



Bethany Benefits is a self-insured plan and is staffed at Covenant Offices by people who love the Evangelical Covenant Church. We work as our members' advocates to resolve claims issues and questions. The kind of service and care we offer is unique—just ask colleagues who are enrolled with us!

When comparing group health insurance plans for your church or camp, Bethany Benefits is a competitive option with low, out-of-pocket costs to protect pastors and employees from financial hardship when they experience physical or mental hardship. For leadership teams and administrative pastors, Bethany Benefits is a simple one-stop shop to provide a well-rounded benefits package to their staff, including medical, prescription, dental, vision, life, and long-term disability coverages.

THE SIMPLE OPTION. THE COVENANT OPTION.

Given how frequently health insurance laws and policies change, how do churches and camps make decisions about employee benefits?

OPTION 1: PROVIDE GROUP HEALTH INSURANCE, SUCH AS BETHANY BENEFITS, TO YOUR EMPLOYEES

When comparing plans, consider the total financial exposure of the policy, both to the employer and the employee. Consider the employee's total out-of-pocket costs—not all plans are created equally. Our premiums are comparable to similar plans with very low year-to-year increases.

Bethany Benefits medical/prescription coverage vs. Marketplace plans* with similar coverage levels (2018 data):

	Bethany Benefit Service <i>(BCBS PPO)</i>	BCBS Blue Choice PPO <i>Chicago, IL</i>	BCBS Preferred Plus PPO <i>Anchorage, AK</i>	Blue Plus Gold <i>Minneapolis, MN</i>	Ambetter Secure 1 HMO <i>Overland Park, KS</i>	BCBS Gold 80 PPO <i>Sacramento, CA</i>
Deductible	\$300 (\$600 family)	\$1,450 (\$4,350 family)	\$1,500 (\$3,000 family)	\$900 (\$2,700 family)	\$1,000 (\$2,000 family)	\$0
Co-insurance rate	80/20	\$1,450 (\$4,350 family)	70/30	80/20	90/10	80/20
Max out-of-pocket	\$1,800 (\$3,600 family)	\$7,350 (\$14,700 family)	\$6,000 (\$12,000 family)	\$6,650 (\$13,300 family)	\$6,350 (\$12,700 family)	\$6,000 (\$12,000 family)
Premium for individual age 50 (minimum financial exposure)	\$6,912/year (not taxable)	\$9,267/year*	\$12,732/year*	\$8,425/year*	\$10,010/year*	\$11,837/year*
Premium for family ages 32, 30, 7, 5 (minimum financial exposure)	\$18,468/year (not taxable)	\$19,966/year*	\$27,420/year*	\$19,332/year*	\$21,567/year*	\$25,505/year*
Total maximum financial exposure† per year	SINGLE: \$8,712/year FAMILY: \$22,068/year	SINGLE: \$16,617/year FAMILY: \$34,666/year	SINGLE: \$18,732/year FAMILY: \$39,420/year	SINGLE: \$13,075/year FAMILY: \$32,632/year	SINGLE: \$16,360/year FAMILY: \$34,267/year	SINGLE: \$17,837/year FAMILY: \$38,505/year
NOTE:	Personal advocacy for claims issues; ECC owned and operated	\$1,000 emergency room copay; specialist visits go toward deductible	Highest premiums and out-of-pocket costs	Mayo Clinic not in-network	3 free PCP visits, then deductible; no non-ER coverage out-of-network	No deductible, but higher monthly premium and potential cost risk

Some employees prefer to contribute a portion of the premium in order to receive higher-quality benefits. It is important to have open communication with your pastors and staff about their preferences and needs. Employees feel more valued when their employer provides high-quality benefits, which leads to greater retention and satisfaction in their ministry.

OPTION 2: GIVE EMPLOYEES A SALARY INCREASE INSTEAD OF OFFERING BENEFITS

Employers are no longer allowed to pay for their employees' private health insurance policies directly (when employees sign up for coverage individually, not through an employer group plan). Nor can they provide tax-free health reimbursement arrangements unless all employees receive exactly the same treatment through a formal Health Reimbursement Account (HRA). If an employer does not want to formally offer health insurance benefits or an HRA, they must offer a gross salary increase in lieu of benefits. In such cases, the employer may not ask for validation of insurance coverage or premium rates.

PROS	CONS
<ul style="list-style-type: none">• Employer doesn't need to worry about comparing plans, choosing coverage, or paying premiums.• Employee can choose how much coverage they want.• Employee may be able to receive a subsidy when enrolled in a Marketplace[‡] plan, depending on total household income.	<ul style="list-style-type: none">• All responsibility to choose appropriate coverage and pay premiums is transferred to the employee.• Employee risks low-quality coverage and loses access to personal advocacy, which means they are at risk for financial catastrophe when accidents or diagnoses happen.• Salary received to pay for premiums is taxable, so the employee has less to spend on health insurance than their employer would.• If applying for coverage through the Marketplace*, salary increases from the employer to pay for health insurance are considered income and may reduce the premium subsidy, causing health insurance to cost more.

* Premium cost, not including potential government subsidy based on total household income, paid after income taxes are withheld.

† Total financial exposure is the maximum that could be paid for the year, which is premium plus maximum out-of-pocket amounts.

‡ It does not take into account income taxes taken out of the employee's pocket before they have access to the money to pay their premiums.

‡ Marketplace plans are individual health insurance plan options offered through the government. Visit www.healthcare.gov to research and apply for Marketplace plans.

Still not sure what to do?

If you have gathered data on a few options, contact Christina Kempe at Bethany Benefits to help you compare. We are happy to give you honest advice.

Bethany Benefit Service
773-907-3376
Bethany@covchurch.org