

Antiochian Orthodox Christian  
Archdiocese of North America

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# Clergy Compensation Manual

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For Clergy and Parish Councils

Effective January 2020-January 2021

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# Introduction

In 1980, Metropolitan PHILIP, of thrice-blessed memory, appointed a commission to make a thorough study of the stipends and benefits available to the clergy of the Antiochian Orthodox Christian Archdiocese of North America. This directive demonstrates that the welfare and dignity of the clergy have long been of great concern to the Metropolitan Primate and to the Antiochian Archdiocese. His Eminence Metropolitan JOSEPH continues to share that priority.

The Department of Clergy Insurance and Retirement has responsibility for coordinating the policies for stipend guidelines, health insurance, long-term disability and term life insurance, retirement planning, and the confidential assistance plan. The Department consists of His Eminence Metropolitan Joseph, Very Rev. Fr. Michael Ellias of Brooklyn, NY, Chairman, Very Rev. Fr. Thomas Zain, also of Brooklyn, NY, Fr. Paul Matar, Fr. Nicholas Belcher, Ms. Mary Winstanley-O'Connor of the Archdiocese Board of Trustees and the Order of St. Ignatius of Antioch, Dr. Elias Hebeke of the Archdiocese Board of Trustees Investment Committee, Mr. Salim Abboud, CFO, Mrs. Marlene Ayoub, Registrar, and Mr. Sameh Khouzam, Comptroller.

This revised Clergy Compensation Manual attempts to bring together all the pertinent policies necessary for our clergy and parish councils to make informed decisions about salaries and personnel matters. **Please read this manual carefully.** The Department welcomes any input or suggestion users of this manual may have.

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# 1. Salary Guidelines

This section provides information about recommended stipends and mandatory allowances and benefits. This section also provides some recommendations for handling Social Security and income tax payments.

## **Recommended Stipends**

The 2015 Archdiocese Convention that met in Boston, MA, endorsed the report of the Department of Clergy Insurance and Retirement in which the Department recommended that stipend guidelines for full-time pastors should increase annually according to the rate of inflation. These Guidelines exist for the benefit of the clergy and parish councils. As in past versions of this manual, each priest and parish council must adjust the recommended Basic Minimum Monthly Stipend according to local factors.

To apply these guidelines equitably, it is necessary to recognize that **each parish is unique in terms of its size, geographical location**, financial stability, and sociological background. Each priest, in turn, has unique characteristics, such as length of service in the parish and the archdiocese, personal record of achievement, and ecclesiastical rank. **These factors should be taken into consideration in determining the pastor's stipend.**

Each version of the Guidelines has stressed the need to consider local conditions and has emphasized the words “**guidelines**” and “**minimums**.” If differences or conflicts arise, the diocesan auxiliary bishops are available to act as intermediaries, but the Metropolitan Primate will render any final decisions. All stipends must be reported to the Archdiocese and approved by the Metropolitan Primate on February off every year. **Please note that the guidelines do not divide the compensation and allowances according to IRS rules (1099 vs W2). The Archdiocese divided allowances in order to reflect various stipend calculations made to pastors in order to get to a fair total.**

## **Stipend Guidelines for Full-time and Full-time assistant Pastors**

The following guidelines apply to full-time pastors and full-time assistant pastors. The Basic Minimum Monthly stipend has been indexed to reflect an increase of **1.6 % for 2020**. These numbers reflect the COLA increase. Please note that the stipend varies for each state according to the cost of living (please go to [www.CityRating.com](http://www.CityRating.com) for your city's Consumer Price Index).

Size of Mission or Parish by contributing membership <sup>1</sup>	Basic Minimum Monthly Stipend
under 25	Negotiable (not less than \$1500)
25 to 50	\$2,340.00
51 to 100	\$2,540.00
101 to 150	\$2,745.00
151 to 250	\$3,455.00
251 to 350	\$4,165.00
351 to 450	\$4,979.00
451 or more	\$5,690.00

At the time of Assignment and every February, the stipend is agreed upon by the Archdiocese, the pastor, and the parish council according to the formula on page 4. By the end of each year, parish councils are to grant **automatic** cost-of-living adjustments based on the COLA published by the social security administration. The link is <https://www.ssa.gov/news/cola>. Additionally, the years of experience of active ministry will be also adjusted accordingly. Such adjustments **are not substitutes for merit raises**. A yearly update of the compensation package is to be sent to the Archdiocese at [frpaul@antiochian.org](mailto:frpaul@antiochian.org) no later than **February 25**.

