



### Investments

#### Board of Pensions Balanced Investment Portfolio returns 21.2% for the nine months ended September 30, 2009

Thomas Parks Jennings, chair of the Investment Committee, reported that the Board of Pensions Balanced Investment Portfolio had a market value of \$6.3 billion on September 30, 2009. The Pension Plan is fully funded, and current and future benefits are secure.

Mr. Jennings noted that the Investment Committee reviewed the investment performance and asset allocation of the Board of Pensions Balanced Investment Portfolio. The Committee affirmed the current asset allocation of 37.6% in U.S. stocks, 17.8% in international stocks, 35.5% in fixed income, and 9.1% in other assets.

Mr. Jennings reminded Plan members that while we celebrate the strong investment performance achieved in the first nine months of 2009, the Investment Committee recognizes the need not only to retain the gains of 2009, but also to build upon them in 2010 and beyond to restore reserves to levels adequate to grant experience apportionments.

The Balanced Investment Portfolio is the investment fund for the Pension Plan, Death and Disability Plan, Endowment Fund, and the Assistance Program, as well as restricted gifts made to the Board of Pensions.

### Healthcare

#### Healthcare reform discussed at meeting

As Congress debates the possibility of healthcare reform, a consensus is forming that some sort of legislation will likely emerge in the coming months. The implications of healthcare reform for the Benefits Plan of the Presbyterian Church (U.S.A.) was a topic of discussion at the October 24 meeting of the directors of the Board of Pensions.

“While it might seem like we are nearing the end of healthcare reform, at least in terms of the debate, the signing of any law will really signify the beginning,” said guest speaker George Olsen, a noted healthcare attorney at Williams & Jensen in Washington, DC. “When it comes, this reform will lead to important new services and responsibilities for individuals, employers, and the federal government,” he added. Williams & Jensen serves as legislative counsel to the Church Alliance, a coalition of the CEOs of more than 30 denominational benefits programs.

The proposed insurance reforms are not expected to take effect until 2013, and certain features are likely to be phased in. If and when a law is enacted, the board of directors will assess its impact on the Medical Plan. The Plan currently provides most of the essential benefits proposed for qualified health plans.

The Board’s Sr. Vice President of Benefits, Pat Haines, reassured the directors that the prospect of reform represents an opportunity not only to improve the health and well-being of all Americans, including many of the 46 million uninsured, but also for the members we serve — those clergy and other church workers and their families who are covered by the Benefits Plan. “However

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this evolves, we will be positioned to respond in the best interests of our members and their employing organizations,” she said. “We are watching legislative actions closely and stand ready to meet the challenge of understanding and analyzing the impact of a reformed healthcare system on our Plan.”

## Summary of dues actions for 2010

The directors of the Board of Pensions approved recommendations for healthcare dues increases for several programs at their October 24 meeting, reflecting the claims experience of the affected programs. The dues increases are essential to maintaining both the financial stability of the Medical Plan and current benefit levels.

All dues actions listed below are effective **January 1, 2010**.

### *Medical Continuation*

**Traditional Program members:** Based on current financial experience, the directors raised the monthly subscription dues by 7.1% for Medical Continuation coverage for Traditional Program members. Monthly subscription dues will increase from:

- \$310 to **\$332** per participant for those enrolled before 1987
- \$527 to **\$564** per participant for those enrolled after 1986

**Affiliated Benefits Program members:** The directors approved a reduction in previously approved dues for Medical Continuation members who are covered by the Affiliated Benefits Program (ABP) and are not yet eligible for Medicare (early retirees), making these rates consistent with those for individuals who are terminating participation. The new, lower monthly rates for 2010 for ABP Medical Continuation coverage are:

- **\$532** per member
- **\$770** per member plus children
- **\$1,093** per member plus spouse
- **\$1,389** per family

### *Medicare Supplement*

**Traditional Program members:** Monthly subscription dues will increase from \$194 to **\$199** per participant.

The monthly subscription dues for Medicare Parts A & B Supplement for Limited Income Members Only also will increase in 2010, from \$118 to **\$125** per participant.

### **ABP members who are eligible for ABP Medicare**

**Supplement:** Monthly subscription dues will increase from \$272 to **\$279** per participant.

**Reminder:** By past action of the directors, the following 2010 dues were established for active Medical Plan members.

### *Active Plan members*

**Traditional Program:** There is no increase in the dues rate for active members of the Medical Plan Traditional Program. As a result of past action by the directors, the dues rate for these participants will remain at 19.5% in 2010. (See *The Board Bulletin*, Summer 2009.) Although this is positive news for employing organizations, especially in light of escalating healthcare costs, emerging claims experience will likely drive up dues in future years, however.

