

**THE OKLAHOMA CONFERENCE
BOARD OF PENSION AND
HEALTH BENEFITS INC.
Report No. 2**

FOR INFORMATION: Our Health Benefits program operates in a financially conservative manner while, at the same time, trying to meet the needs of our participants. We believe that our participants also are increasingly conservative in the demands that they make on the plan assets.

1. Active participants will see a 6% increase in health premiums for 2012.
2. Retirees will see a 6% increase in health premiums for 2012.
3. Office visits are \$30.00 for in-network while out-of-network has increased to \$50.00.
4. Apportionments will increase 3% for 2012.
5. The special rate is now \$34,999 or less to the regular rate of \$35,000 or more.

We have established this plan to keep faith with our churches and participants who clearly understand that we intend to collect only what we need to pay expenses.

The Oklahoma Conference Health Benefit Plan is a self-funded medical and prescription plan for eligible active clergy, retired clergy, lay employees and surviving spouses. The Health Benefit Plan is not a form of entitlement and it should be noted that The Conference Board of Pension and Health Benefits Inc., with the approval of Annual Conference, reserves the right to amend or possibly eliminate both the active and retiree plan of benefits.

THE 2011 PLAN: The Oklahoma Conference Health Benefit Plan includes:

- A. A self-funded medical plan for active clergy and lay employees, eligible retirees and surviving spouses under 65 years of age, administered by BlueCross BlueShield.
- B. Kempton Group will continue our eligibility, Flexible Benefit Plan and HRA.
- C. A Medicare Supplement Plan, The Hartford, for eligible retired clergy, surviving spouses, those who qualify for disability and are on Medicare & retired lay employees age 65 and older. All must be enrolled in Medicare Parts A & B.
- D. Drugs or medicines prescribed by a physician or practitioner may be filled at any pharmacy in the MaxCare Retail Pharmacy network.
- D. Group term life insurance with Aetna Life Insurance Co. for active and retired clergy who are participants in the Conference Health Benefit Plan.
- E. Funding for the Plan in the year 2012 is to come from participant premiums, operating funds, and an apportionment to the churches based upon the prevailing Conference decimal.
- F. The Conference Board of Pension and Health Benefits is authorized to make substantive changes in the Health Benefit Plan between Annual Conference sessions when such changes are necessary to properly manage the Plan as printed on page 239 in the 2000 Annual Conference Journal.
- G. All clergy members (Full, Probationary, and Associate) of the Oklahoma Annual Conference and Full Time Local Pastors who are appointed full time and who are participating in the Clergy Retirement Security Plan (CRSP) shall participate in the Ministers' Health Benefits Plan, subject to the provisions of the plan, and all churches which have pastors under appointment shall pay the apportionment for the Health Benefits fund as a Ministerial Support item. Those clergy members who qualify for health insurance through military retirement or other government agencies may request approval from the Board of Pension and Health Benefits to opt out of the Conference Health Benefit Plan. Decisions will be made on a case-by-case basis.

SELF-FUNDED MEDICAL PLAN FOR ACTIVE CLERGY AND LAY EMPLOYEES:

1. **Eligibility and Enrollment:** Enrollment in the Oklahoma Conference Health Benefit Plan is executed through the Conference Treasurer's Office. Clergy must enroll within 31 days of becoming eligible (Standing Rules, IV. Financial, 4.). All other eligible employees and their dependents have 31 days, after they become eligible, to enroll. If you or your dependents are not enrolled within 31 days of the date you become eligible, you will not be able to enroll until January 1 of the next plan year.
- A. Those who are eligible for enrollment in the Group Health Plan are as follows:
 1. **Clergy** who are members of the Oklahoma Annual Conference (elders and deacons, associate and provisional), full-time local pastors under appointment and enrolled in the Clergy Retirement Security Plan (CRSP), ordained clergy appointed under the provisions of Par. 346.1 or 346.2 of the 2008 Book of Discipline and their eligible dependents. Also, members appointed to attend school or those who receive their first appointment with pension benefit after having a special appointment without pension benefit and their eligible dependents.
 2. **Diaconal ministers** under appointment serving at least thirty hours a week in local churches, institutions, or agencies of this Annual Conference qualify for enrollment as lay employees.
 3. **Clergy couples** qualified for enrollment as ministers must decide which one will enroll as the primary participant carrying medical insurance for all dependents, including the spouse. If both

are licensed local pastors or ordained and serving full-time under appointment in the Oklahoma Conference both shall be enrolled in the Life Insurance portion with \$50,000 death benefits; however, the spouse who is covered as the dependent will not be eligible to collect the dependent life insurance amount in addition to the clergy benefit amount. The premium rate for a clergy couple is based on the total compensation of the higher paid minister.

