



The Board of Pensions
of the Presbyterian Church (U.S.A.)

Benefits for Tentmakers and other Part-Time Ministers of the Presbyterian Church (U.S.A.)





Benefits for Tentmakers and other Part-Time Ministers of the Presbyterian Church (U.S.A.)

Churches seeking to employ the services of a tentmaker or other part-time minister may wish to structure the position with an eye toward benefit considerations. A congregation may choose to call the minister to a called and installed position or to employ him or her in a non-called and installed position. This booklet describes the benefit implications of both options, so that individual churches and ministers can make the choice that best meets their needs.

Who Should Read This Booklet

This communication is intended for:

- pastor nominating committees considering calling and installing a part-time minister
- sessions considering seeking the services of a minister of the Word and Sacrament in a non-called and installed position
- ministers of the Word and Sacrament who work part time (less than 35 hours per week) in either called and installed or non-installed positions, such as stated supply, and who may have other employment (i.e., tentmakers)
- seminarians who are considering accepting a call to minister part time or as a tentmaker
- church treasurers who administer benefits and pay dues for their churches

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Members' rights under the Benefits Plan are governed by the official Benefits Plan document. If this booklet is inconsistent with the plan document in any way, the plan document will be considered the controlling document.

The Board of Pensions reserves the right to change any term of the Benefits Plan through the amendment or change process described in the plan. A copy of the official Benefits Plan is available upon request from the Board of Pensions or can be viewed at or downloaded from Pensions.org.

Certain terms in this booklet have specific meanings under the Benefits Plan. These terms are defined in the glossary of this booklet or in the Definitions section of the Benefits Plan document. If there is a conflict between this booklet and the Benefits Plan document, the Benefits Plan document will control.

Introduction

When a part-time minister of the Word and Sacrament is employed for 20 hours a week or more, the church and minister may structure the call in such a way as to enroll him or her for one of two types of coverage under the Benefits Plan of the Presbyterian Church (U.S.A.):

- Traditional Program
- Affiliated Benefits Program

Both programs, and the benefit and cost implications for a hypothetical part-time minister and the church employing him, are described on the pages that follow.

Churches employing the services of non-called and installed pastors in part-time positions are not required to provide benefits through the Benefits Plan.

Called and Installed Ministers

Churches **must enroll called and installed ministers in the Traditional Program** of the Benefits Plan of the Presbyterian Church (U.S.A.), as mandated by the *Book of Order* (G-14.0534). This mandate applies regardless of whether the minister is working part time or full time.

Traditional Program

Called and installed ministers of the Word and Sacrament who work less than 35 hours a week serving a congregation must be enrolled in the **Traditional Program** of the Benefits Plan, as mandated by the *Book of Order*. These ministers and their eligible family members are entitled to non-contributory coverage, and the churches calling them are required to pay the appropriate dues. Churches also may enroll for Traditional coverage ministers who work less than 35 hours a week in non-mandated positions, as long as all employees within the same job classification are given the opportunity to enroll at the same level of participation. If a church chooses to enroll for Traditional coverage those ministers working in non-mandated positions, the church pays the cost of this coverage.

Ministers enrolled for Traditional coverage also may participate, at their own expense, in optional coverage offered by their churches through the Board of Pensions. Each optional benefit program has its own cost, payable in whole or in part by the participant. These optional benefit programs may include:

- Retirement Savings Plan of the PC(USA)
- Optional Dental
- Supplemental Death
- Optional Supplemental Disability
- Long-Term Care

Scope of Benefits and How They're Calculated

For members enrolled in the Traditional Program, the scope of benefits and the way they are calculated vary by program, as follows.

Note: The median salaries used in benefit calculations by the Board of Pensions of the PC(USA) are published annually on Pensions.org.

Medical

The comprehensive medical benefits for ministers working part time and enrolled for Traditional coverage are the same as those for full-time members. They and their eligible family members are fully covered by the Medical Plan. Medical coverage includes the medical, surgical, behavioral health, wellness, and prescription drug programs detailed in the *Guide to Your Healthcare Benefits 2010*. Refer to this booklet, available on Pensions.org or by calling the Board of Pensions, for information about this coverage.

