

Continuing Coverage at Termination of Eligible Service

For members with Traditional Program coverage



The Board of Pensions
of the Presbyterian Church (U.S.A.)

2000 Market Street • Philadelphia, PA 19103-3298
800-773-7752 • 800-PRESPLAN • www.pensions.org

Members participating in the Affiliated Benefits Program should consult with their employing organizations about options for continuing coverage following termination of Eligible Service. The information in this booklet does not apply to the Affiliated Benefits Program.

If any discrepancy exists between this booklet and the official Benefits Plan document, the official Plan document governs. Copies of the official Plan document are available from the Board of Pensions online at Pensions.org, or by calling the Board at 800-773-7752 (800-PRESPLAN).

Continuing Coverage at Termination of Eligible Service

As a member with Traditional Program coverage under the Benefits Plan of the Presbyterian Church (U.S.A.), you may elect to continue coverage on a self-paid basis under the Plan when you terminate Eligible Service.

If you do not enroll for coverage **within 60 days** from the date your current employer-paid benefits terminate (exclusive of any free coverage period), you lose your right to continue coverage through the Benefits Plan as a terminated member.

To enroll, and activate coverage, you must send completed forms and your initial payment to:
The Board of Pensions of the Presbyterian Church (U.S.A.)
2000 Market Street, Philadelphia, PA 19103-3298

You may be eligible to:

- continue Benefits Plan participation on the Transitional Participation Basis with the required verification that you are seeking a new church service; use the Transitional Participation Basis Enrollment form for this purpose. Members who reach their maximum eligibility for continuing benefits on the Transitional Participation Basis are then eligible to continue healthcare benefits under the Medical Continuation Program.
- continue healthcare benefits by enrolling in the Medical Continuation Program; use the Medical Continuation Subscription or Waiver form for this purpose.
- continue healthcare benefits by enrolling in the Medicare Supplement Plan if you and/or your spouse are over age 65 and participate in Part A and Part B of Medicare.
- initiate or defer your retirement pension if you meet current eligibility rules. Call the Board for more retirement information.

Check the letter accompanying this booklet to make sure that the Board has the correct date for the termination of your employer-paid benefits (the last day your employer pays for your participation in the Benefits Plan). This date for benefits purposes may be different from your last day worked (for example, if you are eligible for benefits coverage during a severance period).

Do nothing if you do NOT want to continue coverage for you or your eligible dependents following termination of service.

If you are starting a new, eligible church service on or before the termination of any free coverage period for which you may be eligible, you must report your new service to the Board of Pensions within 31 days of the effective date of new service by submitting a Service Change form.

To get current dues information, forms or additional information, please visit Pensions.org, call us at 800-773-7752 (800-PRESPLAN), or email us at memberservices@pensions.org. The Web site also has information on USERRA (Uniformed Service Employment and Reemployment Rights Act of 1994) if you are being called to active duty.

General Information	
Benefits Termination Date	The last date through which your church/employing organization pays for your benefits (inclusive of any severance coverage but exclusive of any free coverage).
Service Termination Date	The last date that you worked.
Free Coverage	<p>Members with at least one year of Traditional Program participation receive 30 days of free healthcare coverage after the benefits termination date. Ministers of the Word and Sacrament receive free death and disability coverage for 90 days after the benefits termination date. Lay members receive free death and disability coverage based on years of Plan participation:</p> <ul style="list-style-type: none"> • 30 days after one year of Plan participation • 60 days after two years of Plan participation • 90 days after three or more years of Plan participation
Short (or no) Gap In Service	If you will start a new eligible service on or before the date that free coverage ends and were participating in pension or supplemental death benefits as of your service termination date, you may remit dues to continue participation in the Pension Plan and must remit payment to maintain supplemental death benefits during the gap. If you have no gap or you remit payment, your new service will be invoiced for supplemental death benefits unless you terminate coverage by filing the Optional Coverage Termination form. See page 7 for information about later re-electing optional coverage if you discontinue it following termination.
Severance Agreements	<ul style="list-style-type: none"> • Severance payments with or without a continuation of employer-paid benefits are part of effective salary and are dues bearing. • Severance payments with a continuation of employer-paid benefits extend the benefits termination date. • Benefits provided during any severance period must continue at the same level of participation in effect at termination of service.
Relocating after Termination	You must notify the Board immediately of your new address and its effective date to avoid interruption of coverage.

