

Managing Church Benefit Expenses

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Church Consultant



A Theology of Benefits

God's desire is that all people experience shalom — the flourishing of life. This desire is reflected in the repeated refrain of the creation narrative: "God saw that it was good." The ensuing portrayal of life in the Garden of Eden illustrates an ideal in which humanity dwells in mutual care and well-being.

Benefits and programs that promote wholeness:

- ✓ Spiritual
- ✓ Health
- ✓ Financial
- ✓ Vocational

Uphold the values of care, connection, and community nature.

Essential component of just compensation.

A Church Plan



Allows us to align with PC(USA) teachings and philosophy

- Section 414(e) of Internal Revenue Code
- For maintenance and administration of retirement, medical, and other benefits for ministers and employees of churches and affiliate organizations

Benefits Packages



Covenant Package

Benefits Include:



Defined Benefit
Pension Plan



Death &
Disability Plan



Temporary
Disability Plan



Employee
Assistance Plan



Assistance &
Education
Programs

Employees working 20+ hours/week need this

Covenant Package

Eligibility	Benefits Included	2026 Costs
Any eligible employee* working 20 hours or more per week	<ul style="list-style-type: none">• Defined Benefit Pension Plan• Death and Disability Plan• Temporary Disability Plan• Employee Assistance Plan (EAP)• Assistance and Education Programs	10% of effective salary for income protection benefits (Dues are noncontributory, and subject to minimum and maximum dues)

**Any individual employed by an eligible employer who satisfies eligibility requirements established by the eligible employer as reported in the Employer Agreement and any eligibility requirement of the Board as specified in the Benefits Plan offering.*

Note: Some presbyteries have added requirements for the provision of benefits in their minimum terms of call.

Covenant Package

Eligibility



Any employee
20 hours per week

2026 Dues



10% of
effective salary

Paid entirely
by employer

Congregational Pastors Package

Benefits



PPO medical coverage
for congregational
pastoral leader
+
The Covenant Package

2026 Dues



17.5% effective salary
for medical
+
10% for Retirement and Death,
Disability & Life Plans

Paid entirely
by congregation

Congregational Pastors Package



Dependent Coverage

- ✓ May offer medical coverage for spouses and children

- ✓ Congregation may choose to pay all, some, or none of the cost

- ✓ Flexibility to offer benefits needed without paying for benefits not needed

Congregational Pastors Package

Dependent Medical Coverage Dues

2025	 Child(ren) \$8,950	 Spouse \$11,000	 Family \$20,600
2026	 Child(ren) \$9,950	 Spouse \$12,250	 Family \$22,200

Congregational Pastors Package

2026 Member and Dependent Medical Dues

Coverage Level	Dues	Combined Minimum Dues	Combined Maximum Dues
Member-only	17.5%	\$6,500	\$18,500
Member + Child(ren)	17.5% + \$9,950	\$16,450	\$28,450
Member + Spouse	17.5% + \$12,250	\$18,750	\$30,750
Member + Family	17.5% + \$22,200	\$28,700	\$40,700

Plus 10% for income protection benefits

Transitional Pastor's Participation

Medical Dues

Year	Percentage	Minimum Dues	Maximum Dues
2025	33%	\$15,000	\$43,000
2026	37%	\$18,500	\$50,000
2027*	No less than 41%	\$21,600	\$57,000

Plus 10% for retirement and death, disability, and life plans.

**2027 rates are minimums (subject to future Board of Directors approval)*

Minister Employment Status

Coverage Year

Answer these questions to see eligibility and costs for current employees.

Employer is PC(USA) congregation?

Minister

Installed?

Enrolled in Transitional Pastor's Participation?

2025 Effective Salary ?

Congregational Pastors Package

Benefits Included	Annual Employer Dues
Pension	\$8,500
Death and Disability	\$1,000
Temporary Disability	\$500
Medical (Member-only) ?	\$16,000

Select your dependent coverage option and indicate employer cost-sharing.

