

Diocesan Health/Dental Policy Highlights
Plan Year 2024



Employee Benefit Education: **October 25, 2023, 2:00pm via Zoom**

Click [here](#) to register.

Member Education on Benefits for Annual Enrollment: Date coming soon

1. CPG Resources.

- a. Common questions with answers from CPG can be found here: [Church Pension Group | Common Questions \(cpg.org\)](#).
- b. Detailed administrator's guide to the Church Medical Trust is here: [Administrator's Guide \(cpg.org\)](#)

2. Eligibility

- a. All employees are eligible for coverage if they work at least 1,000 hours per year. The employer must contribute to the premiums for all employees working 1,500 hours per year or more.
- b. Eligible employees working at least 1,500 hours per year may not decline coverage without a valid opt-out reason (examples of valid opt-out reasons include: coverage through a spouse's employment, Medicaid or TRICARE coverage, or coverage from a previous employer). Annual waiver declarations are required to continue to opt-out. Employees who opt-out must still be reported to the diocese to allow CPG to collect waiver information.

3. Minimum Employer Contribution towards Health Premiums/Employer Cost

- a. The amount of the employer monthly minimum contribution for a **full time** employee in 2024 is (includes HSA contribution, if applicable):

	Employer Contribution
Employee Only	\$1,066.58*
Employee + 1	\$1,469.34
Family	\$1,930.20

* Or the total premium cost, whichever is smaller.

- b. The minimum employer health contribution for **part-time** employees working more than 1,500 hours per year is found by multiplying the FTE equivalent of the employee by the minimums listed in #6. However, the employer contribution shall not be less than \$959.92 for single coverage, \$1,322.41 for single plus one coverage, and \$1,737.18 for family coverage. The employer is not required to contribute for employees working under 1,500 hours per year (the employee in that case pays the full premium).
- c. Parishes may opt to contribute more than the diocesan minimum towards health premiums in their individual vestry policy. Note that health/benefit policy must be applied equally to all employees (e.g. it is not permissible to pay 100% of clergy health without also contributing 100% towards lay employee's health).
- d. No mission, parish, or congregation may contribute less than the diocesan minimum towards eligible employee premiums.

4. HSA Contributions

- a. The plans with HSA requirements are the two CDHP plans. The HSA employer contribution helps the employee pay for the cost of the higher deductible. HSAs are only available with the two CDHP plans.
 - b. Employees may elect to contribute additional amounts to their HSA through payroll deductions. However, IRS limits cap the amount that can be contributed. For 2024 the HSA cap is currently set at \$4,150 for single participants under 55; \$8,300 for family enrollees, and an additional \$1,000 is allowed as HSA Catch-Up Contributions for employees over 55. These limits apply to the **combined** employer and employee contributions.
 - c. Employer-paid HSA contributions are funded as follows:
 - i. For participants in the CDHP 15 plan, the employer shall contribute \$500 to the employee's HSA account in January and in July.
 - ii. For participants in the CDHP 20 plan, the employer shall contribute \$500 to the employee's HSA account in January and July, with an additional \$142 contributed each month to total \$2,704 for the year.
 - d. Employee contributions via payroll should be funded in the month the payroll deductions occur.
5. **Dental Insurance** - There are no requirements for employer contribution towards dental insurance. However, employees of the diocese shall receive \$65 per month towards dental coverage if elected. Congregations are encouraged to meet or exceed this contribution. The amount of dental contribution should be an established policy of the employer with all employees treated equally under the policy.
6. **Pharmacy Benefits** –The diocese has elected to continue with the Standard Rx option for prescriptions.
7. **Enrollment and Effect**
- a. Generally new employees must enroll within 30 days of employment/eligibility. Benefits are effective the first day of the month following hire/eligibility, unless that day is the first of the month (in which case they take effect then).
 - b. Annual enrollment thereafter occurs each fall for the following year.
 - c. CPG handles retired clergy enrollment into the Medicare Advantage plans directly. The diocese does not have access to retired clergy health elections.
8. **Institutional administration**
- a. Missions are required to follow this diocesan policy for medical and dental benefits. Each respective bishop's committee should pass this policy with a definitive election for dental contributions (see #5, above).
 - b. Parishes are required to either adopt the diocesan minimums as a part of their benefit policy or to cover premium costs at a higher amount (for example, some parishes pay the entire premium on behalf of the employee).
 - c. Schools may elect their own health plans, minimums, and eligibility. They are not currently required to participate in the Medical Trust. Schools with churches should be careful to delineate in their policy the different classes of employees (for example: church employees are required to participate but school employees may not be, and defining the difference between a church employee and school employee clearly in the policy- which may be challenging in some situations).
 - d. Employers should note that to withhold pre-tax health deductions, they need to participate in a Section 125 (Cafeteria) plan. The diocese maintains a 125 plan for all congregations in the diocese; however it is operated by ADP and only available for

congregations also using ADP for payroll. Contact the diocesan office to ensure your ADP account is covered by this plan. Employers not using ADP need to purchase a plan from a third party (they are usually less than \$200 per year).

