Diocese of Southern Ohio
412 Sycamore Street, Cincinnati, OH 45202-4179

Suggested Changes to II (3) and (8) – April 9, 2015

Denominational Health Plan

Introduction: This Policy was developed by the Advisory Committee on Compensation and Resources (ACCR) and received for implementation by Diocesan Council on October 1, 2011. It is being implemented in two phases. **Phase 1**involves all Diocese of Southern Ohio employees and became effective January 1, 2012. **Phase 2** involves all congregations and related organizations whose full-time clergy and lay employees must be enrolled through the Episcopal Church Medical Trust by the calendar year beginning January 1, 2013. Parity in cost-sharing shall be achieved among such eligible full-time employees as soon as possible, but no later than December 31, 2015.

I. Definitions:

A. "**Full-time**" is defined as working and being compensated for 1,500 or more hours per year. Note: The terms "full-time" and "part-time" as used herein refer to the "eligibility" of an employee – clergy or lay – to participate in the Denominational Health Plan. Neither term refers to the hours an employee is expected work and be compensated for as prescribed in her or his Employment Contract or Letter of Agreement.

B. "**Part-time**" is defined as working and being compensated for between 1,000 and 1,499 hours per year.

C. "**Less than part-time**" is defined as working and being compensated for less than 1,000 hours per year.

D. "**Employer**" is defined as "the Diocese of Southern Ohio and all its congregations, and other ecclesiastical organizations or bodies subject to the authority of the church."

E. "**Class of Employees**" is defined as all employees – clergy and lay - who work for the same employer and work and are compensated for the same class – number of - hours worked; i.e., full-time (1,500 or more hours per year), part-time (between 1,000 and 1,499 hours per year), and less than part-time (less than 1,000 hours per year).

F. "**Parity**" is defined as providing access to the same healthcare benefits for all employees – clergy and lay – who work for the same employer and work and are compensated for the same class of hours worked; i.e., full-time (1,500 or more hours per year), part-time (between 1,000 and 1,499 hours per year), and less than part-time (less than 1,000 hours per year).

G. **"Cost-share"** refers to the cost of any benefit to a employee. The cost-share may be "zero" if it is paid for in full as a fringe benefit by the employer.

II. Policy:

1. **All full-time clergy and lay employees of all employers identified in paragraph I.D above must receive the same minimum level of funding for their healthcare benefits. This is the principle of "parity" and requires that all employers fund equally the cost-sharing of the healthcare premiums of all their full-time employees.**

2. **At a minimum, all full-time clergy and lay employee shall be provided with single healthcare coverage through the Episcopal Church Medical Trust. The full cost of such single healthcare coverage shall be paid for by their employer. Access to family coverage (for dependents, spouses, domestic partners) must also be made available for purchase by employees.**

3. **The minimum coverage to be paid in full by employers of full-time employees shall be equal to the cost of the single employee premium for the High Deductible Health Plan/Health Savings Account (HDHP/HSA) available through the Diocese plus the cost of single employee Basic Dental coverage, and the cost of funding the employee's HSA. The amount of the employer's contribution to the HSA will be established annually by Diocesan Council as detailed in paragraph 12 below.**

4. Employers are encouraged to exceed the minimum standard of health insurance for their clergy and lay employees.

5. Full-time employees of institutions choosing to fund single coverage only may purchase (at the employee's cost) additional coverage for spouses, children and domestic partners from the plan options offered through the Diocese.

6. Full-time employees may opt out of the Diocesan medical coverage if they have healthcare benefits through other approved sources (i.e., Medicaid, TRICARE, former employer, coverage under a spouse's or domestic partner's insurance, etc.).

7. If the spouse or domestic partner of a full-time employee is employed and comparable insurance is provided (offered and paid for) by the spouse's or domestic partner's employer, the spouse or domestic partner will not be covered at the church's expense.

8. Should the full-time employee elect to participate on the spouse's or domestic partner's plan, their employer shall provide that employee with an alternative benefit equal in value to the amount of single coverage as defined in 3 above as additional compensation. The Affordable Care Act requires that an employer have an established "Cafeteria Plan" in effect prior to offering any such alternative compensation.

9. Should the employed spouse or domestic partner decline coverage from their employer and choose to be on the Denominational Health Plan, the full-time employee will pay for their spouse's or domestic partner's share of the premium.

10. Any employee who is scheduled for between 1,000 and 1,499 hours of compensated work per year is eligible to participate voluntarily in one of the Diocesan medical benefits plans offered through the Episcopal Church Medical Trust.

11. Each parish, mission, or other ecclesiastical organization in the Diocese shall comply with this Denominational Health Plan Policy by achieving parity in cost-sharing between their clergy and full-time lay employees as soon as possible, but no later than December 31, 2015.

12. It shall be the responsibility of the Advisory Committee on Compensation and Resources (ACCR) to (a) advise the Bishop and Diocesan Council by no later than Council's September meeting as to the specific plan(s) to be offered through the Episcopal Church Medical Trust for the forthcoming calendar year, and (b) recommend changes, if any, in the cost-sharing structure of the Diocese of Southern Ohio's Denominational Health Plan.

III. Effective Date: October 1, 2011 following Diocesan Council's action to receive the AACR's recommendation for its two-phase implementation. (Amended by 77th General Convention Resolution B026 dated July 11, 2012.) Revised by the ACCR March 19, 2015.