



### **2021 Health Insurance Guidelines, Conference Board of Pension and Health Benefits**

The mission of the Conference Health Insurance Plan (the Plan) is to provide primary health insurance coverage to full-time full, provisional and associate ministerial members and full-time local pastors of the Annual Conference and to eligible full-time lay employees.

The Plan provides secondary health insurance coverage for retirees who are receiving Medicare which requires both Medicare Parts A & B for coverage. For those who have retired early and are not yet eligible for Medicare, primary health insurance coverage is through the same plan as those in active ministry. The Plan is a non-vested current benefit for active and retired pastors and lay employees.

## **I. ELIGIBILITY**

### **1. Clergy Eligibility:**

- 1) Active clergy under full-time Episcopal appointment to serve a local church including Elders, Deacons, Local Pastors, Associate Members, and Provisional Members
- 2) Those under full-time appointment as district superintendents, clergy staff members of Conference councils and boards, treasurers, bishop's assistants, or directors of parish development, general evangelists and campus ministers for whom the Conference provides pension contribution to the Clergy Retirement Security Program (CRSP) who are:
  - a full elder or associate member (other than a missionary) (Book of Discipline ¶344.1a(1))
  - or an ordained clergyperson from another annual conference or another Methodist denomination (Book of Discipline ¶344.1a(1), ¶346.1)
  - an ordained clergyperson from another denomination if not covered by the group health plan of the denomination to which he/she belongs. (Book of Discipline ¶344.1a(1), ¶346.2)
- 3) Enrollment in the Active health insurance plan must be completed within 31 days of appointment
- 4) Waiving coverage in the Plan - Contact the Benefits Assistant for required documents. Documents must be completed and returned within enrollment deadline periods
  - within 31 days of initial eligibility; or
  - once per year during the Conference open enrollment period for the following January 1; or
  - within 31 days of an open enrollment period for a spouse's plan; beginning January 1, 2016.
  - see PREMIUM PAYMENT RESPONSIBILITY – ACTIVE for Waived Coverage Fees.
- a) Participant must certify that:
  - The plan is through a former employment or a spouse's current or former employment. Proof of such coverage is required.
  - The plan is not a marketplace plan. Under these guidelines and marketplace rules, Full-time clergy are ineligible for any Premium Tax Credit.
- b) Re-admittance to the plan is during any open enrollment period, or within 31 days of a Special Enrollment event (loss of other coverage, employment status change, divorce, death of a spouse, or gain a dependent).