% Employer Paid ▼

<input checked="" type="button" value="None"/>		+ \$0
<input type="text" value="Child(ren)"/>	<input type="text" value="100"/> %	\$8,950
<input type="text" value="Spouse"/>	<input type="text" value="100"/> %	\$11,000
<input type="text" value="Family"/>	<input type="text" value="100"/> %	\$20,600

Employer Net Cost	\$26,000
Employee Cost	+ \$0
Employer Total Dues	= \$26,000

Transitional Pastor's Participation

Benefits Included	Annual Employer Dues
Pension	\$8,500
Death and Disability	\$1,000
Temporary Disability	\$500
Medical	\$33,000
Employer Total	\$43,000

Congregational Pastors Package vs Transitional Pastor's Participation

Effective Salary at which TPP Dues are more affordable than CPP Dues

2025

- **Member + Children**
Between \$37,813 and \$52,647
- **Member + Spouse** Below \$64,705
- **Member + Family** Below \$113,939

2026

- **Member + Children**
Between \$48,859 and \$51,025
- **Member + Spouse** Below \$62,820
- **Member + Family** Below \$110,000

Plans and Programs



Plans and Programs

- Defined Benefit Pension Plan*†
- Retirement Savings Plan 403 (b)(9)

RETIREMENT PLANS

- Health savings account
- Flexible spending accounts
 - Healthcare
 - Dependent care

TAX-ADVANTAGED ACCOUNTS

2026 Benefits

HEALTH & WELLNESS PLANS

- Medical* - PPO, EPO, HDHP
- Dental
- Vision
- Employee Assistance Plan (EAP)*†

DEATH, DISABILITY & LIFE PLANS

- Temporary Disability*†
- Long-Term Disability
- Death and Disability*†
- Term Life & Accidental Death & Dismemberment
- Supplemental Death

**Employer contribution required*
†Included in the Covenant Package

Plans and Programs



HEALTH & WELLNESS PLANS

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A Pay-as-You-Go Plan

Dues collected in any one year should cover ...



Claims costs



Administrative expenses

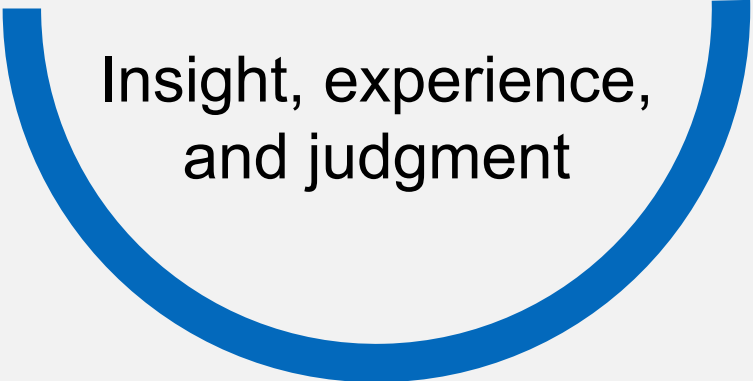
Projecting Future Costs is a Delicate Balance



50%
Science

Data and
statistical analysis

50%
Art



Insight, experience,
and judgment

Reserves provide stability

Historically, Healthcare Cost Trends Move in One Direction

Year over year that direction is up!



Unit cost
of services



Utilization
of services



Erosion of
cost-share value

Trend components

The Board's Five-Year Claims Trend Journey

**Five-year
average:
7.2%**

Year	Trend
2020	-1.7%
2021	20.8%
2022	4.0%
2023	6.6%
2024	9.4%

Financial Stewardship



Administrative expenses



Coalition purchasing



Contract negotiation



Due diligence

High-Value Features



Plan Design

Three medical coverage options with varying actuarial values cover the same healthcare services



PPO

(preferred provider organization)

No significant changes to cost-sharing design since 2015



EPO

(exclusive provider organization)

No changes to cost-sharing design since inception in 2017



HDHP

(high deductible health plan)

No changes to cost-sharing design since inception in 2018

Care Navigation

Offers personalized support as the member's primary point of contact throughout their healthcare journey

- ✓ Verify covered services and benefits
- ✓ Help with managing a health condition
- ✓ Connect members with community-based resources
- ✓ Find network providers
- ✓ Answer claims and billing questions
- ✓ Replace lost ID cards



Quantum Health's Care Coordinators get to know a member and their health and wellness needs to make sure the member receives high-quality, safe, and cost-effective care.

