

EVANGELICAL LUTHERAN CHURCH IN AMERICA
CHURCH COUNCIL
September 18, 2012
4:00 PM Central Time
Chicago, Illinois
AGENDA

To join the online meeting

1. Go to <https://elcaorg.webex.com/elcaorg/j.php?ED=184730302&UID=492221612&RT=MIM3>
2. Enter your name and email address.
3. Click "Join".

To join the audio conference only

1. Toll-free: 1-866-469-3239
2. After the prompt, please enter the following access code: 809 156 906

For assistance

1. Go to <https://elcaorg.webex.com/elcaorg/mc>
2. On the left navigation bar, click "Support".

If you have any other issues, please contact John Hessian at john.hessian@elca.org or call 1-800-638-3522 ext. 2607

Participants

Voting Members

Mr. Paul G. Archer	Mr. Mark E. Johnson
Ms. Rebecca Jo Brakke	Pr. Susan Langhauser
Ms. Rebecca D. Carlson <i>excused</i>	Pr. Yvonne I. Marshall
Ms. Deborah L. Chenoweth	Ms. Susan W. McArver
Ms. Christine P. Connell	Pr. Raymond A. Miller
Pr. Rachel L. Connelly	Pr. Robert G. Moore
Bp. Jessica Crist	Mr. John S. Munday
Pr. Elizabeth E. Ekdale	Mr. Mark W. Myers
Ms. Marjorie B. Ellis	Pr. Linda O. Norman, Treasurer
Mr. John R. Emery	Mr. John M. Pederson
Mr. Gary D. Gabrielson	Mr. Carlos E. Peña, Vice President
Pr. Vicki T. Garber	Mr. Iván A. Pérez
Pr. Amsalu T. Geleta	Ms. Pamela E. Pritt
Ms. Karin L. Graddy	Ms. Feronika A. Raming
Pr. Joyce M. Graue	Pr. Laurie F. Skow-Anderson
Bp. Mark S. Hanson, Presiding Bishop	Mr. David D. Swartling, Secretary
Ms. Louise A. Hemstead	Pr. Kathryn A. Tiede
Pr. Stephen R. Herr	Pr. Philip R. Wold
Mr. William B. ("Bill") Horne II	

Liaison Bishops

Bp. William C "Chris" Boerger	Bp. Gerald Mansholt
Bp. Michael Burk	Bp. Stephen Talmage
Bp. Elizabeth Eaton	Bp. Harold Usgaard
Bp. Ralph Jones	Bp. Herman Yoos
Bp. Wilma Kucharek	

Youth and Young Adult Advisors

Ms. Amanda Briggs
Mr. Jacob Helsor
Mr. Tony Rhodes

Resource People

Office of the Presiding Bishop

Pr. M. Wyvetta Bullock, Assistant to the Bishop, Executive for Administration
Mr. Kenneth W. Inskip, Executive for Research and Evaluation
Pr. Marcus Kunz, Assistant to the Bishop for Theological Discernment
Ms. Kathryn Lohre, Director, Ecumenical and Inter-Religious Relations
Pr. Walter May, Assistant to the Bishop for the Conference of Bishops
Pr. Donald J. McCoid, Assistant to the Bishop for Ecumenical and Inter-Religious Relations
Ms. Jodi Slattery, Assistant to the Bishop for Governance
Ms. Else B. Thompson, Executive for Human Resources

Office of the Secretary

Pr. Ruth E. Hamilton, Assistant to the Secretary
Mr. Phillip H. Harris, General Counsel
Mr. Frank F. Imhoff, Manager, Official Documentation
Ms. Sue Rothmeyer, Assistant to the Secretary
Mr. David A. Ullrich, Associate General Counsel

Unit Executives

Pr. Stephen P. Bouman, Executive Director, Congregational and Synodical Mission
Ms. Christina Jackson-Skelton, Executive Director, Mission Advancement
Pr. Rafael Malpica-Padilla, Executive Director, Global Mission

Congregational and Synodical Mission Staff

Pr. Jonathan Strandjord, Program Director for Seminaries
Pr. Mark Wilhelm, Program Director for Schools

