



COVENANT BENEFITS

A MINISTRY OF THE EVANGELICAL COVENANT CHURCH



The Simple Choice. The Covenant Choice.

**2023 OPEN ENROLLMENT:
October 15 – November 15**





Dear Partners in Ministry,

Greetings from the Covenant Benefits team! We have received an overwhelmingly positive response to our name change from Bethany Benefit Service to Covenant Benefits, and we are grateful to continue to serve Covenant churches and affiliated ministries with this “upgrade.”

Covenant Benefits is a ministry of the Covenant Church to provide an avenue for Covenant churches and ministries to share the cost and administrative burden of managing employee benefits contracts. Premiums paid to Covenant Benefits directly pay for Covenant pastors’ and ministry staff’s medical expenses. **It’s a tangible way the Covenant is “in it together” in ministry and caring for each other.**

Covenant Benefits has been very busy the past two years performing an immersive review of the benefits program provided, including surveying Covenant leaders and pastors, analyzing other denominations and the general healthcare market, and soliciting actuarial analyses. Our goal continues to be to steward and advance the mission by caring for Covenant ministries and their employees through a comprehensive and dependable benefits program.

Thank you for your contributions to the survey we sent between November 2021 and January 2022. Changes to our 2023 benefits program are in direct response to your feedback.



Adjustments in 2023

Three health insurance plan options for non-Medicare policies: Your employees will have the freedom to choose which health insurance plan is best for them, with an option to open a Health Savings Account if they choose the Covenant Value Plan and meet other IRS criteria. Additional information on the three plan options is included in this packet, as well as invitations to webinars where you can learn more and ask questions.

10% premium increase: Due to high medical inflation and the need to price plan benefits more in line with industry standards, premium rates for the Covenant Plus Plan, which mirrors the 2022 health insurance plan, are increasing 10%.

Online open enrollment: You will be able to make changes to your employees' benefits and personal information securely online—no more sending in forms! More information is included in this packet.

Minimum participation: If you choose to enroll staff in Covenant Benefits, at least 75% of benefits-eligible staff must be enrolled. This requirement will limit adverse selection and aid in keeping premium rates manageable.

Looking Forward to Potential Adjustments in 2024

Region rating: Almost all multi-state health insurance plans adjust premium rates based on cost of healthcare by region. To remain competitive in lower-cost areas and keep premium rates manageable, we expect to add a level of region rating to our premium structure in 2024.

Age rating: Almost all health insurance plans vary premium rates based on age. Though employers often do not pass on the difference in cost to their employees, employers usually pay less for younger employees and more for older employees. To remain competitive and keep premium rates manageable, we may add a level of age rating to our premium structure in 2024.

Medicare coverage: By request from several retirees who have retained their health insurance through Covenant Benefits, we have been reviewing group Medicare supplement options for the past year and continue to do so. Since usually only one plan option is offered through a group retiree program, we take any level of change to this plan seriously and are in the process of determining the best plan for the Covenant and our aging and retiring employees. A change to our group Medicare supplement plan would most likely include a reduction in benefits to be able to pass on a premium reduction.

We are grateful to be able to partner with you in your ministry.

On behalf of the Covenant Board of Pension and Benefits,

Christina Kempe, DIRECTOR OF COVENANT BENEFITS



Webinars

TIME: NOON (Central Time)

Join our webinars to learn more about Covenant Benefits offerings. **To register for the topics that interest you, use the QR codes or links found at covchurch.org/benefits.** Afterward, recordings will also be available at covchurch.org/benefits.

For employees



OCTOBER 4 (60 MIN)

**Health Plan Options:
Which is Right for Me?**

For employers, leaders, and decision makers



SEPTEMBER 20 (60 MIN)

**Health Plan Options:
How to Implement/Administer
for Staff**



OCTOBER 18 (30 MIN)

**Open Enrollment:
Online Portal Tutorial**



NOVEMBER 1 (30 MIN)

**Intro to Health Savings
Accounts: HSAs with National
Covenant Properties**



“*The team at Covenant Benefits understands not only the intricacies of insurance, but the intricacies of ministry as well.*”

LINNEA EK, SOLO PASTOR



Benefits with a Choice

Medical and Prescription

To provide employees flexibility and choice we offer three health insurance options tailored to meet a variety of preferences and needs.