Example: The Reverend Douglas E. Smith is a called and installed minister employed for service 20 hours a week at First Presbyterian Church of the PC(USA). He and his wife of 15 years, Mary, a part-time librarian, have two middle school-aged children. All four family members are fully covered by the Medical Plan of the PC(USA).

Death and Disability

The Traditional Program of the Benefits Plan provides death benefits (as well as a survivor's pension) when an active member dies; these include a lump sum payment and monthly payments for 12 months, both tied to effective salary, as well as a higher education benefit for eligible children. The plan's disability coverage provides a monthly income and benefits continuation during a period of approved disability. The provisions of the Death and Disability Plan are detailed in *Death Benefits for Plan Members with Traditional Coverage and Disability Benefits* (the summary plan documents). These documents are available on Pensions.org or by calling the Board of Pensions.

Key terms used in this document are defined in the back of this booklet. You can find a complete glossary of benefit terms in the Forms & Publications section of Pensions.org.

The death and disability benefits for ministers covered under the Traditional Program are calculated using the greater of:

- the effective salary reported for the individual
- the annual churchwide pastors' median, prorated for part-time employment

Example: Mr. Smith has a reported effective salary of \$31,200 (20 hrs. x \$30 x 52 weeks = \$31,200). The churchwide median salary for pastors in 2010 is \$52,200. The prorated median salary for this employment classification, based on working 20 hours per week, is \$29,827. [To arrive at the prorated amount, divide the number of hours worked by 35 hours and multiply the result by the median salary for pastors (20/35 = .5714) x (\$52,200) = \$29,827.]

Mr. Smith's effective salary of \$31,200 is greater than the prorated median salary of \$29,827. Accordingly, Mr. Smith's effective salary, rather than the prorated median salary, is used to calculate his death and disability benefits. If he dies while employed in this position, his eligible survivor(s) receives a lump sum death benefit of at least \$31,200, and his designated beneficiary receives a total salary continuation benefit of \$31,200, paid in installments of \$2,600 per month. Assuming he dies before his dependent children reach the age of 25, each child is eligible to receive \$9,000 annually for up to four years of full-time education after high school at an accredited school, college, university, or other institution of higher learning.

If Mr. Smith is disabled, he receives 60 percent of the greater of either his effective salary or the churchwide median salary for pastors, prorated for part-time employment. Since his effective salary is the greater amount, his annual disability benefit is \$18,720 (.60 x \$31,200 = \$18,720).

Note that during his disability, his pension credits continue to accrue and his medical and death benefits coverage continue even though dues are not assessed to him or his church.

Pension

The Pension Plan is a fully funded, defined benefit church plan. It provides each vested member with a lifetime monthly pension beginning at age 65, a reduced pension as early as age 55, or an enhanced pension beginning after age 65, depending on the member's age at retirement.

Members accrue pension credits each year that they participate in the Pension Plan; the longer they participate, the greater their pensions will be. The pension credits of part-time ministers enrolled in the Traditional Program accrue at 1.25 percent of the greater of:

- the pension participation basis (i.e., the greater of the effective salary reported for the individual or 25 percent of the annual churchwide pastors' median salary)
- the annual churchwide pastors' median salary, prorated for part-time employment

Vesting occurs after three years of eligible service; seminary graduates are fully vested when they become ordained ministers serving in a validated ministry.

Example: Mr. Smith accrues pension credits on the pension participation basis, using his effective salary of \$31,200. The pension credits that accrue for him in 2009 are 390 (.0125 x 31,200 = 390).

Out-of-Pocket Costs

Out-of-pocket costs apply only to the Medical Plan. There are no out-of-pocket costs for, or contributions by, the member for death, disability, or pension coverage.

Medical deductibles and copayment maximums (out-of-pocket costs) are based on the greater of:

- the full-time equivalent salary (described below)
- the minimum medical participation basis (65 percent of the median salary for pastors)

Under the Traditional Program, part-time ministers with medical coverage have full family coverage, just like full-time ministers in called and installed positions.

