



ELCA Board of Pensions (Portico Benefit Services)

Board of trustees

Pr. Adam J. Copeland, Rochester, Minn. (2016)
Ms. Angela M. Dejene, Corcoran, Minn. (2019)
Ms. Helen I. Doerpinghaus, Columbia, S.C. (2018)
Ms. Janette E. Drew, Walnut Creek, Calif. (2011)
Mr. Peter J. Enko, Leawood, Kan. (2013)
Ms. Diana G. Haywood, Durham, N.C. (2012)
Mr. John R. Hoffman, Minneapolis, Minn. (2015)
Mr. Bruce E. Johnson, Roanoke, Va. (2013)
Mr. Morris L. Larson, Chesterfield, Mo. (2017)
Ms. Lori A. Lewis, Byron, Minn. (2017)
Ms. Jennifer L. McGinnis, Fort Wayne, Ind. (2017)
Ms. Pamela S. Moench, St. Louis, Mo. (2013)
Mr. Frank A. Roth, Havertown, Pa. (2016)
Mr. Leon J. Schwartz, Greenfield, Iowa (2013)
Pr. Paul W. Stumme-Diers, Bainbridge Island, Wash. (2012)
Sr. Elizabeth-Ann (Becky) I. Swanson, Holmen, Wis. (2016)
Mr. James B. Vos, St. Louis Park, Minn. (2016)

Advisers

Pr. Wm Chris Boerger, *secretary of the ELCA*, Chicago, Ill.
Pr. James S. Dunlop, *bishop of the Lower Susquehanna Synod*, Harrisburg, Pa.
Ms. Lori S. Fedyk, *treasurer of the ELCA*, Chicago, Ill.

Leadership team

Pr. Jeffrey D. Thiemann, *president and chief executive officer*
Ms. Stacy A. Kruse, *chief operating and financial officer and treasurer*
Mr. Curtis G. Fee, *vice president and chief investment officer*

Statement of purpose

As early as 1783, the Lutheran Church in the United States began providing a financial benefit to widows of pastors. Portico Benefit Services inherited and continues this compassionate legacy. Guided by the “ELCA Philosophy of Benefits,” Portico delivers comprehensive, cost-effective benefits and services to support the call process and strengthen the well-being of those who serve and their family members—both during their working years and in retirement.

Originally established by the ELCA constitution in 1987 as the Board of Pensions of the ELCA, Portico is a separately incorporated nonprofit ministry of the ELCA, governed by a board of 14 to 18 trustees elected to staggered three-year terms at the ELCA’s triennial Churchwide Assembly. The governing description appears in section 17.20 of the *Constitutions, Bylaws, and Continuing Resolutions of the Evangelical Lutheran Church in America*.

As of March 31, 2019, Portico served over 40,000 members and over 6,000 sponsoring employers and managed over \$8 billion in assets. Additional information about ELCA Retirement Plan performance and benefit plan assets is available in Portico’s 2018 Annual Report, found at PorticoBenefits.org (About Us > Organizational Information > Financial Information).

Report of work for 2017–2019: Personalizing benefits and services

Portico’s enduring goal is to find cost-effective ways to encourage members to take better care of their health, use their benefits wisely, save for retirement, and manage their money with intention. Toward that end, Portico began implementing a new strategy in 2017 designed to offer members more personalized support. That investment is beginning to pay off through member engagement, positive outcomes, and reduced costs.

In 2017 and 2018, Portico introduced ELCA-Primary health plan members to four new benefits: a cutting-edge care coordinator service, a personalized health status snapshot based on biometric screening, the Livongo health management program for those living with diabetes, and the online Omada program for those at risk of developing Type 2 diabetes or heart disease.

Results to date have exceeded Portico's expectations. Coordinating care more effectively and providing personal biometric insights help members engage around their health and avoid unnecessary emergency room visits, inpatient days, and redundant tests and procedures. Health management programs have decreased blood glucose levels in Livongo participants and resulted in significant weight loss among Omada participants. This set of personalized health benefits has delivered such impressive health improvement and cost containment results while earning strong member satisfaction that, in 2018, the Church Benefit Association awarded Portico one of four inaugural CBA Innovation Awards.

Between 2017 and 2019, Portico also rolled out a powerful financial benefit combination—a personalized online retirement planning tool coupled with credentialed in-house financial planners who can help members save for and manage assets in retirement. To date, 34% of sponsored members have used the tool to save a retirement plan for future consideration; 41% of sponsored members have implemented a plan, more than half of them increasing their pretax contribution; and over 60% of sponsored members have connected with a Portico Financial Planner.

