

2015 Health Benefit & Pension Billing Information

(Annual Figures)

1. **“Retired Clergy Pension & Health Obligation”** - This bill is an amount that is comprised of four funds, and billed to every EPA local church.
 - a. The conference obligation for the pension of clergy who have served in ministry prior to 1982. (\$1,187,982)
 - b. The conference portion of Retiree Medical Insurance premium \$682,054)
 - c. Administrative expenses of the EPA Board of Pension and Health Benefits. (\$390,000)
 - d. The last component is an amount for “uncollectible”. This is \$125,000.
2. **Connectional Health Care Fund** – This is an amount billed to every EPA local church, based upon a formula (equal to 0.41% of each church's Adjusted Grand Total Paid – with a minimum of \$400 and a cap of \$2,150) This amount includes,
 - a. The cost to support missional churches as designated by the cabinet. (\$58,000)
 - b. The cost to support clergy on Incapacity Leave. (\$120,000)
 - c. An amount to return the Conference Health Care Reserve Fund to within policy limits. (\$40,000)
3. **Mandatory Health Care** – This is an amount charged to the local church for each eligible clergy member. (\$300) This includes,
 - a. Enrollment in the Employee Assistance Plan
 - b. Coverage for a \$10,000 Life Insurance Plan
4. **Voluntary Health Insurance** – This is the cost for participation in the Eastern PA Conference Health Insurance Plan, and is billed as a composite rate for each clergy participant. Clergy are encouraged to make pre-tax contributions to their Health Savings Account.

2015 Composite Rate \$17,500

 - a. This is a per participant charge for clergy health insurance.
 - b. Includes the billing for:
 - i. Health Care Insurance
 - ii. Health Savings Account Contribution
 1. An amount equal to ½ of the high deductible for that pastor
 - iii. Dental Insurance
 - iv. Vision Insurance
 - v. Virgin Healthmiles Walking Program
 - vi. Health Advocate Participation
5. **Clergy Insurance Contribution** – This is the premium cost for clergy. It is a tax-free salary reduction equal to 3% of compensation plus housing.
6. **Clergy Contribution to Health Savings Account** – This is an amount elected by the clergy participant to be deposited by tax-free salary reduction into their Health Savings Account to be used for payment of qualified medical expenses.
 - a. Full Family Maximum (excluding Conference Deposit) = \$5,150
 - b. Single Maximum (Excluding Conference Deposit) = \$2,600

7. **Stand Alone Dental and Vision** – For the first time, clergy members who have waived participation in the Voluntary Health Care may purchase Dental and vision coverage through the conference. This cost will be billed at 50% to the local church and 50% to the participant.
 - a. Dental
 - i. Church = \$410 per year
 - ii. Participant = \$410 per year
 - b. Vision
 - i. Church = \$40
 - ii. Participant = \$40

8. **Laity Health Insurance** – This is the actual premium rate for coverage in the Eastern PA Conference Health Insurance Plan. In keeping with past billing for Laity, these amounts are billed to the local church, and the local church administers the participant billing.
 - a. Includes billing for:
 - i. Health Care Insurance
 - ii. Dental Insurance
 - iii. Vision Insurance
 - iv. Health Advocate Participation

	Health Saving Account	Health Reimbursement Arrangement
Single Participant	\$7,603	\$7,805
Participant/Spouse; Participant/Child(ren)	\$17,862	\$18,302.00
Full Family	\$22,708	\$23,258

9. **Stand Alone Dental and Vision** – For the first time, eligible lay members who have waived participation in the Voluntary Health Care may purchase Dental and Vision coverage through the conference. The actual cost of the coverage is billed to the local church, and the local church administers the participant billing.
 - a. Dental
 - i. Full Family = \$1,230
 - ii. Employee + 1 = \$855
 - iii. Single = \$498
 - b. Vision
 - i. Full Family = \$78
 - ii. Employee + 1 = \$57
 - iii. Single = \$30

10. **Laity HSA Funding** – Internal Revenue Service regulations require that employers make comparable contributions to all participating employee’s Health Savings Accounts. (The contributions must be the same for the same category of employee.) The conference will bill the local church for the deposit into a Health Savings Account for any lay employee at the local church (Over age 65 enrolled in HRA will not be charged). (Single = \$750, All Others = \$1,500)
11. **Laity Voluntary EAP and Life** – Laity are no longer required to be enrolled in the Employee Assistance Plan and the Life Insurance Plan (\$10,000). If they wish to remain enrolled, the local church will be billed \$300 per employee annually.
12. **Early Retiree** – This is the actual premium for a single rate, as our retirees are enrolled individually in the health plan only.
 - a. From Retirement to age 65, participants remain in the active plan and pay the actual rate for coverage.
 - i. \$7,650 per person annually
 - b. The conference will not deposit funds into a Health Savings Account, however, participants are encouraged to make deposits.
 - c. Includes billing for
 - i. Health Care Insurance
 - ii. Dental Insurance
 - iii. Vision Insurance
 - iv. Health Advocate Participation
13. **Retiree Insurance** – The portion of retiree health insurance paid by the conference is part of the direct bill to local churches. Retirees pay for health insurance based upon years of service and retirement date. Subsidy is based upon retirement date and years of service.

14. **CRSP – Defined Benefits, Fund 0016** – A defined benefit core element provides a secure monthly benefit for life based on two factors: the number of years of service and the denominational average compensation (DAC) at the year of retirement. The total due for EPA in 2013 is \$2.3 million. While this is a pooled fund for all clergy (not individually allocated like the Defined Contribution), the EPA Conference uses a formula for assessing this amount based upon appointment percentage:
 - a. Full-time = \$6,005
 - b. $\frac{3}{4}$ time = \$4,503
 - c. $\frac{1}{4}$ time = \$3,003

15. **CRSP – Defined Contribution, Fund 0017** – A defined contribution core element provides a means of an account balance of invested funds. The clergy person determines the type of funds in which to invest. This element is funded by assessing the church an amount equal to 3% of the participating clergy person's compensation (salary plus housing).

16. **Comprehensive Protection Plan, CPP, Fund 0020** – The Comprehensive Protection Plan (CPP) which provides death, disability and survivor benefits for clergy persons in full time status. This element is funded by assessing the church an amount equal to 3% of the participating clergy person's compensation (salary plus housing).