

Episcopal Diocese of Michigan

COLA

Payroll Fee

Healthcare Changes

Growth & Income Dividend



DIOCESAN STAFF



Crystal Ramirez
Director of Human Resources



Chris Ventura
Chief Financial Officer

COLA

- Starting last year Diocese recommended following Social Security COLA increases
- Current estimate for 2027 Social Security COLA is between 3.4% and 3.6%
- The Diocese is recommending a **3.5%** COLA for 2027
 - This is the amount budgeted for staff

Most current estimates place the 2027 Social Security COLA between 3.4% and 3.6%, with AARP and The Senior Citizens League commonly projecting 3.5%–3.6%. This range reflects inflation data through mid-2026 and would represent the largest increase since 2023.

Overview of 2027 COLA Estimates

- **AARP estimate:** 3.5%–3.6% based on CPI-W data through August 2026.  24/7 Wall St. +1
- **Senior Citizens League (TSCL):** 3.5%–3.6% depending on inflation trends.  24/7 Wall St. +1
- **Independent analyst Mary Johnson:** 3.4%–3.6% after updated CPI-W readings.  CNBC
- **CNBC analysis:** 3.4%–3.6% based on moderating inflation.  CNBC
- **Quartz / NYT summary:** 3.6% projection, largest since 2023.  Quartz

PAYROLL PROCESSING COSTS

Current State

- Fee from Diocese for Payroll Processing is \$3.00 per employee payroll transaction (typically one per pay cycle)
- Assessment has been in place since at least 2012
- ADP Charges \$3.47 per employee transaction
 - ADP charges \$11/month for local jurisdiction fees
 - ADP charges \$5/employee/year with a minimum of \$37.50 per company code for year end reporting (W-2, etc.)
- Diocese has absorbed the excess costs not covered through the assessment

Future State

- Fee from Diocese for Payroll Processing to increase to **\$4.00** per employee payroll transaction
 - This rate is projected to cover the current fees charged by ADP
- Increase of \$1 per employee payroll transaction -> increase of \$24 per employee annually

Note: Rate does not account for the value provided to congregations for the assistance and processing which the Diocese offers in setting up and running payroll for each congregation

HEALTHCARE 3-YEAR ROLLOUT PLAN

Year 1 (2026) – Initial Transition

Plan Changes

- All **Diocesan Staff** moved to **PPO 80** and two **HSA** options (**CDHP-15/HSA** and **CDHP-20/HSA**).
 - HSA deductible will be fully funded and help with increase in PPO deductible.
- PPO 100 and PPO 90 remain available for congregations

Support Structures

- Annually **CPG Rep Zoom** every October before open enrollment.
 - 2025: **October 15, 7pm:** Educational Zoom session with CPG rep (Chris Hamby) to explain HSAs.
 - Reach out with questions about plans to Crystal Ramirez and Chris Hamby.
- **Two diocesan listening sessions** facilitated by the Diocesan Council Healthcare Committee.

HEALTHCARE 3-YEAR ROLLOUT PLAN

Year 2 (2027) – Evaluation & Simplification

Plan Changes

- **Drop PPO 100** (highest-cost plan).
- Continue to offer PPO 90, PPO 80, and HSA options.

Support Structures

- Annually **CPG Rep Zoom** every October before open enrollment.
- Collect **data** on Year 1 experiences with PPO 80 and HSAs with Diocesan Staff.
- Listening Session Facilitated by Healthcare Committee on the Data from Diocesan Staff and changes in healthcare options.
- Provide **budgeting/best practices training** for treasurers, wardens, and clergy.

HEALTHCARE 3-YEAR ROLLOUT PLAN

Year 3 (2028) – Streamlined Offering

Plan Changes

- **Drop PPO 90.**
- **Diocese standardizes to PPO 80 and HSA options only.**

Support Structures

- **CPG Zoom** continues annually as part of open enrollment.
- **One listening session** (fall) to check in on clergy/staff experience.
- Crystal Ramirez available to help with Healthcare Concerns

MEDICAL COVERAGE – CANONS AND POLICIES

- 2009 General Convention Resolution A177 (amending Canon I.8) establishing the Denominational Health Plan (DHP)
 - DHP is designed and administered by the Church Pension Fund through the Episcopal Church Medical Trust
 - Must be the sole source of medical benefits for eligible clergy and lay employees
 - Dental coverage is available but does not have to be through the Trust
 - <https://www.cpg.org/active-clergy/insurance/health-and-wellness/denominational-health-plan/resolution-a177/>
- Episcopal Diocese of Michigan requires medical and dental coverage meeting the needs of employee (includes family)
 - Coverage at the base coverage level (PPO80) at no cost to employee (or family)
 - Stated in the Lay Employee Handbook and Clergy Compensation Policy
- Resolution(s) would be needed to change