For purposes of determining medical deductibles and copayment maximums, their salaries are adjusted to reflect this fact. The formula for determining a **full-time equivalent salary** considers what the part-time minister's salary would be if he or she performed the same work on a full-time basis (35 hours). Simply:

- divide the effective salary by the weekly scheduled hours
- multiply by 35

The resulting full-time equivalent salary establishes the "band" on the 2010 Healthcare Deductibles and Copayment Maximums chart that determines the minister's deductibles and copayment maximums for the year.

2010 Healthcare Deductibles and Copayment Maximums¹

Salary Range ² (\$)	Deductibles ³		Copayment Maximums ⁴	
	Network and Non-Network 1%	Out of Network 2%	Network and Non-Network 4%	Out of Network 12%
\$0 - \$38,249	\$340	\$680	\$1,360	\$4,080
\$38,250 - \$42,699	\$380	\$760	\$1,520	\$4,560
\$42,700 - \$47,149	\$425	\$850	\$1,700	\$5,100
\$47,150 - \$51,599	\$470	\$940	\$1,880	\$5,640
\$51,600 - \$56,049	\$520	\$1,040	\$2,080	\$6,240
\$56,050 - \$60,499	\$560	\$1,120	\$2,240	\$6,720
\$60,500 - \$64,949	\$605	\$1,210	\$2,420	\$7,260
\$64,950 - \$69,399	\$650	\$1,300	\$2,600	\$7,800
\$69,400 - \$73,850	\$700	\$1,400	\$2,800	\$8,400
\$73,851 or more	\$740	\$1,480	\$2,960	\$8,880

¹ For covered inpatient and outpatient medically necessary services, not counting prescription drug costs and office visit copays

² Deductible and copayment maximums are rounded and based on the medical minimum salary basis of \$33,930 and the medical maximum salary basis of \$78,300.

³ Members with dependents are responsible for two deductibles, one for the member and one for all other family members combined. These are not counted toward the copayment maximum.

⁴ After a member reaches the annual copayment maximum, the Medical Plan pays 100% of eligible expenses up to the plan allowance, except for network and non-network office visits. The copayment maximum applies to the member and family combined.

Example: Mr. Smith works 20 hours per week and has an effective salary of \$31,200; he also earns approximately \$9,000 a year as a part-time paper reader for the local high school. Only his church salary of \$31,200 is used to arrive at his deductibles and copayment maximums for the year.

The minimum medical participation basis is \$33,930 ($.65 \times 52,200 = \$33,930$).

To determine the full-time equivalent salary, divide Mr. Smith's effective salary of \$31,200 by 20, then multiply by 35. His full-time equivalent salary is \$54,600 ($\$31,200/20 = \$1,560$. $\$1,560 \times 35 = \$54,600$).

As \$54,600 is greater than \$33,930, Mr. Smith's full-time equivalent salary is used. It places him in the fifth band of the 2010 Healthcare Deductibles and Copayment Maximums chart, for salaries ranging from \$51,600 to \$56,049 (see also *Guide to Your Healthcare Benefits 2010*).

Based on this band, Mr. Smith's annual deductible is \$520 and his copayment maximum is \$2,080 for services by network providers in 2010.

For more information, see Administrative Rule 113 or call the Board of Pensions at 800-773-7752 (800-PRESPLAN).

Dues

Dues for Traditional Program coverage are paid by the church. The covered member may not share in this cost.

Medical

Dues for 2010 medical coverage are 19.5 percent of the greater of:

- the full-time equivalent salary
- the minimum medical participation basis (65 percent of the median salary for pastors)

To determine the full-time equivalent salary, divide the effective salary by the weekly scheduled hours, then multiply by 35. (See *Worksheet for Full-Time Equivalent Salary Basis for Healthcare Dues* in the Forms & Publications section of Pensions.org.)

