

Solutions for the Denomination's Health-care Costs

The cost of health care is a troublesome issue for the denomination. Consider clergy Preferred Provider Option (PPO) costs versus the national PPO costs. In 2003, it is estimated that the average cost for a clergy household will be \$9,323 compared to the national average of \$5,800—about 65% more than the national average. A higher average participant age is certainly a contributing factor for higher costs, but other factors may include stress and a higher rate of obesity. Left unchallenged, the cost of health care will impact the ability of the denomination to deliver health care benefits in the future.

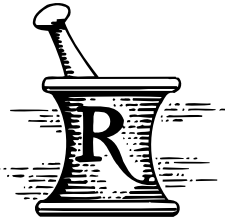
What is clear is that there is no single solution to address health-care costs. However, The General Board of Pension and Health Benefits of the United Methodist Church (General Board), the agency responsible for delivering health benefits to approximately 13,000 clergy and lay employees, is addressing costs for its participants in several ways and offering ideas for the denomination.

A significant cost-control mechanism is health and disease management, which the General Board actively promotes and administers within its health-care program, named HealthFlex. A Mercer study concluded that for every 10,000 HealthFlex claimants, 67 would utilize between \$50,000 and \$200,000 in claims. Managing the size of claims through early detection and lifestyle modifications are the cornerstones of health and disease management.

Annual wellness exams help identify chronic and lifestyle factors that can be modified and controlled through awareness and behavioral changes. According to the Centers for Disease Control, 50% of deaths and illnesses in the United States are directly related to lifestyle choices. In some cases, fatal health conditions can be prevented if detected early. The General Board encourages and supports wellness exams.

A new initiative being spearheaded by the General Board is called **Health as Wholeness in Mission**. The General Board's Chief Strategic Relations Officer, Woody Bedell, offers this perspective: "Health as Wholeness in Mission is an initiative to expand the understanding and delivery of health. It recognizes the value of medical technology, but also incorporates the values we hold as a people of faith in the community."

Bedell notes that "Health as Wholeness in Mission" is greater than just maintenance of physical health. "From a religious perspective, health is about the wholeness of relationships estab-



lished and sustained by faith and maintained through others in community rather than just the absence of disease. The essence of health rests in being able to live out the words Jesus gave us—love God, and your neighbor as yourself."

Health as Wholeness in Mission, suggests Bedell, is not a single identifiable program, but a process that incorporates discussions that include national thought and health-care leaders with local initiatives at the church and community level. The discussions at the national level envision how health can and should be delivered and what role the church should play in that delivery. Local initiatives could include programs such as parish nursing, pastoral support groups, conference and church wellness programs, and an educational curriculum based on holistic approaches to health.

Bedell acknowledges that the possible benefits should create greater physical, mental and spiritual health; and outcomes would most likely improve quality of life and reduce health costs.

One additional cost-control effort is to introduce a denominational health plan. Several conference officers have prepared General Conference legislation proposing such a plan. According to Bedell, the General Board is

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in a position to support conferences with this effort.

Would such a denomination health-care plan be an effective cost-control measure? A Mercer Human Resource Consulting study projects that economies of scale created by a denominational plan will result in lower costs through a larger and more diverse risk pool. Mercer estimates savings would come from mandatory clergy participation, consistent financial processes and controls, health management and vendor selection as well as state of the art underwriting and risk management. Cumulative savings is projected to be tens of millions of dollars annually to the denomination. □

—Submitted by the General Board of Pension and Health Benefits.

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