

April 5, 2021

To: Congregational Presidents, Treasurers, Ministers, and Administrators
From: Reverend Richard Nugent, Director, UUA Office of Church Staff Finances
Re: July Health Plan Premium Adjustment

Dear Friends and Colleagues:

I write with difficult, but honest, news for congregations participating in the UUA Health Plan.

Last fall, the UUA Employee Benefits Trust (Health Plan Committee) struggled to set the 2021 rates for the UUA Health Plan. In addition to so many personal tragedies and organizational challenges arising from the pandemic, health plans – ours and others – wrestled to make sense of the effects of COVID-19. There were many variables to take into consideration: On the one hand, there were the direct medical and prescription costs associated with COVID-19. On the other hand, there were savings from postponed procedures and appointments. On top of these uncertainties, the UUA Health Plan had experienced an extraordinarily large number of high-cost claims in 2020. Our Unitarian Universalist theology proclaims that we are stronger together and this interdependence compels us to support each other through catastrophic health events.



Given the circumstances, the UUA Health Plan Committee decided not to raise rates in January 2021, because we were uncertain what the effects of COVID-19 would mean to our Health Plan in 2021. The Committee didn't want to increase rates unnecessarily, recognizing the financial challenges faced by many of our congregations and participating employers. We hoped for the best, but the reality turned out to be more complicated.

In communicating the decision not to raise rates in January, the UUA Health Plan advised congregations that rates might be adjusted by as much as 10% in July. A few days ago, the Committee reviewed recent claims data and took the difficult decision to raise premiums for all ages and plan levels by 10%, effective July 1, 2021. The July invoices will reflect the new rates. We recognize this might be startling news to some, but please consider that this effectively means an increase of 5% for calendar year 2021; this is comparable to the commercial marketplace rate increases for calendar year 2021.

For the coming year, we expect to return to the normal schedule of raising premiums only in January. The UUA Health Plan Committee will meet in October to set rates for 2022. In the meantime, the UUA Health Plan Staff will be thoroughly reviewing high-cost claims to ensure providers have billed appropriately. Of course, we will do our best to minimize any increase in the 2022 premiums.

We know that the news of a significant premium increase is challenging to our participating congregations/employers and their staff. We understand the financial uncertainty that many of our congregations find themselves in. That said, the UUA Health Plan has raised base premiums by only 11.1% over the previous 5 years, which is something we are quite proud of given our extraordinarily comprehensive benefits package.

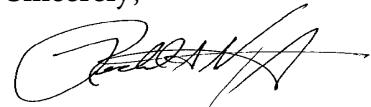
The UUA plan is self-insured, which means that its benefits can be reflective of our progressive religious values. Our Health Plan Committee, appointed by the UUA Board, determines benefits as well as premiums. Our health plans provide excellent benefits and outstanding customer service to plan participants. Few health plans offer the opportunity to talk directly with the health plan director when problems arise! We are proud to make such a robust health plan benefit available to participating UU congregations and UU-related employers.

Please be sure to inform participating staff of this change as employee deductions will be affected starting in July.

For more information, please don't hesitate to contact Jim Sargent, the UUA Health Plan Director, or myself. Jim can be reached at (617) 948-6405 or jsargent@uua.org. I can be reached at (617) 948-6456 or rnuagent@uua.org.

We are stronger together.

Sincerely,



Rev. Richard A. Nugent
Director, UUA Office of Church Staff Finances