

**EVANGELICAL LUTHERAN CHURCH
IN AMERICA**

Church Council

MINUTES

September 18, 2012

**Prepared by the
Office of the Secretary**

**EVANGELICAL LUTHERAN CHURCH IN AMERICA
CHURCH COUNCIL**

**MINUTES
September 18, 2012
Chicago, Illinois**

The seventy-sixth meeting of the Church Council of the Evangelical Lutheran Church in America (ELCA) was convened in the Council Room of the Lutheran Center at Chicago, Illinois, and by conference call. The purpose of this special meeting was to consider two proposed actions regarding amendments to the ELCA Medical and Dental Benefits Trust and the Restated ELCA Medical and Dental Benefits Plan.

ORGANIZATION OF MEETING

The following persons were present for all or part of the meeting:

Voting Members

Officers:

Pr. Mark S. Hanson, presiding bishop
Mr. Carlos E. Peña, vice president
Mr. David D. Swartling, secretary
Pr. Linda O. Norman, treasurer

Chair of the Conference of Bishops:

Pr. Jessica R. Crist, bishop of the Montana Synod

Church Council:

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
Pr. Elizabeth E. Ekdale	Mr. John S. Munday
Ms. Marjorie B. Ellis	Mr. Mark W. Myers
Mr. John R. Emery	Mr. John M. Pederson (<i>excused</i>)
Mr. Gary D. Gabrielson	Mr. Iván A. Pérez
Pr. Vicki T. Garber (<i>excused</i>)	Ms. Pamela E. Pritt (<i>excused</i>)
Pr. Amsalu T. Geleta	Ms. Feronika A. Raming
Ms. Karin Lynn Graddy	Pr. Laurie F. Skow-Anderson
Ms. Louise A. Hemstead	Pr. Kathryn A. Tiede
Pr. Stephen R. Herr	Pr. Philip R. Wold
Mr. William B. Horne II	

Representatives of the Conference of Bishops

Bp. Wm. Chris Boerger	Bp. Gerald L. Mansholt (<i>excused</i>)
Bp. Michael L. Burk	Bp. Stephen S. Talmage (<i>excused</i>)
Bp. Elizabeth Eaton	Bp. Harold L. Usgaard
Bp. Ralph E. Jones	Bp. Herman R. Yoos III
Bp. Wilma S. Kucharek	

Youth and Young Adult Advisors

Ms. Amanda A. Briggs (*excused*)
Mr. Jacob R. Halsor (*excused*)
Mr. Anthony (Tony) Rhodes

Resource Persons

Office of the Presiding Bishop:

Pr. M. Wyveta Bullock, executive for administration
Mr. Kenneth W. Inskeep, executive for research and evaluation (*excused*)
Pr. Marcus R. Kunz, assistant to the presiding bishop for theological discernment
Ms. Kathryn M. Lohre, director for ecumenical and inter-religious relations (*excused*)
Pr. Walter S. May, assistant to the presiding bishop for the Conference of Bishops (*excused*)
Pr. Donald J. McCoid, assistant to the presiding bishop for ecumenical and inter-religious relations (*excused*)
Ms. Jodi L. Slattery, assistant to the presiding bishop for governance
Ms. Else B. Thompson, executive for human resources (*excused*)

Office of the Secretary:

Pr. Ruth E. Hamilton, executive for Office of the Secretary administration
Mr. Phillip H. Harris, general counsel
Mr. Frank F. Imhoff, manager for official documentation
Ms. Sue E. Rothmeyer, executive for Office of the Secretary administration
Mr. David A. Ullrich, associate general counsel

Unit Executives:

Pr. Stephen P. Bouman, executive director, Congregational and Synodical Mission (*excused*)
Ms. Christina Jackson-Skelton, executive director, Mission Advancement (*excused*)
Pr. Rafael Malpica Padilla, executive director, Global Mission (*excused*)

Congregational and Synodical Mission:

Pr. Jonathan P. Strandjord, program director for seminaries
Pr. Mark N. Wilhelm, program director for schools

Separately Incorporated Ministries:

