



Central/Southern IL Synod Guidelines Relative to Health Care Reform in 2014

Recommended by the Leadership Support Subcommittee
of the Professional and Lay Leadership Committee

The most significant changes brought about by the Affordable Care Act (ACA), will take effect beginning January 1, 2014. These changes will have implications for many employers, including congregations. It is difficult to predict the full implications of the ACA; however, we want to be aware and well-prepared. Our ministry partners at Portico Benefit Services will help us through this change. This document will help you understand what health care reform means for you. You can also continue to check the Portico website (*PorticoBenefits.org*) for updates. A representative from Portico will be present at our synod assembly. Please feel free to ask all your questions related to health care reform.

- ⇒ Each state will have a health insurance exchange, also called a marketplace, where individuals can buy health insurance. In states that choose not to provide an exchange, the federal government will manage one on the state's behalf, or the exchange may be operated by the state and federal governments jointly. The plans offered in the exchanges will be in four categories, called bronze, silver, gold, and platinum. Portico intends to offer four plan options that generally correspond to these categories:
 - Bronze – 60% health care costs paid by plan; 40% paid by individuals
 - Silver – 70% health care costs paid by plan; 30% paid by individuals
 - Gold (closest to current ELCA-Primary health coverage) – 80% health care costs paid by plan; 20% paid by individuals
 - Platinum – 90% health care costs paid by plan; 10% paid by individuals
- ⇒ Currently, ELCA-Primary health contribution rates are based on geographic region and salary. To offer competitive pricing relative to the exchanges, Portico intends 2014 ELCA-Primary health contribution rates to reflect plan member age also.
- ⇒ For 2014, each ELCA employer will need to select one ELCA health plan option for all employees (rostered leaders and lay church workers) that they will pay for.
- ⇒ Once the employer makes a selection, the employee will confirm that choice or choose to buy up to another plan option, and will be responsible for the cost difference. For example, if the employer selects the option similar to the gold plan and the employee opts to buy up to the option similar to the platinum plan, the employee would pay the difference in cost.

Some generalities about the health insurance exchanges:

- ⇒ Younger employees, generally speaking, will be less expensive to insure than older employees on the exchanges.
- ⇒ Individuals may be eligible for federal subsidies that will help pay for health insurance purchased on an exchange if his or her employer doesn't offer a minimum value, affordable plan. Affordable means that an individual spends less than 9.5% of his or her income on premiums for single coverage.
- ⇒ Depending on family income, employees who do not qualify for federal subsidies may pay higher premiums for plans purchased on an exchange.

Other considerations:

- ⇒ It may be tempting to offer the least expensive health plan option. Collectively over the years, this church has sought to provide benefits that support our shared ministry and overall well-being to all rostered leaders and lay church workers. The ELCA Church Council at its April 6, 2013, meeting acted to endorse as a benchmark the proposed plan option that approximates the current level of benefits provided by ELCA-Primary health coverage, and to encourage congregations, synods, the churchwide organization, other ELCA-related organizations, and other interested persons to advocate for selection of this plan option.
- ⇒ Relative to the ELCA health plan, Portico is planning to have a final proposal and recommendations on health care plan options and pricing considered by the Conference of Bishops and acted upon by the ELCA Church Council at their respective August 2013 meetings.
- ⇒ Given these changes, it may be tempting to reach call or employment decisions based upon youth or marital status, and to avoid older, more experienced persons with families. However, this church has always valued calling a rostered person and hiring a lay church worker based upon his or her gifts for ministry and the needs of the congregation, and we believe that continuing this practice best serves everyone.
- ⇒ Rostered leaders or lay church workers may have occasion to make a decision between two calls or opportunities for employment based upon the plan options that are being offered, something that has never been a factor before.

Recommendation:

To maintain the current level of health benefits for our rostered leaders and lay church workers, we recommend that all of the congregations and parishes of the Central/Southern Illinois Synod offer to pay for the new ELCA health plan option that most closely resembles current ELCA-Primary health coverage for their rostered leaders and lay church workers. This is the plan option that will be comparable to gold plans offered on the exchanges. This will both continue to care for the health of all who serve under call or terms of employment and eliminate many of the variables facing congregations and paid servants in the midst of change.