	Covenant Plus Plan	Covenant Standard Plan	Covenant Value Plan (HSA eligible)
MEDAL LEVEL	PLATINUM	GOLD	SILVER
Out-of-Pocket costs*			
Deductible	\$400	\$2,000	\$6,250
Family Deductible	\$800	\$4,000	\$12,500
Coverage percentage after deductible	80%	80%	100%
Maximum Out-of-Pocket	\$2,700	\$5,500	\$6,250
Family Maximum Out-of-Pocket	\$5,400	\$11,000	\$12,500
Primary Care Physician	\$20	\$35	deductible
Specialist Physician	\$20	\$45	deductible
Prescription costs**			
Generic 30-day/90-day	\$8/\$16	\$8/\$16	deductible
Preferred brand 30-day/90-day	\$40/\$85	\$40/\$85	deductible
Non-preferred brand 30-day/90-day	\$65/\$140	\$75/\$160	deductible
Specialty 30-day/90-day	\$100/\$225	\$125/\$280	deductible
Premium rates***			
Employee Only	\$770	\$700	\$613
Employee + Child(ren)	\$1,822	\$1,656	\$1,449
Employee + Spouse	\$1,918	\$1,744	\$1,526
Family	\$2,055	\$1,868	\$1,635

*Maximum out-of-pocket includes all in-network applicable deductible, copay and coinsurance amounts.

**90-day prescription fills available through Express Scripts mail order and Walgreens pharmacies.

***Charged monthly to employer. Agreed-upon employee contributions toward monthly premiums must be recovered by payroll deduction.



Dental, Vision & Hearing Benefits

Monthly Premium Rates

Employee Only = \$60 | Employee + Child(ren) = \$139 | Employee + Spouse = \$120 | Family = \$187

Dental Coverage

Delta Dental PPO & Premier networks

- Enhanced benefits for certain conditions including diabetes, pregnancy, periodontal disease, certain high-risk cardiac conditions, certain conditions which suppress the immune system, and cancer-related radiation & chemotherapy
- Maximum benefit balance can carry over to the next year if enrolled the entire previous year and filed at least one claim

Deductible	\$25
Family Deductible Maximum	\$75
Maximum Benefit (per person annually)	\$2,000
Lifetime Orthodontic Maximum (per person)	\$1,500
Preventive Services	100%
Basic Services	80%
Restorative Services	50%
Orthodontic Services	50%



Vision Coverage

EyeMed Access network

Exam copay	\$20
Frames	\$100 allowance, then 20% off
Glasses Lenses	\$20 copay (\$65 progressives)
Contact Lenses	\$80 allowance

Hearing Discount Program

Amplifon (no additional cost)

Discounted or no-cost hearing screening, discounted hearing aids with free batteries and three-year warranty.



Life, Disability, and Other Benefits

Benefits listed below are available through Covenant Benefits for all full-time staff (working at least an average of 30 hours per week). **All benefits-eligible full-time employees must enroll in these benefits unless specific arrangements have been made**

“With all the changes going on with my children’s births, we didn’t have any problems, any issues. Covenant Benefits had everything laid out for us.

NATHAN NICHOLSON,
COVENANT OFFICES EMPLOYEE

Life & Disability Insurance

Life Coverage	Monthly premium rate
To age 65	\$100,000 \$23.00
Age 65-69	\$65,000 \$14.95
Age 70-74	\$50,000 \$11.50
Age 75+	\$36,000 \$8.28

Double indemnity for accidental death & dismemberment.
Waiver of premium for certain disabilities.

Long-term Disability Coverage

- Elimination period 90 days
- Benefit payment based on salary 60%, up to 70% with other earnings
- Continued health insurance Up to 24 months
- Continued retirement contributions 100% if licensed Covenant minister

Monthly LTD Premium Rates

- Licensed Covenant minister \$1.06 per \$1000 annual salary
- Non-licensed employee \$0.91 per \$1000 annual salary

Travel Assistance

(No additional cost for full-time employees)

Includes emergency medical evacuation, passport retrieval assistance, hospital admission assistance, and more.