Ms. Linda Post Bushkofsky, executive director, Women of the ELCA (*excused*)
Mr. Doug Haugen, executive director, Lutheran Men in Mission
Ms. Beth A. Lewis, president, Augsburg Fortress, Publishers (*excused*)
Ms. Eva M. Roby, president, Mission Investment Fund (*excused*)
Pr. Jeffrey D. Thiemann, president, Portico Benefit Services

Portico Benefit Services:

Pr. Robert D. Berg, assistant to the president for church relations
Ms. Jewelie A. Grape, general counsel (*excused*)
Mr. Bradley J. Joern, director for products and services

Council of Seminary Presidents:

Pr. Mark R. Ramseth, president, Trinity Lutheran Seminary

Press:

Ms. Melissa Ramirez Cooper, Mission Advancement (*excused*)
Ms. Elizabeth M. Hunter, *The Lutheran* magazine (*excused*)
Mr. Daniel J. Lehmann, editor, *The Lutheran* magazine (*excused*)

CALL TO ORDER AND ADOPTION OF THE AGENDA

(Agenda I.A.)

Background:

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

Church Council Action:

Mr. Carlos E. Peña, vice president of ELCA and chair of the Church Council, called the meeting to order at 4:11 P.M. (Central Daylight Time).

At the invitation of the chair, the Rev. Mark S. Hanson, presiding bishop of the ELCA, opened the meeting with prayer.

Vice President Peña called the roll, reminded the participants of the protocols for meeting by conference call, and introduced the proposed agenda.

Mr. David D. Swartling, secretary of the ELCA, moved adoption of the agenda.

Moved;

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

There being no discussion, the chair called for the vote.

VOTED:

CC12.09.20 To adopt the agenda and to permit the chair to call for consideration of agenda items in the order the chair deems most appropriate.

Vice President Peña declared the motion was approved.

UPDATES FROM OFFICERS

PRESIDING BISHOP

(Agenda I.B.1.)

Vice President Carlos E. Peña invited Presiding Bishop Mark S. Hanson to present the Executive Committee with an update. The presiding bishop said:

“On August 20, 2012, we held the first meeting of the Executive Committee of the Church Council, the Executive Committee of the Conference of Bishops, and the Administrative Team, facilitated by Ms. Christine Grumm. I think it was a very fruitful day. We looked ahead to 2020 and began to imagine the church God is calling us to be and what kind of world it will be. We also spent time looking at how we can deepen our collaboration and shared leadership in this church. We will meet again in December. I think this is a very positive step forward in the way that we view shared leadership in this church. The Conference of Bishops’ Executive Committee and the Administrative Team will have a meeting before the Conference of Bishops meeting [in October 2012].

“The mission funding task force is working very hard to complete its report and recommendations. We want to have those for the Conference of Bishops. I think it has been very substantial work, considering many options in light of the work the Church Council assigned to us. I look forward to good conversation with the Conference of Bishops and then with the Church Council.

“The synod communicators met in Chicago in August. We continue to get very positive response to our messaging plan. They want to bring that back to the synods. We look forward to that continued growth in the way that we talk about ourselves as a church engaged in mission.

“Back to the mission funding task force, thank you to Ms. Louise Hemstead for chairing that task force.

“Last night, I returned from China, where I was for a week with Pr. Rafael Malpica Padilla [executive director of the Global Mission unit]. It reminds me of how blessed we are to be a church so deeply connected globally. It is probably a story we have not told as well as some other stories—this growing relationship with the Sichuan Christian Council. That’s been a very positive thing and a story that I look forward to telling more in the future.

“We are into the 25th anniversary theme, ‘Always Being Made New—25 years together in Christ.’ We look forward to opportunities for that to deepen our sense of appreciation for our ‘rootedness’ and also God’s unfolding mission.

“This is also the season of installing new bishops and inaugurating new university presidents. Those become occasions for celebrating our partnerships in mission.”

There being no questions or comments, Vice President Peña thanked the presiding bishop for his report.

VICE PRESIDENT

(Agenda I.B.2.)

Vice President Carlos E. Peña reported that Ms. Kathryn M. Lohre, director for ecumenical and inter-religious relations, and he had attended a meeting of the Central Committee of the World Council of Churches at the Orthodox Academy of Crete in Kolympari, Greece. He also mentioned work of the Church Council’s Executive Committee in preparation for the November 2012 meeting of the council.

