VOL. 2 2018

PCA Retirement & Benefits

BeneFIT Newsletter

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Caring for Your Pastor's Wife

Those in pastoral ministry know that it comes with its risks and rewards, heartaches and joys. Those of us not in pastoral ministry may never know the realities of being on call 24/7 or what it means to minister to a congregation—but we certainly appreciate them. What we may not know, understand, or appreciate is the stress pastoral ministry places on the pastor's wife.

The role of a pastor is defined while the role of a pastor's wife is not. The position of pastor's wife is not recognized as a career nor does it come with a job description. As a result, the role may pull the wife into areas where she is not uniquely gifted. If expected to perform duties she does not feel called to, she may begin to feel inadequate, unheard, and like she can't be herself.

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"...she may feel inadequate, unheard, and like she can't be herself."

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Caring for Your Pastor's Wife

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Research has shown pastors' wives are one of the most important assets in their church. In fact, wives are the most significant factor in sustaining their husbands' ability to minister, according to a study detailed in the book, *Resilient Ministry: What Pastors Told Us About Surviving and Thriving*. In addition, wives support and encourage their husbands' ministry while actively contributing to the life of the church in their own, undefined ways.

Many pastors' wives love their churches, but their relationships with them can be complicated because church families are their husbands' employer. Due to confidentiality concerns, the wife may not be able to be wholly vulnerable with members of the congregation for fear of compromising her husband's career. She may find herself with no one in whom she can confide her personal struggles. She may feel cut off, without support, and voiceless.

In a survey conducted by PCA Retirement & Benefits (RBI) Ministerial Relief,

7 out of 10 pastors' wives said they felt they have few people in whom they can confide. In fact, in the same survey,

8 out of 10 said they would make use of confidential Christian counseling if it were offered to them. While not all pastors' wives may feel they need the additional connection and support of counseling, the urgency for those who feel they do need it is real.

As the 2018 Love Gift recipient, RBI Ministerial Relief has spearheaded Cherish, a campaign that recognizes the needs of pastors' wives. Cherish seeks to provide affordable, accessible and confidential Christian counseling to wives who desperately need support and guidance. The campaign is a practical and incredibly important way to nourish and cherish pastors' wives in their challenging roles. By giving to the 2018 Love Gift, you are enabling this important program to come to life.

If you're interested in making a donation or additional information, visit **2018lovegift.org.** To help us raise awareness for Cherish, please email **tschirm@pcanet.org** for bulletin inserts or DVDs.

Maximizing Your Social Security

For most of us, Social Security retirement benefits may be the most significant source of income we receive in retirement. Because it's guaranteed for life and adjusted annually for inflation, it is an incredibly valuable benefit. Though it may be challenging to grasp the intricacies of the Social Security retirement system, failing to understand the basics can be particularly costly. Those who claim their benefits wisely might be able to add an additional $65,000+/- to their retirement income over the years.

Here are a few important reminders about Social Security:

Earning QC's Earns Benefits

Workers who pay into the Social Security system become eligible for Social Security retirement benefits at retirement age. To qualify for permanent retirement benefits, workers must earn a minimum of 40 quarters credits – or quarters of coverage (QC's).

In 2018, a worker will receive 1 QC for each $1,320 that they earn, and therefore will receive the maximum of 4 QC's for the year once they earn $5,280. Since this is a fairly low bar, most workers earn 4 QC's annually, and after 10 years of work (consecutively or non-consecutively) will earn the minimum 40 QC's that they need to have permanent retirement benefits in the system. Earning 40 QC's also qualifies a worker and spouse to receive free Medicare Part A (hospitalization coverage) after age 65 which would otherwise costs $422 per month, or $844 per month per couple in 2018.

Spouses Are Eligible, Too

In addition to workers, spouses are also eligible for retirement benefits, even if they have never worked or paid into the system. Spouses are eligible based on their working spouse's eligibility. If the working spouse has 40 QC's, then his or her spouse also qualifies for benefits. Spousal benefits are not able to be claimed until the working spouse files for benefits. Spousal benefits are not paid at the same level as those of the earning spouse.