In 2018, Portico created a more personalized experience on its member website, myPortico.PorticoBenefits.org. This updated site now offers members faster access to personal information along with better viewing from mobile devices. Members voiced their approval six months later with a 95% satisfaction rating.

Report of work for 2017–2019: Continuing a tradition of excellence

Though innovation has been critical to Portico's success, equally important is providing consistent, meaningful service to plan members and their sponsoring employers *over time*.

Portico has long worked to limit contribution-rate increases and better steward ministry dollars by encouraging the pursuit of wellness, offering support to members with chronic conditions, and finding ways to share plan costs equitably. Over the last three years, this work has allowed Portico to keep rate increases for the ELCA health plan on par with average national large employer benefit cost increases—despite its members being, on average, nine years older.

Portico's call to care for members for life is central to its mission. Each year, by phone or email, Portico celebrates with its newly retired plan members—640 of them in 2018. Portico's switch to a Medicare Advantage plan through Humana enabled most ELCA Medicare-Primary health plan members to see their 2019 premiums go down by \$94 per month.

To provide financial education more effectively to a nationwide and often rural membership, Portico has expanded its popular online education opportunities over the last three years. In 2018, members logged over 6,000 online and in-person learning hours.

Portico and its 10-year partner, LSS Financial Counseling, have hit the \$1 million milestone on debt relief. As of year-end 2018, 52 members and their families had collectively repaid \$1,066,477 in unsecured debt.

Portico's highly rated Customer Care Center continues to satisfy members and employers. It averages about 5,000 inbound calls per month and has earned the prestigious Center of Excellence award every year since 2015.

Report of work for 2017–2019: Aligning with the ELCA

Portico maintains an active role in the ELCA by supporting the call process, offering perspective and resources as a benefit expert and wellness leader, advocating nationally on benefit-related legal and policy issues, and influencing corporate behavior as a socially responsible investor.

Portico's ongoing advocacy through participation in the Church Alliance has helped defend opportunities important to church plans—most recently, the successful defense of the long-standing clergy housing allowance exclusion.

Leveraging years of experience in designing faith-based wellness programs, Portico launched “2019 Live Well” for ELCA-Primary health plan members. This powerful, holistic online tool emphasizes the importance of spiritual well-being to overall health and offers a wide variety of health and financial activities, giving members the ability to personalize their wellness experience through a faith lens.

As the ELCA's largest institutional investor, Portico looks to ELCA social criteria screens and social issue papers derived from the church's social teachings and policies to guide shareholder advocacy and investment decisions, and its staff communicates regularly with the ELCA's review team for Corporate Social Responsibility.

Responding to calls for action at the 2016 Churchwide Assembly related to climate change and the Israel-Palestine conflict, Portico has:

- Entered, along with Wespeth Benefits and Investments (affiliated with full communion partner the United Methodist Church), into shareholder corporate dialogue with Caterpillar (a company associated with the West Bank occupation) to encourage strengthening its human rights policy and related disclosures.
- Teamed up with a coalition of investors in 2017 to champion a history-making climate-change shareholder resolution.
- Made several “social impact first” environment-friendly investments through its social purpose funds.
- Invested in a \$1 million, five-year certificate of deposit through social purpose funds in 2017 to provide much-needed financing to Palestinian micro-entrepreneurs.
- Implemented within the social purpose funds the strengthened ELCA environment screen (additionally targeting companies with thermal coal, oil shale, and tar sands reserves) and the new political and civil human rights screen (targeting companies involved in legal or political human rights controversies in occupied or disputed territories).

Major directions for 2020–2022

Portico has long partnered with social ministries, seminaries, and full communion partners and is now expanding its offerings to serve the church more broadly. In 2018, four Lutheran organizations with 621 employees chose Portico as their new benefit partner, and Portico reports that it’s receiving an increasing number of inquiries and requests for proposals.

Planning is also underway to offer an expanded “Live Well” wellness experience, vision and other voluntary benefits, more personalized mental-health-related care, and additional non-retirement-related financial tools and education.

Portico is inspired every day by those who serve and is honored to be able to create innovative, quality benefits on their behalf.

Mr. Peter J. Enko, *chair*

The Rev. Jeffrey D. Thiemann, *president and chief executive officer*