2021 ELCA Recommendation
Includes High Deductible Option
Two ELCA-Recommended Options for 2021

The ELCA Health Plan has always been a community plan, designed to meet the specific needs of the ELCA community.

Last summer, the 2019 Churchwide Assembly passed a resolution asking the Church Council and Portico to review the ELCA recommendation in the context of a changing church and look for ways to increase flexibility. Following significant analysis, the Church Council’s recommendation will include not one but two health benefit options for next year.

The ELCA Church Council originally recommended Gold+ as the option most like traditional ELCA coverage, and most sponsoring employers have followed that recommendation — 83% chose Gold+ for 2020. Now, to provide even more flexibility, the ELCA Church Council is changing its recommendation. For 2021, the Church Council is recommending the following options:

- Gold+
- Silver+ paired with a Level A or B health savings account (HSA) employer contribution

Both options are aligned with the 80% – 20% cost-sharing traditionally recommended by the ELCA. This ELCA stamp of approval on the Silver+ option will be good news for members wanting to tap the savings and tax benefits offered by a high-deductible health plan paired with an HSA.

Cost-sharing Explained

The ELCA Health Plan is self-insured (with the exception of the Medicare Advantage and Part D Drug Benefit). All costs incurred are covered by the plan. Cost-sharing describes, on average, what portion of health care costs is paid by employer health contributions and employer HSA contributions, and what portion is paid by members through out-of-pocket costs. Importantly, cost-sharing is a general measurement used to design health benefits for an entire population.
Different People Like Different Types of Coverage

Portico offers different health benefit options because we don’t all have the same health needs. In any given year:

- Some will need health care services and prescription drugs regularly based on their medical conditions
- Others will need them sporadically
- Some will need little to none

Our Platinum+ and Gold+ options, with their lower deductibles and prescription drug copayments and coinsurance, typically make out-of-pocket costs more manageable — a common concern for those who use health care more frequently.

Our Silver+ and Bronze+ options combine higher deductibles with a health savings account (HSA) — often a good fit for those who don’t use health care regularly and want to grow their HSA savings, tax-free, to cover unexpected, infrequent, or future health care needs.

Reminder: The ELCA’s new recommendation for 2021 only includes the Silver+ option if the sponsoring organization also makes a monthly contribution to the plan member’s HSA.

SOME PEOPLE REALLY WANT SILVER’S HSA
A health savings account (HSA) is a tax-advantaged account that pairs with a high-deductible health plan like Silver+. Both the organization and the plan member can contribute to this account on a pretax basis.

- Pretax member contributions lower taxable income.
- Members can withdraw money tax-free to pay for qualified medical expenses.
- Savings over $1,000 can be invested and earnings grow tax-free.

Plan members like the flexibility HSAs offer. They can use these dollars to pay for eligible health care expenses in the current plan year or save them to pay for future health care needs. After turning 65, they can continue to use HSA funds for qualified medical expenses or use them to pay for non-qualified expenses and certain premiums, paying only income tax on that money without incurring a tax penalty.
# Gold+ v. Silver+

## BOTH OPTIONS PROVIDE THE:

### SAME CATASTROPHIC PROTECTION
If you incur catastrophic costs that exceed your out-of-pocket limit, Gold+ and Silver+ will provide the same protection and you’ll pay the same out-of-pocket costs:
- **Member Only:** $4,300
- **Member+Spouse:** $5,000
- **Member+Child(ren):** $5,000
- **Family:** $8,600

### SAME PREVENTIVE CARE
Any eligible in-network preventive costs like checkups, vaccinations, screenings, and preventive generic drugs will be paid 100% by the plan under both options.

### SAME NETWORK, BENEFITS, & SERVICES
Both options provide access to medical, mental health, prescription drug & dental coverage, the same health care networks, care coordinators, text-based primary care, employee assistance program (EAP), chronic condition prevention and management programs.

## EMPLOYER CONTRIBUTION
Employers pay the cost of your coverage via monthly contributions.

## 2021 DEDUCTIBLE*
- **Gold+**
  - **Individual:** $1,300
  - **Member+Spouse:** $2,600
  - **Member+Child(ren):** $2,600
  - **Family:** $5,000
- **Silver+ Levels A & B**
  - **Single:** $2,500
  - **Member+Spouse:** $5,000
  - **Member+Child(ren):** $5,000
  - **Family:** $8,600

## FAMILY COVERAGE*
- **Gold+**
  - An individual in your family can reach an individual $1,300 deductible and have the plan start paying 80% of that person’s costs before the family reaches its family deductible.
- **Silver+ Levels A & B**
  - No individual deductible exists. You pay all costs (except preventive costs) until the family collectively hits the $5,000 family deductible.
  - The plan starts paying 80% of the family’s costs after the family reaches the family deductible.