### **Stipend Guidelines for Part-time Clergy**

Assistant part-time pastors, deacons, and lay assistants who are assigned for part-time ministry in a parish should receive stipends and benefits agreed upon by the Archdiocese, the appointed pastor and the parish council. By the end of each year, parish councils are to grant **automatic** cost-of-living adjustments based on the COLA published by the social security administration. The link is <https://www.ssa.gov/news/cola>. Additionally, the years of experience of active ministry will be also adjusted accordingly. **Such adjustments are not substitutes for merit raises**. A yearly update of the compensation package is to be sent to the Archdiocese at [frpaul@antiochian.org](mailto:frpaul@antiochian.org) no later than **February 25**. Part-time pastors and assistant pastors are strongly encouraged to find employment which does not contradict Christian and Orthodox ethics in case the stipend is not sufficient to support them.

### **Mandatory Allowances and Benefits**

Parishes must provide the following allowances and benefits to full-time clergy and:

- Housing, car, tax, and insurance benefits

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<sup>1</sup> At the time of negotiating the stipend, the Archdiocese and the parish council will take into consideration the number of people or households actively served by the pastor in the parish reflected on the Census Form.

- Paid vacation time
- Travel expenses for Archdiocese/church related events
- Moving expenses
- A bi-yearly 1 %<sup>2</sup> increase of the minimum stipend for each year of active ministry within the Antiochian Archdiocese of North America.

**Formula:**

Minimum stipend+ (minimum stipend\*0.5/100 \* years of active ministry) + (minimum stipend\* CPI)

**Example:**

(priest active for 21 years in a 51 to 100 pledge parish community)

\$2540 (51 to 100 pledges) + 2540\*0.5/100 \* 21 (minimum stipend \* 0.5/100\* 21 years of active ministry within the Antiochian Archdiocese of North America) + {\$2540\* 2.58/100 (CPI of your city)} =**\$2,872.23**

**Housing, Car, Tax, and Insurance Benefits**

In addition to the Basic Minimum Monthly Stipend, parishes must provide the following allowances and benefits to full-time clergy:

- A parish home or a fair housing allowance which depends on local real estate markets.
- Payment of utilities (Electric, water, sewage, heating, Internet, cellphone (pastor’s cell phone only, neither his wife’s nor his children) or a **fair** allowance for same.
- Payment of **not less than** 50% of the U.S. Social Security tax or its Canadian equivalent.
- An allowance of **not less than** \$400 per month for auto maintenance and operation to cover gas, oil, tires, repairs, tolls, etc.
- An allowance for the full cost of auto insurance. (the pastor’s car insurance only, neither his wife’s nor his children)
- The **full cost** of the Archdiocese Group Insurance Plan for life and long-term disability.

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<sup>2</sup> 0.5 % per year of active ministry experience.

- An allowance for the **entire cost** of medical insurance for the priest and his family. The Joint Orthodox Health Plan, as described in this manual, is the minimum requirement for benefits levels. The parish may provide the same benefit level at a lower cost, if locally available.
- All reasonable expenses for travel, meals, and lodging incurred while attending the Archdiocese Convention, Diocesan Parish Life Conferences, Archdiocesan Clergy Symposium, deanery clergy meetings, and mandatory retreats and seminars.

### **Annual Paid Vacation**

Parishes must also assume the following obligations:

- Annual paid vacation period according to seniority:

1 to 10 years ordained	16 days (2 Sundays)
11 to 15 years ordained	23 days (3 Sundays)
16 or more years ordained	30 days (4 Sundays)

**N.B.** If the parish retains another priest to serve while the pastor is on vacation or is incapacitated by illness, the parish must cover the expenses and an honorarium for the priest who is substituting.

### **Moving Expenses**

When the Metropolitan Primate assigns or transfers clergy, the receiving community pays all reasonable moving expenses.

### **Social Security and Income Taxes**

The parish is responsible for withholding at least 50% of a priest's U.S. Social Security tax or the Canadian equivalent. The total Medicare and Social Security tax is currently 15.3% of gross salary, including housing allowance for self-employment earnings. The priest is responsible for setting aside enough funds to pay the balance of this tax as well as funds for federal and state income tax.