The system restricts spousal benefits to a maximum of 50% of the working spouse's earned benefits at full retirement age (FRA). Currently FRA is between 66-67 years of age depending upon your birth year. Of course, many spouses have worked and earned their own benefits. They will receive the greater of their own earned benefits or their spousal benefits - whichever amount is larger. Even divorced spouses may be eligible if they were married for 10 years, divorced for 2, or their ex-spouse is at least 62 years of age. And pastors who have opted-out of Social Security for ministry purposes are also eligible to receive spousal benefits if their spouse qualifies.

When To Claim

How much you earn, how long you work, and when you claim determine the amount of income you are eligible to receive in retirement. Those with higher paying jobs pay more in Social Security taxes and therefore have higher benefits. In determining the benefit, the Social Security Administration adjusts for inflation and averages the highest 35 years of earnings. Someone who worked only 10 years will have 25 zeros averaged in, and therefore will have a smaller benefit than someone who worked 35 years or more.

When you claim your benefits, however, makes a *huge* difference. If you claim as early as age 62, then you receive only 75% of your FRA benefits. But, if you delay your benefits past your FRA, then you could increase your benefits to as much as 132% at age 70.

When should you claim to maximize your benefits? If you are single, and you reasonably believe that you will live beyond age 83, it may be to your benefit to wait and claim at age 70. Otherwise, consider claiming early. Married couples, however, are different. Married couples receive two benefit checks in retirement. And as soon as either one of them goes home to be with the Lord, the smaller check goes away. Since the larger check continues to be paid to the remaining spouse (the 'Survivor Benefit') it lasts for *both lifetimes.*

It is critical for most couples to at least delay the claiming of the larger benefit until age 70. Doing so will usually maximize their retirement benefits and leave the surviving spouse with more income for life. Since 80% of wives outlive their husbands, this is a practical way for husbands to love their wives and provide for their needs.

We at PCA Retirement & Benefits would love to speak with you if you have any questions regarding Social Security benefits. Please contact us online at **pcarbi.org** or call us toll-free at **800.789.8765.**

Benefits of the PCA Retirement Plan

There are multiple retirement plans that individuals can use to save for retirement. Deciding which one to use can be challenging. A common individual retirement plan is an Individual Retirement Account (IRA). These plans allow individuals to save money towards their retirement. Certain employers also allow their employees to save money through retirement plans provided by their employer. Examples of these types of plans are 401(k)s and 403(b) retirement plans. Both types of plans (individual and employer retirement plans) have their advantages. However overall, we believe an argument can be made to advocate for employer provided retirement plans, like the PCA Retirement Plan (i.e. a 403(b) Retirement Plan). **Here are a few reasons why:**

Contributions

First, note that the PCA Retirement Plan's contributions limits are much higher. In 2018, IRA contributors are limited to contributions of $5,500 per year ($6,500 for those over age 50). This is true whether the contributions are made as traditional 'pre-tax' contributions, or Roth 'after-tax' contributions. Savers can contribute up to $18,500 per year to the PCA 403b ($24,500 for those over age 50), however, by simply deferring part of their salary. Churches and PCA organizations can also contribute as your employer. When combined with employee contributions, employees and employers can, in total, contribute the lesser of 100% of an employee's compensation or $55,000 per year ($61,000 for those over age 50).

Tax Benefits

Second, consider the tax benefits. Yes, both IRA and 403b contributions (non-Roth) are both tax deductible for federal and state Income tax purposes. However, a divergence appears quickly when it comes to ordained clergy who remain in Social Security (something RBI wholeheartedly encourages). Through a loophole in the law, ordained clergy who contribute to a Traditional IRA pay Social Security Self-Employment taxes (SECA) on every dollar they contribute (15.3%).

In contrast, contributions to the PCA Retirement Plan (a 403(b)) avoid federal, state, and 15.3% SECA taxes – an important distinction. Under most circumstances, ordained clergy should avoid contributing to an IRA when the PCA Retirement Plan (a 403(b)) is available to them. It's possible an extra 15% could be invested for retirement or taken home and put towards better uses.

Moreover, ordained clergy also have the opportunity in retirement to receive distributions as 'Housing Allowance.' Housing Allowance is excluded from federal income taxes (and from most state Income tax as well). This means that compared to an IRA, contributions can be made without federal, state and SECA taxes, and grow tax-deferred until retirement. All or a portion of the contributions may be distributed as Housing Allowance and may never be taxed. This will certainly help stretch a pastor's savings in retirement.

