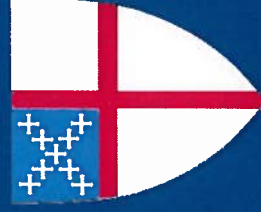


The Denominational Health Plan

2015



17 September 2014

PARITY

- 2012 Resolution B026 extended parity implementation to no later than December 2015
- Employees working 30 hours or more per week
- Establish cost-sharing policy
- The Current Executive Board – approved model for parity is on our website

OPEN ENROLLMENT

- Rates and plan selections available in September
- October 31-November 21 is Open Enrollment
- Open Enrollment will be through MyCPG
- Go to CPG.org to get a MyCPG account
- New enrollments will be processed by Laura
- December welcome packages mailed, ID cards mailed

Medicare Secondary Payer

- Beginning in 2014, small employers can apply if they have an employee or covered dependent that is Medicare – eligible
- At the beginning of 2014, the Medical Trust/DOV notified churches with eligible employees
- Help us Help You

2015 Rates

| | Single | Plus Spouse | Plus Child | Family |
|-----------------------------------|--------|-------------|------------|----------|
| CIGNA Open Access Plus In-Network | \$ 655 | \$ 1,315 | \$ 1,185 | \$ 1,970 |
| Anthem BCBS EPO 90 | \$ 625 | \$ 1,250 | \$ 1,120 | \$ 1,870 |
| Anthem BCBS EPO 80 | \$ 590 | \$ 1,180 | \$ 1,060 | \$ 1,765 |
| Anthem High-Option PPO | \$ 805 | \$ 1,610 | \$ 1,450 | \$ 2,420 |
| Anthem PPO 80/60 | \$ 720 | \$ 1,440 | \$ 1,300 | \$ 2,165 |
| United Healthcare Choice 80 | \$ 550 | \$ 1,100 | \$ 990 | \$ 1,650 |
| Kaiser Permanente EPO 80 Plan | \$ 575 | \$ 1,150 | \$ 1,040 | \$ 1,730 |
| Anthem BCBS High Deductible HP | \$ 505 | \$ 1,010 | \$ 910 | \$ 1,520 |
| Anthem Dental | \$ 20 | \$ 45 | \$ 55 | \$ 75 |

Tax Implications of Health Coverage For Adult Children

- **Under the ACA, healthcare benefits are tax-free through the calendar year the child turns age 26**
- **The Medical Trust provides coverage through age 30**
 - The value of benefits provided to adult children in year child turns age 27 through age 30 may be taxable if child is not a tax dependent who is a qualifying child or qualifying relative under the Internal Revenue Code
 - Report “value” of benefit as imputed income on employee’s Form W-2