HEALTHCARE ENVIRONMENT FOR MEDICAL TRUST

Market Forces Driving Cost Trend to 40-Year High

Projected Rate Growth for Active Health Plans (no Medical Trust action)



Pharmacy Innovation

GLP-1s and specialty drugs



High-Cost Claims

Complex conditions



Provider Revenue Increases

AI-assisted billing & documentation



22.5% Rate Increase

Status Quo (projected)

MEDICAL PLAN DESIGN CHANGES FOR 2027



**Deductibles and
out-of-pocket
maximums will increase**



Copays will increase for

- visits to PCPs and specialists
- visits to urgent care clinics
- prescription medication

ELIMINATION OF GLP-1S FOR WEIGHT LOSS

Digbi: New Weight-Management Vendor for 2027

ENDING

GLP-1 coverage

GLP-1s for weight loss, with or without co-morbidities, will not be covered by our medical plans. GLP-1s will continue to be covered for diabetes treatment*



STARTING

Digbi

Personalized support for glucose health, digestive wellness, and weight reduction**

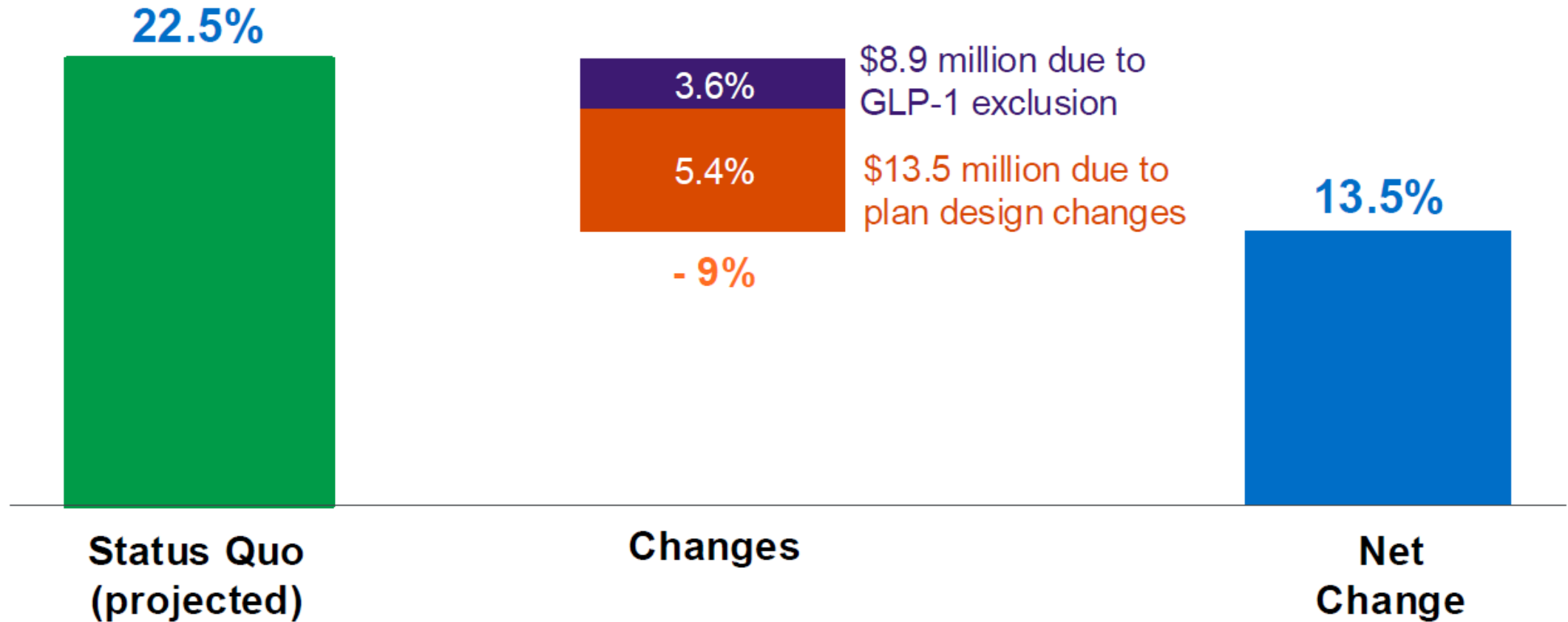
More information to come.

*Subject to applicable utilization management requirements, prior authorization requirements, and other plan terms.