SECRETARY

(Agenda I.B.3.)

Vice President Carlos E. Peña asked Secretary David D. Swartling for a brief report.

Secretary Swartling told the council that the “Toolkit for Synod Bishop Elections” was developed and posted online to assist synods as they plan for assemblies that will include the election of a bishop. He also introduced Ms. Sue E. Rothmeyer, associate in ministry, as the new executive for Office of the Secretary administration, and he thanked the Rev. Ruth E. Hamilton for her years of service in that position.

There being no questions or comments for Secretary Swartling, Vice President Peña thanked the secretary for his update.

TREASURER

(Agenda I.B.4.)

Vice President Carlos E. Peña called on the Rev. Linda O. Norman, treasurer of the ELCA, for a financial update.

Treasurer Norman said that mission support was projected to be on budget, which was slightly less than mission support during the same period the previous year. She indicated that giving associated with ELCA World Hunger, the Youth Gathering, and the ELCA Malaria Campaign was at or better than what was anticipated.

There being no comments or questions for the treasurer, Vice President Peña thanked the officers for their reports.

HEALTH CARE BENEFITS FOR FACULTY AND STAFF OF ELCA SEMINARIES

(Agenda I.C.1.; Exhibits A–I)

Background:

Since the formation of this church, the ELCA Board of Pensions (Portico Benefit Services) has provided retirement and health care coverage for staff and employees of the ELCA’s separately incorporated seminaries. (When Lutheran Theological Southern Seminary, Columbia, S.C., became part of Lenoir-Rhyne University, Hickory, N.C., its staff and employees became members of the university’s retirement and health plans.) Portico provides benefits through 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.

Seminary presidents asked the Rev. Jeffrey D. Thiemann, president of Portico Benefit Services, and Portico staff to engage in discussions about the need of seminaries to better manage their health care costs as part of their overall compensation and benefits strategies. Because each seminary is different in such employee issues as composition, pay structure, and mobility, 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. They also took into account important issues such as employee recruitment, satisfaction, retention, stewardship of finances, and other considerations. As these discussions continued, Portico and the seminaries focused on three key areas: alternative plan designs; pricing that more closely reflects the claims experience of the seminaries; 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.

Portico submitted to the seminary presidents a Proposal for Providing Health Benefits to Faculty and Staff of ELCA Seminaries. (Exhibit A is the proposal submitted on July 12, 2012, and revised on August 13, 2012.) The pilot proposal for seminaries provides two plan options—the current plan (Participating Provider Option or 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. Exhibit A outlines the different plan design options and features. “In Brief,” Exhibit B, provides additional background information from Portico.

Portico staff has stated that the pilot seminary plan proposal is timely in light of anticipated health care reform. It also took into account the underlying guiding principles and reality of the changing market place in providing health care benefits. The pilot proposal is to 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 toward health care 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. All seminaries have now agreed and will participate in the new rate structure, if the Church Council approves the recommended action. Luther Seminary, St. Paul, Minnesota, and Pacific Lutheran Theological Seminary, Berkeley, California, have indicated an intention to use the HD/HSA option. Church Council action is required at this time to provide Portico and the seminaries sufficient time to educate seminary plan members regarding the pilot program and to hold an open enrollment period beginning in November so that the coverage may 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 in Exhibit C. A memorandum (Exhibit D) to the Church Council from Ms. Jewelie Grape, general counsel for Portico, summarizes the requested plan amendments.

The potential implications of the proposed pilot program for seminaries also prompted a reexamination of the ELCA Philosophy of Benefits. At its November 2011 meeting, the Church Council appointed members Ms. Marjorie B. Ellis and Mr. John R. Emery to the Board of Pensions’s task force on the evaluation of the Philosophy of Benefits. The task force included Portico staff members Pr. Robert D. Berg, assistant to the president for church relations, and Mr. Bradley J. Joern, director for products and services; the Rev. Jon V. Anderson, bishop of the Southwestern Minnesota Synod, the Rev. Elizabeth A. Eaton, bishop of the Northeastern Ohio Synod, and the Rev. Robert A. Rimbo, bishop of the Metropolitan New York Synod; and Treasurer Linda O. Norman and Secretary David D. Swartling of the churchwide organization. The task force met and considered possible revisions to the ELCA 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.

