ACTIVE CLERGY:

The Conference provides our active clergy and family members’ medical insurance coverage through Blue Cross Blue Shield of Illinois HealthFlex PPO (B750) and provides prescription coverage through Catamaran, Inc. All active clergy who serve at least 75% are required to enroll in our medical insurance plans.

- The total uniform rate for HealthFlex for active clergy in 2015 will be $14,640
- Churches will pay $13,464 annually ($1,122 per month).
- Clergy will pay $1,176 annually ($98 per month). This amount may be calculated as a payroll deduction under Section 125 “pre-tax” option.

Part-Time clergy (those serving less than 75%) are encouraged to enroll in an individual insurance plan through their state’s Insurance Marketplace or by visiting www.healthcare.gov

Local Church Contribution for Pension Benefits:

Each conference had the option to include all or some of their clergy in the new CRSP plan beginning January 1, 2014. Our conference has elected to include appointed clergy serving 100% and 75%. Part-time clergy serving less than 75% will no longer be eligible for CRSP. Therefore, **CRSP will only be billed to churches with clergy who serve 75 – 100%** (same as HealthFlex).

The total billing for clergy serving 75% - 100% for CRSP pension benefits will be based on an annual rate of 11.8% of total pastoral compensation. Total compensation is defined as salary plus either a) 25% of salary for clergy who are provided a parsonage or b) the actual amount of the housing allowance.

There is an extra 3.0% added for CPP premiums for death and disability for clergy who serve 100%.

Part-Time clergy (those serving less than 75%) are no longer eligible to participate in CRSP under the new guidelines. This does not affect their previous CRSP accrued benefits. The church is required to budget at a rate of 11.8% of total compensation for clergy serving less than 75%. Clergy who choose to enroll and contribute a minimum 1% contribution to UMPIP will be eligible for a church match to their UMPIP account. If the pastor does not voluntarily contribute 1% to UMPIP, then the church will only be responsible for a 10.8% contribution.

Every church must become a plan sponsor and complete a UMPIP Plan Sponsor Adoption Agreement. Each church will be billed by the General Board for the clergy contribution to UMPIP, the church contribution and the church match. The conference will not be involved in the billing or collection of UMPIP funds.

Comprehensive Protection Plan:

All ministers serving in full time positions are enrolled in the UMC Comprehensive Protection Plan (CPP). Due to an amendment in our policy, effective July 1, 2014, the Conference is able to provide full elders, associates and provisional members, serving at 50%-75% with CPP coverage. Part-time clergy are able to enroll in “CPP Special Arrangement” provided the conference obtains a payment commitment and enrollment occurs within 90 days of an appointment or status change. The billing rate for CPP Special Arrangement coverage is 4.4% of the Denomination Average Compensation (DAC)
RETIRED CLERGY:

Past Service Rate: The past service rate for the Pre-1982 pensions for 2015 has been set at $580.00.

Retiree Medical Coverage: Effective January 1, 2013, the health care benefits changed for Medicare-eligible retirees, their spouses (and surviving spouses) and disabled participants in our Annual Conference. Instead of the HealthFlex Medicare Companion Plan, retired clergy, their spouses and surviving spouses will choose an individual Medicare Supplement Insurance plan and a Prescription Drug plan through Extend Health, which offers access to many plans nationwide.

Current retirees enrolled in plans through Extend Health will receive a NYAC sponsored Health Reimbursement Account (HRA) established on their behalf. In January 2015, current retirees and their spouses will each receive an HRA contribution of $2,700. Health Reimbursement Accounts (HRA) are tax-free accounts established and funded by employers and plan sponsors. The funds in their HRA can be used to reimburse retired clergy and their eligible spouse for eligible healthcare expenses, including your insurance premiums and non-reimbursable out of pocket expenses. (The amount of funding for future retirees for the HRA has yet to be determined by the Conference Board of Pensions.)

Extend Health does not affect retired clergy and their family members who are less than 65 years of age, or any future eligible participants who retire before age 65. Until participants reach age 65, they will continue to participate in the active HealthFlex Insurance plan at their own expense sponsored by our Conference.

ADMINISTRATIVE POLICIES FOR HEALTH BENEFIT PROGRAMS

The guidelines by which our health benefits program is administered are presented here for the sake of clarity and understanding by all:

1. Uniform Rate: Since our health benefits plan covers all full-time and three-quarter time clergy, our connectional responsibility requires that every church served by a full-time or three-quarter time pastor pay the uniform rate. The uniform rate is NOT an insurance premium for the individual currently serving as the church’s pastor. It is each full-time or three-quarter time church’s equal share of the total Annual Conference premium that provides health benefits for active clergy, conference staff and their families throughout our diverse conference.