Mental Health



Statistical Context

The average time between symptom onset and appropriate treatment is 11 years

Adults

- One in five experiences a mental health condition each year
- 30% report dealing with anxiety and depression
- Only about 50% receive any treatment

Children/adolescents/young adults

- One in six experiences a mental health condition each year
- More than 20% of teens have seriously considered suicide
- Less than 50% receive appropriate care

Impact of Pandemic

Fourth leading driver of Medical Plan costs and utilization in 2021

- Higher rates of anxiety and depression, post-traumatic stress, and psychological distress
- Reported causes of isolation, loneliness, job loss, financial instability, illness, and grief



Persistent Challenges

Access

- Universal shortage of providers across all 50 states
- 47% of U.S. population lives in mental health-workforce shortage area
- Influenced by socioeconomic conditions and cultural attitudes

Affordability

- Influenced by network status and length of appropriate treatment

Stigma

- Contributes to delayed treatment

Spring Health Differentiators

- Collaborative care team
- Fully integrated EAP
- Work-life services
- Organizational support
- Critical incident support management



What Spring Health Offers

Support for employees' mental well-being, when and how they need it

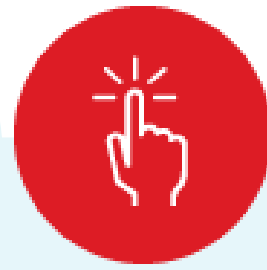
Unlimited coaching
with certified coaches



**Mental health
care navigators**
connect you to providers
and resources



Work/life support
to manage major life
events and more



Private therapy
and medication management

On-demand exercises
for immediate relief and long-term skills

Call to Health

Call to Health, the Board's online well-being program, encourages participants to focus daily on four aspects of wholeness: spiritual, health, financial, and vocational.



Eligibility and participation:

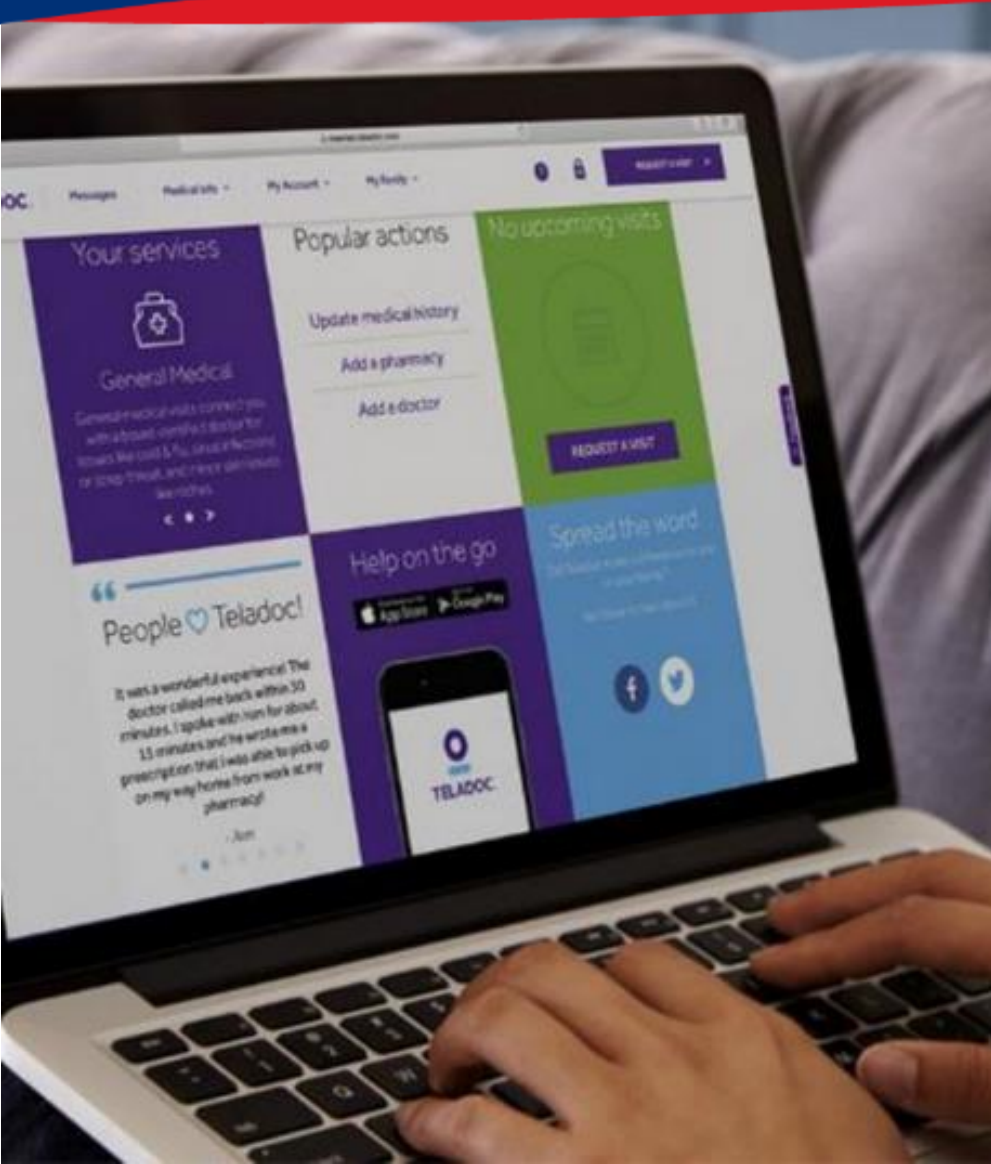
- Medical Plan members and enrolled spouses
- Register through Call to Health website or app
- Complete activities to answer the call



