

Personnel Management

Policy Number: 07.07

Effective Date: 01/01/17

1. **Title:** Benefits (Retirement, Insurance and Self-Insured Plans)
2. **Purpose:** To explain what retirement, insurance and self-insured benefits are available to employees according to their employment categories as established in OPS 07.03 Employment Categories and Terminology. (See OPS 07.08 Time Off and Leaves of Absences for all time off benefits.)
3. **Policy:**

3.1 Workers' Compensation Insurance is provided without charge by FPCC through its insurance agent for all FPCC and PDS employees, regardless of the number of hours they work or their employment category. This insurance coverage is effective upon date of hire. This no-fault coverage provides medical and rehabilitative benefits as well as a portion of wage loss in the event of a work accident or illness.

3.1.1 FPCC will not retaliate against any employee who files a workers' compensation claim for a work-related injury or illness. The company abides by all applicable workers' compensation laws and regulations.

3.1.2 See also OPS 07.06 Workplace Safety and Health (Accidents & Workers' Compensation), which includes information on safety as well as how to file a claim.

3.2 A Retirement Savings Plan is available through the Board of Pensions (BOP) of the Presbyterian Church (U.S.A.) benefits plan for all FPCC and PDS employees, regardless of the number of hours they work or their employment category, *provided* the position is considered a regular, not a temporary, position. This IRS qualified 403(b)(9) plan is available at the employee's option and expense on either a pre-tax (tax deferred) or an after-tax payroll deduction basis upon date of hire. There is no employer match, but all employee contributions are vested. (Fidelity Investments currently is the third-party administrator of this BOP plan.)

3.3 In addition to Workers' Compensation and the Retirement Savings Plan, medical, dental, death and disability coverage is available through the BOP benefits plan for employees in church positions that are categorized as regular Teaching Elder*, Program or Administration staff and who regularly work established schedules of at least 20 hours per week. The optional medical and dental plans require employee premium contributions, but FPCC currently contributes at least 50% to the premium cost of "employee only" *medical* coverage (employee dental coverage is 100% paid by the employee). Family medical and dental coverage is available at the employee's cost. The death and

disability plan is entirely paid by FPCC. These benefits plans are self-insured BOP plans.

3.3.1 The medical plan includes prescription drug and vision care coverage.

3.3.2 FPCC's share of contribution to the employee's medical premium cost may vary from plan year to plan year, but it will never be less than required by law for a qualified Affordable Care Act plan. Other provisions of these plans, such as but not limited to deductibles, co-pays, out-of-pocket maximums, providers covered under the plans, and other provisions also may change from year to year.

3.3.3 Because FPCC offers a ACA-compliant medical plan to eligible employees, if an employee who is offered the BOP medical plan waives this coverage, (s)he may have to obtain ACA coverage elsewhere or pay a fine, and (s)he may not be eligible for an ACA marketplace subsidy.

3.3.4 Ineligible positions. Church positions categorized as temporary and those that are categorized as support to Teaching Elders, Program, or Administration staff are not eligible for these plans, nor are normally included positions with regular work schedules of less than 20 hours per week. PDS positions are not eligible for these plans, except for Workers' Compensation insurance and the Retirement Savings Plan. Newly hired employees who are ineligible for the BOP medical plan shall be provided a statement by the Church Administrator or PDS Assistant Director that FPCC does not provide them with an ACA-compliant medical plan. (Federal Form OMB No. 1210-0149.)

3.4 In addition to Workers' Compensation and the Retirement Savings Plan, medical, dental, death and disability insurance, as well as a pension plan, are available plan to installed and called Presbyterian Church (U.S.A.) Teaching Elders employed through the Presbytery of New Covenant as a Senior Pastor, Pastor, or Associate Pastor. All except the optional dental plan are paid for by FPCC, or per the individual Terms of Call.

3.5 If an employee is covered by the death and disability plan and further qualifies based on his/her salary level, optional supplemental life and disability coverage is available through the BOP benefits plan at the employee's cost.

3.7 Employees (and their eligible dependents) who are enrolled in the medical plan are also covered under the BOP Employee Assistance Plan (EAP) at no cost to them, as well as other employee benefits as described on www.pensions.org for participants in the medical plan.

3.7.1 The EAP is a resource designed to provide highly confidential and experienced help for employees in dealing with issues that affect their lives and the quality of their job performance, including personal and family challenges, financial and legal concerns, child and elder care, and identity theft.

3.7.2 FPCC is never informed of any employee's use of EAP services.

3.6 Employees who are eligible for the medical and dental plans are also eligible for FPCC's Tax Advantaged Plan, which includes 3 options, available on a pre-tax payroll deduction basis:

- Medical/dental Premium Payment, and/or
- Health Flexible Spending Arrangement, and/or
- Dependent Care Spending Account.

