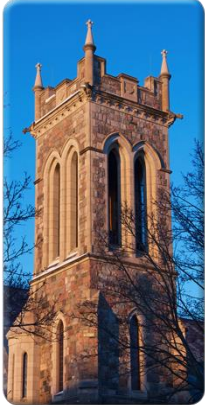




A Century of Service  
and Benefits for  
the Episcopal Church



# Session One: Benefits Policy



SummerSessions2020

# Session One Presenters

## Benefits Policy and Design

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**Anthony Cota**  
Assistant Vice President

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**John Servais**  
Senior Vice President

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# Agenda

- **COVID-19 Changes and Outlook**
- **2021 Benefit Plan Changes**
- **Health Care Strategy**
- **Let's Talk**





## **COVID-19 Changes and Outlook**

# COVID-19 Changes Recap

Defined Benefit Plans

**Pension Waivers**

Defined Contribution Plans

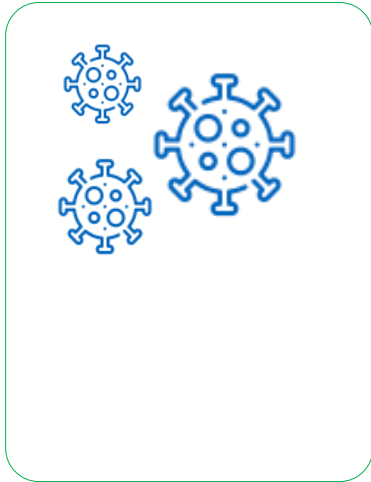
**CARES Act Changes**

Medical Trust

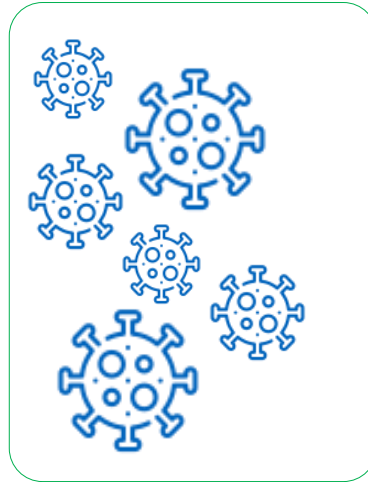
- Out-of-pocket expenses
- Telehealth & virtual healthcare visits
- Premium grace period

# Estimated COVID-19 Financial Impact for 2020

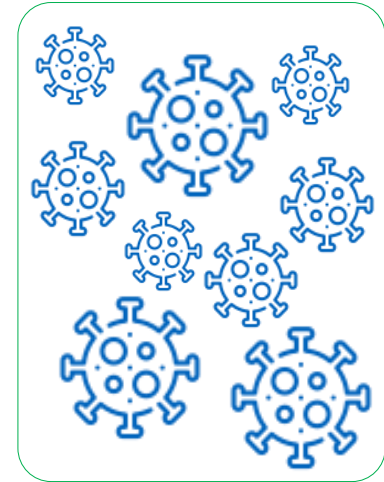
## COVID-19 Infection Rates



**Best: 1.5%**



**Average: 3.0%**



**Worst: 4.5%**

# Estimated COVID-19 Financial Impact for 2020

## Cost vs. Case Severity

	Symptomatic	Inpatient	Critical
Assumed cost per case	\$450	\$35,000	\$70,000
Expected percentage of confirmed cases in each category (Total = 100%)	93.1%	5.6%	1.4%

# Estimated COVID-19 Financial Impact for 2020

## Additional Costs



	Best Case	Average Case	Worst Case
■ COVID	\$1,300,000	\$2,700,000	\$4,000,000
■ Other Services	(\$9,500,000)	(\$7,200,000)	(\$4,800,000)
■ Net Impact	(\$8,200,000)	(\$4,500,000)	(\$800,000)
% Net Impact	-4.3%	-2.4%	-0.4%





## 2021 Plan Design Updates

# Hearing Aid Benefit Assessment

## Current Benefit Offerings

### ■ Retiree Benefit Allowance and Hearing Aid Device Discount\*

Medicare Supplement Plan	Benefit
<b>Comprehensive and Plus</b>	Maximum benefit of \$1,000 per ear every five years.
<b>Premium</b>	Maximum benefit of \$2,000 per ear every five years

### ■ Active Hearing Aid Device Discount\*

\* Amplifon Hearing Health Care discounts for hearing testing and diagnostic services.