## **Estimated Tax Payments for “Self Employed” status**

The federal government and most states require quarterly estimated tax payments from individuals whose employers do not withhold all taxes from their salaries; therefore, clergy must make quarterly payments of the estimated total Social Security (15.3%) and income tax due for the current year. The parish is to compensate the pastor for  $(15.3/2=7.65)$  7.65% of the self-employment tax (for 1099 employees).

Consult with an accountant or other tax or financial advisor to obtain the correct forms that must be filed with payments and to calculate the amount of the quarterly payments. The Internal Revenue Service and state departments of revenue impose stiff penalties for insufficient or irregular payment of estimated taxes.

## **Disallowance of Clergy Severance Compensation**

Because our clergy serve our parishes with the blessing of the Diocesan Bishop and the Metropolitan Archbishop, and may be transferred at any time at the sole discretion of the Diocesan Auxiliary Bishop and the Metropolitan Archbishop, severance packages and/or severance compensation is not allowed.

## 2. Life and Disability Insurance

The Antiochian Archdiocese now provides both life insurance and long-term disability insurance for its clergy through **Cigna**. Aetna sold the plan to Cigna during 2018. The latest change raised the price to \$150 per participant for 2018. The Archdiocese covered \$50 per participant for 2018 in order to relieve this burden from parishes. The Archdiocese covered also by paying \$15 dollars per participant for 2019 and will continue to do so for 2020. This will raise the monthly premium for parishes to \$135. As mentioned in Section 1, all parishes **must** pay for these benefits via their **\$135month<sup>3</sup>** payment to the Archdiocese. Upon becoming eligible, all clergy should submit a completed enrollment form to the Antiochian Archdiocese headquarters to participate in the Archdiocesan Group Life and Long-Term Disability Program.

This section briefly summarizes the life and disability benefits available to eligible clergy. The benefits are fully described in the booklets that Cigna provides to enrolled clergy. Refer to these booklets for more detailed information about coverage. Keep the most recent copies of these booklets with this manual so that up-to-date information about coverage is readily available when needed.

### **Life Insurance**

Participation in the Archdiocese Life Insurance and Long Term Disability plan is still **mandatory** for all full-time pastors. The yearly cost of \$1620<sup>4</sup> per year is the sole responsibility of the parish. Once the priest retires, the Archdiocese will continue to pay the premium of the life insurance on the church' behalf.

### **Death Benefit**

At the demise of a priest enrolled in the Archdiocesan Group Life and Long-term Disability Program, the surviving spouse or other designated beneficiary receives a \$150,000 death benefit for those clergy less than seventy (70) years of age.

When a priest reaches age 70, the death benefit to the surviving spouse or other designated beneficiary decreases to \$75,000.

The Department strongly urges surviving spouses and beneficiaries to consult a financial advisor as to maximizing this benefit.

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<sup>3</sup> Canadian Churches: The value of 135 US Dollars in Canadian Dollars at the exchange rate by the time of payment.

<sup>4</sup> Canadian Churches: The values of 1620 US Dollars in Canadian Dollars at the time of payment.

## **Supplemental Insurance**

The Archdiocese purchased a new insurance policy on all our clergy for \$40,000 at no additional cost to the clergy or the parishes; however, this additional coverage will flow back into the Retired Clergy House Allowance fund and not to the insured in order to extend the useful life of the Retired Clergy Housing Allowance. This action requires that all clergy complete the Beneficiary Designation form in the highlighted areas and return the completed form to the Antiochian Archdiocese.

By signing this form, you name the Retired Clergy Housing Allowance Fund as the beneficiary for this new policy. Please note that your beneficiary for the life insurance policy which is already in place (the one that is funded by your parish's payment of \$135 per month) will not be affected.

## **Long-term Disability Insurance**

This section describes the process for receiving disability payments when a priest becomes disabled. It also identifies other sources of disability income in addition to those provided by insurance coverage.

## **Applying for and Receiving Disability Benefits**

When an active priest who is covered by the Archdiocesan Group Life and Long-Term Disability program becomes disabled, he must notify the archdiocese immediately to request the proper disability claim forms and applications for benefits.

After thirty (30) days of continuous disability, known as the "elimination period," the priest should send the disability claim forms, with appropriate signatures, to the Archdiocese. The priest should also complete and forward the Claim Form for Premium Waiver on his life insurance. The Archdiocese forwards the completed forms with additional paperwork to the insurance company.