Employee Assistance Program

(No additional cost for full-time employees)

A 24/7 counseling and referral service and online resource bank for most work/life balance issues and concerns. Also included are up to three free in-person counseling services and medical billing advocacy assistance for non-covered and out-of-network medical services.



Providing Covenant Benefits to Your Ministry Staff

Employer Policies & Recommendations

Who can enroll?

All Covenant churches, conferences, camps, global personnel, and any ministry affiliated with the Covenant may enroll their employees in Covenant Benefits. If an employer chooses to enroll their employees in Covenant Benefits, minimum participation requirements must be followed, as outlined below.

Covenant ministers serving in non-Covenant ministry are also eligible if they hold an active credential and have been approved by Ordered Ministry to serve in a non-Covenant ministry or if they hold an inactive credential and whose employer has been approved as a voluntary participant of the Covenant Pension Trust. (Contact us for more details and any needed clarification.)

Minimum participation requirements

Employers who wish to enroll staff in Covenant Benefits must meet minimum participation requirements to be eligible—at least 75% of benefits-eligible employees must be enrolled (does not apply to ministers serving outside the Covenant). This policy helps the Covenant to provide high-quality benefits at a reasonable premium rate to all Covenant churches and ministries.

Payroll deduction amounts and Health Savings Account contributions can be differentiated by position types/tiers to provide higher or lower levels of benefits to different staff if preferred, but Covenant Benefits must be the only health insurance option offered to staff. The addition of lower plan

tier options within the Covenant Benefits program makes this more feasible for churches who have previously provided different types of health coverage to different levels of staff.

Who is “benefits-eligible”?

Each employer chooses which positions are “benefits-eligible” and counted toward the minimum participation requirement. For example, you may choose to offer benefits to all staff working at least 30 hours per week, or your budget may allow you to only offer benefits to pastoral or non-hourly staff. The Covenant encourages all churches and affiliates to be as generous as possible when choosing how and to whom to offer benefits so your employees are cared for and protected when they and their families experience physical or mental hardship.

Which benefits are required?

Employees working 30 hours or more per week who are considered “benefits-eligible” must enroll in life and long-term disability benefits but may opt out of dental and vision benefits (unless alternate employer-level arrangements have been made with Covenant Benefits). Employees working less than 30 hours are not eligible for life and long-term disability benefits.

Employees may opt out of medical and prescription benefits only if they are enrolled in health insurance through another employer (i.e., spouse or parent’s employee coverage or another job of their own) or if they are eligible for government-subsidized health insurance (i.e., veteran’s benefits, income-based Medicaid).



How to administer more than one health insurance plan option

For many Covenant employers, offering staff options for different levels of health insurance policies will be brand-new! Covenant Benefits is ready to help you navigate this adjustment, and we are confident your employees will be grateful for the opportunity to choose which health plan works best for them.

Covenant Benefits' strong suggestion is to set a budgeted dollar amount for each family tier and allow employees to choose the plan they want. If they choose a plan with a greater premium than the budgeted dollar amount, they will reimburse the employer for the difference through payroll deduction. If they choose a plan with a lower premium than the budgeted dollar amount, the employer will provide the difference to the employee in a tax-advantaged savings option, such as a Flexible Spending Account (with the Covenant Plus or Covenant Standard Plan— \$500 annual employer non-matching contribution limit) or a Health Savings Account (with the Covenant Value Plan). (Covenant Benefits does not offer tax-advantaged savings options, but is able to provide recommendations for vetted vendors.) Some examples of how to administer multiple health plan options are available on page 10.

Transferring or continuing benefits when employment ends

If an employee relocates from one church or participating affiliate to another, benefits can transfer without interruption. If an employee or dependent becomes ineligible for coverage through the church or affiliate, coverage will be canceled, and Continuation of Coverage will be offered, which allows the employee or dependent to continue their health insurance elections for between 18 and 36 months at their own expense. If an enrolled employee or



“*I’m very grateful for the care my family has received from Covenant Benefits. It has been a blessing. I highly recommend our churches to do the same for their pastors.*”

DANNY MARTINEZ, SUPERINTENDENT

Covenant-ordained minister retires, they may enroll in a Medicare supplement policy, which includes Medicare D, dental, and vision coverage.