# Enhanced Hearing Aid Benefits for 2021



Effective January 1, 2021, the Medical Trust will implement an active member hearing aid benefit

- Ensure our clients have a high-quality, modern benefit plan
- Client demand

# Enhanced Hearing Aid Benefits for 2021

## Active Benefit Allowance and Hearing Aid Device Discount

Active Health Plan	Current Benefit	2021 Benefit
All Self-Insured Active Health Plans	Hearing aid device discount only	Maximum benefit of <b>\$1,500</b> per ear, every <b>three years</b>

**2021 Benefit**

Maximum benefit of **\$1,500** per ear, every **three years**

# Retiree Enhanced Hearing Aid Benefits for 2021

## Retiree Benefit Allowance and Hearing Aid Device Discount

Medicare Supplement	Current Benefit	2021 Benefit
Comprehensive and Plus Plans	\$1,000 per ear, every five years	Maximum benefit of <b>\$1,500</b> per ear, every <b>three years</b> , plus hearing aid device discount

**2021 Benefit**

Maximum benefit of **\$1,500** per ear, every **three years**, plus hearing aid device discount

# Retiree Enhanced Hearing Aid Benefits for 2021

## Retiree Benefit Allowance and Hearing Aid Device Discount

Medicare Supplement	Current Benefit	2021 Benefit
Premium Plans	\$2,000 per ear, every five years	Maximum benefit of <b>\$2,000</b> per ear, every <b>three years</b> , plus hearing aid device discount

**2021 Benefit**

Maximum benefit of **\$2,000** per ear, every **three years**, plus hearing aid device discount

# Hearing Aids Assessment



## Additional Considerations

- Retirees – Only allowance and frequency change
- Actives – Networks available through our health plan partners
- Medical necessity requirements
- Policy and procedures
  - Limits and frequency
  - Transition to retirement
  - Monitoring