Continuing Coverage on Transitional Participation Basis

The Transitional Participation Basis is available to members with full or limited participation if they are

- actively seeking church service;
- enrolled for full-time church-related studies; or
- subject to a disciplinary process that leads to a temporary leave or unemployment.

As a minimum, benefits continuation on the Transitional Participation Basis is available for 24 months for ministers of the Word and Sacrament and graduated seminary student members whose presbyteries verify their status; benefits are available for 12 months for lay members whose churches/employing organizations verify their status. A presbytery must verify the status of a commissioned lay pastor seeking Transitional Participation Basis coverage for 12 months. Longer periods are available to members enrolled for full-time church-related studies or who are subject to a disciplinary process. Contact the Board for details.

Members with full participation may elect to continue most coverages in effect on the date that eligible service terminated.

Please note that if you meet the Rule of 70 and elect not to continue medical and/or death benefits, you may lose the opportunity of lifetime benefits.

Dues are paid either on the minimum salary participation basis for the benefit (healthcare, pension, death, and disability) or on the member's last effective salary. The salary basis is used for medical benefits determination and/or pension, death, and disability participation levels, and the accrual of pension credits. Deductibles and copayments may also be affected.

See also the Continuing Optional Coverage section on page 7.

Members who reach their maximum eligibility for continuing benefits on the Transitional Participation Basis are then eligible to continue healthcare benefits under the Medical Continuation Program for 18 months.

Conversion from Member Couple

If your spouse has healthcare coverage in the Benefits Plan as a result of her/his employment, you are eligible to receive healthcare benefits as a spouse. If you meet the Transitional Participation Basis eligibility requirements, had full participation on the date of termination of service, and elect to be covered as a spouse for healthcare, you may remit dues to continue pension and/or death and disability coverage in effect on the date of benefits termination. If you had limited participation, you may remit dues to continue death and disability coverage only.

Within 31 days of your termination, your spouse may:

- apply for supplemental death coverage for you and your eligible dependent children. You are not subject to medical underwriting up to the level of coverage you were enrolled for as a member.
- add you and your eligible dependent children or enroll as a new enrollee for optional dental. For information on the benefit limitations that apply, call the Board at 800-773-7752 (800-PRESPLAN).

Please see *Your Benefits as a Member Couple* booklet.

Medical Continuation Program

Eligibility	Members terminating employer-paid Traditional Program coverage who are not seeking church service, members retiring before age 65, members terminating participation on the Transitional Participation Basis, surviving spouses, divorced spouses, children who are no longer dependents, and seminary student members not seeking church service following termination of studies may subscribe. Spouses and eligible dependent children covered before termination may subscribe even if the member does not.
Covered Services	Identical to coverage as an active member or as the spouse or dependent of an active member.
Subscription Deadline	You must subscribe and pay the initial subscription cost within 60 days following your benefits termination date.
Deductibles and Copayment Maximum	The deductible and maximum copayment amounts are based on the churchwide median salary for pastors serving churches. Your deductible will be reduced only if you have not satisfied your deductible based on your effective salary.
Dues	You pay a maximum of two subscriptions to continue coverage for the member and the eligible dependents.
Limitation	If you are otherwise eligible for the Transitional Participation Basis but elect Medical Continuation or Medicare Supplement coverage first, you may not subsequently elect the Transitional Participation Basis.
Continuous Coverage Requirement	You may not subscribe for Medical Continuation or Medicare Supplement coverage in the future if you do not maintain continuous coverage in the PC(USA) Medical Plan.
Waiver of Continuous Coverage Requirement	<p>You or your spouse may be eligible to waive continuous coverage if you meet the Rule of 70 (you are age 55 or older, have at least five years of Plan participation, and the sum of your age and years of Plan participation equals 70 or more) at the time of termination and are covered by other employer-sponsored coverage. To waive coverage, you must return the completed waiver section of the Medical Continuation Subscription or Waiver form.</p> <p>If you or your spouse filed a waiver and your other coverage is lost because your spouse retires, your employment is terminated, or the employer discontinues coverage, you and your spouse can enroll in Medical Continuation or Medicare Supplement if eligible. You must notify the Board within 90 days of the qualifying event to activate coverage.</p>