If the insurance company approves the claim, the insured receives the following disability payments:

- \$500 per month from the Archdiocese for up to sixty (60) days of continuous disability and
- \$2,000 per month from the insurance company for as long as total disability lasts or until age 65, whichever comes first; these payments begin after the first ninety (90) days of disability (that is, after the 30-day elimination period plus the 60 days covered by the Archdiocese)

## **Other Disability Benefits**

Unless a priest has opted to exempt himself from the U.S. Social Security system, the priest may also be eligible to receive disability payments (SSI) from the Social Security Administration. These payments begin after six months of continuous disability and are **in addition** to the \$2,000 per month from the insurance company.

The priest's disability income of \$2,000 per month from the insurance company ceases at age 65.

### 3. Retirement Planning

This section describes the vested 401(k) Defined Contribution Plan which began in January 2013.

- Mandatory Defined Contribution Plan
- Retired Clergy Housing Allowance
- Personal retirement plans, including Retirement Selector Accounts (RSAs), Individual Retirement Accounts (SEP and traditional IRAs) and New Mandatory Defined Contribution Plan

#### **Mandatory Defined Contribution Plan**

Effective January 1, 2013, the Antiochian Archdiocese inaugurated its first **mandatory** and **contributory** employer-sponsored pension program for the clergy. The Budget Committee of the Archdiocese approved the program in April 2012, and the Archdiocese Board of Trustees approved it in June 2012.

The program qualifies under IRS Code 401(k) as a **Defined Contribution Plan** which will combine participation and contributions from the priest, the parish and the Archdiocese.

The parish will deduct a **minimum of 3%** of the priest's stipend and will **match** that sum (capped at the first \$40,000/year or a contribution of \$100/month).<sup>5</sup> The Archdiocese will withdraw that amount every first of the month from the Church bank account by EFT, add an **additional \$100/month** and forward the deposit to the fund managers as long as both the priest<sup>6</sup> and the parish adhere to the rules of the program; however, both the clergy and the parish are entitled and **encouraged** to make larger contributions. Please note that the Archdiocese is to be informed in December of every year regarding the contribution changes for the year to come.

**Clergy serving in Canada will need to submit a "T4" tax form to ManuLife, the Canadian provider, in order to determine eligibility and to comply with Canadian tax law. The provider will provide counsel on investment selection and compliance.**

**Canadian clergy should also send their checks to the Archdiocese Headquarters but made payable to the "Diocese of Canada and Upstate New York." The Archdiocese will then forward the funds with its contribution to the provider through the Auxiliary Bishop of Ottawa.**

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<sup>5</sup> If the 3.0% is less than \$100 per month than the parish should endeavor to contribute \$100 per month.

<sup>6</sup> This program is for priests serving under the Antiochian Archdiocese of North America and in an Antiochian Church. Priests who are on loan cannot be in this program since they are "employed" by the Jurisdiction that they are serving. We encourage them to participate in any plan that the Jurisdiction offers.

The Archdiocese's matching portion will come from the operating budget and a grant from the Order of St. Ignatius of Antioch.

Each priest will have an individual retirement account based on the amount of his submissions, the match by the parish and the contribution of the Archdiocese. Because this program qualifies as a "salary deferral" plan, the participant has the option to choose either a "pre-tax" designation or a "Roth" ("after-tax") designation. (Please confer with your financial or tax advisor to make an appropriate choice.)

All contributions by the priest will be automatically **vested**, but the contribution of the parish and the Archdiocese are vested after **three years** of continuous service. Those clergies who are over fifty (50) years of age are entitled to make "catch-up" contributions.

The priest may begin making withdrawals from the plan when he reaches normal retirement age and stops working. By IRS regulations he **must** begin to make withdrawals no later than age 70 ½ in a non-Roth account. He may, however, rollover the proceeds to an IRA or other annuity within sixty (60) days of the distribution.

The priest's wife will automatically be the beneficiary of his account unless he specifically designates a different beneficiary. Unmarried clergy may nominate any beneficiary, including the retirement fund or the Archdiocese itself.

In addition to the mandatory participation in the new Defined Contribution Plan the Department of Clergy Insurance and Retirement strongly recommends additional retirement savings. The priest can either add a higher percentage of his own earnings to the Defined Contribution Plan, or he can utilize other tax-advantaged savings vehicles as described below.