- 5) Clergy in any category under Episcopal appointment to full-time service in an Extension Ministry [¶344.1a (3)(4); 344.1b; 344.1d; 331.1a,b; 326.1; 331.8; 346.1; 346.2], may enroll in the Plan within 31 days of initial appointment. Late enrollments are permitted only during the Annual Election Period or in the case of a Special Enrollment event - loss of other coverage, employment status change, divorce, death of a spouse, or gain a dependent.
- 6) Part-time clergy in any category are not eligible for coverage through the Plan.
- 2. Ministerial members who are placed on Medical Leave status by the Conference** shall continue enrollment in the Plan regardless of whether they are eligible for Medicare disability benefits. The Conference Plan remains primary until the participant becomes eligible for Medicare due to disability, at which time the Conference Plan becomes secondary to Medicare. Beginning January 1, 2016, participants obtaining Medicare due to disability, may choose to remain in the Active Health Plan as their secondary insurance, or to enroll in the United HealthCare Retiree Plan (Medicare Advantage Plan). The premiums for ministerial members on Conference Medical Leave (and their enrolled family) will be paid by the Conference with Conference Board of Pension and Health Benefits funds.
- 3. Clergy in Retired Status** may be in the Plan if they were under full-time appointment for 20 years and appointed full-time through the Conference for the last 10 years with annuity credit immediately prior to retiring; *provided, however, that:*
- (a) Clergy in retired status may also be in the plan if they retired on or before July 1, 2021 (provided that their participation shall be subject to the provisions of Part II and III below);
- (b) Clergy in retired status may also be in the plan (subject to the provisions of Part II and III below) if:
- i. they retired after July 1, 2021,
  - ii. they were at least 62 years old as of July 1, 2021, and
  - iii. they had at least 15 but less than 20 years of full-time appointment; *provided that Such retirees must pay such additional premiums or charges as may be established annually by the Board of Pensions and Health Benefits.*
- (c) Clergy in retired status may also be in the plan (subject to the provisions of Part II and III below) if:
- i. they retired after July 1, 2021,
  - ii. they were at least 62 years old as of July 1, 2021,
  - iii. they had at least 7 but less than 15 years service of full-time appointment, provided that
    1. *Such retirees must pay 100% of any and all fees, charges, premiums and other requirements for participation established by the Board of Pensions and Health Benefits; and*
    2. *Such retirees under this paragraph (c) also shall not receive any financial credit or contribution toward the cost of the Plan.*
- Retired participants and spouses age 65 and over are required to carry Medicare Part A and Part B in order to be eligible for Conference insurance in retirement. Monthly premium for Part A if any, and for Part B is a personal expense. A Retiree (and eligible dependents) not enrolling (waiving coverage) in the Plan at the time of retirement, or who left the plan as a retiree, may enroll during any open enrollment period, or within 31 days of a Special Enrollment event (including but not limited to voluntary or involuntary loss of coverage) (refer to Clergy Eligibility #1, subparagraph 1d). For dependent eligibility, see #5 under "Eligibility."
- 4.** Any of the following **lay persons** are eligible to enroll in the Plan upon application within 31 days of hire. Late enrollments are permitted only during the Annual Election Period as allowed by the Plan, or in the case of a Special Enrollment Event - loss of other coverage, employment status change, divorce, death of a spouse, or gain a dependent.
- (a) Lay employees of the Conference or any of its subsidiary agencies working a minimum of 1,560 hours annually (30 hrs. per week)

- (b) Full-time (minimum of 1,560 hours annually) lay employees of any church in the Conference that adopts the program, completes a Salary Paying Unit Sub-Adoption Agreement and whose church enrolls a minimum of 75% of its full-time lay employees
- (c) Retired lay employees of the Conference, local churches, Conference-affiliated UM institutions, the Episcopal office, units of the Conference whose lay employees are not on the Conference payroll and the surviving spouse of such employees, may participate in the Plan provided they have received or will receive a UMPIP benefit from Wespath Benefits and Investments through their salary-paying unit and if they were employed full-time for 20 years and employed full-time through the Conference for the last 10 years with immediately prior to retiring *provided, however, that:*
- (d) Lay employees in retired status may also be in the plan if they retired on or before July 1, 2021 (provided that their participation shall be subject to the provisions of Part II and III below);
- (e) Lay employees in retired status may also be in the plan (subject to the provisions of Part II and III below) if:
  - i. they retired after July 1, 2021,
  - ii. they were at least 62 years old as of July 1, 2021, and
  - iii. they had at least 15 but less than 20 years of full-time appointment,; *provided that Such retirees must pay such additional premiums or charges as may be established annually by the Board of Pensions and Health Benefits.*
- (f) Lay employees in retired status may also be in the plan (subject to the provisions of Part II and III below) if:
  - i. they retired after July 1, 2021,
  - ii. they were at least 62 years old as of July 1, 2021,
  - iii. they had at least 7 but less than 15 years service of full-time appointment, provided that
    - 1. *Such retirees must pay 100% of any and all fees, charges, premiums and other requirements for participation established by the Board of Pensions and Health Benefits; and*
    - 2. *Such retirees under this paragraph (c) also shall not receive any financial credit or contribution toward the cost of the Plan.*

**5. Dependents eligible for coverage** in the Conference Plan are limited to the spouse, children who are qualified adult dependents, and children who are under age 26. Dependents may be added only during the Annual Election Period as allowed by the Plan, or in the case of a Special Enrollment event - loss of other coverage, employment status change, divorce, death of a spouse, or gain a dependent. If an annuitant marries (remarries), coverage of spouse and/or children may be available and premium for dependents is at the retiree's expense.

