

DELAWARE-MARYLAND SYNOD, ELCA
Board of Pensions
2012 Cost of ELCA Pension and Other Benefits Program

2012 Contribution Rates for Sponsoring Organizations

	Contribution Rate (as a % of Defined <u>Compensation</u>)	Minimum Monthly <u>Contribution</u>	Maximum Monthly <u>Contribution</u>
Medical and Dental Plan			
Member Only	14.1%	\$571	\$772
Member and Spouse	24.6%	\$1000	\$1,352
Member and Children	24.6%	\$1000	\$1,352
Member, Spouse and Children	35.3%	\$1428	\$1931
* Coverage Waived	0%		

Disability Benefits 1.6%

Survivor Benefits 1%

Retiree Support .7%

Retirement Plan

For church institutions, the Retirement Plan rates are 6% to 12%

Congregations may choose to remit contributions at a higher level by making additional retirement contributions for members

Predecessor church plan members with continuous participation since 1987

Age on December 31, 1987:

55 or older	12%
45-54	11%
All other members	10%

Total Required Contributions: 27.4% to 50.6%

Total depends on the election of medical benefits coverage and the retirement contribution rate.

The total percentage may vary if the minimum or maximum contribution amount for the Medical and Dental Benefits Plan applies.

* Waiver charge eliminated in 2001. The option to waive coverage remains.

WAIVER OF MEDICAL-DENTAL COVERAGE POSSIBLE

The ELCA Medical and Dental Benefits Plan encourages congregations to provide necessary health benefits coverage for pastors, lay employees and their families and discourages unnecessary duplicate coverage. Sponsored members and/or their spouses and children who are eligible for medical benefits coverage **through a spouse's employer** or through a former employer may (1) continue coverage under the ELCA medical-dental plan or (2) waive ELCA plan coverage, while continuing to participate in the ELCA disability, survivor and retirement plans. The option of waiving coverage is particularly attractive for members who can obtain medical coverage at subsidized rates through a spouse's employer plan.

Most members who waive coverage will incur additional costs to cover the contributions required by the spouse's plan, and to cover higher out-of-pocket costs of benefits under the spouse's plan are not as generous. Congregations, on the other hand, will save money due to lower ELCA plan contributions. And, most congregations find it appropriate to provide a larger-than-usual salary increase or other compensation when the plan member waives coverage.

A salary increase should usually be unrelated to the plan member's decision to continue or waive coverage. If the salary adjustment is offered in exchange for reduced benefits, the congregation may be required to establish a "cafeteria plan" under Section 125 of the Internal Revenue Code in order to avoid adverse tax consequences for plan members who do not waive coverage. A sample cafeteria plan is available from our Member Services Department.

If you, your spouse, or your children are covered under two medical plans, you may also want to review the coordination of benefits provision of both plans. Coverage under two medical plans is generally not beneficial. For example, if your spouse is covered by his/her employer-provided plan and the ELCA plan, the ELCA plan benefit would be compared with the primary plan's benefit. If the ELCA benefit is less than the primary plan benefit, the ELCA plan would pay nothing. If the ELCA benefit level is greater, the ELCA plan would pay the difference between the two benefit levels, bringing the combined benefit up to the level of the ELCA plan.

A member who has other employer-provided medical benefits coverage, or whose spouse and/or children have other employer-provided coverage, may waive ELCA coverage by requesting the necessary form from the Member Services Department.

Questions: Board of Pensions
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www.elcabop.org

800-352-2876
Monday-Friday, 7:30 a.m. – 5 p.m. (central time)