   The uniform rate is determined by the total annual cost for active pastors in full-time or three-quarter time appointment and conference staff, divided by the number of clergy under full-time and three-quarter appointment and conference staff.

2. Clergy Couple Under Appointment: Clergy couples, in which both ordained spouses serve under appointment in separate full-time churches, are treated by the Conference as separate enrolled members in HealthFlex. Each church, per section 1 above, is responsible for paying its portion of the uniform rate. The clergy couple however is responsible for and will be invoiced only one clergy portion of the uniform rate. Note: Each partner is given his or her own health benefits card. If there are dependent children, the couple must determine on which policy to cover dependent children.

3. Churches Served by Retired Clergy: Churches served by retired clergy are not charged for health benefits. Such clergy do not participate in the active health plan but instead may be eligible for the services of Extend Health and the HRA.
5. **Retired Clergy:** Retired clergy, age 65 or above, must be enrolled with the Social Security Administration for coverage under Medicare, Part A and Part B, and therefore will be eligible for the services of Extend Health and the Health Reimbursement Account funding.

6. **Surviving Spouse of Clergy:** The covered surviving spouse of a clergy member enrolled in HealthFlex may continue in the plan at his or her expense. A surviving spouse who is not yet 65 will pay the full premium cost for a single individual and any applicable dependents. A surviving spouse 65 or over whose primary coverage is Medicare will be eligible for the services of Extend Health and the Health Reimbursement Account funding.

7. **Retiree Eligibility:** A Retired Participant eligible for the services of Extend Health and the Health Reimbursement Account is defined as a former Active Participant in the New York Annual Conference Health Benefit Plan with at least five years of continuous coverage at the time of retirement, and whose primary coverage at retirement is through Medicare Part A and Part B. In January 2015 current retirees and their spouses will each receive an HRA contribution of $2,700. Health Reimbursement Accounts (HRA) are tax-free accounts established and funded by employers and plan sponsors. The funds in your HRA can be used to reimburse yourself and your eligible spouse for eligible healthcare expenses, including your insurance premiums and non-reimbursable out of pocket expenses. *(The amount of funding for future retirees for the HRA has yet to be determined by the Conference Board of Pensions and may be based upon total years of service to our Conference.)*

8. **Clergy Who Retire Before the Age of 65:** Clergy who retire before the age of 65 must continue, at their expense, their coverage in HealthFlex until their 65th birthday. If such early-retired clergy choose not to continue in the conference HealthFlex program they may not re-enter conference coverage and they will be ineligible for participation in the Extend Health program and will not receive any future Health Reimbursement Account funding. Future eligibility requires at least five years of continuous coverage in the conference Active HealthFlex plan before age 65.

9. **Retired Clergy with Spouse Younger than Age 65:** A retired clergy member with a spouse younger than age 65 may have the spouse covered in the active HealthFlex plan at his or her expense. Eligibility for participation in the Extend Health program and Health Reimbursement Account funding when the spouse reaches age 65 requires at least five years of continuous coverage in the conference active plan before age 65.

10. **Health Flex Termination Policy**
    If the health insurance payment for a participant is not received within 60 days of the due date, notice will be sent by regular mail to the Finance Committee Chairperson, Church Treasurer, Pastor/Staff Parish Relations Chairperson, District Superintendent and by certified mail with return receipt to the Pastor, declaring that if past due payments from the pastor or the church are not received within the next 30 days, steps will be initiated to cancel the participant’s coverage.

    It is understood that the church is responsible for payment toward the uniform rate as well as any section 125 plan amounts that have been withheld from the pastor’s salary due to a salary reduction agreement for that purpose.

    After the notice has been sent on a 60 day default, and there is no response from the church or the pastor after the subsequent 30 days in the form of payment in full or written response, then the District Superintendent and the Treasurer/Director of Administrative Services, in consultation with Conference Council on Finance and Administration and the Conference Board of Pension and
Health Benefits, will make a decision to move toward termination. A certified letter will be mailed, return receipt requested, warning of the termination to take place in 15 days.

*Insurance will not be terminated until at least 45 days have passed after the initial notice that payment was due.*

Any Medical Reimbursement Account or dependent care account will be frozen until future payments are made. Once a pastor and her/his dependents, if any, are dropped from the plan, they can only re-enter during the open enrollment period in November for the following year.

By the time of open enrollment for the following year, a payment schedule must be provided by the pastor and the local church with commitment for monthly payments for that new year.