## **II. PREMIUM PAYMENT RESPONSIBILITY – ANNUITANTS**

The Conference Board of Pension and Health Benefits shall establish rates of premiums for the participants, based upon the premiums charged by the insurance carrier(s).

Unless it has already been stated above under Eligibility, the Conference shall pay the premiums for all eligible enrolled annuitants of the Conference, lay or ministerial, from appropriate funds.

A. A Clergy person age 65 or older, becoming an annuitant after July 1, 2021, who has 20 full-time approved years with annuity credit in (CRSP), the Clergy Retirement Security Program (includes prior plans), with Wespath Benefits and Investments, shall receive health insurance coverage under the Plan. Monthly premium for Part A if any, and for Part B (both required) is a personal expense.

- 1. Annuitants age 65 or older who retired on or before July 1, 2021 shall continue to pay and be responsible for a percentage designated by the Board for each year short of 20 full-time years of service. The 2022 percentage will remain at 5%. The percentage will be reviewed annually by the Board.

B. **A lay person age 65 or older**, who has received or will receive a UMPIP benefit after July 1, 2021, who has 20 full-time approved years of employment with participation in UMPIP, the United Methodist Personal Investment Plan (includes prior plan), of Wespath Benefits and Investments, shall receive health insurance coverage under the plan. Monthly premium for Part A if any, and for Part B (both required) is a personal expense.

1. A lay retired participant age 65 or older who retired on or before July 1, 2021 shall continue to pay and be responsible for a percentage designated by the Board for each year short of 20 years of full-time service. The 2022 percentage will remain at 5%. The percentage will be reviewed annually by the Board.

C. The Active premium for an **annuitant under the age of 65 commencing benefits**

1. Eligible annuitants under the age of 65 who retired on or before July 1, 2021 shall continue to pay and be responsible for the annual fixed amount determined in the year of retirement until the annuitant reach age 65. Premium payment for those that have less than 20 years of full-time service shall continue to pay 5% for each year short of 20 years of full-time service. Annuitants paying for the annual percentage for which they are short of 20 years of full-time service are subject to annual increase set by the Board of Pensions.
2. Eligible annuitants under the age of 65 who retired after July 1, 2021 shall pay the amount equal to the actual plan premium rate set by Wespath Benefits and Investments until the annuitant reach age 65. The plan is subject to annual increases.
3. Eligible annuitants who retired after July 1, 2021, *and*, as of July 1, 2021, were at least 62 years old and had at least 15 but less than 20 years of full-time appointment, see Part I paragraph 3(b) or 4(e).
4. Eligible annuitants who retired after July 1, 2021, and, as of July 1, 2021, were at least 62 years old with at least 7 of service but less than 15 years net credited service under full-time appointment, see Part I paragraph 3(c) or 4(f).

D. **Extension Clergy serving approved Conference Advance Specials** in the geographic bounds of the Annual Conference who are not eligible to enroll in the Clergy Retirement Security Program (CRSP) will be credited, solely for the years appointed to that Advance Special, with actual years of appointment and service to the Conference, for the purpose of calculation of service year credits to determine allocation of pro-rated premium payment responsibility upon retirement.

### III. PREMIUM PAYMENT RESPONSIBILITY – PRE-ANNUITY RETIREES

The Conference Board of Pension and Health Benefits shall establish rates of premiums for the participants, based upon the premiums charged by the carrier.

For those who have retired early and are not collecting an annuity, the retired enrollee is responsible for the full Active premium payment until they reach annuity age.

