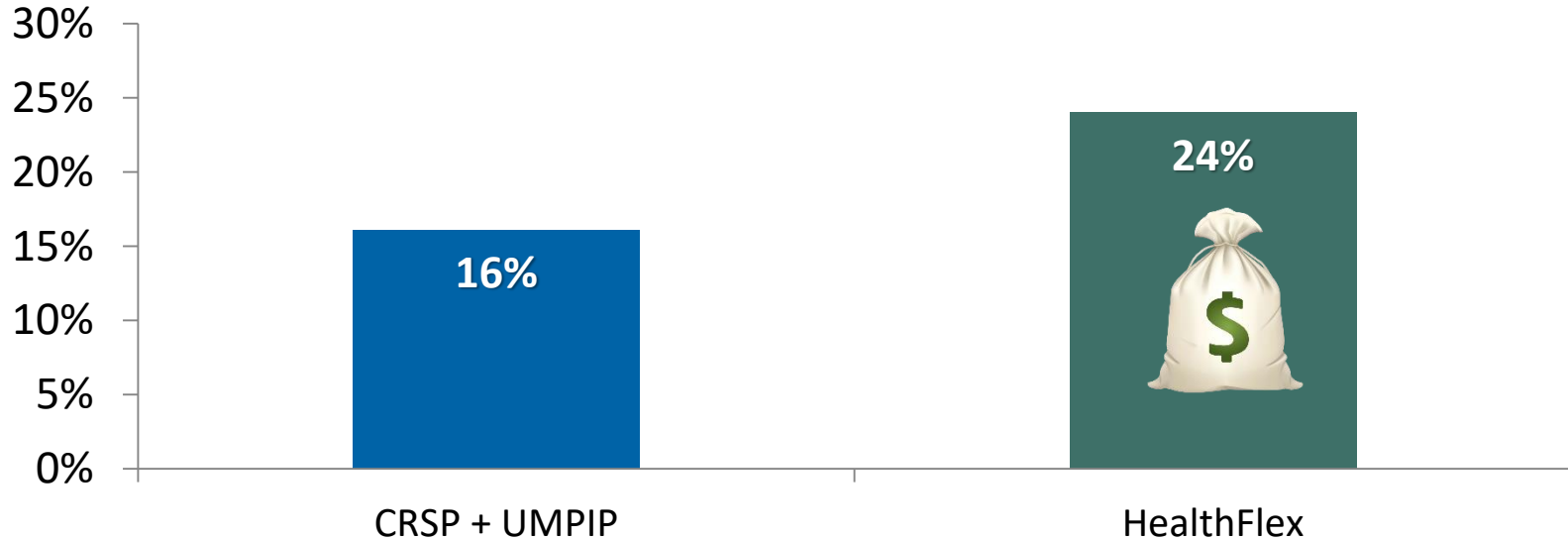
Boards of Pensions may spend far more than half of their time talking about health and well-being and the associated costs

- Non-mandatory plan
- Group plan vs. public marketplace
- Self-insured vs. fully-insured
- Multiple approaches



Comparative Benefit Financials—Perspectives

Average Annual Percent of Pay (Plan Sponsor + Participant)





Active Health Benefits—HealthFlex Exchange

Conference Strategies—Active Plans

HealthFlex	Self-Insured Group Plan	Fully-Insured Group Plan (not HealthFlex)	Health Care Stipend (no group plan)
32 conferences	11 conferences	4 conferences	4 conferences*

UMC-Specific Considerations

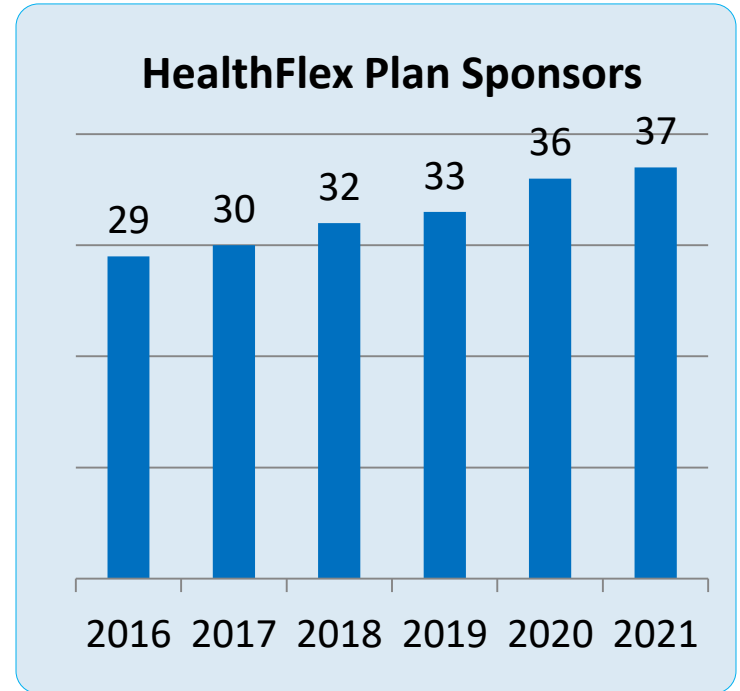
High average age → High chronic conditions and health care utilization