**GLP-1s may be obtained outside Medical Trust plans from manufacturers at direct-to-consumer prices.

from 2027 Annual Enrollment & Health Plan Selection webinar held on 08/13/2026 by CPG

MEDICAL PLAN RATE INCREASE



from 2027 Annual Enrollment & Health Plan Selection webinar held on 08/13/2026 by CPG

MEDICAL PLANS – EPISCOPAL DIOCESE OF MICHIGAN

	2027 Rates/Limits				2026 Rates/Limits				Changes				% Changes			
	PPO90	PPO80	CDHP-15	CDHP-20	PPO90	PPO80	CDHP-15	CDHP-20	PPO90	PPO80	CDHP-15	CDHP-20	PPO90	PPO80	CDHP-15	CDHP-20
<u>Monthly Premium</u>																
Single	\$ 1,485	\$ 1,262	\$ 1,175	\$ 1,044	\$ 1,344	\$ 1,142	\$ 1,054	\$ 936	\$ 141	\$ 120	\$ 121	\$ 108	10.5%	10.5%	11.5%	11.5%
Plus One	\$ 2,673	\$ 2,272	\$ 2,115	\$ 1,879	\$ 2,419	\$ 2,056	\$ 1,897	\$ 1,685	\$ 254	\$ 216	\$ 218	\$ 194	10.5%	10.5%	11.5%	11.5%
Family	\$ 4,158	\$ 3,534	\$ 3,290	\$ 2,923	\$ 3,763	\$ 3,198	\$ 2,951	\$ 2,621	\$ 395	\$ 336	\$ 339	\$ 302	10.5%	10.5%	11.5%	11.5%
<u>Annual Deductible</u>																
Single	\$ 1,000	\$ 1,500	\$ 2,200	\$ 3,600	\$ 500	\$ 1,000	\$ 1,700	\$ 3,300	\$ 500	\$ 500	\$ 500	\$ 300	100.0%	50.0%	29.4%	9.1%
Plus One	\$ 2,000	\$ 3,000	\$ 4,400	\$ 7,200	\$ 1,000	\$ 2,000	\$ 3,400	\$ 6,600	\$ 1,000	\$ 1,000	\$ 1,000	\$ 600	100.0%	50.0%	29.4%	9.1%
Family	\$ 2,000	\$ 3,000	\$ 4,400	\$ 7,200	\$ 1,000	\$ 2,000	\$ 3,400	\$ 6,600	\$ 1,000	\$ 1,000	\$ 1,000	\$ 600	100.0%	50.0%	29.4%	9.1%
<u>Annual Out-of-Pocket Limit</u>																
Single	\$ 4,000	\$ 5,000	\$ 3,900	\$ 5,000	\$ 2,500	\$ 3,500	\$ 2,400	\$ 4,200	\$ 1,500	\$ 1,500	\$ 1,500	\$ 800	60.0%	42.9%	62.5%	19.0%
Plus One	\$ 8,000	\$ 10,000	\$ 7,800	\$ 10,000	\$ 5,000	\$ 7,000	\$ 4,800	\$ 8,450	\$ 3,000	\$ 3,000	\$ 3,000	\$ 1,550	60.0%	42.9%	62.5%	18.3%
Family	\$ 8,000	\$ 10,000	\$ 7,800	\$ 10,000	\$ 5,000	\$ 7,000	\$ 4,800	\$ 8,450	\$ 3,000	\$ 3,000	\$ 3,000	\$ 1,550	60.0%	42.9%	62.5%	18.3%
<u>Minimum HSA Funding</u>																
Single	\$ -	\$ -	\$ 700	\$ 2,100												
Plus One	\$ -	\$ -	\$ 1,400	\$ 4,200												
Family	\$ -	\$ -	\$ 1,400	\$ 4,200												
<u>Annual Premium Increases</u>																
Single	\$ 1,692	\$ 1,440	\$ 1,452	\$ 1,296												
Plus One	\$ 3,048	\$ 2,592	\$ 2,616	\$ 2,328												
Family	\$ 4,740	\$ 4,032	\$ 4,068	\$ 3,624												

Note: Dental, Life, and Disability have no increases from 2026 levels

GROWTH & INCOME DIVIDENDS

- 20 Quarters ending June 30, 2026 Average Net Asset Value \$37.6318/share
- Trustees approved increasing Dividend % from 4.15% to 4.20%
- 2027 quarterly dividend of \$0.3951/share recommended by Trustees

QUESTIONS?

Crystal Ramirez - cramirez@edomi.org

Chris Ventura - cventura@edomi.org

UPCOMING HEALTHCARE WEBINAR



Chris Hamby
Relationship Manager
Church Pension Group

HSA Deep Dive
Thursday, October 15, 2026
2:00 PM

Zoom; <https://edomi-org.zoom.us/j/5677725103?omn=81188090686>

OTHER UPCOMING IMPORTANT DATES

Apportionment Pledges Due September 30th
LARA filings due October 1st
Open Enrollment Begins October 14th Open
Enrollment Forms Due November 4th Open
Enrollment Closes November 6th