Program features:

- Employers can develop their own activities
- High-level of personalization
- Employees can qualify for reduced deductibles
- Spouses can earn a gift card

Telemedicine by Teladoc Health



24/7 access to board-certified doctors
Phone, video, or mobile app



Lowest-cost option for many acute conditions



Prescriptions sent directly to the pharmacy

8 minutes
Average doctor response time

90%
Member satisfaction

Centers of Excellence



Designated facilities proven to deliver superior results



100% coverage after deductible for facility charges when select surgeries performed at a Center of Excellence

- Bariatric surgery
- Transplants
- Knee and hip replacements
- Spinal surgery



Travel reimbursement up to \$10,000 if over 100 miles



Diabetes Management Program through Teladoc Health



Support for those living with diabetes

Access to 24/7 diabetes coaching by phone, email, text, or mobile app



Blood glucose meter, unlimited test strips, and lancets

No additional cost to covered member or eligible family members



Dental and Vision Plans



Dental Plan



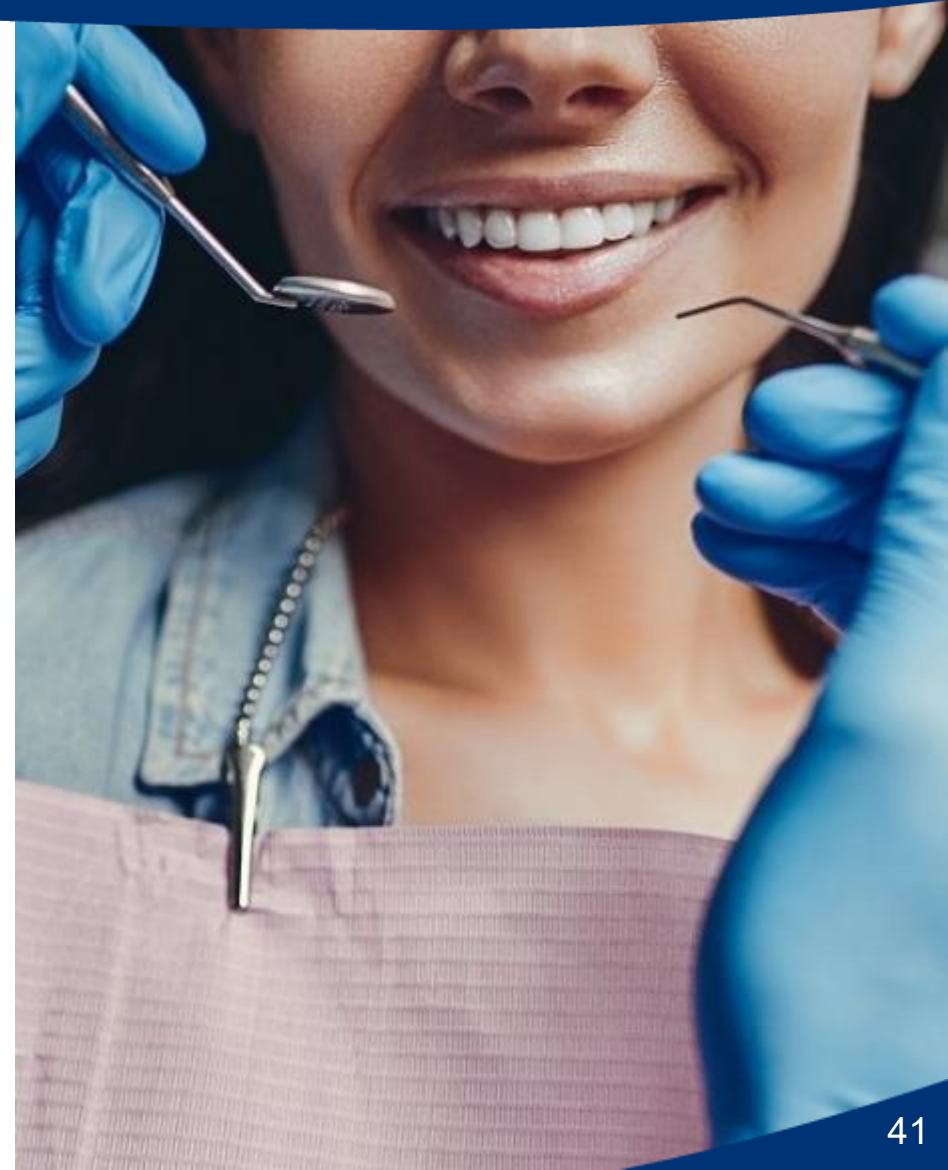
PPO and DMO network providers



Preventive, diagnostic, and restorative services



Orthodontic treatment for eligible children





**Administered by VSP,
this benefit offers
access to over 29,000
providers nationwide**



Annual benefit for routine vision exam and eyeglasses or contacts, as well as discounts on extra glasses, sunglasses, lens enhancements, and more



Get a pair of glasses and pay just a \$25 copay (network providers)



Routine vision exam for \$25 copay (network providers)



Coverage includes online shopping and out-of-network benefits

Plans and Programs

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TAX-ADVANTAGED ACCOUNTS

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*Employer contribution required

†Included in the Covenant Package

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Death and Disability Plan

Benefits for beneficiaries and eligible survivors are available, plus partial income for members who become unable to work because of disability



Death benefits

- Salary continuation benefit
- Lump-sum death benefit
- Children's education benefit
- Living needs benefit

Death and Disability Plan

Benefits for beneficiaries and eligible survivors are available, plus partial income for members who become unable to work because of disability



Disability benefits

- Income replacement generally 70% of the greater of employee's effective salary or the median
- Protects salary up to IRS compensation limit
- Benefits may begin after a 90-day waiting period
- Other benefits may be continued during an approved disability

Death and Disability – Eligibility and Pricing



Available to all employees working at least 20 hours per week



Paid 100% by the employer