Connectionalism → Continuity/ appointment neutrality

*some conferences do not offer a group plan for active clergy but do provide group coverage for conference staff or other large employers

HealthFlex—Wespath's Health Benefits Plan

- Self-insured by Wespath
- Acts fully insured to plan sponsor (known budget cost)
- High quality benefits for participants
- In-tune with the needs of UMC
- Growing covered population



Benefits to Conferences

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



Financial Stewardship for The UMC

Low Annualized Cost Trend

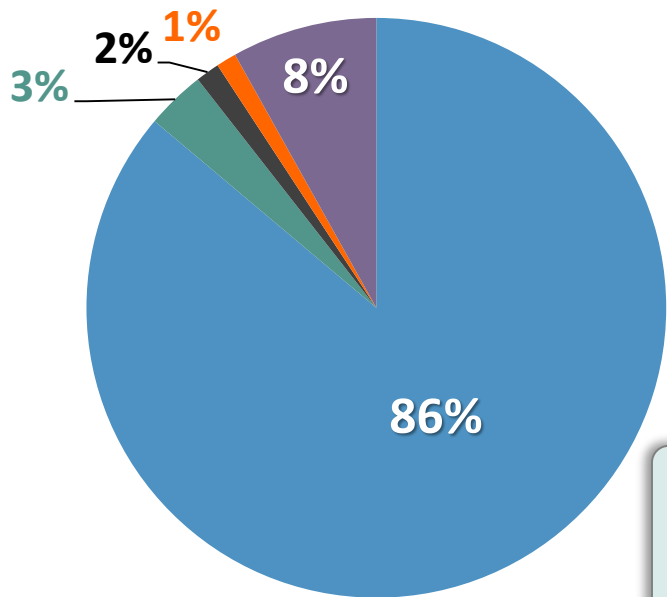
- **Yearly increases lower than industry norms despite higher average age**
 - (3.2% annualized from 2014-2021)
- **2021 premium increases range from 1% – 8.9%; average 2.1%**
- **Connectional approach to risk management** limits volatility while maintaining adequacy and equity of rates

Large Group Purchasing Power

- **Pharmacy benefits coalition with other denominations**



How Wespath Spends HealthFlex Dollars



- Claims (medical, Rx, BH)
- Health Account Funding
- Well-being Program
- Well-being Incentives
- Administration

92% of dollars directly benefit participants:
Claims, account funding, incentives

Partnership and Satisfaction

- High satisfaction for existing plan sponsors
- Commitment to partnership, stewardship, service excellence

Plan Sponsors say:

“Knowing that I have the Wespath network of support behind me has saved me a lot of worry and sleepless nights.”

“There are so many resources available with HealthFlex. I can't imagine not having that relationship.”



Decision Points for a Board of Pensions

Offer an Active Health Plan or No?

If YES—How?

- Self-insured vs. fully-insured group health plan
- HealthFlex as an insured option
- Portion paid by local churches and participants

If YES—Cover whom?

- Who is mandatory?
- Who is optional?
- Clergy? Conference staff? Local church lay staff?



Post-65 Retiree Health Benefits—Via Benefits

Conference Strategies—Retiree Medical

Via Benefits (through Wespath)	Via Benefits (direct)	Group Medicare Supplement	Group Medicare Advantage	HRA or Taxable Stipend	No funding/plan offered
29 conferences	2 conferences	13 conferences*	3 conferences	1 conferences	6 conferences

*Of the 13 conferences with a group Medicare Supplement, 5 offer a self-insured plan and 8 offer a fully-insured plan

Why Are Individual Plans Attractive?

