

## Report of the Diocesan Insurance Committee to the 224<sup>th</sup> Annual Diocesan Convention

Your Diocesan Insurance Committee at the beginning of the year at its first meeting (2007) felt the need to reiterate the position of the Diocese which was formulated last year in regard to the Diocesan payment of retiree health insurance premiums. The position is that the Diocese is committed to continuing to pay those premiums in accordance with past practices (including eligibility) that have been in effect since January 1, 1990. The Diocese will continue to do so, as long as it is financially feasible, because the Bishop wants to be able to respond in a pastoral way to the needs of his clergy and their families.

Some of the highlights of the meetings throughout the year included the following:

- + The Committee approved moving the life insurance program from the Standard Insurance Company to the Church Life Insurance Company, which will bring about a 5.9% premium rate reduction, continue the same benefit amounts, and guarantee the same rate for two years.
- + The Committee voted to continue the current dental insurance program with Delta Dental and not move it to the Church Medical Trust because that would have meant an additional premium cost of 12.6% for the least expensive plan. An increase in the annual dental insurance maximum benefit from \$1000 to \$1500 was approved, resulting in a 6.5% premium rate increase.
- + Two new additional health insurance plan options from the Church Medical Trust will be made available in 2008, CIGNA HMO and CIGNA POS, in addition to continuing the current plan offerings of Aetna HMO, Aetna POS, UHC Choice, and UHC Choice Plus. Premium rates under these plans will increase by 11% over last year's rates. It was decided also to continue the Standard prescription drug coverage option, and not switch to the Premium coverage, under the Church Medical Trust plan.
- + The committee was informed that there would be an increase in the monthly premium rate for the Clergy Medicare Supplement Premium Plan for 2008, \$15.00 of which will be absorbed by the Church Medical Trust and \$10.00 passed on to the Diocese.
- + The Committee hopes to undertake further study of Diocesan Canon 36 in 2008 in order for that canon to more accurately reflect current practice, particularly as it relates to the operation of a fund for the payment of insurance premiums.
- + Mr. Bloor was asked to work with the Church Medical Trust to develop a procedure for notifying the Diocese of parishes that become delinquent in the payment of health insurance premiums.
- + The Committee became familiar with the church-wide healthcare feasibility study being conducted by the Church Medical Trust with an eye toward developing a future program that would cover all parishes on a uniform basis nationwide.
- + The Committee restated its understanding that the payment of health insurance premiums by the Diocese was not intended to provide a cash payment to individuals who qualified for the benefit but who did not need it due to coverage being provided through a spouse's plan.

It has been a great privilege to serve as chair of the Insurance Committee, especially since it involved following in the footsteps of our former chair, David Knowlton, who provided the Diocese with exceptional knowledge and wisdom in insurance matters, due to his vast experience in the field. We are forever indebted to David for his friendship and conscientious counsel on this committee. We are also most fortunate to have as our resident insurance advisor Bill Bloor, of Smith Benefit Services. Bill is always readily available to answer difficult questions and solve problems for the Committee and individual parishes in a clear, thoughtful, and thorough way, in his usual pleasant and supportive manner. I look forward to working with Bill and the other committed members of the Committee in the coming year. I thank them all (whose names appear below) for their patience and collegiality, as well as their desire to serve our Diocese in every way possible.

Submitted by,  
The Rev. Philip W. Stowell, Chair

Members: The Rev. Dr. Andrea P. Baldyga  
The Rev. Debra Brewin-Wilson  
The Rev. Dr. Frank K. Jago  
The Rev. Dr. Alan K. Salmon  
The Rev. Philip W. Stowell, Chair

The Rev. Canon Lee Powers, Staff Liaison  
Jules Herbert  
Cynthia A. Miller  
David Mulcahy  
Ardelle Zervos  
Bill Bloor

January 29, 2008