

With so many options available now for health insurance, how do churches and camps make decisions about how to handle benefits?

Option 1: Give employees a salary increase instead of offering benefits

Pros	Cons
Employer doesn't need to worry about paying premiums and shopping around.	All financial responsibility is transferred to the employee.
Employee can choose how much coverage they want.	Employee risks low-quality coverage and no personal advocacy.
Employee may be able to receive a subsidy when enrolled in a Marketplace* plan, depending on total household income.	Salary increase is taxable, so the employee has less to spend on health insurance than the employer would have.
	If applying for coverage through the Marketplace*, the salary increase is considered income and may reduce the premium subsidy, causing health insurance to cost more than initially assumed.
	Salary increase must be unconditional with no proof of insurance or premiums paid required.

Option 2: Provide health insurance to your employees

Churches and camps are not required to use Bethany Benefits as their health insurance provider, but Bethany Benefits is a competitive option with low out-of-pocket costs to **protect pastors and employees from financial hardship in their times of physical or mental hardship**. Our premiums are comparable to similar plans with very low year-to-year increases. For leadership teams, Bethany Benefits is a simple, **one-stop-shop** to provide a well-rounded benefits package to their staff.

Bethany Benefits 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. Other plans do not include this kind of service and care.

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!

Some employees would be happy to contribute a portion of the premium in order to receive **higher-quality benefits**. Have open communication with your pastors and staff about their preferences and needs. **Employees feel more valued** when their employer provides high-quality benefits, leading to greater retention and satisfaction in their work.

Bethany Benefits rates are comparable to Marketplace plans* with similar coverage levels:

	Bethany Benefit Service (BCBS PPO)	BCBS PPO Multistate Chicago, IL	BCBS PPO Cromwell, CT	Medica PPO Minneapolis, MN	BCBS PPO Overland Park, KS	BCBS PPO Sacramento, CA
Deductible	\$300	\$1,750	\$1,550	\$300	\$1,500	\$0
Coinsurance rate	80/20	80/20	Various depending on service	70/30	90/10	80/20
Max out-of-pocket	\$1,500 (\$3,000 family)	\$3,300 (\$9,900 family)	\$3,500 (\$7,000 family)	\$5,000 (\$10,000 family)	\$3,000 (\$6,000 family)	\$6,750 (\$9,750 family)
Premium for individual (age 50)	\$607/month (not taxable)	\$827.47/month◇	\$843.85/month◇	\$655.28/month◇	\$667.54/month◇	\$830.94/month◇
Premium for family (ages 32, 30, 7, 5)	\$1627/month (not taxable)	\$1662.36/month◇	\$1695.24/month◇	\$1503.55/month◇	\$1341.06/month◇	\$1,669.31/month◇
Total financial exposure^ per year	Single: \$9,084/year Family: \$22,524/year	Single: \$13,229/year Family: \$29,848/year	Single: \$13,626/year Family: \$27,342/year	Single: \$12,863/year Family: \$28,042/year	Single: \$11,010/year Family: \$22,092/year	Single: \$16,721/year Family: \$29,781/year
Take note:	Dental and vision included; personal advocacy for claims issues	\$750 emergency room copay; \$0 generic drugs	Limited network; no in-network doctors/hospitals outside regional area	No in-network doctors/hospitals outside regional area; Mayo Clinic not in-network	Limited network with fewer doctors/hospitals to choose from	No deductible, but higher monthly premium and potential cost risk

Still not sure what to do?

If you have gathered data on a few options, contact Bethany Benefits to help you compare. We would be happy to give you honest advice.

Bethany Benefit Service

800-313-8955

Bethany@covchurch.org

* **Marketplace plans** are individual health insurance plan options offered through the government. Visit www.healthcare.gov to research Marketplace plans.

◇ **Premium cost**, not including potential government subsidy, 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.