

Looking toward the Future...re-designing the Benefits Plan of the Board of Pensions

Rev. Frank Spencer, the new president of the Board of Pensions, challenged the Board of Directors during a recent meeting, with an optimistic view of the future to pursue ways to enable churches and employing organizations to extend benefits to their church workers not currently covered. Rev. Spencer sees the potential for growth in the number of church workers served by the Board of Pensions, even as the Presbyterian Church (U.S.A.) experiences dramatic demographic shifts.

Shifts in congregational hiring practices and church demographics seem to guarantee that the one-size model of the Benefit Plan's Traditional Program is going to fit fewer employers. A key directional goal for the Board of Pensions is to maintain the covenant with teaching elders while finding a way to serve more employees who serve the changing church. The Board estimates that fewer than 10% of all eligible Presbyterian Church workers are covered by the Benefits Plan.

The challenge is to provide benefits and to pay for them in a way that employers can afford. In this changing context, we must look beyond tradition if we are to keep the covenant with our pastors and fulfill the Board's centuries-old mission of caring for church workers.

The Board believes that addressing these challenges effectively will require the whole Church to work together. To that end, the Board is engaging the church community in conversations, through "Listening Sessions," about church benefits, the value that infuses the Benefits Plan, and how best to respond to the economic realities our churches face today. Listening Sessions will offer opportunity for conversation and consultation about the changing universe of church employment and benefits for church workers. These conversations will be a critical part of the Board of Pensions' listening strategy as, in conversation with the church, a benefits plan is re-designed to serve the Presbyterian Church in the years ahead.

As we do this, we look to providing churches and employing organizations with options and flexibility for those church workers who are enrolled in the plan but whose participation is not mandated. This will allow employers to continue to offer benefits, and possibly include the majority of other church workers who are currently not covered by the plan.

To address this, the Board of Directors recommended that, the Board of Pensions offer an alternative method of calculating 2016 Traditional Program medical dues for the approximately 20% of employers who currently have employees whose participation is not mandated. Employers will have the option of choosing the Plan – traditional or alternative – that best meets their needs. Dues would be based on a tiered coverage model, from which employees would be able to choose the tier appropriate for their individual circumstances. Details and associated costs will be provided as part of the final recommendation by the Healthcare Committee at the summer Board meeting, when the full Board of Directors will vote on this recommendation. Efforts will continue after this Board Meeting, and the June vote to determine how best to balance the needs of the church and the need of the Medical Plan stability.

Rev. Helen Locklear

Regional Representative, Board of Pensions

Advisory Committee Member, Presbyterian Pastoral Care Network