## **Retired Clergy Housing Allowance**<sup>7</sup>

The funding for the Retired Clergy Housing Allowance has historically derived from the Archdiocese's operating budget and the generosity of the Order of St. Ignatius of Antioch. Several years ago the Antiochian Women stabilized the fund through a five-year campaign. It is, therefore, in priests' interest to encourage new memberships and upgrades in the Order and to offer their full support for the Antiochian Women.

The Metropolitan Primate may **grant** the Retired Clergy Housing Allowance **at his discretion** as a housing stipend, which means that the allowance is not taxable under the U.S. federal tax code. The Retired Clergy Housing Allowance is **not a qualified pension payment**. There is **no vesting**. **This Housing Allowance is a grant. The Metropolitan Primate can stop it at any time.** The formulas for calculating the allowance depends on the status of the priest at the time of retirement. **Please note that retired clergy who decide to permanently transfer to other jurisdictions will not be eligible to receive the grant and will lose the Retired Clergy Housing Allowance.**

An actuarial study of the Retired Clergy Housing Allowance showed that due to our rapid growth the fund was unsustainable for the long-term in the absence of an infusion of capital. Given the increasing demands on the Archdiocese's operating budget, such an increase is unlikely.

**All current recipients** of the Retired Clergy Housing Allowance will continue to receive their full stipend. The Department of Clergy Insurance and Retirement continues to monitor the assets of the Retired Clergy Housing Allowance carefully through periodic actuarial studies and other means. As of this revision of the Clergy Compensation Manual, we are pleased to announce that Metropolitan JOSEPH has made the commitment that all clergy will receive whatever amount they expected from this fund (according to the guidelines outlined above, that is, at his discretion as has always been the case) **as of their status in the fund on January 1, 2013** (the date when the new plan started). **Please note that retired clergy who decide to serve under different jurisdictions will immediately lose the monthly grant.**

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<sup>7</sup> All Clergy Ordained after January 1, 2013 must enroll in the 401(K) retirement plan and do not fall under the Retired Clergy Housing Allowance. The Retired Clergy Housing Allowance is not an option for them at the time of their retirement.

For example, if a full-time pastor (under the Antiochian Archdiocese, not on Loan to other jurisdiction, nor joined another jurisdiction) has served in the archdiocese for 15 years as of January 1, 2013, he will receive \$400.00 (\$26,67 per year of service as **full time pastor** in the Antiochian Archdiocese) a month from the old “Clergy Housing Allowance” **in addition** to whatever he has accumulated in the new 401(k) plan. Those clergies who have been serving the Antiochian Archdiocese **exclusively** on a **full-time basis** for 30 years or more as of January 1, 2013, will receive the maximum \$800.00 a month when they retire according to the guidelines above. We thank Metropolitan JOSEPH for making this commitment even though this was never a qualified pension program, and neither the clergy nor the parishes contributed to this fund.

### **Allowance for Disabled Priests, Early Retirees, and Widows**

For a disabled priest, years of service continue to accrue until age 65. For example, if a priest becomes disabled at age 50 after completing 10 years of active service, his total years of service at age 65 equal 25 years.

For clergy who retire with the approval of the Metropolitan Primate between ages 62 and 65, the allowance is reduced by 0.5 percent per month for each month that the participant retires before age 65.

At the demise of a priest who is receiving the archdiocese’s retired clergy allowance, the widowed *khourieh* is eligible to receive 75 percent of that allowance for the rest of her life once she herself reaches age 65; however, if a widowed *khourieh* remarries, she automatically forfeits the allowance.

### **Personal Retirement Plans**

Personal plans have included Retirement Selector Accounts (RSAs), SEP IRAs, and traditional or Roth IRAs. Changes in the IRS code have affected some of these choices; nevertheless, the Department of Clergy Insurance and Retirement strongly urges each priest to establish and contribute regularly to a personal retirement plan in addition to the Defined Contribution Plan described above.

### **Individual Retirement Accounts (IRAs)**

An Individual Retirement Account (IRA) is an investment account that meets government regulations for individual investment of money for retirement. Two types of IRA are available, traditional and Roth:

- The money contributed to a traditional IRA is tax-deferred. The investor pays no tax on contributions in the year they are contributed. The contributions and the investment earnings are taxed at the time of withdrawal. The government taxes withdrawals at the tax rate of the retiree, which is likely to be lower than when contributions are made during the peak earning years.

