

## Churches must pay healthcare billings of pastors, lay staff

### A letter from Lynn Caterson, Greater New Jersey Conference Chancellor

I have been asked several times recently about what a church needs to pay when they receive an invoice from the Conference. Easy answer: *everything*.

I have been asked specifically about payments for the pastor's optional health coverage. Once this has been enrolled in, it can only be changed during the Annual Election period for the coming year or for a qualified life-status event. And yes, the Conference has been billed for these amounts; but it is the church's legal obligation to pay for these optional items.

There is increasing concern about non-payment of billings for participant-selected healthcare. Below is a list of these items that may appear on billing statements. They must be deducted from a participant's paycheck and paid via the conference billing statement.

- Participant Premium – Participants in the health insurance benefit have cost-sharing responsibility based on their medical plan selection. “Participant Premiums” are pre-tax dollars the church will deduct from a pastor's and/or lay employee's paychecks.
- Vision – Participants' responsibility for a selected vision plan (if applicable). The church will deduct pre-tax dollars from the pastor's and/or lay employee's paychecks.
- Cigna – Participants' responsibility for a selected dental plan (if applicable). Pre-tax dollars the church will deduct from a pastor's and/or lay employee's paycheck.
- FSA/HSA – Flexible Spending Account / Health Savings Account – Optional contributions participants have elected to make towards future health costs. Pre-tax dollars the church will deduct from a pastor's and/or lay employee's paycheck.

These are not local church expenses. These are voluntary health care options which the participant has chosen and is paying directly via deduction from her/his paycheck. Making payroll deductions and then not using the funds to make these payments is *criminal theft*. Not making the payroll deductions is misrepresenting the participant's compensation.

If your church is behind in its payments, please ensure you are caught-up in the next billing cycle. While we recognize finances may be tight for some churches, failure to pay adds to the burden of all other churches in the conference.

Speak with your District Superintendent or with Brian Roberts, Executive Director of the UM Foundation, for ideas on stewardship campaigns and alternative sources of income.

Failure to pay for optional, participant-selected items adds a legal issue we don't want our churches facing.

If you have any questions regarding your billings, please contact Alexa Taylor at [ataylor@gnjumc.org](mailto:ataylor@gnjumc.org), or Veronika Varga at [vvarga@gnjumc.org](mailto:vvarga@gnjumc.org), or Robert Zuckerman at [rzuckerman@gnjumc.org](mailto:rzuckerman@gnjumc.org).