4. **Clergy** appointed as "**Less Than Full-Time**" and all **part-time local pastors** who are enrolled in the Clergy Retirement Security Plan (CRSP) and certified by their District Superintendent as living on the charge and working a minimum of thirty (30) hours per week on their pastoral duties may enroll, provided they are licensed, ordained or serving under the provisions of Par. 346.1 or 346.2 of the 2008 Book of Discipline.
 5. **Full-time lay employees** of a local church, institution, or agency of this Annual Conference certified by their executive officer to the Conference Treasurer's Office as working thirty (30) hours a week and as making at least the minimum wage per hour may enroll in the Medical Plan.
 6. **Retired Clergy Members** of this Annual conference, age 62 or older or with at least 30 years of service, and their eligible dependents, who have been enrolled in the Minister's Health Benefit Plan for five (5) years immediately prior to retirement may continue as participants in the Plan. Clergy who have retired with 20 years of service, and their eligible dependents, which have been participants in the group for five (5) years immediately prior to retirement may continue in the Plan for up to 18 months at the lay rate.
 7. **Retired Lay Employees** of a local church, or an institution or approved agency of this Annual Conference which sponsor this Plan for lay employees. In order for a retired lay employee, and their eligible dependents, to be eligible to participate they must be at least age sixty (60) with five (5) or more years of continuous participation in the Conference Health Benefit Plan immediately prior to retirement.
 8. **Surviving Spouses** who were participants in the Oklahoma United Methodist Health Benefits Plan at the time of the death of their spouse are eligible for continuous coverage in the Plan. A surviving spouse may maintain coverage in this Plan, unless they obtain medical coverage from another provider. If the surviving spouse is under 65 and on Medicare, they will continue at the over 65 Medicare rate.
 9. **Divorced spouses** are eligible for continuous coverage in the Group Plan at the Lay Employee rates until (a) they obtain medical coverage from another provider, or (b) they remarry, or (c) two years have elapsed following the date of the divorce whichever occurs first. If the divorced spouse is totally and permanently disabled at the time of the divorce, coverage will be continued indefinitely beyond the two year period provided such spouse remains totally disabled, does not remarry, or obtain group coverage elsewhere. If the disabled spouse is under 65 and not on Medicare, they will continue at the lay employee rate under 65. If the disabled spouse is on Medicare, they may continue on the plan at the retired lay rate over 65.
- B. You must enroll within the first thirty-one (31) days after becoming eligible. Claims related to pre-existing conditions are limited to \$5,000 for the first year of participation unless you have credible coverage.
 - C. After the initial thirty-one (31) days, those eligible for enrollment may apply for coverage but will be required to wait until January 1 of the next plan year before coverage can begin. Special Enrollment Provisions may allow for enrollment exceptions.
 - D. If an eligible participant has coverage under another plan then loses that coverage, they may then enroll, under the Special Enrollment Provisions only, in the Conference Group Plan. Otherwise, they must wait until January 1 of the next plan year to enroll.
 - E. When a participant terminates employment with the Conference or a qualifying agency, or otherwise becomes ineligible for coverage under this Plan, he/she may continue in the Plan for up

to 18 months at the lay rate.

- F. When a minister is on Disability Leave, his/her insurance coverage will continue uninterrupted, at the special rate, provided such minister has been a participant in the plan prior to going on Disability Leave.
- G. When a minister takes a Leave of Absence or is placed on Leave of Absence, he/she may continue in the Plan for up to 18 months at the lay rate.
- H. When a clergy member is on Transitional Leave, he/she may continue in the Plan for up to 18 months at the clergy rate.
- I. When clergy are granted a sabbatical leave or are appointed to attend school, his/her insurance coverage may continue at the clergy rate provided premiums are paid.
- J. When a clergy member is in the Extension Ministry (sponsored by an external source other than a contributor to the Oklahoma Conference) he/she may continue in the Plan at the lay rate.
- K. Children/dependents are eligible to be enrolled at the same time the clergy or lay employee enrolls. Children may also be enrolled at birth or at the point of adoption; however, unless they are enrolled within thirty-one (31) days after birth/adoption they are not covered and cannot be added until January 1 of the next plan year.