- The money contributed to a Roth IRA is taxable in the year it is contributed. Neither the contributions nor the investment earnings are taxed at the time of withdrawal. Also, the IRS does not compel the owner to take mandatory distributions; therefore, it is possible to pass a Roth IRA account untouched to heirs. The retiree enjoys tax-free income from this type of IRA. Roth IRAs can be especially beneficial to young clergy, who may accrue significant earnings that are nontaxable income during retirement.

As noted above a traditional or Roth IRA can also be a useful tool for receiving and managing mandatory distributions from the Defined Contribution Plan. Merrill Lynch has provided such services for the clergy of the Archdiocese, but banks, other brokerage houses, mutual fund companies, insurers and other financial institutions offer traditional and Roth IRAs with a wide range of investment options and risk factors. Most of these institutions will gladly consult with potential clients to select investments that best fit an individual's specific situation.

### **Contributing to a Personal Retirement Plan**

While some pastors struggle to maintain a balanced budget, the Department of Clergy Insurance and Retirement strongly urges clergy to make regular contributions to a personal retirement plan. While clergy can borrow money to buy a house or to finance their children's education, they cannot borrow money on which to retire.

Here are some strategies for making regular contributions:

- Some priests choose to put the gifts they receive for blessing homes into their retirement accounts.
- Some priests also choose to apply any cost-of-living increases or merit raises they may receive into their retirement accounts.

As daunting an exercise as retirement planning may seem, it is a vitally important aspect of our personal and financial stewardship. Both the Department of Clergy Insurance and Retirement and our Merrill Lynch account representatives are available to help make prudent choices.

## 4. Health Insurance

In both industry and the nonprofit sector, the issue of health insurance benefits has become increasingly problematic due to the rapid rise in the cost of healthcare. The Department of Clergy Insurance and Retirement continues to monitor developments in the political and judicial areas surrounding the “Affordable Care Act.”

In this context, the Antiochian Orthodox Archdiocese, the Greek Orthodox Archdiocese, the Orthodox Church in America, the Serbian Orthodox Church, the Ukrainian Orthodox Church, ROCOR, and the Diocese of the Armenian Church of America have joined together to sponsor and offer The Joint Orthodox Health Plan.

The current carrier is Aetna U.S. Healthcare, which offers the Joint Orthodox Health Plan using a Preferred Provider Option (PPO), and as of last year now includes a **Health Reimbursement Account (HRA)** component. Premium rates currently are \$ 1505 per month for a single participant, and \$ 2637 per month for a family. Premium adjustments occur during the month of May each year.

This section provides the following information about the Joint Orthodox Health Plan:

- Brief description of the plan
- Eligibility and enrollment information
- Health insurance alternatives for those who choose not to participate in the plan

Claim forms are available from the Archdiocese and from GDC Financial, the broker which administers the Joint Orthodox Health Plan. Contact GDC Financial at (800) 785-4432 or (203) 367-4070.

### **Plan Description**

A health insurance plan with a Open Access Managed Choice (POS) allows participants to receive medical services either from “preferred” healthcare providers, such as physicians, hospitals, and pharmacies, who belong to the plan’s provider network, or from providers outside this network. For more details, please read <http://orthodoxhealthplans.com/documents>. The system has three components:

**The HealthFund** – at the start of each calendar year, the participant receives a deposit into his HealthFund to help pay for eligible out-of-pocket health care costs automatically;

**The deductible** – is the amount the insured pays before the health plan begins to pay for any eligible expenses. HealthFund payments go towards the deductible and help to meet the deductible; and

**The health plan** – pays for most eligible expenses after the deductible is met. The insured then pays a smaller share of these costs out-of-pocket until reaching the maximum limit.

The Orthodox HealthPlan puts a certain amount of money (\$750/\$1500) into the HRA HealthFund. This money helps to pay for eligible medical expenses and to meet the health plan deductible.

In summary, the HRA HealthFund pays for eligible medical expenses automatically. After using all of the money in the HRA HealthFund, the insured pays any additional expenses incurred towards his deductible. After the deductible is met, the plan covers most of the remaining expenses. The HealthFund payments count towards meeting the deductible. Once the HealthFund is depleted, the insured is responsible for any additional costs incurred until the deductible is satisfied.