Church Council action is also required at this time to address two proposed amendments to implement the proposed pilot plan for seminaries in 2013. One proposed amendment is to Section 11.06 of the ELCA Medical and Dental Benefits Plan and provides additional Medicare supplement benefit options for members. 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 board of trustees of Portico approved the proposed amendments and requested their approval by the Church Council.

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

The exhibits are titled:

- Exhibit A—Proposal for Providing Health Benefits to Faculty and Staff of ELCA Seminaries
- Exhibit B—“In Brief,” 2013 Health Plan Pilot for Seminaries
- Exhibit C—ELCA Medical and Dental Benefits Plan: Plan Document (with proposed amendments)
- Exhibit D—Memo from Jewelie Grape on Description of Amendments, August 14, 2012
- Exhibit E—Restated ELCA Medical and Dental Benefits Trust (with proposed amendments)
- Exhibit F—Summary of ELCA Philosophy of Benefits, July 2012
- Exhibit G—Summary of Health Care Social Statement, *Caring for Our Health: Our Shared Endeavor* (2003)
- Exhibit H—Summary of Economic Life Social Statement, *Sufficient, Sustainable Livelihood for All* (1999)
- Exhibit I—Affordable Care Act Timeline

Church Council Action:

Vice President Carlos E. Peña called on Mr. Mark E. Johnson, chair of the Legal and Constitutional Review Committee, who reviewed the background information. Mr. Johnson introduced the Rev. Jeffrey D. Thiemann, president of Portico Benefit Services, who in turn introduced the Rev. Robert D. Berg, assistant to the president for church relations, and Mr. Bradley J. Joern, director for products and services.

Pr. Thiemann noted that significant changes to the costs or benefits defined in the ELCA Medical and Dental Benefits Trust and the Restated ELCA Medical and Dental Benefits Plan required approval of both the Portico Benefit Services board of trustees and the Church Council. The pilot program being proposed for seminaries in 2013 included significant changes in the plan, and timing issues required this special meeting of the Church Council.

Pr. Thiemann described the collaboration between the seminaries and Portico Benefit Services to address the unique health care costs and needs of the seminaries and to develop the proposed amendments to the benefits plan. He explained that the immediate actions would also help Portico Benefit Services prepare for federal health care reforms planned for 2014 with an emphasis on wellness and healthy leaders.

Mr. Johnson stated that Pr. Thiemann and staff of Portico Benefit Services had made a detailed presentation to the Legal and Constitutional Review Committee and had satisfactorily answered the committee’s questions.

Ms. Louise A. Hemstead recalled from Pr. Thiemann’s remarks that Luther Seminary would make first-year contributions into a health savings account, and she asked whether Pacific Lutheran Theological Seminary (PLTS) would make similar contributions.

Mr. Joern replied that PLTS was still evaluating its potential contribution to the plan.

Pr. Thiemann also responded that, with Church Council approval, PLTS will offer both the HD/HSA and PPO options while Luther Seminary will transition all its employees to the HD/HSA plan.

The Rev. Herman R. Yoos III, bishop of the South Carolina Synod, asked when the other seminaries will be able to participate in the HD/HSA plan.

Pr. Thiemann answered that all seminaries have the opportunity, however, only Luther Seminary and PLTS have chosen to participate in the 2013 pilot program. All seminaries will be included in the rate class based on the claims experience of seminaries; that element does not require Church Council approval.

The Rev. Mark R. Ramseth, president of Trinity Lutheran Seminary, Columbus, Ohio, added that all seminaries had the opportunity to participate in the pilot program. Some employees of Trinity Lutheran Seminary came to the seminary because of its current plan with Portico Benefit Services, so the seminary opted to continue with that plan.

Secretary David D. Swartling made the following motion.

Moved;

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

After a brief discussion of the differences between this motion and the next proposed action, the chair called for the vote.

VOTED:

CC12.09.21

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

Vice President Peña declared the motion was adopted.

Addressing the second proposed action, Pr. Thiemann explained that retirees currently have one plan to supplement Medicare and had asked for several plans, such as one that costs more with more benefits and another that costed less with fewer benefits. The proposal would establish two such additional supplemental plans.