1% of effective salary if offered with Defined Benefit Pension Plan enrollment, or 2.5% without

Temporary Disability Plan

Participants receive financial protection for a short-term disability or illness for up to 90 days



Benefits available after seven days, for up to 90 days from date of disability



Weekly benefit provides employees with 70% of effective salary, up to the IRS compensation limit



Other benefits may be continued during an approved disability

No preexisting condition limitation or evidence of insurability (EOI) requirements

Temporary Disability – Eligibility and Pricing



Available to all employees working at least 20 hours per week



Can be employer- or employee-paid:
45 cents per \$10 of weekly effective salary



Pricing example:
\$40,000 salary = \$34.62/month, \$415.38/year

Long-Term Disability Plan

Participants receive financial protection for a disability preventing them from working more than 90 consecutive days



Benefits begin on the 91st day of covered disability



Monthly benefit provides employees with generally 70% of salary up to the IRS compensation limit



No limit for disabilities related to behavioral health or substance use

No evidence of insurability (EOI) requirements

Long-Term Disability – Eligibility and Pricing



Available to all employees working at least 20 hours per week



Employer-paid plan at 35 cents per \$100 of monthly salary



Pricing example:

\$40,000 salary = \$11.67/month, \$140/year

Term Life and Accidental Death and Dismemberment Plan

Participants get peace of mind and income security through various benefit coverage options at affordable rates



Term life benefit paid to designated beneficiary upon member's death



AD&D benefit in cases where death or injury occurs as a result of an accident



Can be offered in incremental amounts or one or two times the member's salary, up to a maximum of \$200,000

No evidence of insurability (EOI) required

Term Life and Accidental Death and Dismemberment – Eligibility and Pricing



Available to all employees working at least 20 hours per week



Employer-paid plan at 20 cents/month per \$1,000 of coverage for both options



Pricing example:

\$25,000 coverage = \$5/month, \$60/year

\$50,000 coverage = \$10/month, \$120/year

Supplemental Death Benefits



Available to employees working 20+ hours a week enrolled in the Death and Disability Plan or Term Life and AD&D Plan



Benefit can be 100% employee- or employer-paid



Coverage between \$25,000 and \$300,000
(EOI required for coverage >\$50K and for any coverage not elected upon initial eligibility)



Spouse may apply for coverage; EOI required

Plans and Programs

- Defined Benefit Pension Plan*†
- Retirement Savings Plan 403 (b)(9)

RETIREMENT PLANS

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TAX-ADVANTAGED ACCOUNTS

2026 Benefits

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**Employer contribution required*