Professional Management

Third, the PCA Retirement Plan offers several layers of professional management and oversight. Mutual funds, whether purchased in IRA accounts or 403(b) plans, hire professional managers to manage the investment holdings. Those trained and experienced managers decide the strategy of the fund, including making decisions like what to buy, what to sell, when to buy, and when to sell the investments in their fund.

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Today's Challenges in the Health Insurance Marketplace

PCA Retirement & Benefits (RBI) understands the circumstances our ministry partners face regarding the excessive cost of medical insurance. Our staff members regularly hear the stories of families who are financially overwhelmed by the cost associated with health coverage. Please understand RBI continues to search for answers to assist families from a denominational perspective, but in the short term, there is no universal (or some may say, satisfactory) solution to a problem that has become a national crisis.

The PCA Health Plan was discontinued in 2005 due to a phenomenon called "adverse selection" (or 'anti selection') wherein insured participants in the plan *who are not obligated to be in the plan* choose other coverage. These choices are typically driven by factors like age, health and insurability. Those who remain in the plan are typically older, more ill, and more expensive to cover.

Due to adverse selection, higher risk individuals ultimately dominated the PCA Health Plan, resulting in spiraling premium increases. The Health Plan had to be closed and RBI does not currently have plans to reintroduce one. You might ask why. We hope this article serves as a clear explanation of our decision and convictions.

RBI believes if a denominational health plan is resumed, it must have every chance to succeed. For this to happen, we believe the PCA constitution would need to be modified to:

1. Require or mandate participation in the group health plan.
2. Provide enforcement authority to discipline a church or presbytery should they fail to participate.

If those two positions were crafted into the Book of Church Order, we believe a viable nationwide census (age, gender, salary, zip code of residence, etc.) could be provided and a nationwide health plan could be created.

A recommendation to require participation was advanced by RBI at the 2002 General Assembly. The recommendation was defeated and determined to be unconstitutional. We believe advancing a similar recommendation today would fail *and we do not advocate advancing such a recommendation* for a few reasons.

Those reasons are as follows:

Creating the constitutional framework allowing the recommendation would require a formidable effort with little chance of success.

A newly crafted PCA group health plan should not be assumed to result in significant premium savings relative to other group health plans. Indeed, pricing could be worse than many already

experience. At the end of the day, only a thorough census of all PCA employees provided to health insurance companies would determine this outcome: it would be challenging to obtain such information from every PCA employer.

Achieving group status may well be more easily accomplished within PCA Presbyteries rather than through a national effort. If a presbytery would agree to require all pastors within its geographic bounds to be in its health plan, then they could effectively mandate coverage for pastors, if not all church employees, within the presbytery. Using the census and equipped with a mandate and enforcement power, a group insurance agent could craft a local, presbytery-wide plan with an insurance carrier active in the presbytery's geographic area. We believe this would be more effective initially than a national plan because it would be:

- A local effort: those making the decisions (the presbytery) know each other and 'see' each other several times a year;
- A local plan: (with local doctors, hospitals, networks, etc.) is more easily crafted than a national plan; and
- Enforced: the presbytery can determine rules for participation.

What Choices Do We Have?

RBI provides resources on our website: https://pcarbi.org/healthcare/ with healthcare option guidance. We understand this is not what many are seeking. We continue to have discussions with members of the Church Benefits Association and other potential providers as we seek additional solutions. As more information is published on association plans and short-term limited duration plans, RBI will review and consider changes going forward.

Potential Solutions

- ACA marketplace plans or sharing ministries for individuals and very small (one or two employee) churches and ministries
- QSEHRAs for small churches with more than one or two employees
- Group plans for larger churches and organizations
- Self-funded or partially self-funded group medical arrangements for very large organizations

For more information and examples of potential providers in these categories, visit PCA RBI online at **pcarbi.org.**

End of Year Action Items: It's That Time Again

As we approach the end of 2018, there are several items that require some action on your part. We are providing four lists applying to both PCA organizations (e.g. Business Administrators, Treasurers, and Payroll Processors) and participants. Please review the lists (2018 and early 2019) and determine if any of the action items apply to you.

We purposely made these lists brief, but we welcome the opportunity to share additional detail. Please contact us via phone at (800)789-8765 if you have any questions. We welcome the opportunity to elaborate on any of the items below.

