

2027 Diocesan Health Plan Policy Highlights

1. CPG Resources.

- a. Common questions with answers from CPG can be found here: [Church Pension Group | Common Questions \(cpg.org\)](https://www.cpg.org/).
- b. Detailed administrator's guide to the Church Medical Trust is here: [Administrator's Guide \(cpg.org\)](https://www.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 monthly employer minimum contribution for a full time employee in 2027 is:

	Employer Contribution
Employee Only	\$1,279.40*
Employee + 1	\$1,744.84
Family	\$2,292.33

* 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 rates listed in #3.a. However, the employer contribution shall not be less than \$1,151 per month for single coverage, \$1,570 for single plus one coverage, and \$2,063 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-approved 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 2027 the HSA cap is currently set at \$4,500 for single participants under 55; \$9,000 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 \$825 to the employee's HSA account in January and in July.

- ii. For single participants in the CDHP 20 plan, the employer shall contribute \$1,448.40 to the employee's HSA account in January and July. For other tiers the contribution will be \$825 in January and July.
- 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 \$68 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. **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.
- 7. **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 #7, 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).

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