Secretary Swartling made the following motion.

Moved;

Seconded: To approve proposed amendments (1) to Section 11.06 of the ELCA Medical and Dental Benefits 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.

Mr. Johnson drew attention to that portion of the proposal that would confirm payments for wellness programs. There being no further discussion, the chair called for the vote.

VOTED:

CC12.09.22 To approve proposed amendments (1) to Section 11.06 of the ELCA Medical and Dental Benefits Plan to provide additional Medicare supplement benefit options for members, as reflected below, and (2) to the Restated ELCA Medical and Dental Benefits Trust, as reflected below, to clarify that payments for wellness-related programs and activities can be made for members of the ELCA Pension and Other Benefits Program.

ELCA Medical and Dental Benefits Plan

ARTICLE XI: MEDICARE SUPPLEMENT BENEFITS

Section 11.06 Medicare Supplement Benefit Options. The Plan shall provide the Medicare Supplement Benefit Options for Members as shown in the Appendix. A Retired Member or Coverage Continuation Member may choose from Medicare Supplement Benefit Options for the following calendar year during an annual enrollment period designated by the Plan or for the remainder of the calendar year upon new eligibility for ELCA Medicare-Primary Benefits midyear. Once a Medicare Supplement Benefit Option is selected, such option cannot be changed midyear. Notwithstanding the above, a Sponsored Member, Sponsored Disabled Member or a Member who is On Leave from Call will have the standard Medicare Supplement Benefit only. Members who do not choose a Medicare Supplement Benefit Option during the designated enrollment period or within 60 days of new midyear eligibility for ELCA Medicare-Primary Benefits shall be enrolled in the standard Medicare Supplement Benefit.

ARTICLE XVII: MISCELLANEOUS PROVISIONS

Section 17.20 Special Provisions for Members Employed by an ELCA seminary.

- (a) Effective January 1, 2013, Sponsored Members who are employed by an ELCA seminary may have benefit option(s) provided by the Plan which may have different Deductible Amounts, Percent Copayments, Copayments and Out-of-Pocket Amounts than those described in Article X. The Deductible Amounts, Percent Copayments, Copayments and Out-of-Pocket Amounts for ELCA seminary options are specified in the Appendix.
- (b) Deductible Amounts and Percent Copayments incurred while covered under an ELCA seminary option that is not ELCA-Primary Medical and Mental Health Benefits shall be applied to the Member who changes mid-year to ELCA-Primary Benefits Coverage due to a change in employment.
- (c) Notwithstanding the provisions of Section 3.01, an ELCA seminary shall determine which employees, in a manner approved by Portico Benefit Services, are eligible to participate in the Plan as Sponsored Members.
- (d) During an enrollment period specified by Portico Benefit Services, ELCA seminary Sponsored Members will elect an option for the following calendar year. Such election cannot be changed midyear while the employee is sponsored by the ELCA seminary.
- (e) Notwithstanding Section 7.03, where two Members are married to each other or are in an Eligible Same Gender Partnership and one is employed by an ELCA seminary; or where a Sponsored Member is employed by two or more Participating Employers including an ELCA seminary, the ELCA seminary shall pay the full contribution rate based on the Sponsored Member's Defined Compensation.
- (f) Notwithstanding Section 7.01, the ELCA seminary may require that Sponsored Members pay a portion of contributions associated with this Plan.
- (g) The provisions of this Section 17.20 do not affect ELCA seminary Sponsored Member's participation in the ELCA Retirement Plan, the ELCA Disability Benefits Plan, or the ELCA Survivor Benefits Plan, or his/her eligibility for benefits under this Plan before or after a period of employment with an ELCA seminary.