### IV. PREMIUM PAYMENT RESPONSIBILITY – ACTIVE

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The Conference Board of Pension and Health Benefits shall establish rates of premiums for the participants based upon the premiums charged by the carrier.

Unless it has already been stated above under Eligibility, the Conference shall pay the premiums for all enrolled active participants, lay or ministerial, from appropriate funds, except that:

- A. Each church shall pay the premium(s) or Waived Participation Fee(s) (which is equal to the blended premium) of each of its full-time appointed clergy (including clergy spouse and dependent children if enrolled) who are either a full, provisional, or associate member of the Conference or a local pastor.
  1. The salary paying unit shall also be responsible for remitting premium for its lay employees who are enrolled in the Plan.
  2. Plan participants are to pay the amount of their share of the premium in excess of the premium credit provided by the HealthFlex Exchange default plan selected by the BOPHB. The local church will deduct the funds from the participant's compensation and remit the participants' share to the Annual Conference on a monthly basis.
- B. Each eligible enrollee, whose fees are not paid as provided above, shall pay his or her own premiums either directly or with employer participation. In every case, the individual enrollee is responsible for seeing that payment of his or her own premium is made if the party with PRIME responsibility fails to make the payment.

#### V. CONTINUATION OF COVERAGE AFTER CERTAIN EVENTS

- A. **Voluntary and Involuntary Termination** - If a person's participation in the Plan ceases due to voluntary or involuntary termination of Conference membership or employment or discharge or removal from the Annual Conference, Continuation Coverage for health insurance may be available through application to HealthFlex.
- B. **Loss of Dependent Status** - If a dependent's participation in the Plan ceases due to divorce or to attaining the limiting age, Continuation Coverage may be available through application to HealthFlex.
- C. **Medical Leave** - See #2 under Eligibility.
- D. **Leave of Absence** (§1353 and §1354) - Clergy placed on voluntary leave of absence (personal, family, or transitional) or involuntary leave of absence may continue in the Plan for a period of twelve months, provided they pay the premiums. Continuation Coverage for up to an additional 12 months may be available through application to HealthFlex. Leave of absence is not an appointment, causes a break in appointment years, and does not accrue annuity credit towards health benefits in retirement.
- E. **Sabbatical Leave** (§1351) Clergy placed on sabbatical leave may continue in the Plan for a period of twelve months, provided they pay the premiums. Continuation coverage may be available through application to HealthFlex. Sabbatical leave is not a break in appointment years for the purposes of health benefits in retirement.
- F. **Death** - Surviving spouses of clergy members are subject to the same rules (see Eligibility Guidelines #1 and 3) as the clergy member. Surviving spouses of lay employees of the Conference and District offices are subject to the same rules (see Eligibility Guideline #4 c) as the lay employee.

#### VI. ADMINISTRATION

All concerns, issues, requests, etc., relating to premiums, benefits, coverage (including voluntary termination of coverage, additions or deletions to policies) and benefits at retirement must be "in writing" from the Plan participant to be considered official. Such correspondence, concerns, or requests for changes in coverage must be sent to the

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Plan Administrator or his/her designated coordinator. Commitments or resolutions of issues must come in writing directly from the Plan Administrator or his/her designated coordinator.

The Benefits Officer and Administrator for the Conference Plan is the Conference Treasurer/Director of Administrative Services. The Benefits Officer shall be a member of the Conference Board of Pension and Health Benefits without a vote. He/she shall be responsible for promptly enrolling all eligible persons, for collecting all amounts due from churches, agencies or individuals for participation in the Plan, for arranging for their prompt deposit in a Conference account, for checking all billings from the Insurance Carrier to certify their completeness and accuracy and for making proper remittances on schedule for the Plan; and such Officer shall delete from the Plan any enrollee whose premium is not paid by the end of the month for which the premium is due. Termination is effective the first day of the month for which no payment has been received.

Submitted by,

William B. Wilson, Sr., Chair, Board of Pension and Health Benefits