



DATE: October 14, 2016

TO: Bethany Benefit Service Constituents

FROM: Christina Kempe, Fredrik Wall and Paul Hawkinson

RE: 2017 Rates

Bethany Benefit Service health insurance rates for 2017 will increase by 3.5%.

Last year our rate increase was 2%. We continue to believe that we offer outstanding insurance coverage for Covenant employees and have been able to manage premium increases that remain far below national trends.

Medical Rate Development

Rates are a function of (1) the plan's current claims experience and financial status and (2) projections for medical, dental and prescription drug claims for the coming year.

Annual rate decisions are based on the work of an independent outside consultant, the Bethany Benefit Service staff, and discussions with members of the Board of Pensions and Benefits. The rate process and outcomes are then reported to (and affirmed by) the full Board of Pensions and Benefits.

We are able to keep our health insurance rate increase to a minimum due to:

- (1) better than expected claim results, even with an increasing medical cost trend of 10%
- (2) low operating costs, even though we are absorbing some new ACA costs in our rates
- (3) a strong current financial position for the plan

Bethany Benefit Service Objectives

- To provide high-quality benefits on a cost-effective basis for our pastors, staff workers and missionaries, including their respective dependents.
- To preserve the financial viability of the benefit program.

In comparing your plan with others, it is important to note the **comprehensive variety of benefits** that are included in the health insurance rate: low-deductible medical PPO, prescriptions, dental and vision are included.

Life and Long-Term Disability Coverage

There will be no changes in life/AD&D or long-term disability (LTD) insurance rates, though LTD rates are calculated using the employee's salary and are adjusted as reported or in the second quarter of each year. Life and LTD benefits are available for actively-working, full-time Covenant employees.

When a member is approved for long-term disability benefits, their health insurance continues premium-free for the first 24 months (if enrolled at the time of disability) and their life insurance continues premium-free for the duration of disability. Pastors' contributions to the Covenant Pension fund are also continued until normal Social Security retirement age as long as the pastor continues to be disabled.

Monthly 2017 Bethany Benefits Rates

Effective January 1, 2017:

Single PPO	\$ 607
Family PPO	\$1,627
Medicare Supplement	\$ 377

Life and LTD premiums are provided at an additional cost to full-time employees. These rates remain the same in 2017.

These rates include medical, prescription, dental and vision benefits. For more information, download the complete rate sheet on our webpage.

We thank you for your continued participation and are blessed to be able to serve you in your ministry.

On behalf of the Covenant Board of Pensions and Benefits,



Christina Kempe
Benefit Coordinator



Fredrik Wall
Director of Finance and
Benefit Administration



Paul Hawkinson
Executive Director of
Finance

Contact information for Bethany Benefit Service providers:

Highmark Blue Cross Blue Shield

www.highmarkbcbs.com

(866)267-3231

- To find a physician or hospital in our network
- To resolve a medical claim

(800)452-8507

- To report a planned or actual hospital admission

Delta Dental of Illinois

www.deltadentalil.com

(800)323-1743

- To find a dentist in our network (PPO or Premier networks)
- To resolve a dental claim

Express Scripts

www.express-scripts.com

(800)892-5130

- Begin or opt out of prescription home delivery

DeltaVision (EyeMed)

www.eyemed.com

(866)723-0513

- To find an in-network provider (Access network)

Bethany Benefit Service

www.covchurch.org/benefits/insurance

email: bethany@covchurch.org

Toll-free: (800)313-8955

Fax: (773)784-2249

- To enroll a new employee or new dependent
- To receive assistance in resolving unpaid claims
- To file a life or long-term disability claim
- To discuss premium payment

Your Bethany Benefit Service representatives at Covenant Offices:

Christina Kempe, benefits coordinator	(773)907-3376
Daisy Echevarria, administrative coordinator	(773)442-6589
Stella Gore, claims specialist	(773)907-3363