APPENDIX		
Certain Amounts Related to Benefits		2013
<u>Section 11.02</u>	<u>Deductible for Eligible Medical Expenses Under Medicare Supplement Coverage</u>	
	● <u>Option 1—Per Member</u>	<u>\$0</u>
	● <u>Option 2—Per Member</u>	<u>\$180</u>
	● <u>Option 3—Per Member *Member is responsible for Medicare Part B deductible and 25% of Medicare Part A deductible</u>	<u>*</u>

<u>Section 11.02</u>	<u>Percent Copayments for Eligible Expenses Under Medicare Supplement Coverage</u>	
	● <u>Option 1—Per Member</u>	<u>0%</u>
	● <u>Option 2—Per Member</u>	<u>20%</u>
	● <u>Option 3—Per Member</u>	<u>25%</u>
<u>Section 11.03</u>	<u>Maximum Out-of-Pocket Amount for Eligible Medical Expenses Under Medicare Supplement Coverage</u>	
	● <u>Option 1—Per Member</u>	<u>\$0</u>
	● <u>Option 2—Per Member</u>	<u>\$3,500</u>
	● <u>Option 3—Per Member</u>	<u>\$2,330</u>

<u>Section 17.20</u>	<u>Special Provisions for Members Employed by an ELCA seminary—High Deductible Health Plan Option</u>	
	● <u>Deductible for In-network Eligible Medical and Mental Health Expenses and Prescription Drug Expenses Other Than Preventive Services</u>	
	○ <u>Per Member</u>	<u>\$2,000</u>
	○ <u>Family Maximum</u>	<u>\$4,000</u>
	● <u>Percent Copayments for In-network Eligible Medical and Mental Health Expenses and Prescription Drug Expenses</u>	
	○ <u>Member percent copayment for applicable in-network medical and prescription drugs in excess of the deductible</u>	<u>20%</u>
	● <u>Maximum Out-of-Pocket Amount for In-network Eligible Medical and Mental Health Expenses and Prescription Drug Expenses</u>	
	○ <u>Per Member</u>	<u>\$2,500</u>
	○ <u>Family Maximum</u>	<u>\$5,000</u>
	● <u>Deductible for Out-of-network Eligible Medical and Mental Health Expenses and Prescription Drug Expenses Other Than Preventive Services</u>	
	○ <u>Per Member</u>	<u>\$4,000</u>
	○ <u>Family Maximum</u>	<u>\$8,000</u>

	<ul style="list-style-type: none"> ● <u>Percent Copayments for Out-of-network Eligible Medical and Mental Health Expenses and Prescription Drug Expenses</u> 	
	<ul style="list-style-type: none"> ○ <u>Member percent copayment for applicable in-network medical and prescription drugs in excess of the deductible</u> 	<u>40%</u>
	<ul style="list-style-type: none"> ● <u>Maximum Out-of-Pocket Amount for Out-of-network Eligible Medical and Mental Health Expenses and Prescription Drug Expenses</u> 	
	<ul style="list-style-type: none"> ○ <u>Per Member</u> 	<u>\$5,000</u>
	<ul style="list-style-type: none"> ○ <u>Family Maximum</u> 	<u>\$10,000</u>

Restated ELCA Medical and Dental Benefits Trust

ARTICLE I: GENERAL

Section 1.03 Purpose. This Medical Benefits Trust is formed exclusively for religious and charitable purposes and in connection therewith exclusively for the benefit of, and to assist in carrying out the purposes of, the Evangelical Lutheran Church in America (the “ELCA”), an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, by providing medical and dental benefits and wellness-related programs and activates to employees of the ELCA and other organizations described in Section 501(c)(3) of the Internal Revenue Code of 1986, that are affiliated with the ELCA (including its member congregations, colleges, schools, and social service organizations), ordained ministers on the ELCA roster, ELCA rostered laypersons, other eligible employees, and to other 501(c)(3) organizations operated exclusively for religious purposes. . . .

ARTICLE II: MEDICAL AND DENTAL BENEFITS TRUST

Section 2.04 No Diversion. This Medical Benefits Trust shall be for the exclusive purpose of providing benefits to members under the Medical Benefits Plan and their beneficiaries, for providing wellness-related programs and activities for members of the ELCA Pension and Other Benefits Program and defraying reasonable expenses of administering or operating the Medical Benefits Plan. For purposes of this Medical Benefits Trust, the expenses of administering or operating the Medical Benefits Plan shall be paid from contributions made to the Medical Benefits Plan or from assets held in this Trust under the Medical Benefits Plan. Such expenses shall include, without in any way limiting the generality of the foregoing, any and all expenses relating to the preparation of Medical Benefits Plan amendments (whether required by law or otherwise), and any costs relating to the design, maintenance or termination of the Medical Benefits Plan (including the costs associated with a change in the persons or organizations from time to time providing services to the Medical Benefits Plan). Such

expenses may also include premiums for the bonding of officials of the Medical Benefits Plan as required by any applicable law. No part of the corpus or income of this Medical Benefits Trust may be used for, or diverted to, purposes other than for the exclusive benefit of members or their beneficiaries and for providing wellness-related programs and activities for members of the ELCA Pension and Other Benefits Program.