Separately Incorporated Ministries

Ms. Linda Post Bushkofsky, Executive Director, Women of the ELCA
Mr. Doug Haugen, Executive Director, Lutheran Men in Mission
Ms. Beth A. Lewis, President, Augsburg Fortress, Publishers
Ms. Eva M. Roby, President and CEO, MIF

Portico Benefit Services

Pr. Robert D. Berg, Assistant to the President for Church Relations
Ms. Jewelie A. Grape, General Counsel
Mr. Bradley J. Joern, Director, Products and Services
Pr. Jeffrey D. Thiemann, President and CEO

Press

Ms. Melissa Ramirez Cooper, Mission Advancement
Ms. Elizabeth M. Hunter, *The Lutheran* magazine
Mr. Daniel Lehmann, *The Lutheran* magazine

PLENARY SESSION ONE

September 18, 2012
4:00 p.m. – 5:30 p.m.

I.A Call to Order and Adoption of the Agenda

Agenda items have been distributed electronically and by mail. Additional items will be distributed at the meeting to the members of the Church Council and invited resource people.

CC ACTION

Recommended:

To adopt the agenda and to permit the chair to call for consideration of agenda items in the order the chair deems most appropriate.

I.B Updates from the Officers

I.B.1 Presiding Bishop Mark Hanson

I.B.2 Vice President Carlos Peña

I.B.3 Secretary David Swartling

I.B.4 Treasurer Linda Norman

I.C Items for Action

I.C.1 Health Care Benefits for Faculty and Staff of ELCA Seminaries

Since the inception of the ELCA, Portico has provided retirement and health care coverage for staff and employees of ELCA separately incorporated seminaries. (Since its merger with Lenoir-Rhyne University, Lutheran Theological Southern Seminary is a part of the university's retirement and health plans.) Currently, those benefits are provided by one program that includes most ELCA congregations, synods, and the churchwide organization, as well as seminaries. Health care coverage is identical for plan members in each of those organizations, if they participate in the plan. The terms and conditions of health care coverage are described in the ELCA Medical and Dental Benefits Plan.

At the request of seminary presidents, Portico president Pr. Jeff Thiemann and Portico staff began to engage in discussions with the separately incorporated seminaries prompted by concerns about the need of seminaries to better manage health care costs as part of their overall compensation and benefits strategies. Because seminaries are different in their employee composition and in issues relating to pay structure and mobility, among others, Portico and the seminaries began to explore various ways to identify new, creative, cost-effective, and flexible ways to meet the needs of the seminaries and their employees, while taking into account important issues such as employee recruitment, satisfaction, retention, stewardship of

finances, and other considerations. As these discussions continued, they focused on three key areas: alternative plan designs; pricing that more closely reflects the claims experience of the seminaries (which has been better than the experience of the other employers as a whole); and policies regarding benefit eligibility and level of employee contribution. These issues translated into three variables that could be adjusted: plan design, funding, and cost sharing.

In April, Portico submitted to the seminary presidents a Proposal for Providing Health Benefits to Faculty and Staff of ELCA Seminaries. (A copy of the revised and updated proposal dated July 12, 2012, amended August 13, 2012, is contained in [Exhibit A](#).) The pilot proposal for seminaries provides two plan options -- the current plan (PPO) and a high deductible plan with health savings accounts (HD/HSA). Seminaries would have the option to select either or both the PPO and HD/HSA plans. The different plan design options and features are described in Exhibit A. Additional background information from Portico is contained in the document, In Brief, which is [Exhibit B](#).

Portico believes that the pilot seminary plan proposal is timely in light of anticipated health care reform and recognizes both underlying guiding principles and the reality of the changing market place in providing health care benefits. The pilot proposal will allow seminaries and Portico to anticipate and prepare for the transition to health care reform, which will provide invaluable assistance and insight to this church as it looks towards changes in 2014. In addition, the proposed pilot program strengthens the relationship between wellness and costs, and therefore represents good stewardship of Portico and seminary resources and models a focus on healthy leaders.

A criterion for moving forward with Portico's proposed pilot program was agreement by all seminaries. They all now have agreed and therefore will participate in the new rate structure, if the Church Council approves the recommended action. Currently, two seminaries (Luther and PLTS) have indicated an intention to use the HD/HSA option. Action is required at this time in a special meeting of the Church Council because Portico and the seminaries need sufficient time to educate seminary plan members regarding the pilot program and to hold an open enrollment period beginning on November so that the coverage could take effect on January 1, 2013.