2018 Churches

1. **Approve Housing Allowance Annually:** Approve a housing allowance resolution for all the ministers on your staff. You can find housing allowance worksheets and housing allowance resolutions within the 2018 PCA Call Package Guidelines.
2. **Perform an Annual Compensation Review:** Review your compensation (e.g. salaries, benefits and time off) for your employees on staff. If your church has a fixed stipend for insurance, has medical inflation risen enough to in-

crease the amount of the insurance stipend? Address other questions by reviewing the 2018 PCA Call Package Guidelines.

3. **Be aware of PCA Benefits Open Enrollment Period:** The annual open enrollment on Life Insurance, Vision and Dental begins on November 1, 2018 and lasts through December 8, 2018. Existing coverage will continue unless changes are made.
4. **Provide Updated Salary Figures for PCA Retirement & Benefits (RBI):** Any Salary/ Housing changes should be sent to RBI. This figure is important for determining eligible contributions to the PCA Retirement Plan, premiums for the LTD plan, as well as death benefit compliance with the PCA Life Insurance Plans. RBI will remind you to update this information with a form sent in December 2018 to employers.
5. **Add Employer-Provided Life Insurance Tax:** Federal law requires that the imputed cost of employer-provided group term life insurance in excess of $50,000, or dependent coverage if it exceeds $2,000, be reported as taxable income. Employers providing life insurance for their employee likely have a tax liability that they will need to add to their employee's W-2 form as taxable compensation. Please review our memo titled *"Potential Tax Liability for Those covered by PCA Life Insurance Plans"* for more information.
6. **Send RBI Employment Updates:** Ensure all employees are receiving the benefits afforded to them by your ministry, including benefits available to employees who have separated from service. Contact us to verify all eligible employees are enrolled and notify us of all separation of employment dates for 2018. Be sure to include a description of the change (i.e. retired, terminated, etc.) in your notification of their separation of employment.

2018 Participants

1. **Open Enrollment for Individual Medical Insurance:** Open enrollment for individual health insurance begins on November 1, 2018 and ends on December 15, 2018. You will be able to enroll or change your coverage. Contact your health insurance agent or visit www.healthcare.gov for more information.
2. **RBI Benefits Open Enrollment:** The annual open enrollment on Life Insurance, Long Term Disability, Vision and Dental begins on November 1, 2018 and lasts through December 8, 2018. RBI will send out a notice to all eligible employees reminding them of their options. Call RBI if you have additional questions about our Open Enrollment.

2019 Churches

1. **Review Federal and State Reporting Requirements (coming in January):** RBI provides an electronic copy of *Church Reporting Made Easy*. This guide is designed for church administrators, treasurers and bookkeepers and provides tax code requirements that affect your church. Review the document and make sure your church or related-organization is compliant with regulations and legislation.

2019 Participants

1. **Review the Preparing Tax Returns for Clergy:** Annually, RBI provides a tax guide written by Dan Busby, CPA, J. Michael Martin, JD, and John Van Drunen, CPA & JD. This guide is designed to help ministers and Tax Preparers file taxes for ministers.

IRAs, Beneficiaries, and What to Do

An IRA (Individual Retirement Account) is more than an important financial tool for investing in your retirement. An IRA is an invaluable tool that is often used (intentionally or otherwise) to pass wealth onto heirs.

Suppose you are the recent recipient of an IRA, were named the beneficiary, and are now confronted with determining the IRA's best course of action. Alternatively, suppose you are considering the implications of naming a beneficiary (or beneficiaries) with an IRA that you are establishing. What questions will your beneficiary (or beneficiaries) need to address should the proceeds of your IRA fall to them? Good question.

You have several options when it comes to establishing a beneficiary for your IRA. Your beneficiary could be your spouse if married. The beneficiary could be your children, your grandchildren, or other individuals. The beneficiary could be a trust or a charity. Your beneficiary could be some combination of any of the above. Who or what you name as a beneficiary determines the rules that are used to distribute the proceeds of your IRA.

For example, the distribution options available to a beneficiary who is your spouse are different than the distribution options available to a non-spouse beneficiary, or to a trust or charity that you've named to be your beneficiary.

Now, if you receive (as a beneficiary) an IRA from an individual who has passed away, you will find yourself facing a potentially complex set of planning issues and timing problems. The planning issues may involve financial planning, retirement planning and tax planning. The timing problems would include situations where you find yourself either moving too fast or moving too slow.