ARTICLE III: TRUSTEE

Section 3.01 General Responsibility. Except as expressly otherwise provided, the general responsibilities of the Medical Benefits Trustee shall be as follows:

...

(c) The Medical Benefits Trustee shall disburse monies and other properties from this Medical Benefits Trust on direction of Portico Benefit Services pursuant to the provisions of the Medical Benefits Plan and for wellness-related programs and activities established by Portico Benefit Services, to the payee or payees specified by Portico Benefit Services in directions to the Medical Benefits Trustee, in such form as the Medical Benefits Trustee may reasonably require. The Medical Benefits Trustee shall be under no liability for any distribution made by it pursuant to such directions and shall be under no duty to make inquiry as to whether any distribution made by it pursuant to any such direction is made pursuant to the provisions of the Medical Benefits Plan. The payee's receipt of the distributions shall constitute a full acquittance to the Medical Benefits Trustee.

Section 3.04 Expenses. The Medical Benefits Trustee shall be entitled to reimbursement for all reasonable and necessary costs, expenses, and disbursements incurred by it in the performance of its services as Medical Benefits Trustee or in any other capacity in connection with the Medical Benefits Plan or wellness-related programs and activities established by Portico Benefit Services as may be agreed upon with Portico Benefit Services. Such reimbursements shall be paid from this Medical Benefits Trust if not paid directly by Portico Benefit Services or Participating Employers in such proportions as Portico Benefit Services shall determine, and shall constitute a lien upon this Medical Benefits Trust until paid.

ARTICLE VI: MISCELLANEOUS

Section 6.04 Fiduciary Standards. Each fiduciary shall discharge her/his duties with respect to this Medical Benefits Trust, solely in the interests of the members and in accordance with the following requirements:

(a) For the exclusive purpose of providing benefits to members and their beneficiaries in the Medical Benefits Plan, for providing wellness-related programs and activities for members of the ELCA Pensions and Other Benefits Program, and defraying reasonable expenses of administering this Medical Benefits Trust,

...

(d) In accordance with the provisions of this Medical Benefits Trust and the ELCA Medical and Dental Benefits Plan and any wellness-related programs and activities established by Portico Benefit Services.

Section 6.05 **Administrative Fee Paid to Portico Benefit Services.** The Portico Benefit Services shall be paid a reasonable fee by this Medical Benefits Trust for the administrative services provided by Portico Benefit Services to the Medical Benefits Plan, wellness-related programs and activities established by Portico Benefit Services and this Medical Benefits Trust, including a fee for informing the employees and employers of the availability of the Medical Benefits Plan. The fee charged to this Medical Benefits Trust shall constitute a lien upon this Medical Benefits Trust until paid.

ARTICLE VII: AMENDMENTS AND TERMINATION

Section 7.01 **Amendments.** This Medical Benefits Trust may be amended at any time and from time to time as follows; provided, however, that no such amendment shall cause any part of the corpus or income of this Medical Benefits Trust to be diverted to purposes other than the payment of benefits to members under the Medical Benefits Plan and their beneficiaries, for providing wellness-related programs and activities for members of the ELCA Pension and Other Benefits Program, or reasonable expenses of administration of the Medical Benefits Plan:

...

Vice President Peña declared the motion was adopted. The chair thanked Pr. Thiemann and Mr. Johnson for their presentations.

ANNOUNCEMENTS

(Agenda I.D.)

Vice President Carlos E. Peña had no announcements other than those provided during the officers' updates.

ADJOURNMENT

(Agenda I.E.)

The seventy-sixth meeting of the Church Council of the Evangelical Lutheran Church in America (ELCA) was adjourned at 4:51 P.M. (Central Daylight Time) on Tuesday, September 18, 2012.