Medicare

If an employer has fewer than 20 total employees (including all part-time and full-time W-2 employees), an employee’s medical coverage can be changed to Medicare supplement when they become Medicare-eligible due to age (65). The employee’s coverage is changed to the Medicare supplement plan (most similar to the Covenant Plus Plan), and the premium rate is adjusted to reflect the change (Medicare supplement rate if single, combination of Medicare supplement rate and family rate if dependents are insured). This opportunity provides cost savings to both the employer and Covenant Benefits. Please contact Covenant Benefits for instructions.



Here are a few examples:

First Covenant Church budgeted \$700 per month for individual coverage or \$1,700 per month for family coverage.

- **Employee #1 selects single Covenant Plus Plan:**
Payroll deduction is \$70/month (\$770 premium minus \$700 employer contribution).
- **Employee #2 selects family Covenant Standard Plan:**
Payroll deduction is \$168/month (\$1,868 premium minus \$1,700 employer contribution).
- **Employee #3 selects single Covenant Value Plan:**
No payroll deduction, employer contributes \$87/month toward employee's Health Savings Account (\$613 premium plus \$87 HSA contribution equals \$700 employer contribution).

Covenant Preschool hasn't offered health benefits in the past but wants to get started with \$500/month for all employees to offer health insurance (plus the cost of life and long-term disability benefits).

- **Employee #1 has health insurance coverage through their spouse,** so opts out.
No cost to employer or employee.
- **Employee #2 selects single Covenant Value Plan:** Payroll deduction is \$113/month, employee can open an HSA and save for future health expenses (\$613 premium minus \$500 employer contribution).
- **Employee #3 selects employee plus children Covenant Standard Plan:**
Payroll deduction is \$1,156/month (\$1,656 premium minus \$500 employer contribution).

Faith Covenant Church budgeted \$740 per month for individual coverage or \$1,500 for family coverage and an HSA contribution for all Covenant Value Plan enrollments.

- **Employee #1 selects employee plus spouse Covenant Value Plan:** Payroll deduction is \$100/month, employer contributes \$74/month to HSA (\$1,526 premium plus \$74/month HSA contribution equals \$100 payroll deduction plus \$1,500 employer total contribution).
- **Employee #2 selects single Covenant Value Plan:** No payroll deduction, employer contributes \$128/month to HSA (\$613 premium plus \$128/month HSA contribution equals \$740 employer contribution).
- **Employee #3 selects single Covenant Standard Plan:** No payroll deduction, employer contributes \$40/month to Flexible Spending Account (\$700 premium plus \$40/month Flexible Spending Account contribution equals \$740 employer contribution—requires enrollment in external FSA, \$500 max FSA contribution without employee matching).



Online Open Enrollment

Portal Instructions

You may now update your employees' benefit choices and personal information on Covenant Benefits' online portal! **Every employer MUST log in and select your employees' benefits choices between October 15 and November 15. Enrollment on January 1, 2023, cannot be guaranteed if submitted after November 15.**

Enter all benefits-eligible staff in the system, whether they are electing to receive benefits or not. At least 75% of entered employees must be enrolled in benefits. All full-time employees will be auto-enrolled in life and long-term disability benefits (unless alternate arrangements have been made).

If you do not select a plan for an employee who is already enrolled, they will be auto-enrolled in the Covenant Plus Plan, which is most similar to the 2022 health insurance plan.

