

Group Insurance/ Benefits Plans

Paul Carlson & Christie Rice

*Diocese of
Des Moines*

*Group Health &
Welfare Plan*

LMC acts as our broker, Milliman is for actuarial studies, and Wellmark is our administrator.

Enrollment includes 72 priests and 598 employees, as of July 2017.

Grandfathered status allows us the ability to avoid adding coverage now called for in the ACA that contradicts church teachings.

- **Added the Employee Family Resources as a benefit to all participants**
- **All participating sites are required to provide at least \$25,000 term life insurance coverage for all eligible employees beginning in FY12**
- **Retention Fund invested at the Catholic Foundation of Southwest Iowa in Aug 2013**
- **A trust was created in June 2014 to add protections around the Reserve**

- **Moved voluntary dental coverage to self-funded in FY15**
 - **Enhanced Dental benefits to include 'To Go' rollover feature July 1, 2016**
- **Enhanced voluntary vision benefit with revised plan designs**
- **Expanded the classes of coverage to E & Spouse and E & Children in FY15**

- **Moved retired priests off of our group plan and onto a Medicare Supplemental plan in Jan 2016**
- **Began EFT premium payment for all employers with FY17**
- **Added Doctors on Demand in FY18**
- **Decision to participate in Wellmark's BDTC (Blue Distinction Total Care (ACO)) program**

**Diocese of Des Moines
Health and Welfare Trust
Retention Fund**

	<i>FY2013</i>	<i>FY2014</i>	<i>FY2015</i>	<i>FY2016</i>	<i>FY2017</i>
Self-funded Health Surplus	172,708	379,097	(288,523)	533,228	38,954
ACA fees and Trust expenses			(62,487)	(49,544)	(37,240)
Self-funded Dental Surplus			47,292	38,889	9,779
Inv Gain/Loss less fees	<u>216,895</u>	<u>220,954</u>	<u>(54,096)</u>	<u>(80,251)</u>	<u>439,920</u>
Annual Net Surplus (Deficit)	389,603	600,051	(357,814)	442,322	451,413
<i>Retention Fund</i>	3,873,288	4,473,339	4,115,525	4,557,847	5,009,260
HMO premium increase	0.0%	2.0%	0.0%	7.6%	3.9%
PPO premium increase	0.0%	2.0%	0.0%	5.5%	0.4%

FY2017 health insurance expense was \$5,842,063

*Diocese of
Des Moines*

*Group Property
& Liability Plan*

**The plan was formed in July 1982
with CMG and the approval
of Bishop Dingman.**

- **Risk Management Committee formed in November 2011**
- **Property Appraisals in 2013**
- **Special Events Policy amended in July 2016**
- **Cyber Liability coverage added FY15**
- **Increased deductible from \$1,000 to \$2,500 in FY17**

- **Revised the premium calculation by parish beginning in FY14**
- **Bishop asked all parishes to form a Safety Committee in June 2014**
- **Bishop asked all parishes to assign a Safety Coordinator in June 2015**
- **Retention Fund invested at the Catholic Foundation of SW IA in Aug 2013**
- **Safety Incentive Program initiated in May 2016**

**Diocese of Des Moines
Self-funded Property and Liability Plan**

<i>Premium Components</i>	<i>FY2013</i>	<i>FY2014</i>	<i>FY2015</i>	<i>FY2016</i>	<i>FY2017</i>	<i>FY2018</i>
Property	531,330	571,357	549,179	561,942	549,854	510,869
increased deductible					(30,000)	
Chancery	227,343	232,358	232,358	223,750	231,854	232,609
special event subsidy				11,250	11,250	11,250
Liability	232,358	225,886	225,684	220,684	221,713	226,055
<i>Total Premium</i>	991,031	1,029,601	1,007,221	1,017,626	984,671	980,783
		3.9%	-2.2%	1.0%	-3.2%	-0.4%
<i>Property Values</i>	\$ 481.4M	\$ 577.2M	\$ 582.3M	\$ 608.8M	\$ 615.4M	\$ 612.9M
		19.9%	0.9%	4.6%	1.1%	-0.4%
<i>Retention Fund</i>	\$ 770,641	\$ 838,330	\$ 818,941	\$ 874,640	\$ 979,067	

Diocese of Des Moines Worker's Compensation

	Wages (Millions)	Initial Premium	Prior Year Audit	Total
FY13	\$39.9	397,834	17,163	414,997
FY14	\$38.1	395,939	13,426	409,365
FY15	\$39.6	454,703	19,376	474,079
FY16	\$41.0	441,595	47,355	488,950
FY17	\$44.4	490,771	42,283	533,054
FY18	\$46.5	453,410		

Diocese of Des Moines

403(b) Retirement Plan

Significant Dates

- **May 21, 2008 - 1st committee meeting held to look at forming a group plan**
- **July 1, 2010 - Plan takes affect with the signing of an Adoption Agreement with Christian Brothers Services (CBS)**
- **Nov 17, 2015 - Ad-hoc Retirement Committee met for the first time to review the plan & arrangement with CBS**

- **Jan 14, 2016 – Retirement Committee reported that each participating employer in the plan retains significant responsibility and listed the following as concerns:**
 - **Not offering the plan when employees become eligible**
 - **Not deducting the amount selected by the employee on the deferral form**
 - **Not making the appropriate employer match**
 - **Not forwarding the payments in a timely manner**