Example: To determine the full-time equivalent salary, divide Mr. Smith's effective salary of \$31,200 by 20, then multiply by 35. His full-time equivalent salary is \$54,600 ($\$31,200/20 = \$1,560$. $\$1,560 \times 35 = \$54,600$). Since \$54,600 is greater than 65 percent of \$52,200, the full-time equivalent salary is used in the calculation. Annual medical dues for this position are \$10,647, which is 19.5 percent of \$54,600 ($.195 \times \$54,600$), payable in monthly installments of \$887.25.

Death and Disability

Dues for death and disability coverage are 1 percent of the greater of:

- the effective salary
- the minimum pension participation basis (25 percent of the median salary for pastors)

Example: Mr. Smith's effective salary of \$31,200 is used in this calculation, because it is greater than 25 percent of the median salary ($.25 \times \$52,200 = \$13,050$). Annual death and disability dues for this position are \$312 ($.1 \times \$31,200 = \312), payable in monthly installments of \$26.

Pension

Dues for pension benefits are 11 percent of the greater of:

- the effective salary
- the minimum pension participation basis (25 percent of the median salary for pastors)

Example: Mr. Smith's effective salary of \$31,200 is used in this calculation because it is greater than 25 percent of the median salary ($.25 \times \$52,200 = \$13,050$). Annual pension dues for this position are \$3,432 ($.11 \times \$31,200 = \$3,432$), payable in monthly installments of \$286.

To provide full Traditional Program coverage (medical, death, disability, and pension) for Mr. Smith, his wife, and their two dependent children at his salary, First Presbyterian would pay monthly dues of \$1,199.25.

Optional Benefits

Each optional benefit has a separate cost, payable in whole or in part by the participant, depending on the benefit.

Benefits Continuation Following Termination

The Benefits Plan provides for limited free coverage immediately following termination of eligible service for Traditional Program members. If the Board of Pensions receives notice of termination of eligible service within 31 days of the effective date of his or her termination, the part-time minister enrolled in the Traditional Program is eligible for 30 days of free medical coverage after one year of Benefits Plan participation and free death and disability coverage based on years of eligible service:

- 30 days after one year of eligible service
- 60 days after two years
- 90 days after three years

Upon the Board of Pensions receiving notice of termination of eligible service, the part-time minister enrolled in the Traditional Program is also eligible to continue coverage on a self-paid basis, either on the transitional participation basis or through the Medical Continuation Program. This coverage begins after the free coverage period ends. For more information, refer to *Continuing Coverage at Termination of Eligible Service*, available at Pensions.org or by calling the Board of Pensions.

To learn about medical, death, disability, and pension benefits under the Traditional Program, go to Pensions.org, select Benefits & Assistance, and click on the benefit of interest.

Benefit and Costs Comparison, Traditional and Affiliated Benefits Programs

Benefit Plan Core Component	Traditional Program			Affiliated Benefits Program		
	Provided ?	Cost to Church? (% of churchwide pastors' median salary)	Chargeable to Member?	Available ?	Cost to Church?	Chargeable to Member?
Medical	Yes	19.5%	No	Yes	50 -100% of cost of coverage for member; 0-100% for eligible dependents	Up to 50% of cost of coverage for member; 0-100% for eligible dependents
Death & Disability	Yes	1%	No	Yes	3.5%	No
Pension	Yes	11%	No	No	—	—

Affiliated Benefits Program

An option for ministers of the Word and Sacrament who work less than 35 hours a week and who are not called and installed — and for the churches that engage their services — is for the minister to serve as an interim pastor or a stated supply. These ministers are not mandated into the Traditional Program of the Benefits Plan, but they are not excluded from it, either, if they work at least 20 hours per week and a church wishes to enroll them and pay the appropriate dues.

Some churches prefer to enroll part-time ministers in the **Affiliated Benefits Program (ABP)** if they meet the program requirement that they work at least 20 hours per week. Churches that find the cost of Traditional coverage exceeds their budgets often appreciate the flexible terms of the ABP. The ABP offers the same benefits as Traditional coverage except it excludes pension benefits. Beyond that exclusion, the extent of core benefits coverage depends on the church: It may choose to offer medical benefits only; death and disability benefits only; or medical, death, and disability benefits. (The church is required only to offer all employees within the same job classification the opportunity to enroll at the same level of participation.)

