



**DHP TASK FORCE
CHURCHWIDE LISTENING SESSION**

Tuesday, November 14, 2023

4:00 PM Eastern Time

1:00 PM Pacific Time

OBJECTIVES

Introduce the ongoing work of the Denominational Health Plan (DHP) Task Force as it prepares to make recommendations on the DHP to General Convention.

Outline factors that inform the cost of health care coverage both in the broader market and within the DHP.

Provide time for you to give testimony of your experience, information that will help us make recommendations for the church's benefit.

WHO IS THE TASK FORCE?

Representation from across The Episcopal Church

- Lay, Clergy, and Bishop members
- 6 of 8 domestic provinces represented
- Diocesan representation spans from the 1st to the 10th decile in domestic clergy compensation

Two Professional, Independent Actuaries

Representation from The Church Pension Group

MANDATE FOR THE TASK FORCE

“Review the structure and offerings of the Denominational Health Plan, in consultation with the Church Pension Group staff, with special attention to the cost of insurance [rates].”

“Report to General Convention with a list of options to reduce health insurance costs across the church... with a full explanation of the reasoning for and costs and benefits of each option.”

Resolution 2021–D034, *Journal of the 80th General Convention*

VALUES OF THE TASK FORCE

The Episcopal Church's witness matters and we need to provide for long-term sustainability for our congregations and dioceses.

We need good health and wellness for our employees, and to that, provide them with accessible benefits.

We need to support dioceses and congregations with less means in obtaining coverage that is priced appropriately to their context.

TASK FORCE AIMS

Provide General Convention with a “menu” of recommendations that may provide meaningful and practical cost control in DHP.

Do our work with the depth of study, credibility, and explanation that the church needs to fully digest necessary changes to DHP.

Provide for both input by and continuing education to the church consumers about the costs and benefits of each recommendation we make.

Provide for both input by and continuing education to administrators and those in a position now to make decisions that lower costs.

BROADER CHALLENGES

Adverse Selection

- A small percentage (~15%) of plan participants drive most (~80%) of the costs.
- High-cost participants almost *always* choose richest plans; for the remaining 85% of users, selection is mixed based on their *perceived* risk.
- Our most costly participants, and over 40% of total plan participants are in plans (PPO100 and PPO90) that are richer than anything offered by our denominational peers (for example, the ELCA, UMC, and UCC)
- We want rich plans, but we don't want to pay for them!

BROADER CHALLENGES

Americans (and Episcopalians) are poor health care consumers

- If you needed to choose between a PPO on one hand, or a HDHP/CDHP Plan with a Deductible contributed to a HSA by your employer on the other, would you know which to choose, and why?

(The seemingly “richer” plan with lower deductible isn’t always the smartest choice for you!)

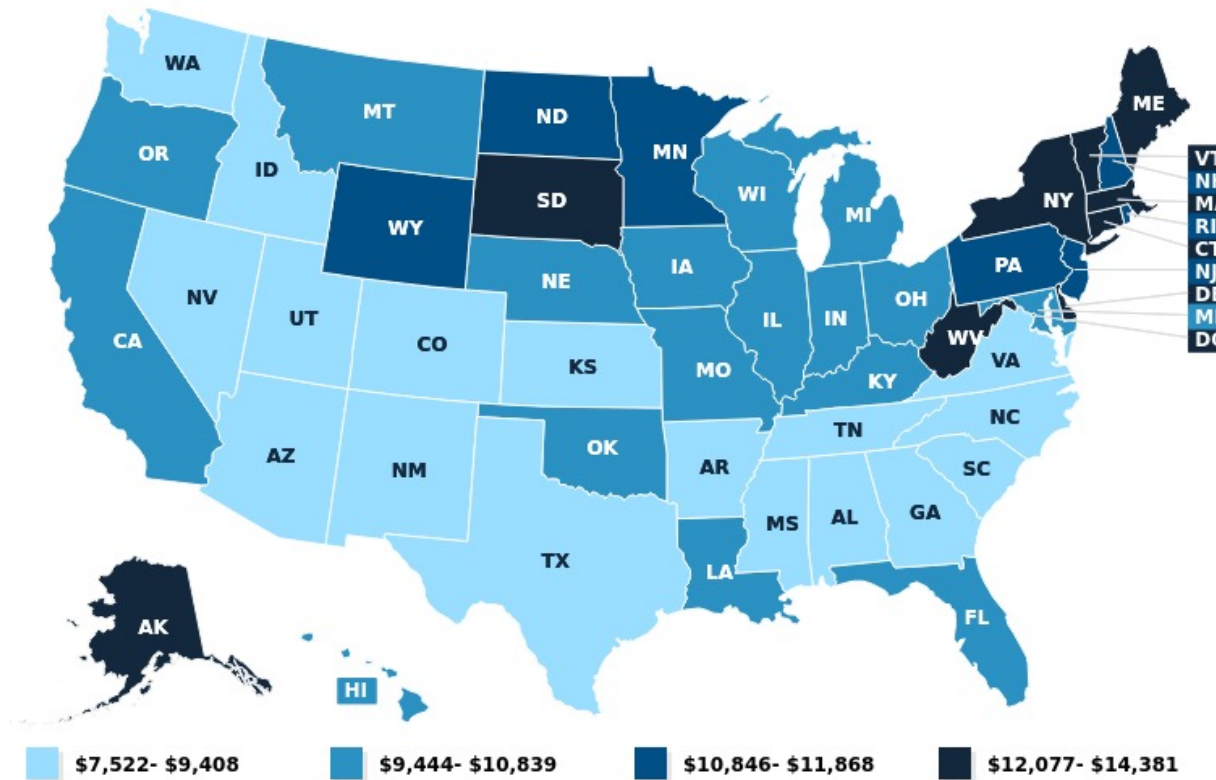
- Medicare can serve as primary insurance for people 65+ working for small employers (19 or fewer total employees), including most of our churches. But qualifying with CMS is a process that takes *consumer* follow-through.
- When was the last time you looked at anything on an Explanation of Benefits beyond the bottom line? Mistake billing is common.

PRIOR GENERAL CONVENTION ACTIONS ALSO COMPLICATE THE PICTURE

- General Convention has previously asked that insurance rates be moved to toward “equitable sharing” – which has previously broadly interpreted as toward a single national rate.
- The cost of health care varies greatly by the location where it is received – and the resources to pay for care are *not* evenly distributed. And cost experience is regionally dependent.

Resolution 2012–B026, *Journal of the 77th General Convention*

HEALTH CARE SPENDING PER CAPITA, 2020



Kaiser Family Foundation, *State Health Facts*.

ACTUARIAL REVIEW OF DHP

Lewis and Ellis, a nationally prominent actuarial firm, was retained jointly by the Task Force and CPG to conduct a targeted review of the DHP, and the task force has received their findings.

Lewis and Ellis provides fresh eyes on the DHP – having never consulted with CPG on its offerings before. This provides depth and credibility a volunteer task force couldn't achieve in a truncated work period between conventions.

Interpreting their recommendations to shape the DHP for the future is not just a question of number crunching and achieving the absolute lowest cost.

We need the church's values and needs to shape our priorities.