The following children may be covered as dependents: (1) an unmarried child under age 19 who is chiefly dependent upon the employee for support, (2) an unmarried child age nineteen (19) or older but under age 26 if such child is a high school student or a full-time student at an accredited university, college or trade school, and chiefly dependent upon the employee for support, or (3) an unmarried child age nineteen (19) or older who is incapable of self-sustaining employment and dependent upon the employee for support due to a mental or physical illness or handicap. A natural child who does not reside with the employee may be covered under this plan if the employee can demonstrate a legal obligation to provide medical coverage to such child/children. In the case of an adopted child, coverage will take effect on the date the adoption is final or the date the child is placed in the employee's home, whichever first occurs.

The term "dependent" does not include an employee, a member of any armed forces (except if an active duty member for thirty (30) days or less per year), or any person who has permanent residence outside the USA.

- L. It is the responsibility of the participant to notify the Treasurer's Office of any change in the eligibility and/or enrollment of any member of his/her family. This includes dependents that are no longer eligible for coverage and the enrollment of newborn babies within thirty-one (31) days following the date of birth.

2. Effective Date and Conditions of Coverage:

Your coverage will take effect on the later of:

- A. Your eligibility date, or on the
- B. First day of the month following the return of your signed enrollment form to the Benefits Office.

3. Comprehensive Medical Benefits:

Covered medical expenses means the usual, customary and reasonable (UCR) expenses incurred by or on behalf of a covered person for the hospital or other medical services which meet the following criteria:

- A. Ordered by a physician
- B. Medically necessary for the treatment of the illness or injury
- C. Not of a luxury or personal nature, and
- D. Not excluded under Exclusions and Limitations sections of the Plan

4. Preferred Provider Organizations: (PPO):

This Plan provides network benefits for active participants through BlueCross Blue Shield

**OKLAHOMA CONFERENCE OF THE UNITED METHODIST CHURCH
SELF-FUNDED MEDICAL PLAN
ACTIVE OR UNDER 65 SCHEDULE OF BENEFITS 2012**

* Full Plan Document web page listed below or contact Healthcare Benefits Office.

CHECKS WILL GO TO PARTICIPANTS IF OUT OF NETWORK. PARTICIPANTS WILL THEN PAY THE PROVIDER.

		PPO	NON-PPO
Doctor's Office Visits (Includes lab & x-ray)	(Not subject to Deductible for PPO or NON-PPO)	100% after \$30 co-pay	100% after \$50 co-pay of allowable rate
Physical Exam (One per person per calendar year.)	(Not subject to Deductible for PPO or NON-PPO)	100% after \$30 co-pay	100% after \$50 co-pay of allowable rate
Routine Mammogram (One per calendar year)	(Not subject to Deductible for PPO or NON-PPO)	100%	100%
Mental & Nervous Counseling Office services	(Not subject to Deductible for PPO or NON-PPO)	100% after \$30 co-pay	100% after \$50 co-pay of allowable rate
Physical Therapy (only when prescribed by an M.D. or D.O.)	(Not subject to Deductible for PPO or NON-PPO)	100% after \$30 co-pay	100% after \$50 co-pay of allowable rate
Chiropractic Care or Physical Therapy (Not prescribed)	(Subject to deductible) 25 visits per year	80%	60%
Deductible (per calendar year)		PPO	NON-PPO
Individual Deductible		\$1,250	\$2,500
Two Party		\$2,500	\$5,000
Maximum per Family		\$3,750	\$7,000
Out of Pocket Maximum (per calendar year, not including the deductible)			
Individual Maximum		\$2,400	\$4,800
Two Party		\$4,800	\$9,600
Maximum per Family		\$7,200	\$14,400
Services			
Hospital Expenses		Subject to Deductible	
Semi-Private Room		80%	60%
Emergency Room		80%	80%
(Reduced to 50% for non-emergency use of the emergency room)			
Physician's charges		80%	60%
(Reasonable and customary charges)			

THE HARTFORD MEDICARE SUPPLEMENT PLAN 2010:

1. Eligibility:

- A. Eligible Retirees age (65 and older) who are enrolled in Medicare Parts A and B.
- B. Widows and widowers of an active or retired employee age (65 or older) who are enrolled in Medicare Part A and B.