The church may ask participants to bear a portion of the cost of medical coverage, making the program more affordable to the church. If a church does ask participants to share in the cost of medical coverage, those who are covered through a spouse's medical plan may waive coverage. Death and disability coverage, when provided, is paid for exclusively by the church; employees may not contribute.

Participation is flexible, as well. A church may offer ABP coverage for the stated supply minister only, the minister and his or her spouse only, the minister and his or her dependents only, or the entire family.

Optional coverages may be available through the Board of Pensions if the church chooses to offer them. Each optional benefit program has its own cost, payable in whole or in part by the participant. These optional programs may include:

- Retirement Savings Plan of the PC(USA)
- Optional Dental
- Supplemental Death
- Optional Supplemental Disability
- Long-Term Care

If a church provides medical coverage through the ABP, it may offer Optional Dental and Long-Term Care insurance. If it provides death and disability benefits only, it may also offer Supplemental Death and Optional Supplemental Disability benefits. If the church

provides medical, death, and disability coverage, it may also offer Supplemental Death and Supplemental Disability benefits.

A church also may offer the optional Retirement Savings Plan of the PC(USA), and contributions may be made by the church, the participant, or both.

Note: Ordained ministers serving in called and installed positions may not enroll in the ABP. The *Book of Order* (G-14.0534) mandates that they be enrolled in the Traditional Program of the Benefits Plan of the Presbyterian Church (U.S.A.); this mandate applies regardless of whether the minister is working part time or full time.

Scope of Benefits and How They're Calculated

The exact menu of benefits under the ABP depends on the church — only medical coverage may be provided, for instance, and the church can establish a waiting period of up to one year for new employee enrollment — but the way the benefits are calculated under the ABP is exactly the same as under the Traditional Program. For example, if disability coverage is provided to ABP participants who work part time, the formula and method of calculating benefits is exactly the same as for Traditional Program participants who work part time.

Refer to “Scope of Benefits and How They're Calculated” under “Traditional Program” on pages 1-4 for more information. Here you'll find examples and references to benefit-specific texts, as well.

Out-of-Pocket Costs

There are no out-of-pocket costs for, or contributions by, the member for death and disability coverage (and no pension is available to ABP members). There are out-of-pocket costs for, and may be dues contributions by, members covered under the Medical Plan. For information on possible dues contributions, see “Dues” on the next page.

Medical deductibles and copayment maximums (out-of-pocket costs) are the same as for part-time ministers at the same salary level in the Traditional Program. For more information, refer to “Scope of Benefits and How They're Calculated” under “Traditional Program” on pages 1-4. Here you'll find references to benefit-specific texts, as well.

Dues

Under the ABP, medical dues depend, in part, on the number of family members covered (see schedule below). Under this program, the church may ask the minister to share in the cost of medical dues in amounts of up to 50 percent for the member and up to 100 percent for the spouse, dependent children, or both.

Under the ABP, the church bears the full cost of death and disability coverage, if offered, which for 2010 is 3.5 percent of the covered minister's effective salary.

Example: First Presbyterian is unable to provide death and disability coverage for Mr. Smith, who is serving as a stated supply, but can afford to cover 50 percent of the cost of Mr. Smith's and his family's medical coverage. In 2010, the church pays 50 percent of the \$1,362 monthly dues (the member & family rate), or \$681 monthly, for medical coverage of the entire family.

Mr. Smith pays \$681 monthly through payroll deduction for his share of the medical coverage for himself and his family.

To provide 50 percent of the cost of ABP medical coverage for Mr. Smith, his wife, and their two dependent children, First Presbyterian would pay dues of \$681 monthly — the total portion of benefit costs for Mr. Smith's position paid by the church.

ABP dues information, program comparisons, and more are outlined in a series of booklets about the Affiliated Benefits Program: *Overview*; *Employer Provisions*; *Comparing the Affiliated Benefits Program to Traditional Coverage of the Benefits Plan*; and *Questions and Answers*. You can find these booklets on Pensions.org or obtain them by calling the Board of Pensions at 800-773-7752 (800-PRESPLAN).