Many UMC conferences and employers have found that offering **access to individual plans** for retirees, with an option to provide **funding assistance**, is best aligned with individual and employer needs.

Choice

Cost Effective

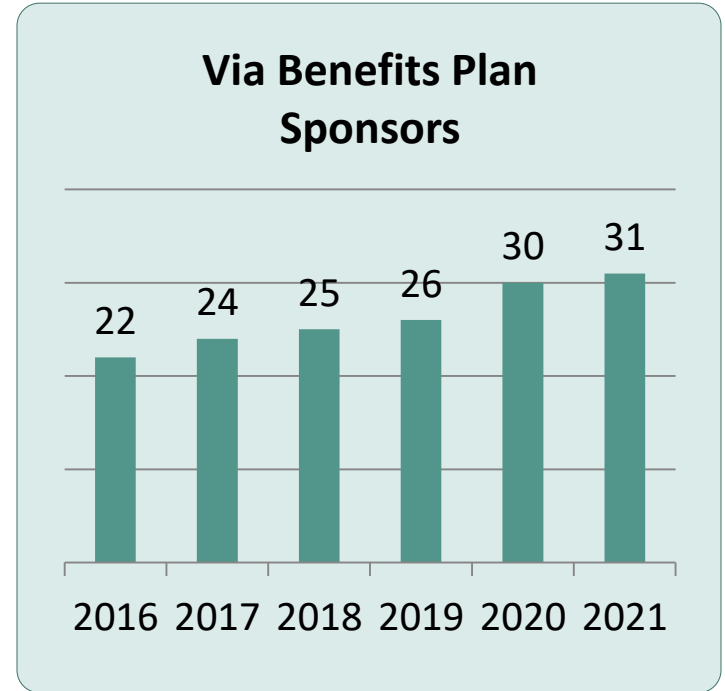
Flexibility

Sustainable

Retiree exchanges are considerably different
than exchanges for actives

Via Benefits Offering through Wespath

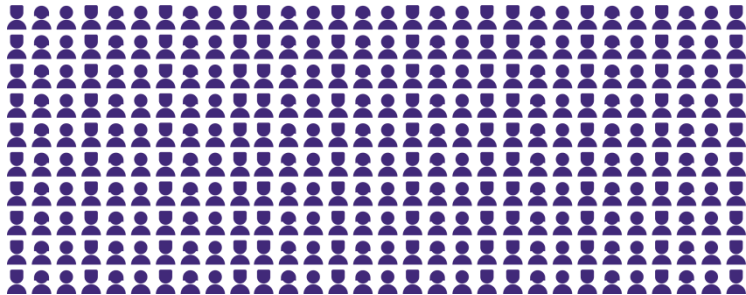
- Offers participant choice and flexibility with a sustainable group HRA plan
- Wespath oversees vendor
- Opportunity to reduce or stabilize post-retirement medical liability
- Growing number of plan sponsors



Popular Solution for UMC Organizations



31 plan sponsors (2012 – 2021)



Almost 9,000 enrolled members



Over 1,000 unique plans chosen



120 different insurance carriers

Decision Points for a Board of Pensions

Offer Retiree Health Coverage?

If YES—How?

- Group plan?
- Individual plan?
- With or without “connector”?

If YES—Funding?

- Portion of premium?
- HRA? Taxable stipend?
- Fund indefinitely?
- Who gets funding?
- Use apportionments, reserve, other?



Well-Being Focus

Multiple Benefits of Well-Being Focus

Award-winning well-being programs influence risk and cost

- Fuels vitality for those serving the UMC
- Favorable association with costs
- Favorable association with risk factors
- Appreciated by participants



Engagement: Well-Being with HealthFlex



Employee Assistance Program (EAP)