- **Feb 22, 2017 - Following a committee recommendation, Bishop Pates sent a letter to all parishes and schools informing them of the move to a single match formula effective July 1, 2017. A phase-in period was allowed for schools.**

“50% of employee contribution up to 8% of Pay” DOES NOT MEAN:

Incorrect	Per Pay Period
Employee Compensation	\$3,400
Employee Contribution	\$400
(a) 50% of Employee Contribution	\$200
(b) 8% of Compensation	\$272
Employer Matching Contribution: Lesser of (a) or (b)	\$200

“50% of employee contribution up to 8% of Pay” MEANS:

Correct	Per Pay Period
Employee Compensation	\$3,400
Employee Contribution	\$400
(a) 50% of Employer Match	\$200
(b) Max Employer Match (50% of 8% of pay)	\$136
Final Employer Matching Contribution: Lesser of (a) or (b)	\$136

Next Steps...

- **Continue to work with employees to help them with retirement planning.**
- **Provide oversight of the administrative process to ensure all appropriate amounts are deposited in the employees retirement account in a timely manner.**
- **Form an advisory committee of parish staff and others with expertise to meet on a quarterly basis.**

VOLUNTEERS???

Plan Assets

\$29,000,000
\$27,000,000
\$25,000,000
\$23,000,000
\$21,000,000
\$19,000,000
\$17,000,000
\$15,000,000

9/1/2013

1/1/2014

6/30/2014

1/1/2015

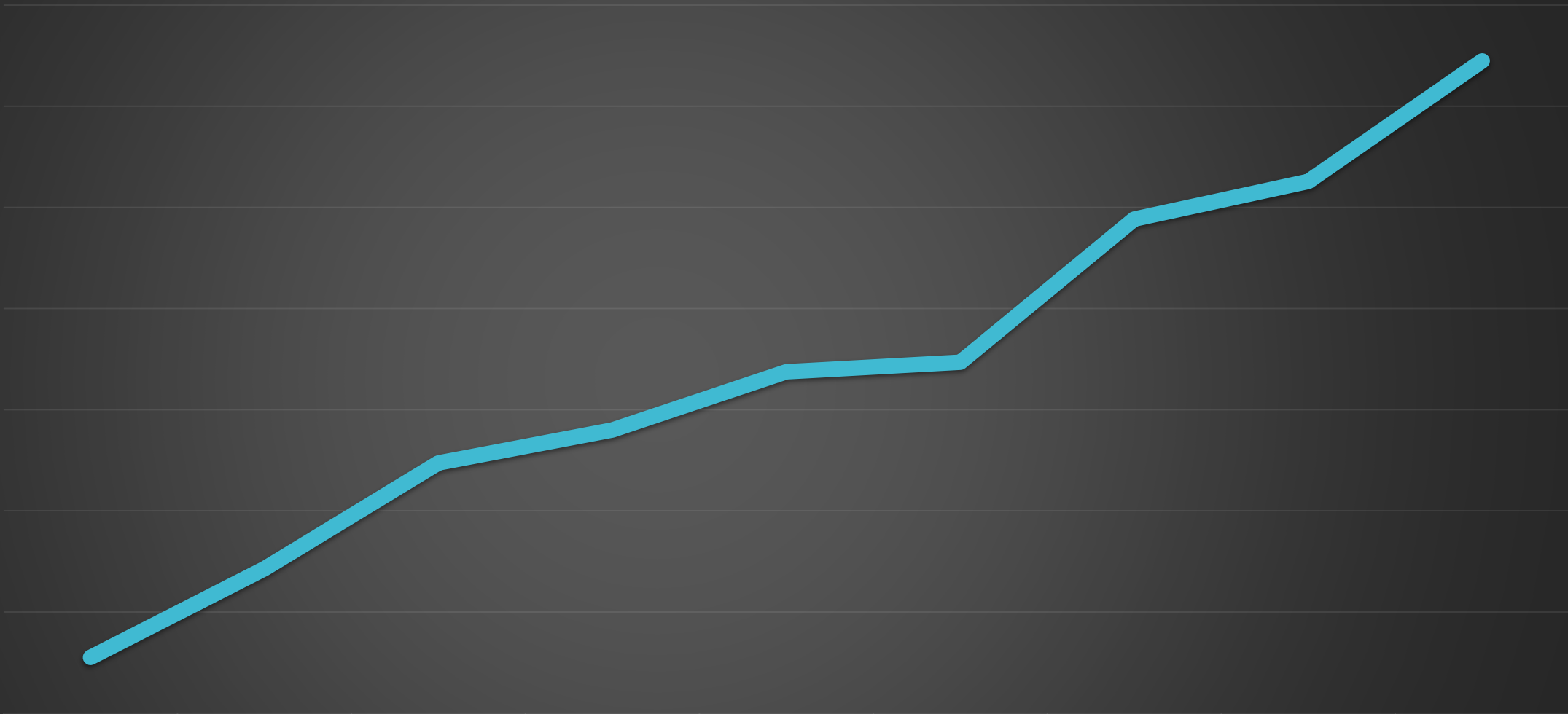
6/30/2015

1/1/2016

9/30/2016

2/1/2017

6/30/2017





THANK YOU!

QUESTIONS?