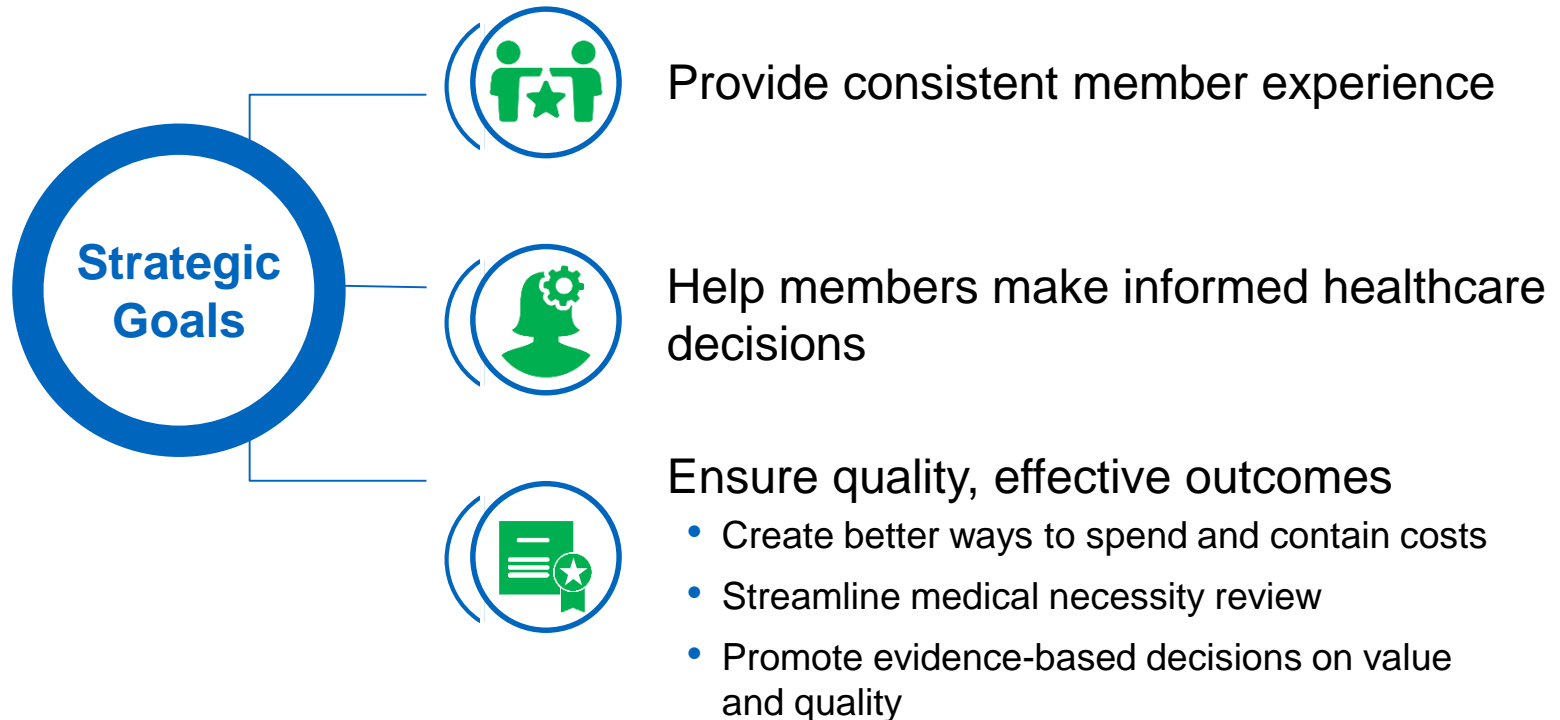


# Health Care Strategy



# A Smarter Healthcare Program

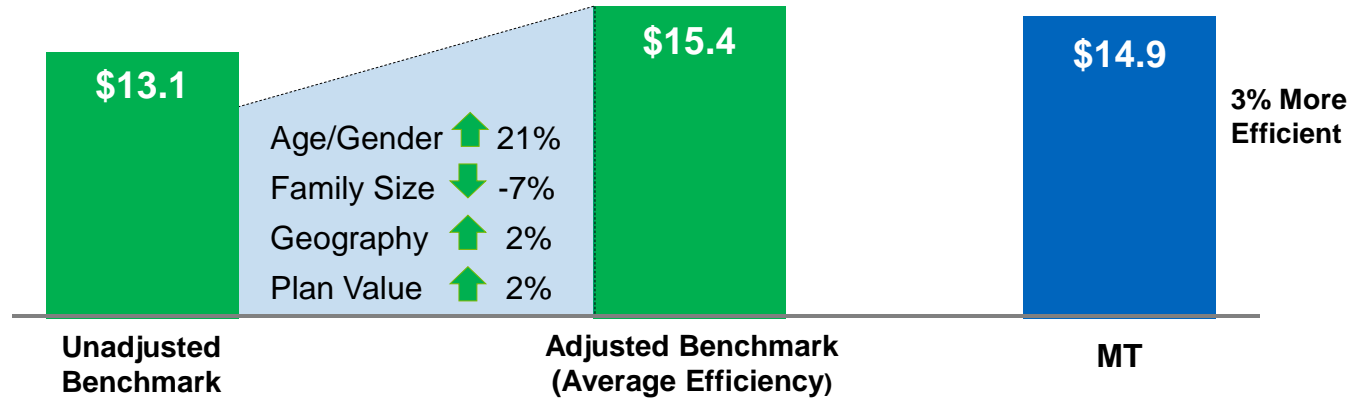
Providing meaningful choice, delivered more cost-effectively



