

Retired Clergy and Lay Health Insurance Benefits Policies

Diocese of New Jersey

Amended Statement as approved by Diocesan Insurance Committee on 08 Jan. 2013

The Diocese will carry a supplemental policy to Medicare for all retired, eligible persons, clergy and lay. (Canon 36)

1. Eligibility Requirements: Clergy

- 1.1 Must be canonically resident in the Diocese at the time of retirement.
- 1.2 Must have been employed* full time in the Diocese by one of its congregations, by the Diocese, or the Procter Foundation at the time of retirement.
- 1.3 If coming out of retirement and taking employment or special assignment elsewhere, the Bishop's Office must be contacted to determine the benefit impact.
- 1.4 Premium payment allocation will be based on the years of service requirements found in the Canon (refer to Section 3).
- 1.5 The years of service requirement shall be interpreted as cumulative full time employment to the Diocese.
- 1.6 Must be 65 years of age or older.*
- 1.7 Must be a beneficiary of the Church Pension Fund.
- 1.8 Must be enrolled in Medicare Parts A and B.

* Clergy and Lay Employees who retire before age 65 are responsible for providing their own health insurance until they are Medicare eligible and meet the additional requirements set forth in this document.

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2. Eligibility Requirements: Lay Employees

2.1 Must have been employed full time** by the Diocese at the time of retirement.

2.2 Premium payment allocation will be based on the years of service requirements found in the Canon (refer to Section 3).

2.3 The years of service requirement shall be interpreted as cumulative full time employment by the Diocese.

2.4 Must be 65 years of age or older.***

2.5 Must have worked five continuous years for the Episcopal Church.

2.6 Must be enrolled in Medicare Parts A and B.

3. Years of Service Requirement (Canon 36)

3.1 For those employed prior to January 1, 1991: No years of service requirement applies.

3.2 For those employed on or after that date:

| <u>Years Employed</u> | <u>Paid by Diocese</u> | <u>Paid by Individual</u> |
|------------------------------|-------------------------------|----------------------------------|
| 20 or more | 100% | 0% |
| 15 – 20 | 75% | 25% |
| 10 – 15 | 50% | 50% |
| 5 – 10 | 25% | 75% |
| Under 5 | 0% | 100% |

** For the purpose of this policy, “Full time” is defined as a minimum of 20 hours of employment per week.

*** Clergy and Lay Employees who retire before age 65 are responsible for providing their own health insurance until they are Medicare Eligible and meet the additional requirements set forth in this document.

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4. Nature of Benefit

4.1 Supplement to Medicare Program of the type offered by the Episcopal Church Medical Trust.

5. Eligibility Requirements of Spouses of Clergy

5.1 Cleric must meet the eligibility requirements as previously described.

5.2 Premium payment allocation will be based upon the cleric's years of service found in the Canon (refer to Section 3).

5.3 Spouses (65 and above) of eligible clergy shall be provided the same Medicare supplemental health insurance on the same terms as their ordained spouses.

5.4 Spouse must be a beneficiary of the Church Pension Fund.****

5.5 Spouse must be enrolled in Medicare Parts A and B.

6. Eligibility Requirements for Spouses of Lay Employees

6.1 Lay Employee must have met the eligibility requirements as previously described.

6.2 Premium payment allocation will be based upon the lay employee's years of service found in the Canon (refer to Section 3).

6.3 Spouses (65 and above) of eligible lay employees shall be provided the same Medicare supplemental health insurance on the same terms as their spouses.

6.4 Spouses must be enrolled in Medicare Parts A and B.

**** The Church Pension Group has special requirements for divorce, remarriage and marriage after retirement. Please consult the Church Pension Fund for these requirements.

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7. Eligibility Requirements under Special Circumstances

7.1 Clergy spouses who are covered by the Medicare Supplement Health Benefit at the time of the ordained spouse's death shall continue to receive the benefit on the same terms as before the ordained spouse's death.*****

7.2 If a retired cleric is age 65 or older and is eligible for Medicare, but his or her spouse is too young to be eligible for Medicare, the spouse may obtain health insurance under the Church Medical Trust plan for pre-65 retirees until the spouse turns age 65 and becomes eligible for Medicare. The diocese shall cover the premiums for this plan in accordance with the years of services of the cleric as set forth in Section 3.2.

7.3 Should a full time Canonically Resident cleric or lay employee under age 65 die while employed in one of the congregations of the Diocese, by the Procter Foundation or by the Diocese, the Bishop will work in conjunction with the employing agency so to continue health insurance for the surviving spouse and minor children for one year to assist the survivors as they make transitions in life before assuming responsibility for providing their own insurance protection. If after this period of time the Bishop and/or the employing agency feel that the surviving spouse and family need additional help, their health insurance premiums can be subsidized at the Bishop's or employing agency's discretion as either party see fit.

8. Special Exceptions

8.1 In extraordinary circumstances the Insurance Committee or Bishop may consider making special exceptions to these policies.

***** Clergy and Lay Employees who retire before age 65 are responsible for providing their own health insurance until they are Medicare eligible and meet the additional requirements set forth in this document.

The policy statements set forth herein that pertain to the Diocese's payment of premium for post-retirement health insurance are current as of January 8, 2013 (the date this document was modified). This policy may be altered in the future and if altered, could change the amount and/or percentage of the Diocese's payment of premium for post-retirement health insurance. No change in the percentage of the Diocese's payment of premium as set forth in Section 3 can be made without a change in Canon 36 and any such change in Canon 36 is subject to approval of Convention.