Medical Continuation Program Eligibility and Duration

Reason for loss of coverage	Eligibility	Duration of coverage
Member's employment terminated (vested or non-vested, under age 55)	Member	18 months (29 months if disabled during first 60 days of Continuation coverage)
	Spouse	
	Dependent Child	
Member's disability status ends and termination status starts	Member	18 months
	Spouse	
	Dependent Child	
Member's death	Surviving Spouse	Until eligible for Medicare and Medicare Supplement
	Dependent Child	Until loss of dependent eligibility
Divorce	Ex-spouse	Until eligible for Medicare and Medicare Supplement
	Dependent Child	Until loss of dependent eligibility
Employment terminated for vested member when the member at age 55 or older with at least five years of Plan participation and the sum of the years of Plan participation and age at termination equals 70 or more ("Rule of 70"); retirement deferred. Eligible to waive the continuous coverage requirement with other employer-sponsored coverage.	Member	Until eligible for Medicare and Medicare Supplement
	Spouse	
	Dependent Child	Until loss of dependent eligibility
Early retirement for vested member at age 55 or older with at least five years of Plan participation and the sum of the years of Plan participation and age at retirement equals 70 or more ("Rule of 70"). Eligible to waive the continuous coverage requirement with other employer-sponsored coverage.	Member	Until eligible for Medicare and Medicare Supplement
	Spouse	Until eligible for Medicare and Medicare Supplement
	Dependent Child	Until loss of dependent eligibility
Early retirement for vested member at age 55 or older; fewer than five years Plan participation or the sum of the years of Plan participation and age does NOT equal 70 or more.	Member	18 months
	Spouse	
	Dependent Child	
Dependent child loses eligibility while covered under parent.	Dependent Child	36 months
Employer withdraws all employees from Plan participation.	Not available	

Medicare Supplement Program Eligibility and Duration
Medicare Supplement coverage requires enrollment in Medicare Parts A and B

Reason for loss of coverage	Eligibility	Duration
Member terminates employment at age 65 or later with less than 5 years of Plan participation	Member	Not Eligible for Medicare Supplement
	Spouse	
	Dependent	Eligible for 18 months of Medical Continuation
Member terminates employment or disability at age 65 or later with 5 or more years of Plan participation. Note: Eligible to waive continuous coverage requirement with other employer-sponsored coverage or enrollment in a Medicare Advantage plan or Tricare*	Member	Medicare Supplement
	Spouse	Medicare Supplement at age 65 (or upon disability) Medical Continuation if under age 65
	Dependent	Medical Continuation until loss of dependent eligibility
Member terminates Medical Continuation at age 65 (had 5 years of Plan participation while under Active Plan participation). Note: Eligible to waive continuous coverage requirement with other employer-sponsored coverage or enrollment in a Medicare Advantage plan or Tricare*	Member	Medicare Supplement
	Spouse	Medical Continuation if under age 65 then Medicare Supplement at age 65 (or upon disability)
	Dependent Child	Medical Continuation until loss of dependent eligibility
Member's Disability status ends at age 65 or later. Member does not have 5 years of Plan participation	Member	18 months of Medical Continuation
	Spouse	
	Dependent	
Member's Death	Surviving Spouse (eligible to waive if covered by employer-sponsored coverage)	Medicare Supplement at age 65 (or upon disability) Medical Continuation if under age 65
	Dependent Child	Medical Continuation until loss of dependent eligibility
Divorce	Ex-Spouse (eligible to waive if covered by employer-sponsored coverage)	Medicare Supplement at age 65 (or upon disability) Medical Continuation if under age 65
	Dependent Child	Medical Continuation until loss of dependent eligibility
Employer withdraws all employees from Plan participation	Not Available	

