

BENEFITS PLAN LEVELS OF PARTICIPATION

Board of Pensions Administrative Rules – Rule 301

Purpose

The purpose of this rule is to clarify levels of participation available under the Traditional Coverage and the Affiliated Benefits Program.

Traditional Benefits Plan

The Traditional Coverage is for those employers who wish to provide their employees with defined benefit retirement pension coverage in addition to the death and disability and medical benefits coverage. Two levels of participation are available: full and limited.

Full Participation

Full participation means that a member is immediately enrolled for medical, pension, and death and disability coverage.

G-2.0804 of the Book of Order mandates this level of participation for Ministers of Word and Sacrament serving the Church in the installed positions of pastor, co-pastor, associated pastor, or designated pastor without regard for hours worked per week.

For all other church workers scheduled to work 20 hours per week or more, employers may elect to enroll those employees for full participation provided such enrollments apply to all employees within the same employment classification. See Administrative Rule 105 information prohibiting discrimination in enrollment practices for level of participation.

Administrative Rule 301 – Levels of Participation

Example:

A church has three full-time exempt lay employees, but wants to enroll only the Director of Christian Education for full Plan participation. This is not allowed. According to lay employee enrollment provisions, the church will be required to enroll all three full-time exempt lay employees for full participation.

Limited Participation

Limited participation includes medical, death and disability coverage for the first three years of Benefits Plan participation with pension participation added on the third anniversary of limited participation. If employers choose not to cover lay employees at end of the third year of limited participation, employees must be

withdrawn from the Benefits Plan. No continuation of medical coverage is available when this event occurs because the Board assumes that the employer will replace the Benefits Plan coverage with other substitute coverage for the employee.

This level of participation is available for employees in positions not mandated for full Benefits Plan participation under G-2.0804 of the Book of Order.

Members serving in positions not mandated for Benefits Plan participation under G-2.0804 of the Book of Order may be enrolled in the Plan for full participation by one employing organization, end employment with that organization, begin service with a new employing organization, and resume coverage under limited coverage based on the new employing organization's enrollment practices. See Administrative Rule 105 for additional information.

When a member with limited participation on the date of termination of employment returns to the same employing organization following a break in service, the three-year anniversary for limited participation is determined from the date of initial enrollment prior to the break.

If a member with full participation on the date of termination of employment returns to the same employing organization following a break in service, that member must resume coverage at the full participation level provided by that employer.

Affiliated Benefits Program

Employers who only want to offer healthcare coverage with the option for also providing death and disability coverage to their employees scheduled to work at least 20 hours per week or more and not serving in mandated positions may elect to enroll these employees in the Affiliated Benefits Program. Participation in the defined benefit pension plan is not available to members enrolled in this program. See Administrative Rule 121 for more details about the Affiliated Benefits Program.

See also:

http://www.pensions.org/AvailableResources/AdministrativeRules/Documents/AdminRule_304.pdf (Effective Salary)

http://www.pensions.org/AvailableResources/AdministrativeRules/Documents/AdminRule_305.pdf (Minimum Effective Salary)

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