The following are eligible for coverage under the Oklahoma Conference Medicare Supplement Plan:

1. **Retired Clergy members** of this Annual Conference, age 65 or older and their dependents, who meet the eligibility requirements stated in the Health Benefit Plan Booklet may continue their medical coverage after retirement provided they are enrolled in Medicare Part A and B.
2. **Surviving spouses**, age 65 or older, currently enrolled in the Ministers' Health Benefit Plan may continue their coverage provided they are enrolled in Medicare Part A and B and enroll in the Conference Medicare Supplement Plan within thirty-one (31) days after the death of their spouse.
3. **Retired lay employees** of a local church, or an institution or agency of this Annual Conference which sponsors this Plan for lay employees. In order for a retired lay employee, and their eligible dependents, to be eligible to participate they must be at least age sixty-five (65) with five (5) or more years of continuous participation in the Conference Health Benefit Plan immediately prior to retirement.
4. **Those on disability** under 65 and on Medicare Parts A & B.

2. Covered Services:	Medicare Pays	Supplement Pays	You Pay
Medicare Part A - Hospitalization			
First 60 days	All but \$1,100	\$1,100 (Part A deductible)	0
Days 61st thru 90 th	All but \$275	\$275 per day	0
91st day and after; while using 60 lifetime reserve days	All but \$550 per day	\$550 per day	0
Medicare Part B – monthly premium - \$96.40		(May be higher based on income)	
Medical Services cover only Medicare eligible: physician services, inpatient & outpatient medical & surgical services & supplies, physical & speech therapy, diagnostic tests & durable medical equipment.			
First \$155 of Medicare approved amounts	0	\$155 (Part B deductible)	0
Remainder of Medicare approved amounts	Generally 80%	Generally 20%	0
Excess Charges (above Medicare approved amounts)	0	0	All costs
Skilled Nursing Facility Care:			
You must meet Medicare's requirements, including having been in a hospital for at least 3 days and entered a Medicare-approved facility within 30 days after leaving the hospital.			
Days 1-20	All approved amounts	0	0
Days 21-100	All but \$137.50 per day	Up to \$137.50 per day	0
Days 101 and after	0	0	All costs
Foreign Travel:			
Medically necessary Emergency Care services only during the first 60 days of each trip outside the United States.			
First \$250.00 each calendar year	0	0	\$250.00
Remainder of charges	0	80% up to a lifetime	20% and amounts over

		maximum benefit of \$50,000	the \$50,000 lifetime max
--	--	-----------------------------	---------------------------

3. Exclusions:

The Hartford Medicare Supplement Plan does not cover: (1) any expense that is not a Medicare Eligible Expense, or beyond the limits imposed by Medicare for such expenses, or excluded by name or specific description by Medicare, except specifically provided in the policy; (2) any portion of a covered expense to the extent paid by Medicare; (3) benefits payable under one benefit of the policy to the extent covered under another benefit of the policy; and (4) covered expenses incurred after coverage terminates, except as stated in the extension-of- benefits provision of the policy.

MaxCare RX – Pharmacy Providers of Oklahoma

Prescription drugs are not subject to the deductible or out-of-pocket coinsurance.

Prilosec-available over-the-counter with prescription from your physician for a 42 day supply for **\$FREE**.

(Prescription must say “OTC Prilosec”)

Do you take Lipitor, Crestor, Vytorin or another brand name medication to help lower your cholesterol?

Ask your doctor if switching to a generic such as Simvastatin, Pravastatin or Lovastatin is right for you.

Claritin-available over-the-counter with prescription from your physician for a 30 day supply for **\$15.00**.

(Generic-Claritin/Loratadine with prescription from your physician for a 30 day supply is **\$10.00**.)

(Prescription must say “OTC Claritin or OTC loratadine”)

Definitions:

Generic Drug - Drug with general name: a drug sold or dispensed under a name that is not protected by a trademark.

(The use of generics offers the greatest savings to both the members and the Conference.)

Multi-Source Brand - Brand name chosen even though a generic is available.

Single-Source Brand - Brand drug that is currently only available from one manufacturer.

NTE - Not to exceed

2011 PRESCRIPTION DRUG PLAN

Non-Maintenance	Maintenance & >34 day supply Not to exceed 102
Generic – Not to exceed \$10.00	Generic – Not to exceed \$25.00
Multi-Source or Single-Source Brand – NTE \$40.00	Multi-Source or Single-Source Brand – NTE \$100.00

“Member pays the copayment amount unless the full cost of the prescription is less than the copayment then the member pays only the cost of the prescription.”