Online open enrollment process:

- 1. Provide each employee** with the "Your Benefits" pamphlet, encourage them to attend the webinar on October 4 (see page 4), and ask them to complete the enclosed form (also available for download at covchurch.org/benefits). Please keep this form for your records—it does not need to be sent to Covenant Benefits.
- 2. Request online portal access**, if you do not already have a username and password, by downloading the "online portal access" form at covchurch.org/benefits or by contacting Covenant Benefits' eligibility office at 855-908-9465 or covenantbenefits@cdsadmin.com.
- 3. Log in:** Go to <https://edi.cdsadmin.com/lin/faces/LinLogin.jsp?themeProfile=CovenantBenefits> and enter your login information. (QR code provided on this page).
- 4. Select "Enrollment"**, to begin entering 2023 benefits elections.
 - To add an employee, select "Eligibility Maintenance", then "New Hire/Enroll"
 - To select benefits for 2023, select "Enrollment Wizard"
 - To cancel benefits for an employee, select "Eligibility Maintenance", then "Terminate a Participant"
- 5. You can view or download a census of all employees' information** in "CEW Reports Menu" or view each employee in detail in the "Status" tab.
- 6. You can view invoices in the "Reports" tab.** The invoice for January 2023 will be available by December 9 (or December 23 if currently paying by auto-withdrawal ACH).
- 7. The "Resources" tab** includes lots of helpful information and forms. View a more detailed tutorial of the portal, download a Summary of Benefits and Coverage, and more.
- 8. Sign up for and attend the webinar on October 18** to walk through this process with the experts.



COVENANT BENEFITS

Covenant Benefits

MAIL: 8303 W. Higgins Road; Chicago, IL 60631

TOLL FREE: 800-313-8955

EMAIL: benefits@covchurch.org

WEB: covchurch.org/benefits

Covenant Benefits Enrollment & Billing

Online portal, Premium billing

TOLL FREE: 855-908-9465

EMAIL: covenantbenefits@cdsadmin.com

Highmark Blue Cross Blue Shield

Medical provider network search, estimated costs of medical services, claims information, download insurance card, health coaches & care navigation

TOLL FREE: 844-363-0067

WEB: highmarkbcbs.com

MOBILE APP: Highmark Plan

Express Scripts

Prescription drug cost search, order prescriptions for delivery

TOLL FREE: 800-892-5130

WEB: express-scripts.com

MOBILE APP: Express Scripts



Covenant Employee Benefits

As a Covenant pastor or ministry staff person, you have the opportunity to select from three health insurance plan options for your 2023 benefits. Complete and return the enclosed form to your employer, who will enter your information on a secure online portal and keep the form in their personnel records. **For more information and to ask questions, register for our 60-minute webinar on Tuesday, October 4 at noon CST.**

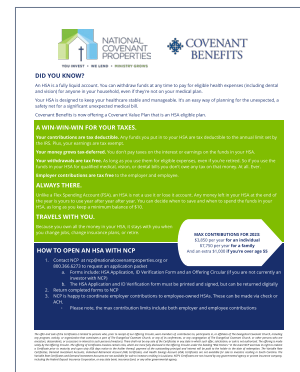
What's the same?

All plans have:

- Broad, nationwide Blue Cross Blue Shield PPO network
- Preventive services and drugs covered 100%
- Concierge service
- Wellness rewards: earn cash for completing simple tasks to learn about your health and stay on track with preventive care
- Medical policy: the same services are covered by all plans and the total cost is the same, but you will pay different amounts based on the plan you choose
- Prescription formulary: the same prescriptions are covered by all plans and the total cost is the same, but you will pay different amounts based on the plan you choose
- Teladoc: access to primary care physicians, dermatologists, and mental health providers via telephone and video

What's different?

- The amount covered by insurance and paid by the employee
- The premium cost charged to the employer (and most likely a payroll deduction for the higher plan(s) and/or a Health Savings Account contribution for the Value Plan, depending on your employer's policies)
- The availability of **Health Savings Account contributions** if you meet IRS requirements (only available in conjunction with the Covenant Value Plan): you can make your own contributions to your Health Savings Account to add tax-advantaged savings to your pocket for future use on medical expenses.



Covenant Benefits is now offering a Covenant Value Plan that is an HSA eligible plan.

(SEE ENCLOSED HSA FLYER FROM NATIONAL COVENANT PROPERTIES)



Benefits with a Choice

Medical and Prescription

Choose from three health insurance options tailored to meet a variety of preferences and needs.

