



ARCHDIOCESE  
OF LOUISVILLE

## Memorandum

To: Priests and Parish, School, & Archdiocesan Employees

From: Brian Reynolds, Chancellor and Chief Administrative Officer  
Andrea Colpo, Director of Human Resources

Date: September 8, 2023

Re: Medical Insurance for 2024

As you are aware, we were informed by Humana Insurance Company earlier this year that effective in January of 2024 they would no longer be offering medical insurance to employer groups. After two decades of being a large customer, this came as a surprise to us, and this decision impacted many companies locally and around the country.

In recent months, we have worked to determine the best alternative going forward. To assist us we engaged the service of a local broker through the Clarkson Insurance Group. Together we prepared an extensive *Request for Proposal (RFP)* and distributed it to potential carriers. We met in person with representatives from Anthem, United Health Care, CIGNA, and Christian Brothers Services. Each company submitted a response to our RFP.

Our goals for the new insurance plan included:

1. A large network of doctors, hospitals, and other providers.
2. Equal or improved coverage when compared to our present contract with Humana.
3. Minimal rate increase over present rates.
4. The option of moving to a 4-tier model allowing for different rates for dependents who are spouses, children, or whole families.
5. Consideration of a multi-year contract or rate guarantee.
6. Retain our unique offering of an early retiree insurance.
7. Retain local site billing.

Each company was asked to provide proposals for our dental and vision care coverage even though those services were still available through Humana.

We are pleased to announce good news today that we were successful in meeting each of our goals and have chosen **Christian Brothers Services** as our new medical insurance carrier effective January 1, 2024. Our dental and vision insurance will remain with Humana with new rates.

Christian Brother Services (CBS) was founded by the De La Salle Christian Brothers in 1960, originally to provide insurance for their school employees. Since 1977, CBS has worked specifically with Catholic organizations and dioceses to design and administer, cost-effective employee health and wellness benefits. CBS is not an insurance company. Rather it is a non-profit, church plan in which member organizations pool their resources for greater financial strength and increased purchasing power. The Christian Brothers Employee Benefit Trust, which we will be a part of, negotiates with regional and national networks to provide the access to providers. In our case BlueCross/BlueShield will serve as the local network.

While much more information will be distributed in October, here are some highlights on our new insurance.

**Network:** Christian Brothers network of doctors and hospitals is the national network of BlueCross/Blue Shield. Here in Kentucky, it is the same network used by Anthem with additional access to BlueCross/BlueShield providers across the country. The pharmacy network will change, but a wide range of options will be available to allow the majority of us to continue to use our current pharmacy. Receiving prescriptions using mail order will also continue to be available.

**Coverage:** The coverage for procedures and services are the same or better than our present plan. Office visit co-pays, deductibles, and prescription drug co-pays remain the same.

**Costs and Tiers:** Our rates are actually lower than our present rates, saving both the employer and the employee. We are also now able to introduce a 4-tier structure with different rates for \*single, \*employee plus spouse, \*employee plus children, and \*family. The amount of saving depends on which tier employees choose but every tier has a lower premium than presently in place. The overall rate reduction is approximately 7%.

**Multi-year Rate Guarantee:** We will have in place a full two-year contract with the new rates guaranteed through 2025.

<b>Rates changes:</b> Current Single \$669.72	New Rate \$618.70
Current Employee & Spouse \$ 1,339.50	New Rate \$ 1,309.48
Current Employee & Child(ren) \$ 1,339.50	New Rate \$ 1,182.92
Current Family \$ 2,009.26	New Rate \$ 1,873.70

Please note the percent of premium covered by employer and employee are not noted here.

**Early Retiree Coverage:** We will continue to offer early retiree coverage for long-term employees enrolled in the program.

**Local Site Billing:** Parish and schools will continue to receive monthly on-site billing.

**Dental and Vision Care** will remain with Humana. Rates for both optional plans are significantly reduced with multiyear rate guarantees in place. More details will be provided in October.

With this change of carrier, we will need to work together during the October/November open enrollment period for an efficient transition. Employee education materials are being prepared to answer questions folks will have. We will use an on-line enrollment service to assist us.

Thank you for your support as we move through this significant administrative process. We are confident our new partners will be of great service to all of us.