†Included in the Covenant Package

Plans and Programs

- Defined Benefit Pension Plan*†
- Retirement Savings Plan
403 (b)(9)



RETIREMENT
PLANS

Defined Benefit Pension Plan

- Church plan
- Defined benefit
 - 1.25% credit of effective salary for each year of service
 - Accrues at **greater** of actual or median effective salary (\$70K in 2025 & \$71.1K in 2026)
- Survivor benefit
- Active and fully funded plan
- Experience apportionments



Defined Benefit Pension Plan – Eligibility and Pricing



Available to all employees working at least 20 hours per week



Paid 100% by the employer



Cost for the plan is 8.5% of effective salary

Retirement Savings Plan

Retirement Savings Plan of the Presbyterian Church (U.S.A.)

- A qualified 403(b)(9) defined contribution plan
- Offered through Fidelity Investments
- Curated funds and features including pretax and Roth options
- 15,161 participants; \$1.4 billion in assets invested



Retirement Savings Plan – Eligibility and Pricing



For employees:

- No minimum hourly work requirement
 - \$3.75 quarterly account management fee
-



For employers:

Plan administration – no fee

- No 5500 or plan audit requirements

Choice in Investing



12 fund choices



Target date funds



Managed accounts*



BrokerageLink*

*Optional feature; fees apply

Assistance and Education Programs



Assistance Program – All Members



Emergency Assistance

- At least one benefit
-

Adoption Assistance

- Pension or Medical
-

Transition-to-College

- Pension or Medical

Assistance Program – Pensioners Only



Retiree Medical

- 5 years pension participation +
10 years PC(USA) service
-

Income & Housing Supplements

- 5 years pension participation +
10 years PC(USA) service

Assistance Program – Minister Members Only



Minister Debt Relief

- Pension or Medical
-

Minister Educational Debt Assistance

- Pension or Medical
-

Sabbath Sabbatical

- Pension or Medical
-

Clergy Wellness

- Pension or Medical

2024 Assistance Program

Grant	Amount	Number	Grant	Amount	Number
Income Supplements	\$2,399,000	261	Financial Counseling	\$247,000	N/A
Emergency Assistance	\$2,234,000	1,366	Minister Educational Debt Assistance	\$246,000	97
Minister Debt Relief	\$1,930,000	251	Retiree Medical	\$154,000	67
Housing Supplements	\$997,000	199	Employee Vocation	\$89,000	24
Transition-to-College	\$503,000	242	Adoption Assistance	\$40,000	7
Sabbath Sabbatical	\$502,000	99	Other	\$134,000	23
Clergy Wellness	\$392,000	86			
			Total	\$9,867,000	2,722

Lifelong Learning for the Arc of Life and Ministry

Theological Formation

First Call, First Steps*

Mid-Career

E-Learning, Webinars, Well-Being
Retreat, Well-Being Wednesdays

Mid-Career CREDO*

Retirement

Third Act Seminar & Luncheon,
E-Learning, Webinars, Well-Being
Retreat, Well-Being Wednesdays



Ordination – First Call

E-Learning, Webinars, Well-Being
Retreat, Well-Being Wednesdays

Recently Ordained CREDO*

Pre-Retirement

THRIVE, Retirement Conversations,
E-Learning, Webinars, Well-Being Retreat, Well-Being Wednesdays, Late-Career CREDO*



*For seminarians or ministers.

Employer Agreement

Aug. 28 – Oct. 3



2026 Employer Agreement – Taking Intentional Steps

Looking forward

Prepare for your 2026 Employer Agreement in a few steps!

01



Review your current benefits offerings in [Benefits Connect](#) and any organizational or employee considerations for 2026.

03



Confirm your employer representative and contact information in Benefits Connect.



02

Discuss your organization's needs with your leadership team and decision-makers, as needed.



New Webinar

Attend new webinar “Your 2026 Employer Agreement: Tools and Resources for Success”
9/16 & 9/25 2pm

Annual Enrollment

Oct. 20 – Nov. 7



Contact us

We offer compassionate support and answers to all your benefits questions — big or small



Call us

Monday through Friday, 8:30 a.m. to 6 p.m. ET.
800-PRESPLAN (800-773-7752) (TTY: 711)*



Email us

Members and employers can send us an email at memberservices@pensions.org.



Español 한국어

How may we serve you?

**SERVING MORE
SERVING BETTER
SERVING THE CHURCH**



Questions?



Thank You!