	Covenant Plus Plan	Covenant Standard Plan	Covenant Value Plan (HSA eligible)
MEDAL LEVEL	PLATINUM	GOLD	SILVER
Out-of-Pocket costs*			
Deductible	\$400	\$2,000	\$6,250
Family Deductible	\$800	\$4,000	\$12,500
Coverage percentage after deductible	80%	80%	100%
Maximum Out-of-Pocket	\$2,700	\$5,500	\$6,250
Family Maximum Out-of-Pocket	\$5,400	\$11,000	\$12,500
Primary Care Physician	\$20	\$35	deductible
Specialist Physician	\$20	\$45	deductible
Prescription costs**			
Generic 30-day/90-day	\$8/\$16	\$8/\$16	deductible
Preferred brand 30-day/90-day	\$40/\$85	\$40/\$85	deductible
Non-preferred brand 30-day/90-day	\$65/\$140	\$75/\$160	deductible
Specialty 30-day/90-day	\$100/\$225	\$125/\$280	deductible

*Maximum out-of-pocket includes all in-network applicable deductible, copay and coinsurance amounts.

**90-day prescription fills available through Express Scripts mail order and Walgreens pharmacies.

The plan you choose is determined by your needs and preferences. The Value Plan, when partnered with a Health Savings Account, can offer an income tax savings and the potential to grow savings for future years, especially if your employer adds a contribution to your HSA on your behalf. If you prefer to pay copays for your prescriptions instead of accumulating toward your deductible at the beginning of the year, the Plus or Standard Plan may be for you.

You can research what your prescription drugs and upcoming medical procedures may cost by logging onto express-scripts.com and highmarkbcbs.com. This will help you determine your estimated out-of-pocket costs for the year. When you take your estimated costs and your contribution to the premium cost into account, you can make an educated decision on which plan is right for you.



Covenant Benefits Open Enrollment Form

ALSO AVAILABLE ONLINE

This form should be completed by every benefits-eligible employee and used by the employer to update benefits information in the online enrollment portal. This form should be retained in the employer's records for at least seven years.

1. YOUR INFORMATION

Name: _____ ☐ Male ☐ Female

Date of Birth: ____/____/____ SSN: _____

Address: _____

City: _____ State: _____ Zip Code : _____

E-mail: _____ Phone #: (____) _____

2. TYPE OF COVERAGE

Select the coverage that best fits your needs.

Medical/Prescription family tier level *(choose one)*

- ☐ None *(only available if health coverage is provided by another employer or subsidized government plan; proof of coverage may be requested)*
- ☐ Single
- ☐ Employee plus child(ren)
- ☐ Employee plus spouse
- ☐ Full family (child(ren) and spouse)

Dental/Vision family tier level *(choose one)*

- ☐ None
- ☐ Single
- ☐ Employee plus child(ren)
- ☐ Employee plus spouse
- ☐ Full family (child(ren) and spouse)

Medical/Prescription plan *(choose one)*

- ☐ Covenant Plus Plan
- ☐ Covenant Standard Plan
- ☐ Covenant Value Plan



3. DEPENDENT INFORMATION

Include family members' information. Children under age 26 are eligible. Verification of marriage, birth, or adoption may be requested.

Name of Spouse: _____ ☐ Male ☐ Female

SSN: _____ Date of Birth: ____/____/____

Name of Child: _____ ☐ Male ☐ Female

SSN: _____ Date of Birth: ____/____/____

Name of Child: _____ ☐ Male ☐ Female

SSN: _____ Date of Birth: ____/____/____

Name of Child _____ ☐ Male ☐ Female

SSN: _____ Date of Birth: ____/____/____

Name of Child: _____ ☐ Male ☐ Female

SSN: _____ Date of Birth: ____/____/____

4. LIFE INSURANCE BENEFICIARIES

(full-time employees only; if newly enrolling or not already on file)

Primary Beneficiary

Name: _____ Relationship: _____

Address: _____ SSN: _____

Contingent Beneficiary

Name: _____ Relationship: _____

Address: _____ SSN: _____

Signature: _____ **Date:** _____