3.7 Eligible employees and eligible dependents must enroll in the medical, dental, supplemental death and disability, and tax advantaged plans when they first become eligible or wait until the annual open enrollment process, which applies to the next calendar plan year of coverage, unless they have a qualifying life event as defined by each plan.

3.8 While it is FPCC's intention to continue providing the benefits described in this OPS, it cannot guarantee that it always will be able to do so. Furthermore, either FPCC or BOP benefits plan provisions may be changed or ended, with or without advance notice, but notice of any change will be provided to employees as soon as possible.

3.9 The terms of each full plan document control the provisions of all benefits, and in the event of any conflict between what is written in this OPS (or any other employee communication regarding benefits) and the plan document, the full plan document always is the controlling document.

3.10 Time Off Benefits. See OPS 07.08 Time Off and Leaves of Absences, which covers holidays, vacation time, sick time, various types of leaves of absences, time off to vote, bereavement, and other time away from work policies and procedures.

4. Definitions:

- "Affordable Care Act" means the Patient Portability and Affordable Care Act, enacted in 2010, a federal law that is also known as Obamacare.

- “403(b)(9)” means an IRS qualified defined contribution retirement income account plan; similar to the private sector 401(k) retirement plans. This plan is designed as a “church plan” under IRS Code section 414(e) and as an Internal Revenue Code section 403(b)(9) (the “Code”) retirement income account, and, as such, it is exempt from certain provisions of the Code and the Employee Retirement Income Security Act of 1974 as amended (ERISA). Retirement Savings Plan contributions are invested, at the direction of each participant, in one or more of the investment accounts available under the Savings Plan.
- “Self-insured group benefits plan” (or a 'self-funded' plan as it is also called) means a plan in which the employer assumes the financial risk for providing benefits to its employees. In practical terms, self-insured employers pay for each out of pocket claim as they are incurred instead of paying a fixed premium to an insurance carrier, which is known as a fully-insured plan. Typically, a self-insured employer will set up a special trust fund to earmark money to pay incurred claims.

5. References:

- Board of Pensions of the Presbyterian Church (U.S.A.). www.pensions.org
- Employee Dues Share Plan with a Health Flexible Spending Arrangement and Dependent Care Spending Account. Plan Document, First Presbyterian Church, Inc., Conroe, TX. Presbyterian Church (U.S.A.)
- Self-insured Group Health Plans.
<http://www.siaa.org/i4a/pages/Index.cfm?pageID=4546>

6. Applicability: This policy applies to church and PDS employees as described.

7. Procedures:

7.1 The Workers' Compensation insurance agent information is posted on the employee bulletin board and is available from the Church Office or PDS Office. An employee needing to file a workers' compensation claim should contact the Church Administrator or Head of Staff. Forms are available from the Church Office and PDS Office.

7.2 Regular employees interested in enrolling in the BOP Retirement Savings Plan may contact the Board of Pensions at 800-773-7752 or go online to www.pensions.org or contact the Church Administrator for the appropriate forms to enroll. The employee must provide the Church Administrator or the Assistant

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PDS Director completed and signed copies of the payroll deduction authorization form to make deductions.

7.3 Enrollment in the medical, dental, death and disability plans is done by the employee online at www.pensions.org using the “Benefits Connect” portal as soon as the Church Administrator has provided the new employee eligibility information to the Board of Pensions. Employee and dependent changes also are made by the employee online using “Benefits Connect.” Paper enrollment forms are not used for these plans.

7.4 In general, all questions regarding any BOP benefits plan should be addressed to the Customer Care group at 800-773-7752 or by using self-service on “Benefits Connect” at www.pensions.org. The Church Administrator can provide general information. BOP benefit full plan documents and summaries are available on www.pensions.org.

7.5 Questions regarding the FPCC Tax Advantaged Plan may be directed to the Church Administrator or the Administration Committee. The Church Administrator maintains forms for enrolling in the FPCC Tax Advantaged Plan and an official copy of the Plan Document for this plan in the Church Office.

7.6 Detailed internal office procedures for processing benefits enrollment, changes, forms, and payments have been developed and are maintained by the Church Administrator.

8. Review Schedule: The Administration Committee Chairperson should review this OPS, at a minimum, on the triennium of the effective date and make any needed revisions for the Session’s approval.

9. Approval: The policy provisional effective date established by the Administration Committee is October 7, 2016, and Session approved this OPS on December 18, 2016, to be effective the date indicated in this policy header.

* If a Teaching Elder’s Terms of Call are different than provided for in this policy, the Terms of Call shall prevail, unless this policy provides him/her with a better benefit than indicated in the Terms of Call.