California-Pacific Conference of the United Methodist Church

Board of Pension & Health Benefits

2027 Guidelines for Sponsoring the Conference Health Plan

--For Cal-Pac United Methodist Churches and Preschools

Active Appointed Clergy

(a) Must be enrolled in a medical plan upon appointment to the local church. If not a conference medical plan, it must be equivalent coverage through a spouse's plan or a plan offered through a state health insurance exchange/marketplace.

(b) The salary paying unit is responsible for the full cost of the premium, unless the clergy is appointed quarter-time or half-time. Then the church is only responsible for 25% or 50% of the premium. The other portion will be billed to the clergyperson.

(c) Eligibility for benefits starts upon the appointment date to the church or the 1st of the month following the appointment date, if the appointment date is not on the 1st of the month. The local church should make sure that the appointed clergy is enrolled in a timely manner.

Lay Staff

(d) Must be regular W-2 employees to be eligible. Contract (1099), seasonal, temporary, part-time, or casual statuses are *not* eligible.

(e) Must be full-time, defined as working a minimum of 30 hours per week.

(i) Dependents of employees are eligible, but the church or preschool may decide whether or not the plan will be offered to dependents.

Eligible dependents: children under age 26 and spouses/domestic partners

(f) The eligibility waiting period for newly hired lay staff is the 1st of the month following 60 days of employment.

Background: Under the Affordable Care Act, eligibility waiting periods cannot exceed exactly 90 days. Since the plan cannot accommodate mid-month effective dates that could occur if the 91st day of employment fell during the month, the 1st of the month following the first 60 days is the required effective date.

(g) The Local church/preschool or salary paying unit must pay a minimum of 50% of the premium to cover the employee themselves. Since the plan is an employer-sponsored policy, the employee cannot pay for the benefits at their full cost. If dependent coverage is offered by the church/preschool, there is no requirement that the employer fund any portion of the dependent premiums, but they may do so if they choose. Check with a tax professional regarding pre-tax payroll deductions taken for premium regarding possible qualifications under a Section 125 Plan.

(h) If local church or preschool offers benefits to their eligible lay employees, all guidelines should be met and applied to all eligible staff under equal and consistent terms and conditions.

The eligibility guidelines noted above are the basic criteria for the health insurance policies held by the California-Pacific Conference. The insurance companies and the California-Pacific Conference expect each local church/preschool to follow the basic guidelines. In addition to the basic guidelines, each local church/preschool can and should have their own employer/employee rules that comply with the basic guidelines above.