

United Brethren Association for Church Development

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Important Developments for 2015 and Beyond

Attached are the renewal premiums for the Voluntary Health Plans for 2015. Since Obamacare required additional coverages to all health policies, most plans are experiencing substantial rate increases. We were initially advised to expect a 20% or greater rate increase. Therefore, it was a relief to see a rate increase of 14% on the PPO 250 Plan and a 16.6% increase on the high deductible HSA 2000 Q Plan.

Last year we amended our renewal date to December 1st. Therefore with a renewal date of December 1st, we have an open enrollment date during November to effect any plan changes you may want to make. If you would want to consider switching plans, or adding additional family members, now is the time to do it. This period is a time when you can also elect additional coverages with Dearborn National who provide the life and long term disability coverages.

There is one important change that occurred this year with the inclusion of those pastors who had been enrolled in the disability plan offered by the National Office. Effective October 1st all those enrollees were automatically transferred to our group life and disability plan. One main reason for this move was the additional coverage afforded for overseas travel.

In order to reflect the reduced paperwork with the life and disability members, the Board elected to invoice the life and disability members on a quarterly basis with a \$25 membership fee. Those who have medical plans will continue on the monthly invoice with a revised \$50 per month membership fee.

With the added workload involved with the additional enrollees from the National Plan, we revised some of Angela Monn's responsibilities and employed Dusty Jo Craddock to assist with the administrative tasks. Dusty Jo has worked with Rhodes Grove for some time and brings a delightful spirit of servant hood to our team. She is quickly learning the unique aspects of our many programs and I'm sure you will enjoy getting to know her.

With the many questions and confusion arising from the implementation of Obamacare, I will continue to focus my efforts to answering your questions and providing more insights into the working of the various options available to you. Feel free to call any time should you want to discuss your coverage and what might be the best type of program for your needs. It is best to call me on my cell phone or send me an email directly and I will be in contact with you.

Faithfully in Christ,

Larry

Lawrence G. Reinertsen
Executive Director

I. 2015 Core Health Plans: Policy effective December 1, 2014 till December 1, 2015

Option A: Blue Cross PPO \$250 Twin Deductible Value Plan

<i>Product Name</i>	<i>Single</i>	<i>Parent and Child(ren)</i>	<i>Husband and Wife</i>	<i>Family</i>
2015 PPO \$250 Twin Deductible Value Plan with Rx Plan RC12	673.50	1,414.19	1,488.31	1,961.11

Ancillary Products:

<i>Product Name</i>	<i>Single</i>	<i>Parent and Child(ren)</i>	<i>Husband and Wife</i>	<i>Family</i>
Blue Cross Dental Plan 100/80/50/50	\$27.47	\$82.53	\$82.53	\$82.53
Vision Plan 4	\$3.04	\$9.37	\$9.37	\$9.37

Required Ancillary Products Subject to Computation:

\$10,000 Group Term Life and Accidental Death and Dismemberment Insurance (\$4.90 per month)
 Long Term Disability, 60% of total salary and housing, 6 month waiting period. See computation below.

Option B: Blue Cross PPO HSA 2000 Q

This is a High Deductible Health Plan with a \$2000 individual deductible, or \$4,000 family deductible, coupled with a Health Saving Account. The power of this option is that the difference in the premium in the family coverage is enough to fully fund the HSA. If medical costs do not reach the level of the \$4,000 contribution to the HSA, that money belongs to you and continues to grow tax free.

<i>Product Name</i>	<i>Single</i>	<i>Parent and Child(ren)</i>	<i>Husband and Wife</i>	<i>Family</i>
2015 PPO HSA 2000Q With Rx Plan	506.81	1,064.21	1,120.00	1,475.75

Required Ancillary Products on both Options Subject to Computation:

\$10,000 Group Term Life Insurance (\$5.25 per month)
 Long Term Disability, 60% of total salary and housing, 6 month waiting period.

In order to compute the cost of the Long Term Disability premium follow the steps below.

1. Add all taxable income (salary, housing,)
2. Multiply that total by 60% to determine the maximum annual benefit
3. Example: 40,000 total salary x 60% = 24,000 max benefit /12 = 2,000 = monthly benefit
4. Multiply the total of all taxable income by 0.233 per hundred to determine the annual premium.
5. Example: 40,000 x .233 (400 x .233) = 93.20 /12 = 7.77 monthly premium.

II. Dental and Vision coverage may be elected without the health plans. The Life Insurance and Long Term Disability Insurance are required in all group plans.

III. Voluntary Coverages Based on Minister/Employee Election.

These premiums are to be paid on an after tax basis to avoid taxation of the benefits.

- A. Group Term Life and ADD Insurance in units of \$10,000 up to \$500,000 maximum. Spouse and children can also be added to this coverage.
- B. Short Term Disability with a two week waiting period and a 6 month coverage period.
- C. AFLAC and USable Company plans can be pretax except for the life and short term disability.

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2015 Updated Salary Figures Needed

Dear Pastor and/or Treasurer,

In order to maintain current adequate levels of Long Term Disability Insurance, we need to have the salary package (salary and housing) figures for 2015 for those insured in our program. Please complete the blanks below and return the form to me in preparation for your January premium notice.

Many thanks,
Larry

Name of Pastor/Staff _____

Email address _____

Preferred Telephone # _____

Name of Church _____

2015 Salary _____

2015 Housing Allowance _____

Total _____

The premium rate for Long Term Disability is \$0.233 per hundred/year of the total.
The benefit is 60% of the above total after six months of continuous disability until age 65.