ABP 2010 Medical Dues

Coverage Level	Monthly	Annual
Member only	\$522	\$6,264
Member & child(ren) only	\$755	\$9,060
Member & spouse	\$1,072	\$12,864
Member & family	\$1,362	\$16,344

Benefits Continuation Following Termination

A part-time minister is eligible to continue coverage on a self-paid basis under the ABP Medical Continuation Program for a defined period of time. Under the Affiliated Benefits Program, a part-time minister is not eligible for free coverage (unlike under the Traditional Program). The minister must enroll with the Board of Pensions within 60 days of termination of eligible service. For more information, refer to *Continuing Coverage at Termination of Eligible Service*, available at Pensions.org or by calling the Board of Pensions.

To learn about medical, death, and disability benefits under the Affiliated Benefits Program, go to Pensions.org, select Benefits & Assistance, and click on the benefit of interest.



Comparison of Coverage: Mr. Smith Example¹

Benefit Plan Core Component	If Covered by Traditional Program			If Covered by Affiliated Benefits Program ²		
	Provided	Annual Cost to Church	Annual Cost to Mr. Smith	Provided	Annual Cost to Church	Annual Cost to Mr. Smith
Medical	Yes; automatically also covers Mrs. Smith and children	\$10,647	\$0 (plus office visit copays, deductibles, and copayments)	Yes; optionally covers Mrs. Smith and children	\$8,172 ³	\$8,172 (plus office visit copays, deductibles, and copayments)
Death & Disability	Yes	\$312	\$0	No, at the church's election	\$0	\$0
Pension	Yes	\$3,432	\$0	Not available	—	—
Total	All	\$14,391	\$0 (plus office visit copays, deductibles, and copayments)	Medical only	\$8,172 ³	\$8,172 (plus office visit copays, deductibles, and copayments)

Assumptions:

- ¹ Mr. Smith, a minister of the Word and Sacrament, works part-time at \$30/hour, 20 hours/week, 52 weeks/year for an annual effective salary of \$31,200. He and his wife have two middle school-aged children.
- ² Under the Affiliated Benefits Program, Mr. Smith and his church choose to split the cost of medical coverage for his entire family, and the church does not provide death and disability coverage for his job classification, so that coverage is not available to him (he purchases it outside of the Benefits Plan). Pension participation is not available under the Affiliated Benefits Program.
- ³ The total annual cost to the church, based on their agreement with Mr. Smith, is \$8,172; the total annual cost of coverage (and total dues billed directly to the church for coverage of Mr. Smith and his family) is \$16,344 (the church's portion plus Mr. Smith's portion).

Resources

The Board of Pensions provides benefit guides and other resources that can help you understand the provisions of the Benefits Plan. The following booklets and worksheet may be helpful when weighing how best to structure a position for a part-time minister. All are available at Pensions.org or by calling the Board of Pensions at 800-773-7752 (800-PRESPLAN).

- *The Benefits Plan of the Presbyterian Church (U.S.A.) 2010*
- *Guide to Your Healthcare Benefits 2010*
- *Worksheet for Full-Time Equivalent Salary Basis for Healthcare Dues*

- *Affiliated Benefits Program: Overview; Employer Provisions; Comparing the Affiliated Benefits Program to Traditional Coverage of the Benefits Plan; Questions and Answers*
- *Death Benefits for Plan Members with Traditional Coverage*
- *Disability Benefits*
- *Continuing Coverage at Termination of Eligible Service*

Questions?

You can learn more at:

- Pensions.org
- 800-773-7752 (800-PRESPLAN)
- memberservices@pensions.org

Key Terms

As you compare the benefit provisions and costs of Traditional Program and Affiliated Benefits Program coverage for part-time ministers, you'll want to understand the following terms. You can find a full glossary of benefit terms in the Forms & Publications section of Pensions.org.