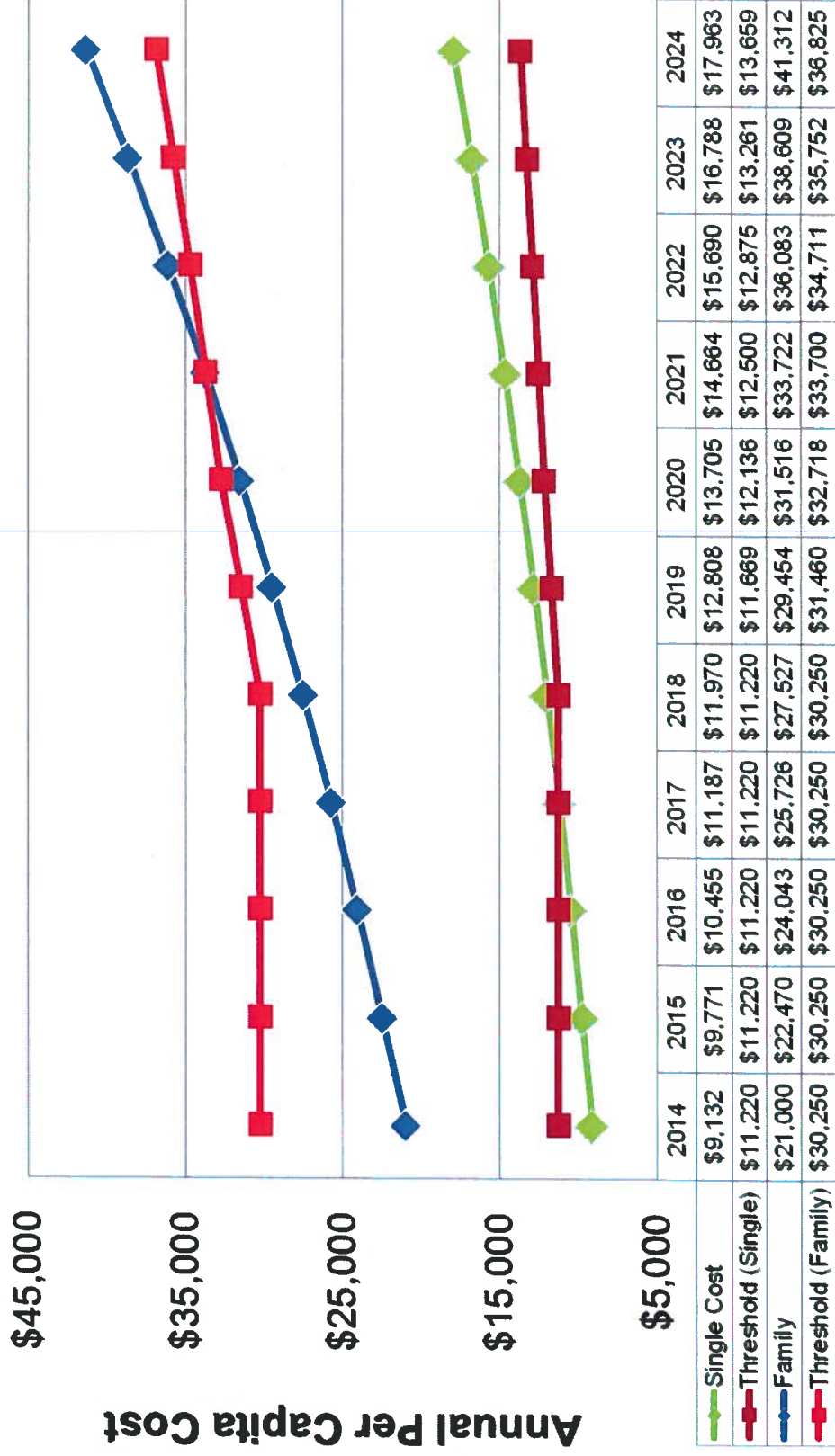
Note: Similar imputed income requirement applies to domestic partners and partners in civil union. Due to recent DOMA ruling, no imputed income on Form W-2 for coverage provided to same gender spouse. Required, however, for civil unions and domestic partners.

The “Cadillac Tax” – 2018+

- **40% excise tax paid on the “Excess Amount” of coverage**
- **Excess Amount defined as the annual cost for coverage in excess of established thresholds, 2018 amounts:**
 - \$10,200 for single coverage
 - \$27,500 for family coverage
- **Threshold amounts will be adjusted for certain factors**
 - Indexed at CPI+1% for 2019 & 2020; at CPI for 2021+
 - High risk profession (unlikely to include church employees)
 - Age and gender (likely to result in higher thresholds for Medical Trust plans)

How might the Cadillac tax impact the DHP rates?

Illustrative Impact on PPO 9070 Plan¹

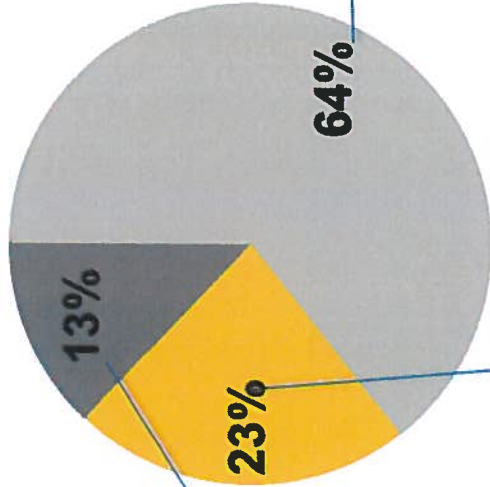


¹ Band 5, 3-tier rates. Annual healthcare cost trend assumption of 7%, CPI of 3%, 10% adjustment for high average age

Prevailing TEC plans are Platinum and Gold Level

% of Total Enrollment

- Platinum
- Gold
- Silver
- Bronze



Silver Plans
 Cigna HDHP/HSA
 Empire BCBS HSA

Gold Plans
 Cigna POS (OAP)
 Empire PPO 75/50
 Empire PPO 80/60
 Empire EPO 80
 Kaiser Low Option EPO
 UHC Choice 80
 UHC Choice Plus 80/60

Platinum Plans
 Aetna Choice POS II
 Aetna National HMO
 Aetna Select EPO
 Cigna EPO (OAPIN)
 Empire EPO 100
 Empire EPO 90
 Empire High Option PPO
 Empire PPO 90/70
 Kaiser High Option EPO
 Kaiser Mid Option EPO
 UHC Choice
 UHC Choice Plus