The Joint Orthodox Health Plan has two levels of coverage:

- **In-network providers:** services usually covered at 90% after a \$35.00 co-payment
- **Out-of-network providers:** services usually covered at 70% after applying an annual deductible; no copayments

The Joint Orthodox Health Plan also includes prescription, dental, and vision coverage:

- The prescription plan covers generic and brand-name drugs. See the benefits summary for a detailed description of prescription coverage.
- The dental plan provides coverage for preventive services (for example, cleanings), basic services (fillings, etc.), and major services (crowns, etc.). The plan has an annual deductible. See the benefits summary for a detailed description of dental coverage.
- The Vision One discount program is an integrated feature of the health plan. See the brochure that comes with the introductory information from Aetna for descriptions of discounts, participating locations, and a toll-free telephone number for further information.

Plan benefits change periodically. Aetna distributes updated information to participants when benefits change. Keep the latest benefits summaries with this manual and discard old summaries when new ones arrive. The latest plan summary can be found at [www.orthodoxhealthplans.com](http://www.orthodoxhealthplans.com).

## **Eligibility and Enrollment**

All full-time clergy are eligible to enroll in the Joint Orthodox Health Plan. Upon ordination, new clergy should request an enrollment form from the Archdiocese headquarters. Clergy already enrolled in the plan can use the enrollment form as a change of information form (for example, to add dependents or remove adult children).

Upon enrollment, Cigna sends enrolled clergy an information packet that includes the following materials:

- Provider directory
- Summaries of medical, prescription, and dental benefits
- Introductory brochure
- Pharmacy listing
- Pamphlet and order form for mail-order drugs
- Vision One brochure
- Internet address card
- Claims forms for medical and dental benefits
- Claims envelope

## **Alternatives to the Archdiocese Plan**

Clergy are not required to participate in the Archdiocese plan. If the plan does not provide network coverage in a given locale, or if there are preferable alternatives that offer equal benefits, clergy may choose other plans.

Often clergy choose to enroll in plans that are available through their spouse's employment. If clergy adopt this option, their compensation from the parish is negotiable as there would be significant savings to the parish's operating budget. If you would like some help with the process of finding the best suitable plan for the parish and the pastor, please call Fr. Paul Matar at (201) 871-1355.

Clergy can also evaluate these options:

- Health plans available through a local chamber of commerce or small business association (Such plans may require membership dues or other enrollment fees to participate.)
- Private-pay plans (These plans usually lack premium discounts that are available through group plans and may not have readily accessible appeals processes or other protections.)

Clergy should remember, however, if they choose another health plan and later want to enroll in the Joint Orthodox Health Plan, a medical exam may be needed to determine eligibility.

While some clergy have tried to enroll in the health plans offered by parishioners' businesses, the Department of Clergy Insurance and Retirement discourages this practice because it skirts ethical issues and blurs the relationship between pastors and parishioners.

## **5. Confidential Assistance Program**

The Confidential Assistance Program (CAP) is a service available to clergy and their family members **free of charge** to provide immediate, confidential assistance from trained counselors for any problem for which assistance is needed. Such problems include but are not limited to the following issues:

- Marital, family, and other relationship issues
- Emotional, stress, and work/career issues
- Grief counseling
- Mental illness
- Child and elder care questions
- Financial and legal problems
- Real estate transactions
- Substance abuse and violence

### **Availability of CAP Services**

Clergy or family members who identify themselves as associated with the Antiochian Orthodox Christian Archdiocese are considered eligible to receive services. Unlimited telephone counseling and up to five face-to-face counseling sessions are available each time a person contacts the Confidential Assistance Program.

Our CAP provider has changed. Our new provider, **ComPsych**, makes counselors available 24 hours a day, 365 days a year by calling **(800) 272-7255**. For TDD call **(800) 697-0353**. Online resources are available at **guidanceresources.com**. The Archdiocese's Company ID is **COM589**. No voice mail, answering machines, or answering services are used. Callers who seek a face-to-face appointment can request one from the counselor answering the phone. Appointments for face-to-face counseling are made within three days for non-urgent requests and within 24 hours (same day) in an emergency.

**Confidentiality is strictly maintained.** Information or records kept by CAP will **not** become part of the participant's personnel file.

## **Referrals and Follow-up**

In addition to phone and face-to-face counseling with CAP counselors, counselors can refer clergy or family members to providers capable of giving any extended or specialized care necessary to address the problems identified. Depending on the problem, providers might include mental health professionals, credit counseling services, legal resources, or other appropriate professionals. Counselors make every effort to accommodate individual preferences in terms of gender, location, financial limitations, or age. Counselors notify the provider that the person will be calling to set up an appointment.

