

## Changes to Medical Premiums for Overseas Field Staff

The Navigators have been blessed for many years to be able to keep healthcare premiums increases to a minimum. For the first time in several years, the medical premiums for The Navigators will see a 1.75% rate increase. In 2016, the Benefits Committee and the National Leadership Team implemented a plan to bring overseas Field Staff rates into parity with the U.S. rates. These subsidy changes are subject to change based on any annual changes to the medical plan. Considering these premiums increases we would like to provide you an updated projection of premium rates based on the originally designed changes to subsidies through 2026.

The subsidy prior to 2020 was 50% and will gradually decrease every two years. Here is the projection reflecting the 2020 1.75% premium increase:

Enrollment	40% Subsidy 2020-21	30% Subsidy 2022-23	15% Subsidy 2024-25	0% Subsidy 2026
Employee Only	\$279	\$325	\$394	\$464
Employee +1	\$549	\$641	\$778	\$915
Employee +2	\$721	\$841	\$1,022	\$1,202
Employee +3 & up	\$946	\$1,103	\$1,340	\$1,576

Each year the Benefits Committee and the National Leadership Team will assess the financial strength of The Navigator's healthcare plans to determine if a premium increase is necessary. Premiums increases will affect all enrollments including those overseas. These numbers are a projection using 2020 premiums increase rate with no future increases outside of the originally scheduled subsidy changes.

## QUESTIONS AND ANSWERS

As a recap to the original decision to bring overseas and US rates into parity, here are some of the questions and answers provided in the original communication.

### What is the reasoning behind the upcoming change?

Today, the U.S. health plan participants pay higher premiums as they subsidize the healthcare premiums of the overseas participants. Additionally, our overseas staff generally return to live in the U.S. later in life when healthcare costs tend to increase significantly. It is not equitable for these staff to pay lower premiums during their healthy years and then enjoy the health coverage benefits later on. Our overseas staff receive full benefits without paying full premiums unlike our US staff. This puts an increased financial burden on staff living in the U.S. The move to parity eliminates this inequity.

### Why should staff have to pay for insurance coverage they don't use?

The very nature of insurance is that it provides care when we need it. We may not need it today, but there is a very good chance we'll need it someday. We pay car insurance, for example, in case we ever get into an accident. In the same way, everyone pays into the healthcare program, even though we may not need it right away. Ask anyone who has had a health crisis about the value of health insurance. We all pay for the benefit of having this resource available to us when we need it. Having everyone pay equally into our healthcare program also aligns with The Navigators' philosophy of sharing the healthcare burdens of all the Navigator family.

### How strong is our healthcare plan?

The Navigators healthcare plan through Aetna is a comprehensive plan, especially when compared to plans offered by similar ministries. The Benefits Committee has managed our plan well to control costs as much as possible. As you know,

healthcare costs have been rising significantly for most people in recent years. The Navigators increases have been far below the national average, while maintaining a very high quality of care.