**Affiliated Benefits Program:** As a result of past action by the directors, dues will increase by 2.5%. (See *The Board Bulletin*, Summer 2009.)

## Additional enhancements to the Medical Plan

Following on the more substantial amendments to the Medical Plan and Medicare Supplement Plan approved at the June 27 meeting of the Board of Directors, the directors approved several additional enhancements at their October 24 meeting in Washington, DC. The new amendments, detailed below, will be reported to the 219th General Assembly (2010).

### *Medicare Supplement benefit maximums*

The directors approved the elimination of separate benefit maximums for inpatient mental health and substance abuse treatment, effective January 1, 2010. Currently the Medicare Supplement Plan has an annual limit of \$50,000 and a lifetime maximum reimbursement limit of \$200,000 for inpatient mental health and substance abuse treatment.

This amendment establishes parity between benefits provided for medical and surgical services and those for mental health and substance abuse conditions.

### *Acupuncture providers expanded for active members*

Beginning January 1, 2010, the Medical Plan will cover active members' medically necessary acupuncture provided by a licensed acupuncturist. Currently, the Plan covers medically necessary acupuncture only if performed by a physician.

### *Weekend admission limitation eliminated*

The directors approved an amendment to eliminate the Plan limitation barring weekend admissions to the hospital unless surgery is performed within 24 hours of admission. Hospitals now have significant controls in place that limit weekend admissions, which obviate the need for this rule.

### *Privacy and security protections strengthened*

New federal health information technology legislation — the Health Information Technology for Economic and Clinical Health Act of 2009 (HITECH) — improves and expands current privacy and security protections for health information. In order to comport with this new law, the directors approved new Health Insurance Portability and Accountability Act of 1996 (HIPAA) provisions, effective February 17, 2010.

### **International SOS contract renewed**

The Board of Pensions has renewed its contract with International SOS to provide medical assistance to members of the Benefits Plan during trips outside of the United States. International SOS maintains clinics and 24-hour Alarm Centers throughout the world, making it a key resource to traveling members who need medical information, referrals, or treatment, including emergency care.

A brochure about International SOS, **How to Obtain Medical Assistance Worldwide**, contains a tear-off card listing a **member ID number** that Plan members must use when calling for assistance. Use the link above, or call the Board of Pensions at 800-773-7752 (800-PRESPLAN) to request a copy.

### **Healthcare mailing to members slated**

Members should watch their mail for a key healthcare mailing in December. Members will receive *Your Healthcare Benefits Handbook*, a booklet describing program changes for the 2010 plan year. It tells how they can make best use of their medical benefits and identify cost savings, as well.

### **Popular tax tips Webinar open to ministers and churches; register by November 20**

On Wednesday, **December 9, at 3:00 p.m., ET**, the Board of Pensions will present its popular Tax Tips for Ministers and Churches as a Webinar, enabling participants to both see and hear the presentation online. (Participants can still join in by phone if they do not have access to the Web.)

Previously offered as a teleconference, Tax Tips is an annual event open to ministers, church treasurers, business administrators, and others at no cost to them. Participants will hear renowned clergy and church tax expert Richard R. Hammar as he:

- discusses recent tax law changes affecting ministers and churches
- identifies deductible and non-deductible expenses
- explains how lending money to a minister could put a church's tax-exempt status at risk

To participate, register **online** or by phone at 800-355-4487. *Registration is limited and ends November 20.* Participants may submit their tax questions when they register for this Webinar.

A recording of the Webinar will be available on Pensions.org approximately one week after the event.

# www.pensions.org

## **Your surprisingly easy path to a financially secure future starts here**

**In today's environment, managing your money isn't easy. Don't worry. The Board of Pensions will help you understand your finances. Just visit our Web site and click on "Educational Resources."**

**Our financial planning seminars, available for Plan members, will help you get the most out of your Plan benefits and tax deductions. Make your money work harder and save more for your personal goals.**

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

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# Save for Tomorrow, Today



Do you save for the future through the Retirement Savings Plan of the PC(USA)? By participating in this 403(b)(9) plan, you can enjoy:

- ✓ **Future Income.** You can build income for the future through the Retirement Savings Plan. Save now to make your retirement more secure.
- ✓ **Tax savings now.** Your pretax contributions to the Retirement Savings Plan are deducted from your pay before income taxes are taken out. This means you can lower the amount of current income taxes you pay each period.

