

Holston Retirees:

Are you confused about the increase in your monthly premium for the Medicare Plan D Medigap Supplement Insurance offered to you by the Holston Conference?

Well – you’re not alone! Nobody likes to find out that their health care costs are rising, and the news is even harder to swallow if you don’t exactly understand what happened.

Basically, here’s what happened:

The cost of the Medigap Plan D Supplement increased 5%.

The stipend was reduced from \$77 per year of service, with a maximum stipend of \$2,310, to \$50 per year of service, with a maximum of \$1,500.

Those two factors combined created the increase in your monthly premium for 2021.

At this point, you may be asking, “Why did the Board of Pensions vote to reduce the stipend?”

In short, because the premiums collected for the retiree health plan aren’t covering the costs of the plan. This was not a decision the Board made lightly – it was an extremely hard decision that was preceded with many hours of discussion, research, and prayer.

Here are some examples that might help make the actuality of the increase more clear.

<b>Clergy With At Least 30 Years of Service Plus Spouse</b>	<b>2020 Rates</b>	<b>2021 Rates</b>
Total Cost of 2 Medigap Plan D (Dental Included)	\$6,603.00	\$6,936.00
Retiree Stipend for Clergy and Spouse	-\$4,620.00	-\$3,000.00
Amount Retiree Owes Per Year	\$1,983.00	\$3,936.00
Monthly Premium Paid By Retiree	\$165.25	\$328.00

  

<b>Clergy With At Least 30 Years of Service</b>	<b>2020 Rates</b>	<b>2021 Rates</b>
Total Cost of 1 Medigap Plan D (Dental Included)	\$3,301.50	\$3,468.00
Retiree Stipend for Clergy	-\$2,310.00	-\$1,500.00
Amount Retiree Owes Per Year	\$991.50	\$1,968.00
Monthly Premium Paid By Retiree	\$82.63	\$164.00

  

<b>Surviving Spouse Of Clergy With At Least 30 YOS</b>	<b>2020 Rates</b>	<b>2021 Rates</b>
Total Cost of 1 Medigap Plan D (Dental Included)	\$3,301.50	\$3,468.00
Stipend for Surviving Spouse	-\$2,310.00	-\$1,500.00
Amount Surviving Spouse Pays (1/2 Clergy Rate)	\$495.75	\$984.00
Amount Surviving Spouse Pays Per Month	\$41.31	\$82.00