# 2019 Program Efficiency

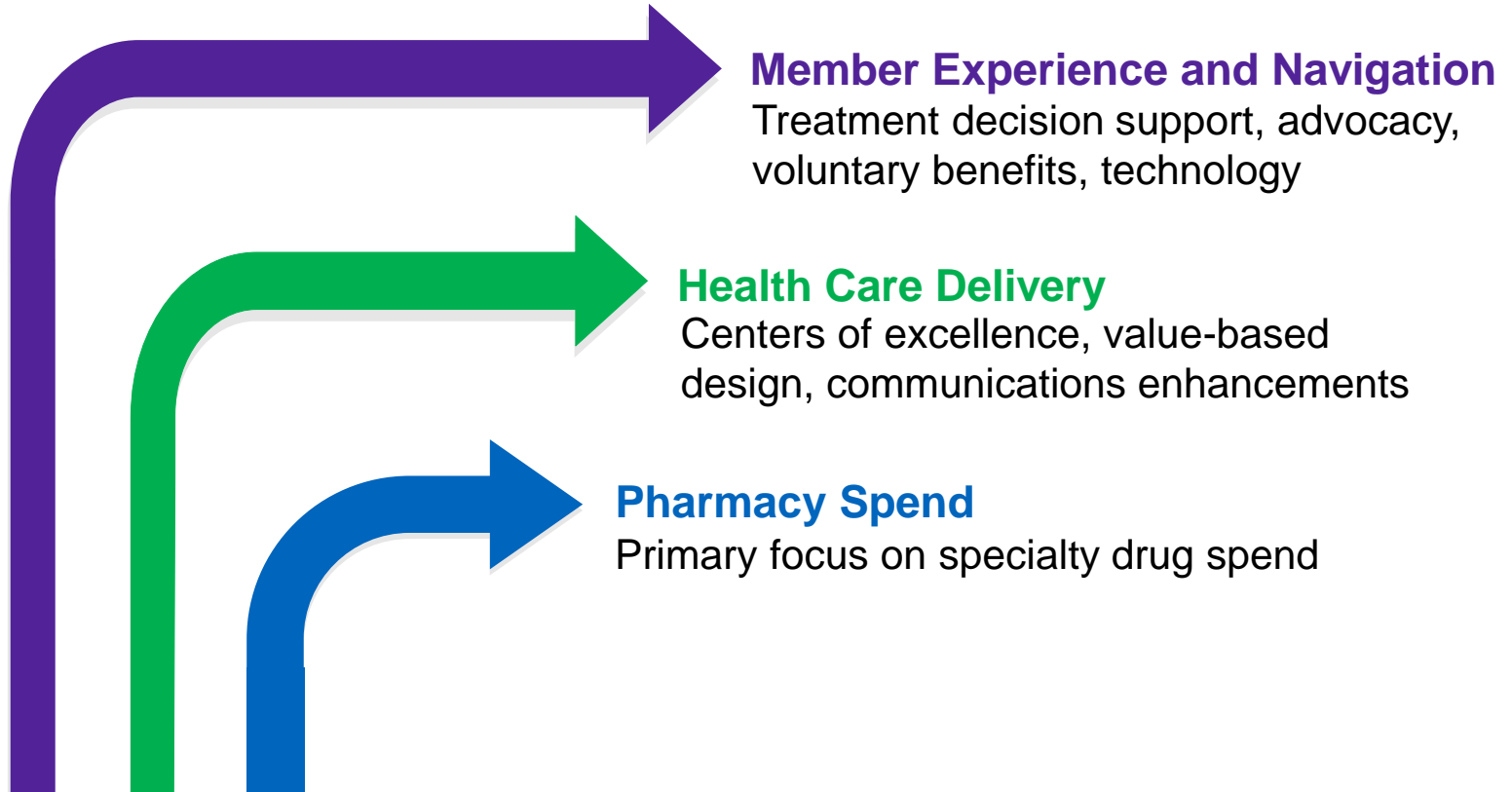


What “Value” are MT’s plans returning for each dollar spent when compared to the marketplace?  
What is the financial impact of improving efficiency?



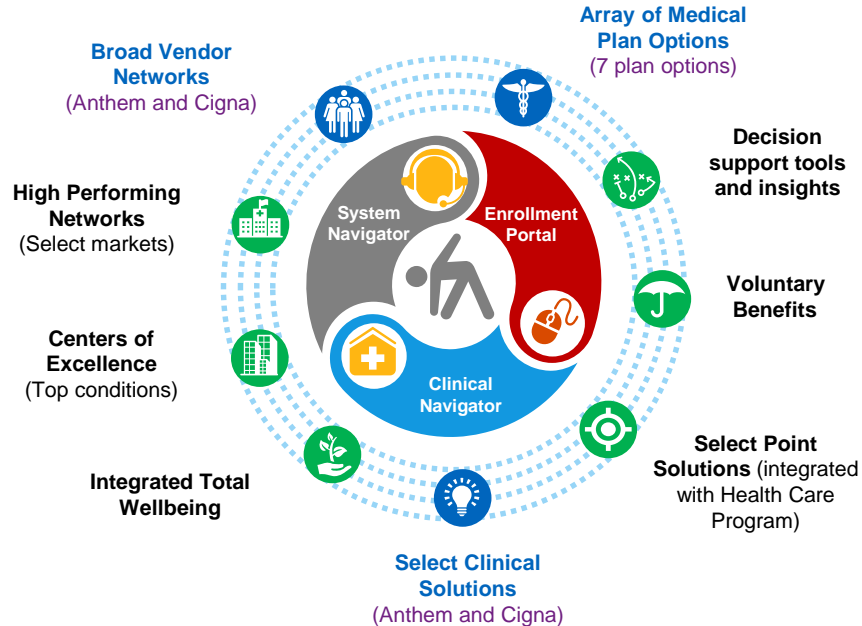
3% more efficient than the **average** Willis Towers Watson database performance.  
\$6 million current savings.  
\$20 million of total savings possible with **top quartile** efficiency.

# A \$20 Million “Value” Opportunity



# Future State Vendor Configuration

## ILLUSTRATIVE FUTURE STATE Holistic Advocacy Model Expanded Value





**Let's Talk!**

# Important Disclosures

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