Health Coaching



Diabetes Prevention Program



EY Financial Planning



Virgin Pulse Activity Tracking and Rewards



MDLIVE



Work/Life Services

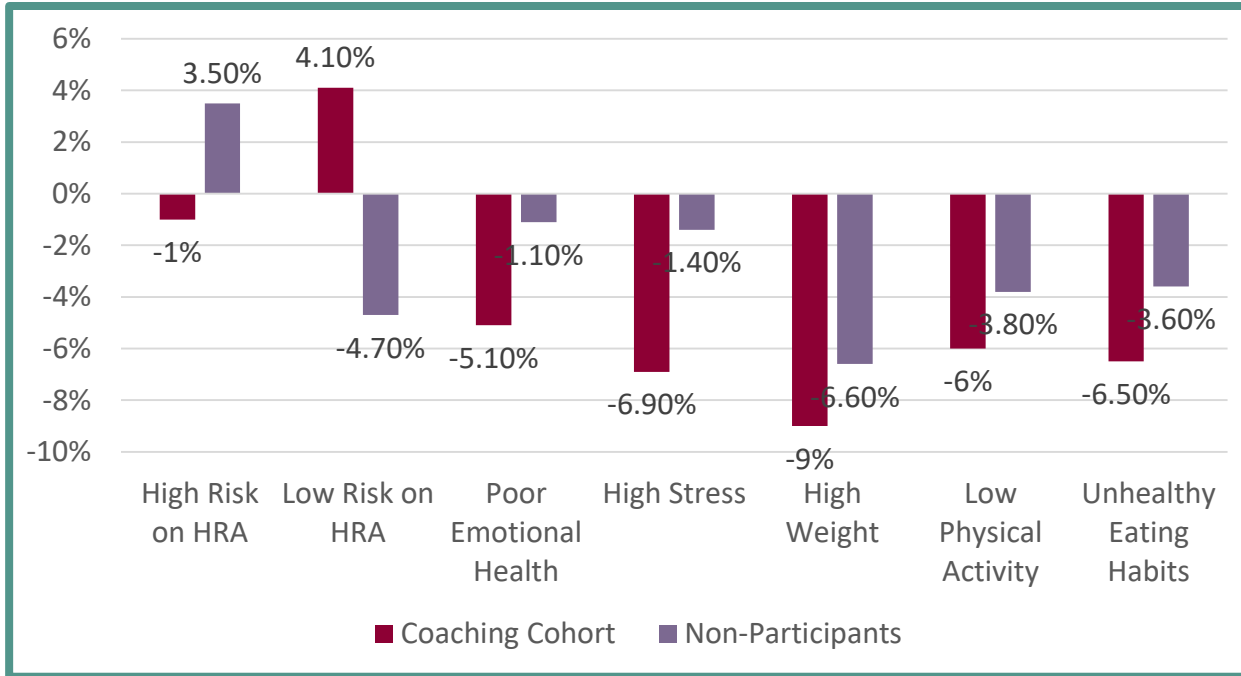


WeightWatchers



Quest biometric screening

Wellness Impact: Health Coaching



Greater improvement in multiple risk areas even though one year older!

Total HQ Cohort = 5821, average age = 54.2; Coaching Cohort = 1717, average age = 55.1

Wellness Impact: Diabetes Prevention Program

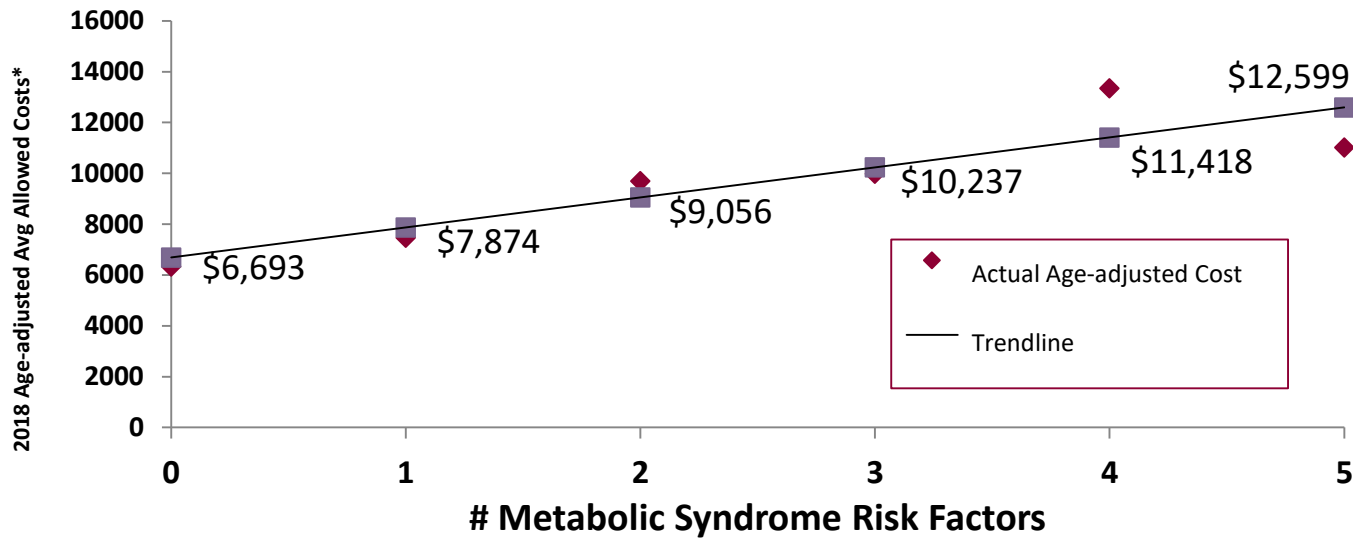
- From April 2019 - April 2020
- 792 enrollments
- 5,878 pounds total weight loss
- At Week 52: **29% achieved at least 5% weight loss**
 - 5% weight loss is associated with a 54% reduction in risk of developing diabetes over the next 3 years*