Affiliated Benefits Program (ABP) – The Affiliated Benefits Program is designed to meet the benefit needs of churches for their employees who do not participate in the Traditional Program. Through this program, churches can offer enrollment in medical coverage, death and disability coverage, or medical, death, and disability coverage, to lay employees and ministers not mandated by the *Book of Order* to be enrolled in the Benefits Plan. An employer may require an employee contribution toward the cost of medical benefits of up to 50 percent of the dues. Churches may also offer optional programs available through the Board of Pensions.

Called and installed – A permanent pastoral relationship of a pastor or associate pastor, full time or part time, established by vote of the presbytery or its committee on ministry to approve the call to a minister of the Word and Sacrament elected by vote of the congregation. See *Book of Order* (G-14.0511).

Copayment maximum – The limit on the amount a member pays each year for eligible medical expenses under the Medical Plan. Office visit copays, ineligible expenses, expenses that exceed plan limits, and penalties for noncompliance with pre-certification requirements do not count toward the copayment maximum. Once the member meets the copayment maximum, eligible charges will be paid out at 100 percent, subject to plan limits, for the remainder of the year.

Deductible – The amount an employee has to pay toward covered medical expenses annually before the plan begins to pay its share of eligible expenses. Copays for office visits do not count toward the deductible. There is a separate deductible for the plan member and a second deductible that applies to all eligible family members for covered healthcare services, including medical, surgical, and behavioral health services.

Dues – Each employing organization's representative share of the total cost of the Benefits Plan. Dues are not related to the benefits paid to individual members; rather, they represent an equitable distribution of the total cost of the plan among the various participating organizations. The dues for members with Traditional coverage are determined on the basis of effective salary (see also *effective salary*).

Effective salary – Effective salary is any compensation paid during a plan year to a plan member by an employing organization; it is used to determine pension credits earned by the member, death and disability benefits, medical cost-sharing requirements, and dues paid by the employing organization. Effective salary includes sums paid for housing (including utilities and furnishings) allowance and deferred compensation (funded or unfunded) provided to a member by an employing organization during a plan year. Other employer-provided group benefits and employer matching contributions to the Retirement Savings Plan are not included in effective salary.

Minimum medical participation basis – Calculated each year for the purpose of determining dues, deductibles, and copayment amounts for medical coverage. The minimum medical participation basis currently is equal to 65 percent of the pastors' median (see also *pastors' median*).

Minimum pension participation basis – Established each year for the purpose of determining dues for pension and death and disability coverage. The minimum pension participation basis currently is 25 percent of the pastors' median.

Non-called and installed – A pastoral relationship of a minister of the Word and Sacrament, full time or part time, established by the session with the approval of the presbytery through its committee on ministry. Non-called and installed ministers perform a variety of pastoral duties and often have official titles such as stated supply, interim pastor, temporary supply, or pulpit supply. See *Book of Order* (G-14.0550).

Part time – Employment that is less than 35 hours per week.

Pastors' median – Based on effective salary information reported to the Board of Pensions, the Board annually determines the median salary for ordained ministers serving churches. The pastors' median is used to calculate pension credits and minimum death and disability benefits for those ordained ministers serving churches who are paid below the median (see also *effective salary*).

Tentmaker – A minister of the Word and Sacrament who works part time in either a called and installed or non-installed position and who has other employment.

Traditional Program – The Traditional Program (or coverage) of the Benefits Plan consists of four core coverages: medical, death, disability, and pension. Churches are required to enroll mandated members and may enroll other active members in the Traditional Program. Churches may also enroll members in any of four optional benefits: the Optional Dental Program, Supplemental Death Benefits Program, Optional Supplemental Disability Program, and Retirement Savings Plan.

Transitional participation basis – A coverage status provided at the sole discretion of the Board to a Traditional Program member if he or she is certified by his or her former employer or presbytery as:

- currently unemployed but actively seeking church employment
- enrolled for full-time church-related studies, or
- subject to a disciplinary process that lead to a temporary leave or unemployment.

On this status, a member may, by paying the required dues, continue the same Benefits Plan Traditional Program coverage (except for Optional Dental Benefits) for a period of time determined by the Board.



The Board of Pensions
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