## PRESCRIPTION DRUG COSTS
- **Gold+**
  - You pay copayments and/or coinsurance for prescription drugs, with the ELCA Health Plan paying part of the cost. Find 2021 details about copayments and coinsurance costs at PorticoBenefits.org/AnnualEnrollment.
- **Silver+ Levels A & B**
  - You pay the full negotiated price for a drug until you meet your deductible, which includes medical, mental health, and prescription drug costs.

## TAX-ADVANTAGED OPPORTUNITIES
- **Gold+**
  - Gold+ allows members to contribute pretax dollars to a tax-advantaged Health Flexible Spending Account (FSA), enabling them to reduce their taxable income while paying for health care with their own pretax dollars. Employers can’t contribute to this account, and any money not used during the plan year is lost. Members can access their full annual election Jan. 1.
- **Silver+ Levels A & B**
  - Silver+ allows eligible members to own and contribute pretax dollars to a health savings account (HSA), enabling them to reduce their taxable income while paying for health care with pretax dollars. Employers can also contribute money. The account belongs to the member, earns interest, and there is no use-it-or-lose-it with the HSA. Money is only available to pay claims once contributions have been made. When the account has $1,000 or more, the member can choose to invest it.

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*This information applies only to services provided by in-network providers. In-network and out-of-network benefits are separate.*
Sponsoring Organizations: Which Option to Choose?

It's, of course, up to individual members to decide which option is best for them. Understanding Portico's Annual Enrollment rules will help you give your members the chance to make that choice.

The Rules

• Your organization needs to choose one of four ELCA-Primary health benefit options.
• Members can accept that option or buy up to an option with a higher base price. However, they can't choose an option with a lower base price.

What This Means for Members

• Because Silver+ has a higher deductible, its base price is lower than that of Gold+. If your organization chooses Gold+, your members can't choose Silver+.
• When an organization chooses Silver+ with HSA Level A, the combination of the Silver+ base price and the monthly HSA contributions will, in many cases, bring the cost of Silver+ in line with the cost of Gold+. If your member chooses Gold+, we will bill your organization for the buy-up cost, and you can decide whether to deduct any buy-up cost from your members’ paychecks.

Bottom Line: If you want to give your plan members the option to choose Silver+, you’ll need to select Silver+ during Annual Enrollment.

Other Resources

View your Custom Comparison Report and accompanying Decision Guide on EmployerLink.

Portico offers a set of communal discernment resources to help you approach decision-making from a place of faith and community.

Please see IRS Publication Instruction Form 8889, Health Savings Accounts (HSAs) for more information.
Members: Which Option to Choose?

How you use health care is personal to you. Now that you understand the key differences between Gold+ and Silver+, ask yourself the following questions.

1. What is a rough estimate of my known or expected medical care and/or prescription drug costs?
   - By the end of 2020, I’ll have spent about $ _________ for expected medical and/or mental health care, excluding emergency-related care.
   - By the end of 2020, I’ll have spent about $ _________ on prescription drugs I take regularly, excluding drugs for unexpected events. Express Scripts offers a pricing tool (express-scripts.com/portico) to help your estimate the cost of your prescriptions in 2021.
   - I’m planning to spend about $ _________ on planned health care services next year.

2. How able am I to pay the higher out-of-pocket costs associated with Silver+ — especially early in the year when I’ve received only a portion of the HSA contributions I and my employer elected to contribute?
   - Do I have an existing HSA balance I can draw from?
   - Apart from monthly contributions I and my employer would make to my HSA, do I have sufficient savings, at the start of the plan year, to cover most of the Silver+ deductible?
   - Can I afford to make a one-time contribution to my HSA at the start of the year to create a short-term cushion?
   - If you have prescription drugs you fill regularly, ask Express Scripts: What is the full negotiated price I’ll pay until reaching my deductible?

3. How important is it to me to own an HSA, contribute pretax dollars to it, and, if possible, grow my savings over time?
   - If this appeals to you, give Silver+ a look regardless of your estimated health care costs.

Leban Gold+

... if your costs fall somewhere between the Gold+ deductible and the OOP limit. The plan will pay 80% of your costs at this point.

... if you use higher cost drugs, you won’t pay the full cost; you’ll pay a copayment for generic drugs and coinsurance for brand-name drugs and the plan will pay the remaining cost.

... if you have family coverage and do not have enough savings to meet the $5,000 medical and prescription drug Silver+ family deductible early in the year.

Leban Silver+

... if you expect little to no health care-related costs. Gold+ advantages aren’t as useful to you, and you’ll likely be able to save and grow your HSA balance.

... if you have enough savings to pay for higher medical and/or prescription drug costs until your and your employer’s pretax HSA contributions are enough to reimburse your costs.

... if your costs will likely exceed your out-of-pocket limit. You’ll be paying the same amount either way, so why not take advantage of the HSA?

Note: If you’ll be age 65 or older within 3 months following your enrollment in Silver+ and you enroll in Medicare, you’ll no longer be eligible for an HSA. Any employer contributions will be credited to your personal wellness account (legally a health reimbursement arrangement). In addition, you’ll be eligible to enroll in a health FSA.