* Maruther NM, Ma Y, Delahanty LM, et al. Early responses to preventative strategies in the diabetes prevention program. *J Gen Intern Med.* 2013; 28(12):1629-36.



Influence of Health on Health Care Costs

Costs Increased \$1,200/Year with Addition of Each Risk Factor



Blood pressure	≥ 130/85
Fasting blood glucose	≥ 100
Triglyceride level	≥ 150
Low HDL (good cholesterol)	Men < 40
	Women < 50
Waist circumference	Men > 40 in.
	Women > 35 in.

* Based on age-adjusted allowed 2018 medical + Rx claims for 2018 BFW completers.

Well-Being Offerings Beyond HealthFlex

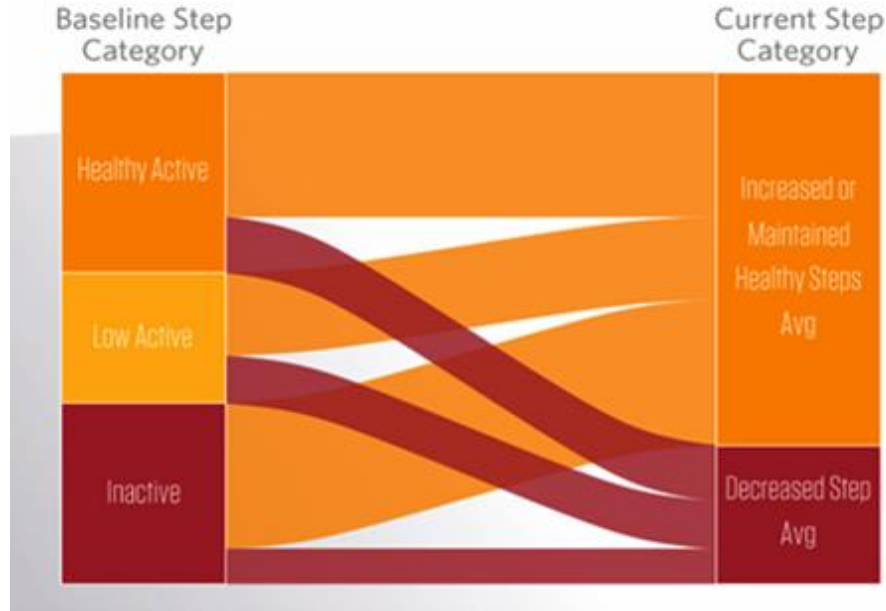
- **Virgin Pulse**
 - Activity tracking
 - Rewards tracking and fulfillment
 - Well-being support across five dimensions
- **Well-being education**



Wellness Impact: Virgin Pulse

SHIFTS IN ACTIVITY

73% OF MEMBERS INCREASED OR MAINTAINED HEALTHY STEPS AVG



81%

OF HIGH-RISK, INACTIVE PEOPLE ARE MORE ACTIVE SINCE JOINING

63%

OF INSUFFICIENTLY ACTIVE PEOPLE ARE MORE ACTIVE SINCE JOINING

72%

OF ACTIVE PEOPLE ARE MAINTAINING THEIR HEALTHY LEVELS



Decision Points for a Board of Pensions

Offer Well-Being Support?

If YES—How and Whom?

- Through health plan
- Separate program
- Actives? Retirees?
- Clergy? Lay employees?

If YES—What Type?

- Physical (fitness, eating, blood tests, weight loss)
- Emotional (EAP, resilience)
- Financial

At Your Service for Health and Well-Being

Wespath is
here
for you as a
resource!





Wespath

BENEFITS | INVESTMENTS