

MEDICAL INSURANCE POLICY FOR RETIRED CLERGY

When a full time, actively employed priest retires from service within the Diocese of West Texas and becomes eligible for Medicare, either at that time or later, the Diocese of West Texas provides three Medicare Supplement options made available through Church Pension Fund and the Episcopal Church Medical Trust: the Comprehensive Plan, the Plus Pan and the Premium Plan.

Based on years of credited service the Church Pension Fund will pay all or a portion of the Comprehensive Plan for the cleric and his/her spouse. The cost of the Plus Plan is \$55.00 per month per person. The cost of the Premium Plan is \$100.00 per month per person. The Diocese will pay up to \$120.00 per month for the priest and his/her spouse unless the spouse is employed and has medical coverage through the employer. The \$120.00 per person will be applied to the combined total of medical, dental, and group life benefits, whichever supplement plan is chosen.* The priest and spouse will be responsible for any amount of the premium that is over and above the \$120.00 (\$240 per couple).

“Split Bill Coverage”

Should the priest retire and enroll in Medicare, and the spouse has not reached the age of eligibility for Medicare, the Diocese will pay up to \$120.00 for the cleric and \$120.00 toward the spouse’s coverage. ***However, the spouse must enroll in one of the “Under-65” Plans provided by the Medical Trust.*** The priest and the spouse must pay the cost differential between the current premium for the assigned active plan and the \$120.00 allowed maximum for the spouse. If the “under-65 spouse” has medical coverage through an employer, he/she will not receive the \$120.00 benefit. When the spouse becomes Medicare-eligible, he/she may enroll in one of the supplement plans offered by Church Pension Fund.

Early Retirement

Should the priest decide to retire prior to the age of Medicare eligibility, and is, therefore, not eligible for Medicare, the priest and spouse may continue to be insured under the Diocesan group Medical insurance plan provided that they pay their own premiums until they reach the age of eligibility, at which time they may be eligible for the Medicare Supplement offered through the Diocese as outlined above.

Clergy Widows/Widowers

Following the death of the retired priest, the group Medical insurance plan in effect for the spouse at that time continues, subject to the provisions outlined above. If the priest dies prior to the spouse's age of eligibility for Medicare, the spouse is required to continue in her/his present coverage until the age of Medicare eligibility, at which time the widow/widower becomes eligible for the Medicare Supplement that is offered through the Diocese.

DENTAL INSURANCE POLICY

Dental insurance for retired clergy, their spouses, and widows/widowers is subject to the same guidelines as set forth above for Medical Insurance. Dental coverage is available through the Medical Trust and administered by CIGNA Dental (1/1/07). It is the same PPO plan that is provided for active clergy and their dependents.

(The above statements on Medical and Dental policy outline the current policy of the Diocese of West Texas concerning group medical and dental insurance for retired clergy, spouses, and their widows/widowers. Each of the above scenarios assumes that the priest has been actively employed consecutively for at least five (5) years in a full time church-related position within the Diocese at the time of retirement and is canonically resident at the time of retirement).

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*Description of Benefits

- Choice of Medicare Supplements:
 - Comprehensive Medicare Supplement (effective July 1, 2003)
 - Plus Plan Medicare Supplement (added July 1, 2004)
 - Premium Medicare Supplement (effective July 1, 2003)
- Dental Insurance
- \$2,000 Group Life Policy for Clergy person

Scale of Benefits based upon years of service:

<u>Total Years of Service in Diocese</u>	<u>Level of Benefit Premium</u>
15 years	up to \$120 monthly (\$240 couple)
10 - 14 years 11 months	up to \$ 80 monthly (\$160 couple)
5 - 9 years 11 months	up to \$ 40 monthly (\$80 couple)
0 - 5 years	Non-eligible for benefit

OPTION: If a priest has three or more years of service in a particular level of benefit coverage, ***he/she may buy up to a maximum of two years of service in order to achieve the next level of benefits.*** The cost of buying these additional years of service shall be calculated as follows:

Number of years to buy up X the annual premium for the next level of benefit based on total years of service in the Diocese of West Texas, prorated monthly.

Example: A priest with 8.75 years of service buys up 1.25 years to reach the 10-year benefit level:

$$1.25 \text{ yrs} \times \$960 (\$80 \times 12) = \$1200 \text{ (double if married} = \$2400)$$

The purchase of these additional years of service must be paid in a lump sum at the time of retirement.

**Adopted by action of the Executive Board March 11, 2003.*