RATES & METHOD OF PAYMENT:

1. The rates for clergy and surviving spouses of clergy are supplemented by an apportionment to the churches that covers approximately one-half the cost of their premiums.
2. The rates for lay employees represent the “full rate”. Since the Group Insurance apportionment does not supplement lay employee rates, it is recommended that the salary-paying unit pay at least half the lay rate for all lay employees enrolled in our Group Plan.
3. The monthly rates for participants are to be paid to the Conference Treasurer's office by the local church/agency treasurer the first of each month in which the premiums are due. The grace period payment can be no longer

than the end of the month for which the premium is due. Non-payment of premiums by this deadline will result in termination from the Healthcare Benefits Plan.

4. At present there are two rate categories for active clergy. **The Special Rate** is for ministers whose gross compensation for appointment purposes is \$34,999 or less. **The Regular Rate** is for all ministers whose gross compensation for appointment purposes is \$35,000 or above. There are two exceptions:
- Those on Disability Leave are to be on the Special Rate
 - Those receiving Minimum Compensation support
 - Retired Ministers and Laity are on the rates listed specifically for them

Monthly Premium Rate Schedule:	2011	2012
Active Clergy:		
Special Rate: (Total Compensation of \$34,999 or less)		
Single	\$245.00	\$260.00
Two Party	\$479.00	\$508.00
Family	\$535.00	\$567.00
Regular Rate: (Total Compensation of \$35,000 or more)		
Single	\$307.00	\$325.00
Two Party	\$598.00	\$634.00
Family	\$704.00	\$746.00
Retired Clergy (under 65):		
Single	\$295.00	\$313.00
Single on Medicare (under 65)	\$169.00	\$179.00
Two Party (both under 65)	\$586.00	\$621.00
Two Party (spouse over 65)	\$422.00	\$439.00
Retired Clergy (65 & over):		
Single	\$169.00	\$179.00
Two Party (spouse under 65)	\$387.00	\$418.00
Family (under 65)	\$446.00	\$473.00
Two Party (both 65 or over)	\$334.00	\$354.00
Surviving Spouses of Clergy (under 65):		
Single	\$238.00	\$252.00
With one dependent	\$464.00	\$492.00
With two or more dependents	\$512.00	\$543.00
Surviving Spouses of Clergy (65 & over):		
Single	\$90.00	\$95.00
Lay Employees & Diaconal Ministers (Active):		
Single	\$539.00	\$571.00
Two Party	\$1,070.00	\$1,134.00
Family	\$1,245.00	\$1,320.00
Retired Lay Employees & Diaconal Ministers:		
Single (under 65)	\$538.00	\$570.00
Single on Medicare (under 65)	\$243.00	\$258.00
Single (65 & over)	\$243.00	\$258.00
Two Party (both under 65)	\$1,049.00	\$1,112.00
Two Party (Spouse under 65)	\$787.00	\$834.00
Two Party (both 65 or over)	\$486.00	\$515.00

THE 2010 LIFE INSURANCE PLAN:	
The Plan provides group term life coverage in the following amounts to eligible clergy and their dependents who are enrolled in the Health Benefit Plan (medical coverage):	
Under 65 - Active & Under Appointment	\$50,000
Under 65 - Retired or on Disability Leave	\$30,000
65 & Over - Active and Under Appointment	\$12,500
65 & Over - All Retired or on Disability Leave	\$12,500
There is accidental death and dismemberment protection in equal amount to the Life Insurance for those who are not retired or who are not on Disability Leave. Life Insurance premiums are paid from funds provided by churches of the Annual Conference.	
DEPENDENT LIFE INSURANCE:	
Spouse of Active(under age 65) - Under Appointment or on Disability Leave	\$10,000
Spouse of Minister Retired (Over age 65)	\$ 6,250
Children:	
Age 14 days to 19 years, or 25 years if full time student	\$5,000

This document and the full Plan Document can be accessed on our Web site at www.okumc.org/healthcarebenefits. All information regarding our Health Benefits Plan including links to PPO networks, enrollment forms, the Flexible Benefits Plan Document, forms, and privacy notices are also accessible on this site. Please click on Health Benefits for more information.

Mouzon Biggs, Jr., Chair The Conference Board of Pension and Health Benefits Inc.
Phillip Ware, Vice Chair Board of Pension and Health Benefits
Rick Kelly, Chair Health Benefits Committee
T. Brian Bakeman, Conference Treasurer/Benefits Officer
Janet A. Tofani, Health Benefits Director