

The Orthodox HealthPlan

April 5, 2011

Dear Orthodox Health Plan Participants,

The Benefits Committee strives to promote wellness and preventive care. Over the past seven years, renewal rate percentages for our Orthodox Health Plan have been below the national average and FAR below the original proposed rates of increase.

The OHP medical plan is 100% experience rated for all individual claims up to \$75,000 (claims above \$75,000 on any individual are pooled). Over the past few years we have been running close to a 100% "loss ratio" after taking into account claims and administrative expenses compared to premium paid. For the plan year ending April 30, this loss ratio will be over 100%.

As a result, this year's rate increase, assuming no changes in coverage, was extremely high (29.2%). The Insurance Committee consulted with our professional advisors and Aetna to review plan alternatives to get our rate increase below 10%.

To do this, we considered a number of funding and coverage changes and have approved the following benefit changes effective May 1 bringing our increase down to 9%:

- 1) Increase Individual In- Network Deductible to \$1,000 per calendar year (from \$400), \$1,500 Out of Network.
- 2) Increase Family In- Network Deductible to \$2,000 per calendar year (from \$800), \$3,000 Out of Network.
- 3) Increase Office Visit Co-pays to \$35 (primary care) and \$45 (specialist).

In addition, to comply with Health Care Reform, we have expanded coverage eligibility to children up to age 26 regardless of student status (including a married child), eliminated some annual maximums for essential services, and improved our preventive/wellness benefit by eliminating any deductibles or co-pays (100% coverage for in-network preventive care).

Further negotiations between our Administrator and Aetna resulted in a final increase of 8%, well below the national average.

The new rates below reflect the premium increase of 8% effective May 1.

Single: \$899.00 Family: \$1,895.00

For historical perspective, we have prepared the attached graph showing the OHP rate increases since 2005 compared to the original Aetna formula increase and national averages. Although no one is happy with an 8% rate increase, we are pleased that we have been able to keep our annual renewal increases well below these benchmarks.

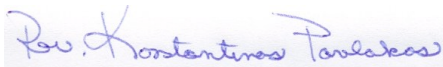
I would like to thank all the members of the insurance committee along with our Administrator and Consultant for the many hours of research and negotiations with our carrier and other companies.

We pray that this year will be one of good health and preventive care both physically and spiritually.

In Christ's service,



Fr. Constantine L. Sitaras
Chairman, Joint Orthodox Health Plan Committee



Rev. Konstantinos Pavlakos
Chairman, Insurance Plans Committee
Greek Orthodox Archdiocese of America



Very Rev. Fr. Michael Ellias, Chairman
Department of Clergy Insurance and Retirement-
Antiochian Orthodox Christian Archdiocese

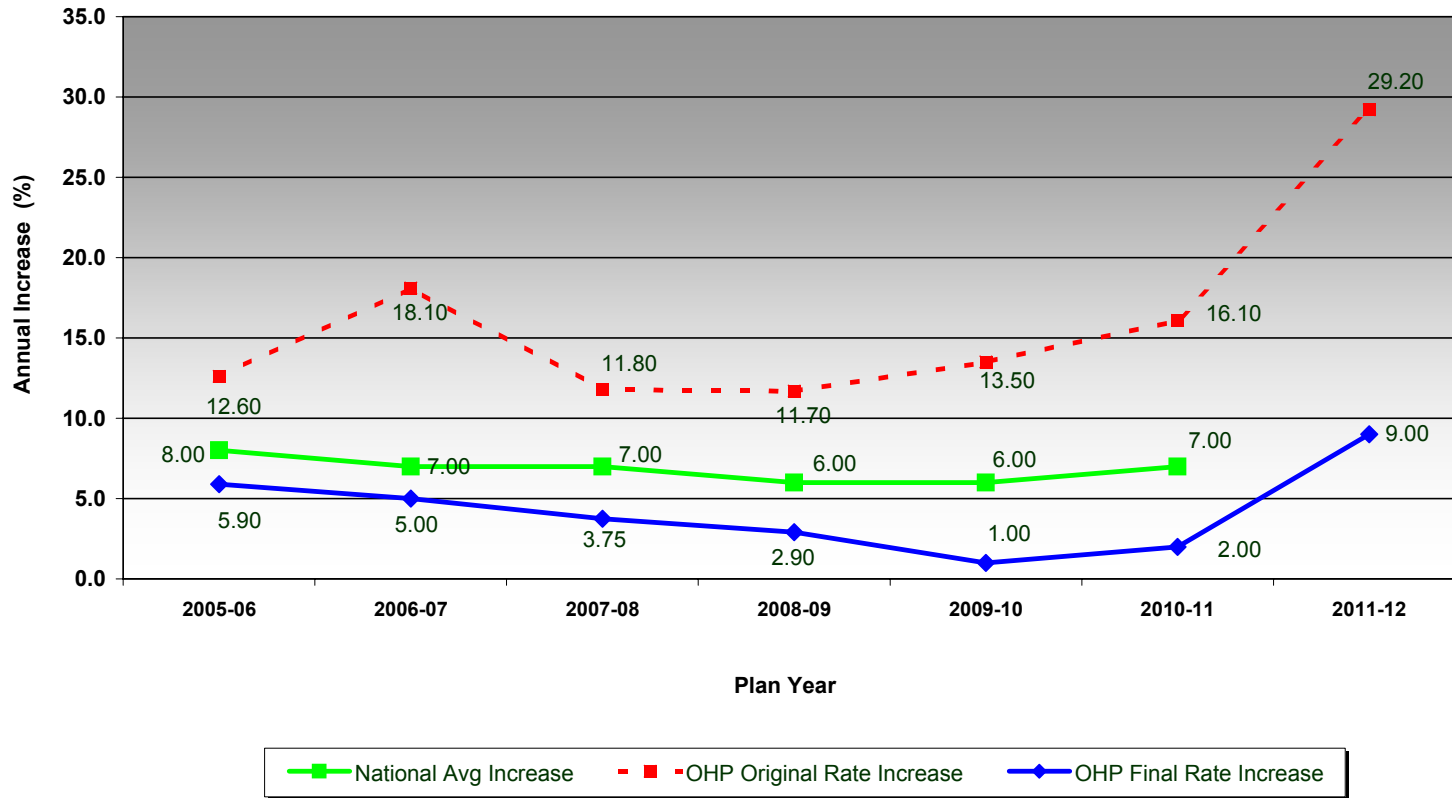


Archpriest Eric G Tosi
Secretary
Orthodox Church in America



William E. Casey, Director
Finance and Administration
Diocese of the Armenian Church (Eastern)

Orthodox Health Plan Health Insurance Rate Increase Analysis



Source for National Average: U.S. Department of Labor, Bureau of Labor Statistics