- ✓ **Investment options.** You can select from investment options ranging from conservative to aggressive, making it easy for you to develop a well-diversified investment portfolio.
- ✓ **Convenience.** Your contributions are automatically deducted regularly from your paycheck.

Plan to save a portion of your income. To enroll in the plan or to increase your contributions, please **contact** the Board or call 800-773-7752 (800-PRESPLAN) for the appropriate forms.

## Assistance

### Christmas gift approved for supplement recipients

With the approval of the directors, the Board of Pensions will continue its tradition of providing a Christmas gift to income- and housing-supplement recipients. The directors approved a Christmas gift of **\$250** for each single person and **\$500** for each married couple receiving an income or housing supplement (or both) as of November 1.

Income and housing supplement recipients are retired church workers and their surviving spouses who have served the Presbyterian Church (U.S.A.) for 20 years or more and whose total income from all sources is below levels established by the Board, among other requirements. Income and housing supplements provide financial assistance that allows retirees to live modestly and continue to maintain their independence.

The Christmas gift is one of the most appreciated expressions of caring that the Board of Pensions sends to these retirees and their surviving spouses. The Board is pleased to be able to express its concern tangibly, especially during these difficult economic times.

### Income targets unchanged for Income Supplement Program

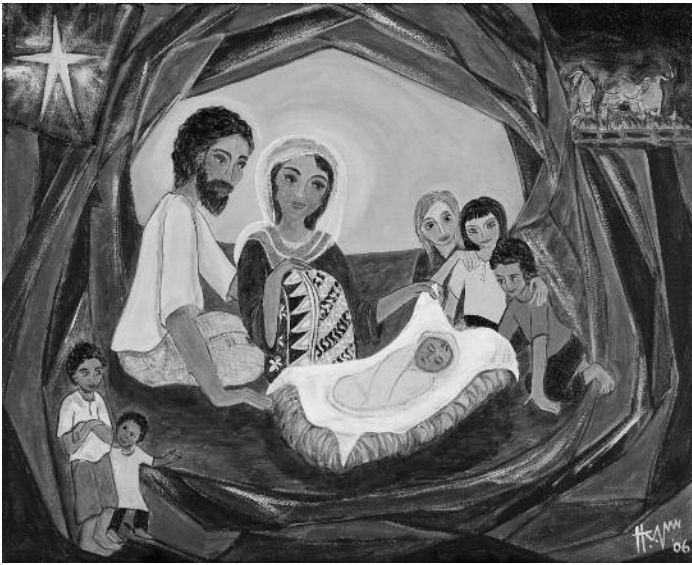
The Assistance Committee of the Board of Pensions renewed for 2010 the current income supplement target levels of:

- **\$26,160** for single persons
- **\$31,380** for married couples

A target level is **the maximum income** a single person or married couple will have after an income supplement is added to all other sources of income. In other words, it is the most a member's income will be after financial assistance from the Board is added.

### Maximum income levels unchanged for Housing Supplement Program

For 2010, the maximum income level guideline for **housing supplement** eligibility will remain at **\$36,000 a year**. Retired Plan members whose total retirement income falls below this amount may qualify for housing assistance if they meet certain eligibility guidelines.



## Churches support Assistance Program through Christmas Joy Offering

A Presbyterian tradition for nearly 70 years, the Christmas Joy Offering will again be received the last Sunday before Christmas — this year, **December 20**. The offering is one of several designated by the General Assembly to provide congregations with direct ways to help those in need.

Fifty percent of the receipts from the Christmas Joy Offering are distributed to the Board of Pensions for assistance programs that provide support to retired and active church workers and their families. The other 50 percent supports Presbyterian-related racial ethnic schools and colleges through the General Assembly Mission Council.

For the Board, the Christmas Joy Offering is a critical source of support for the hundreds of dedicated pastors, church workers, and retirees each year who have urgent financial needs. Last year, the Board combined the proceeds of the offering, approximately \$2.3 million, with funds from other gifts, bequests, and endowments to provide more than 800 grants to individuals and families.