In order to implement the Portico proposed pilot program for seminaries, the ELCA Medical and Dental Benefits Plan must be amended in accordance with ELCA bylaw 17.20.02.b.. The amendments are in Section 17.20 and the Appendix of the plan documents. (The plan documents are in [Exhibit C](#).) A memorandum to the Church Council from Portico General Counsel Jewelie Grape summarizes the requested plan amendments. (See [Exhibit D](#).)

Because of the potential implications of the proposed pilot program for seminaries, Portico staff also has begun to re-examine its philosophy of benefits. At its November meeting, the Church Council appointed a philosophy of benefits task force consisting of the following members: Church Council members Marjorie Ellis and John Emery; Portico staff members Bob Berg and Brad Joern; Bishops Jon Anderson, Elizabeth Eaton, and Robert Rimbo; and Treasurer Linda Norman and Secretary David Swartling from the churchwide organization. They have begun to meet and consider possible revisions to Portico's philosophy of benefits. Given

uncertainties regarding the substance and timing of health care reform, it is anticipated that the task force will defer bringing a final report and recommendations to the Church Council until its spring meeting in 2013.

Because a special meeting is required to address the proposed pilot plan for seminaries, Portico requests that two other amendments be passed at the same time. One proposed amendment is to Section 11.06 of the ELCA Medical and Dental Plan and provides additional Medicare supplement benefit options for members. (See [Exhibit C](#).) The other proposed amendment is to the Restated ELCA Medical and Dental Benefits Trust to clarify that payments for wellness-related programs and activities can be made for members of the ELCA Pension and Other Benefits Program. (The proposed amendments to the Restated ELCA Medical and Dental Trust are [Exhibit E](#).)

The board of trustees of Portico approved the proposed amendments and requests their approval by the Church Council.

At a telephonic meeting on August 29, 2012, the Legal and Constitutional Review Committee heard from Portico staff regarding the proposed plan and trust amendments and recommended the actions below to the Church Council.

Portico president Pr. Jeff Thiemann and Portico staff will attend the meeting on September 18 to provide background information and to respond to questions.

Other background material may be found in Exhibits F-I.

CC ACTION

Recommended:

To receive the Proposal for Providing Health Care Benefits to Faculty and Staff of ELCA Seminaries as recommended by the Portico Benefit Services (Portico) board of trustees and endorsed by the presidents of the separately incorporated ELCA seminaries;

To thank and commend Portico and the seminaries for engaging in discussions of issues that are complex and difficult for this church and for society as a whole;

To approve proposed amendments to the ELCA Medical and Dental Benefits Plan, as reflected in Exhibit C, and to authorize a pilot program for providing health care benefits to staff and employees of ELCA seminaries that provides greater flexibility in plan design, contribution policy, and eligibility and cost-sharing options;

To commit that the Church Council will prepare proactively to address the challenges of health care reform and will encourage constructive discussion regarding the implications of health care reform among Portico plan members, congregations, synods, the churchwide organization, and agencies and institutions of this church;

To invite and encourage Portico and the seminaries of this church to engage in further conversations in order to search for imaginative solutions that recognize the evolving terrain of health care reform and economic realities; to explore and develop options that provide greater flexibility in plan design, contribution policy, eligibility, and cost-sharing options; to balance the sometimes conflicting considerations that exist in providing health care coverage and in delivering health care services within the expressions and institutions of this church; and to recognize the ongoing commitment of this church to healthy leaders and healthy institutions; and

To request Portico and the seminaries to make an interim report on the progress in implementing the pilot program at the April 2013 Church Council meeting and to make a report and recommendations regarding implementing plan changes as the result of health care reform at the November 2013 Church Council meeting.

CC ACTION

Recommended:

To approve proposed amendments (1) to Section 11.06 of the ELCA Medical and Dental Plan to provide additional Medicare supplement benefit options for members, as reflected in Exhibit C, and (2) to the Restated ELCA Medical and Dental Benefits Trust, as reflected in Exhibit E, to clarify that payments for wellness-related programs and activities can be made for members of the ELCA Pension and Other Benefits Program.

I.D. Announcements

Adjournment