9. Annual Enrollment

Annual Enrollment for 2024 is October 25 through November 15 this year. The annual enrollment process includes the following procedures for congregational administrators:

- a. By 10/18, each congregation should electronically receive your annual enrollment package from the diocese. It will include the materials you are required to distribute to employees.
 - i. Eligible employees – communication checklist
 1. Letter communicating plans and process (template will be sent to you). Includes link to mandatory disclosures.
 2. Rate sheet
 3. Benefit comparison
 4. CPG will mail healthcare compliance notices
 - ii. Ineligible employees – communication checklist
 1. Healthcare compliance notices, found [here](#)
 - iii. Members who were eligible but are no longer (work falls below 1000 hours per year in the past year) – please contact acarez@edsd.org. We have a form letter for you to send them and we need to remove their eligibility. A template is also provided to communicate with the employee.
- b. Enrollment
 - i. Current members – CPG will send a green envelope with enrollment information to current health members. All enrollments are processed through [MyCPG](#).
 - ii. New members – You will need to provide enrollment opportunities for any employees who have become eligible since last annual enrollment but are not currently members. Send enrollment selections to: acarez@edsd.org.

Benefits are the most complicated aspect of church administration. Please do not hesitate to contact the diocesan finance office with questions.



The Episcopal Diocese of San Diego

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RESOLUTION 2023-10-6 **2024 Updates to the Denominational Health Plan Policy**

Resolved: That the Executive Council of The Diocese of San Diego approves the following plan selections for the denominational health plan (DHP) effective January 1, 2024:

- Anthem BCBS CDHP 15/HSA
- Anthem BCBS CDHP 20/HSA
- Kaiser EPO High Option
- Kaiser EPO 80
- Anthem BCBS PPO 90
- Anthem BCBS MSP PPO 90 (Small employers only- Medicare Supplemental for over 65)
- EAP (as stand-alone coverage without health; all health plans include EAP)
- Delta Dental Premium
- Delta Dental Comprehensive
- Delta Dental Basic
- Standard Prescription Plan

Resolved also: That employers in the diocese shall provide benefits for eligible full-time employees that include employer contributions towards health premiums. The minimum employer contribution for employers in the diocese for 2023 for full-time employees is equal to roughly 95% of the Anthem BCBS CDHP 15/HSA Plan (the Diocesan Base Plan), plus an employer contribution of \$83.33 per month to the employee's HSA account; and an additional amount if the employee chooses "+1 coverage" or "Family" coverage. The additional amounts are calculated to bring employee premiums in line with other employers over the next two years.

The minimum employer contributions for full-time employees are as follows (includes HSA contribution):

	Employer Contribution
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Employee Only	\$1,066.58*
Employee + 1	\$1,469.34
Family	\$1,930.20

* The employer contribution is greater than the premium for the MSP PPO 90 plan and the Anthem BCBS MSP PPO 90 plan, and is reduced as a result to the entire premium.

Resolved also: That Employers in the diocese shall provide benefits for eligible part-time employees (those who work more than 1,500 hours per year) that include employer contributions towards health premiums. Employers in the diocese will pay a pro-rated share of the employee premium. However, the employer contribution shall not be less than \$959.92 for single coverage, \$1,322.41 for single plus one coverage, and \$1,737.18 for family coverage.

Resolved also: That the diocese as an employer shall provide 100% of employee only Comprehensive Dental as employer-paid coverage for full-time employees (\$65 per month in 2024). The diocese shall pay a pro-rated dental premium for all eligible part-time employees that shall be no less than \$58.50. The Executive Council strongly encourages employers in the diocese to provide minimum dental coverage to all eligible employees.

Resolved also: That institutions that are not churches but who are subject to the authority of the diocese (pre-schools, schools, and social service agencies) may participate in the plan or not as decided by each of their respective governing bodies; and

Resolved further: that the points listed in “Diocesan Policy Highlights,” below, are adopted with the DHP changes as policy for 2024.

EXPLANATION

1. At the 2009 General Convention, The Episcopal Church passed resolution A177 with two key components:
 - a) Parity is required between clergy and lay employees.
 - b) All churches and dioceses must use the Church Pension Group Medical Trust for their health insurance.
2. Another provision of A177 is that employers are required to provide health coverage through CPG for eligible employees (working over 1,500 hours per year). Employees may not decline coverage without a valid opt-out reason. (Employees working from 1,000 to 1,499 hours per year may opt in at their own expense beginning in 2022.)
3. Schools are exempt from A177, but church employees for churches with schools are not.
4. During 2010, the bishop convened a denominational health policy task force to recommend to diocesan convention a diocesan denominational health policy that was in compliance with the general convention resolution. The committee had a number of listening sessions to gather the will of the diocese and to communicate the recommendation. Their work culminated in the recommendation of resolution 12-09, which was passed at the February 2012 diocesan convention. The

plan called for a base plan to be the basic EPO Health Plan which has been the Aetna plan. The Aetna EPO was not offered in 2017 nor were the other EPO plans administered by United Health Care.

5. Health Insurance costs continue to rise and are becoming unsustainable for both the church and the employees who are required to fund their family's insurance.
6. Consumer driven health plans (CDHP), formerly known as high deductible health plans (HDHP) coupled with a health savings account (HSA) is gaining popularity among dioceses.
7. Employees that need family coverage are most at risk with the rise in health insurance costs. This is particularly true with DHP since it does not have age banded rates. Young priests and lay employees are more likely to have families and are having to pay for their family's coverage at the rates that reflect the costs of providing insurance to older individuals.
8. The full premium schedules and minimum employer contributions are attached in Exhibit A.
9. Employee plus one and family coverage in the diocese have not historically provided employer contributions comparable to other dioceses and employers. The diocese will, over the years 2023-2025, increase the employer contribution for these categories until the employee share is comparable.

Passed by Executive Council on October 7, 2023.