The Christmas Joy Offering supports:

- **income supplements** that raise incomes to a level where retirees can live modestly and continue to maintain their independence
- **housing supplements** that help retirees meet their housing needs
- **shared grants** that help current and retired church workers by providing funds from the Board in partnership with governing bodies, congregations, and employing organizations

- **emergency grants** that help current and retired church workers who have urgent and unexpected financial needs — e.g., who have seriously ill family members, become victims of natural disasters, or have emergencies not covered by the Plan — when there is not a partner to share in the grant with the Board.

Each of these grants is an expression of caring and appreciation for those who have served the church. Again and again, recipients of grants large and small say that as important as the financial assistance was, what really sustained them was the knowledge that the church was standing with them in their time of need.

The Christmas Joy Offering provides a wonderful opportunity for Presbyterians to support the Assistance Program of the Board of Pensions and Presbyterian-related racial ethnic schools and colleges. Those moved to give may support their congregation's offering on December 20 or may [give online](#).

For additional information about the Christmas Joy Offering, including an educational video, please visit the [Presbyterian Church \(U.S.A.\)'s Web site](#).

## Other Business

### Online submission of salary changes through Benefits Connect, coming soon


Church treasurers and business administrators will soon be able to submit 2010 salary changes online through [Benefits Connect](#), the Board's secure benefits Web site.

Once a church treasurer or business administrator registers on Benefits Connect, he or she will be granted access to this new feature, through which salaries can be changed or confirmed. Timely reporting of member salaries ensures proper calculation of pension benefits, death benefits, and accurate monthly invoicing. You will receive more information in the coming months.

Questions? Please call 800-773-7752 (800-PRESPLAN), email [memberservices@pensions.org](mailto:memberservices@pensions.org), or write to the Board at the address under "Contact Information" on the following page.



**benefits  
connect**



**Help Us Help Those Who Serve the Church**

**“The supplemental income and housing grants for my mother, who served in the ministry her entire working life, came in the very month in which her modest savings had completely run out: The hand of the Lord could not be more discernible.”**

The Assistance Program of the Board of Pensions provides vital financial assistance to church workers and their families in their time of need. The need has never been greater than it is right now. Help us to help those who serve the church. Call 215-587-7300 *today*.

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### E-learning offerings to expand

Beginning January 2010, the Board will offer active Plan members a variety of professional and personal well-being courses online. Participants will have access for one year to courses that focus on stress and conflict management. The courses are:

- Finding Your Balance
- Handling Conflict
- Techniques for Improved Time Management
- How To Work with Aggressive People
- Leading Effective Meetings
- Emotional Intelligence Leadership
- Introduction to Workforce Generations
- Connecting and Communicating
- Conflict in the Workplace Simulation
- Taking Control of Your Time Simulation

Space will be limited to 200 participants, so watch for announcements and registration information on [Pensions.org](http://Pensions.org).

### Contact Information

The Board of Pensions publishes *The Board Bulletin* electronically after each regular meeting of the Board of Directors.


To receive it **by mail**, call us at 800-773-7752 (800-PRESPLAN), or **by email**, write [communications@pensions.org](mailto:communications@pensions.org), providing your name and email address. Or look for it **online** at [Pensions.org](http://Pensions.org).

### Andrew J. Browne Named Corporate Secretary

Andrew J. Browne has been named Corporate Secretary for the Board of Pensions. In this role, Andy will serve the Board of Pensions by preparing responses to Board of Pensions and General Assembly actions, serving as Parliamentarian of the Board of Pensions, and providing counsel and assistance to Board staff on matters of Presbyterian polity and governance. He also will be responsible for preparing Board of Directors meetings and maintaining the corporate records and minutes.

A former director of the Board of Pensions, Andy brings a wealth of experience to the position, having served in all governing bodies of the Presbyterian Church (U.S.A.). He has been a youth advisory delegate, assembly assistant, and member of the General Assembly Council. He served as moderator of the Presbytery of Denver in 2005.

### Share Your Story



Stewardship of Self takes commitment, but the benefits can be great. One of the ways the Board supports your steps to better self care is by posting members' stories on [Pensions.org](http://Pensions.org).

Do you have a story about how you used one of the programs offered by the Benefits Plan to overcome a challenge? An anecdote of how you exhibited Stewardship of Self in some other way?

An inspirational tale of a marathon you ran or a weight loss goal you achieved? If so, we'd like to hear from you. Go to [Share Your Story](http://Pensions.org) in [Pensions.org](http://Pensions.org), click on the "Share Your Story" button, and tell us about it.



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