Counselors review the cost of the recommended care and applicable benefit coverage with the person seeking assistance before making recommendations. Counselors strive to make referrals that do not create financial hardship or that are eligible for benefit reimbursement.

Two weeks after the last face-to-face counseling session, CAP counselors follow up by telephone with the person who sought assistance to determine whether the person connected successfully with the referred provider and whether the person is satisfied with the provider. Any unsatisfactory outcome will be addressed with additional face-to-face counseling or another referral. Counselors follow up every four weeks thereafter for up to three months to assure that the person is doing well and is satisfied with CAP services provided and with any referrals.

## Annex

### What will be my social security check when I retire?

Social Security is one of the major income for pastor's in retirement years. A great number of pastors will rely on the SS payments for their everyday expenses. It is important to know how will Social Security calculate the monthly payments. The calculation and process shown below emphasize the need for pastors to contribute to a 401k as much as possible and at the same time contribute to the social security system. The years worked and the income per year is a determining factor for the pastor well-being at retirement.

Social security uses many variables to determine the amount of your monthly income upon retirement. The formula is based on 4 factors:

- Amount of years worked
- Inflation index
- Yearly Income prior to retirement
- Bend points

In order to put all the above in a formula Social security will use the following:

#### 1- Calculate your AIME (Average Indexed Monthly Earnings)

When we read this we think it is the average taxable income of all of our working years. In fact, there are couple of ins and outs to this process.

A- Social Security only uses the highest 35 years of taxable income in the calculation. If you worked less than 35 years, let us say 30 years, than the taxable income for those years is 0. This will lower your monthly income tremendously.

B- Social Security will adjust your income for inflation (by using the AWI –average wage index) then calculate the AIME.

How do we know the AWI?

AWI is determined annually by SSA with a two-year retardation. SSA will use the AWI for the year you turn 60 since 62 is the earliest age you can claim social security.

“When indexing an individual's earnings for benefit computation purposes, we must first determine the year of first eligibility for benefits. For retirement, eligibility is at age 62. If a person reaches age 62 in 2019, for example, then 2019 is the person's year of eligibility. We always index an individual's earnings to the average wage level two years prior to the year of first eligibility. Thus, for a person retiring at age 62 in 2019, we would index the person's earnings to the average wage index for 2017 (table in link below), or 50,321.89. We would multiply earnings in a year before 2017 by the ratio of 50,321.89 to the average wage index for that year; we would take earnings in 2017 or later at face value.”<sup>8</sup>

For example, if you turn 62 in 2019, then your earning would be indexed to 2017' AWI.

TO index a year of your past income using the AWI for 2017, you divide 53,880 by the AWI for the year being adjusted to get an indexing factor.

For example, let us say you want to calculate your indexed earning for 2010, when you made 40,000.

First you divide the 2017 AWI (50321.89) with your earning of 2010. That gives you an index factor of 1.258 for 2010.

Then you multiply your index factor with your earnings to that year  $50000 * 1.258 = 62900$  as Indexed Earning.

Then you will do the same process for the highest 35 years of your income.

The total will be divided by 420 (numbers of month in 45 years). This is your AIME number

AIME number is not what you will collect monthly in your retirement years. Social security will add another layer of calculation called Bend Points.

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<sup>8</sup> <https://www.ssa.gov/oact/cola/AWI.html>

## 2- Calculate your Bend Points

Bend points will reduce your AIME at three different income level in order to get you to the primary insurance amount (PIA) you will actually receive from the SSA. The “points” also like the AWI Index in a sense that they change every year.

You will only get a certain percentage of your AIME up to each bend point. The percentages are a constant by law, however the income that trigger bend points is the one that changes according to the AWI.

Up to first Bend point-----→	90% of AIME
First to Second Bend Point-→	32% of AIME
After second Bend Point-→	15% of AIME

In 2019 the list is as follows:

- (a) 90 percent of the first \$926 of his/her average indexed monthly earnings, plus
- (b) 32 percent of his/her average indexed monthly earnings over \$926 and through \$5,583, plus
- (c) 15 percent of his/her average indexed monthly earnings over \$5,583.<sup>9</sup>

For instance, if your AIME is \$5500 the calculation will be

$$90\%(\$926) + 32\%(\$5583 - \$926) + 15\%(0) = \underline{\underline{\$2323.64}}$$

**You will collect a monthly amount of \$ 2,323.64 from the Social Security**

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<sup>9</sup> <https://www.ssa.gov/oact/cola/piaformula.html>