*Special re-enrollment rules apply. Please contact a Pension Specialist at (800) 773-7752 for more information.

Continuing Optional Coverage

Supplemental Death Benefits	<p>Members with supplemental death benefits for themselves, spouses, and/or children at termination of current eligible service may continue participation only if they:</p> <ul style="list-style-type: none"> • continue death and disability coverage with either medical or pension participation on the Transitional Participation Basis, or • initiate their retirement pensions and are not yet age 70 <p>If you drop coverage following your benefits termination date, you may reapply within 31 days of the start of a new service or, if you are continuing benefits on the Transitional Participation Basis, during the annual open enrollment. Retirees may continue supplemental death benefits until age 70.</p>
Optional Dental Benefits	<p>You may not continue dental participation following termination of service; you must be working in an eligible service that is paying medical dues. Severance arrangements cannot continue dental benefits. If there is no break between services, your dental benefits are continued automatically at your new service.</p> <p>When there is a break in dental benefit participation due to unemployment, you may elect dental within 31 days of beginning a new service that includes participation in the Benefits Plan.</p>
Retirement Savings Plan	<p>Members may not continue contributions after their benefits termination date. To reactivate participation, you must submit a new salary reduction agreement to the Board once you begin a new eligible service.</p>
Optional Supplemental Disability	<p>Members may not continue this coverage unless they are actively at work and meet the income eligibility requirement.</p>
Long-Term Care Insurance	<p>CNA will continue billing you directly for the same coverage and at the same rate. You may call CNA at 800-528-4582.</p>

Other Considerations

Activating Coverage	<p>Within 60 days of your benefits termination date, the Board must receive an initial payment for the coverage you have selected with the Medical Continuation Subscription or Waiver, Medicare Supplement Subscription Waiver or Withdrawal, or the Transitional Participation Basis form. The initial payment must cover the period from the day after any free coverage ends through the end of the month following the current month.</p> <p>Please note: if you wish to pay for Pension coverage while continuing coverage on the Transitional Participation Basis, the initial payment must cover the period from the day after termination through the end of the month following the current month.</p>
Payments	<p>After your initial remittance, you will be billed on the first of the month in advance. The payment due date is the 20th of the month. If the Board does not receive payment in full before the last business day of the month that is not a bank holiday, coverage is suspended.</p> <p>One missed payment results in suspension of coverage; two consecutive missed payments result in the termination of coverage with no opportunity for reinstatement.</p>
USERRA	<p>Under USERRA (the Uniformed Services Employment and Reemployment Rights Act of 1994), employees called to military duty in the uniformed services have the rights to employment leave, job restoration, and continuation of certain benefits during military leave. Church employers and church plans are not exempt from the obligations of USERRA.</p> <p>A member who returns to any Presbyterian Church (U.S.A.) related employer is entitled to USERRA benefits even if he or she returns to a different church or employing organization within the Presbyterian Church (U.S.A.). Any member who returns to another Presbyterian Church (U.S.A.) after military leave should ask the employer to notify the Board of Pensions of USERRA entitlement. All benefits provided under the Benefits Plan of the Presbyterian Church (U.S.A.) are protected.</p> <p>For more information on USERRA, please see the Q&A available on Pensions.org.</p>