In addition, there are significant questions that you need to ask when you inherit an IRA:

- What type of IRA have I received (traditional, Roth, etc.)?
- Was the person from whom I inherited the IRA already receiving distributions from the IRA?
- If the person who has passed away was required to receive a distribution, has the distribution for the respective year been made or not?

Finally, you may not be in the best place emotionally to process the multitude of questions. Most likely, you be receiving an IRA from someone who was close to you; someone whose loss you may be grieving.

The technical nature of receiving an IRA and processing it on top of the potential emotional distress points to the importance of seeking out good financial counsel as you move through this decision.

Please call us here at PCA Retirement & Benefits – we want to help. Although our Financial Planning Advisors can't provide you with comprehensive financial planning regarding the IRA you inherited, we can talk with you about your options so that you can knowledgably engage a financial planner who can work you through the details of the options. Contact us online at **pcarbi.org** or call us toll-free at **800.789.8765.**

HOW YOU CAN HELP PROVIDE **MINISTERIAL RELIEF TO WIDOWS**

James, the brother of Jesus, witnessed a time of amazing generosity in the early Christian church as described in Acts 4. He also saw the early church fathers act decisively to meet the needs of neglected widows, seen in Acts 6. Later, he saw Gentile Christian churches in Asia Minor send funds to meet the needs of widows and orphans in Israel. Having witnessed these “pure and unselfish acts of religion,” James urges us in his letter (James 1:27) to do the same.

In the early days of the PCA, our founding fathers - knowing many of our pastors make financial sacrifices to serve in small churches - created the Ministerial Relief Fund to provide for their widows in their time of need. Today, we have the greatest number of retired pastors and their widows we have ever had. Their need for assistance is real and growing.

Unless we respond to this growing need now, we may risk neglecting the unique needs of the church’s widows. Here are ways you can help PCA Ministerial Relief assist widows:

1. **Take up an offering:** If your church takes an offering for Ministerial Relief, we thank you on behalf of the widows you serve. If not, please ask your Elders to consider taking one. Ministerial Relief provides free materials to assist you.
2. **Budget church funds or give directly:** Some churches choose to put the Ministerial Relief Fund in their benevolence budget. Or you may contribute directly by check, online, or through the PCA Foundation.
3. **Raise awareness:** On behalf of our widows in need, we appreciate your assistance in meeting their needs. To order free Ministerial Relief Fund Offering materials online visit www.pcarbi.org. You will find the form under Ministerial Relief. To order by email, contact Vickie Poole at Vickie.poole@pcarbi.org. Please include your church’s name and address, contact person’s name, pastor’s name, and how many inserts, posters and offering envelopes you would like.

For more information or to order by phone, call Vickie Poole at **800.789.8765 (ext. 1280)** or locally at **678.825.1280.** Please leave a message with the same information described above.

Figuring out Medicare

There are two businesses that make me question whether or not I am a Christian when I call. I am not experiencing an existential crisis of faith as much as I am sensing a deep awareness of the anger in my heart. The two businesses are my cell phone provider and my cable provider. Whenever I need to call customer service for assistance to remove additional charges for 'services I never requested or agreed to,' they seem to run into some trouble. They are, however, quick to offer additional "services" for an additional fee.

Now, I am not yet at the stage of life that I need to sign-up for Social Security or Medicare, but I am told that when I do, it will expose the sin in my heart at a whole new level. It appears the Lord is committed to my sanctification.

While we here at PCA Retirement & Benefits (RBI) can't help with your personal sanctification, we can pass along some information that may help set appropriate expectations when you go to enroll in Medicare. Consider this our 'aid-to-reducing-anger-in-your-heart' service when dealing with Medicare. Here are some basics of Medicare:

What is Medicare?

Medicare is a nationalized health care program for individuals aged 65 and older, individuals with disabilities that qualify for Social Security Insurance after a 24-month waiting period, and anyone who has end-stage kidney disease.

What does Medicare cover?

There are four basic parts to Medicare and each one has a different focus:

1. **Part A** – covers inpatient hospital care, post-hospital extended care in a skilled nursing facility, post-hospital home health services, and hospice care. IMPORTANT NOTICE: For everyone who qualifies for Social Security benefits, Part A comes as a benefit to you at no cost. If you opted out of Social Security or neither you nor your spouse have earned enough quarters, Part A costs $422 a month per person in 2018. That's a $10,128 annual expense!
2. **Part B** – covers physicians and other outpatient treatment, certain preventive services, screening tests, home dialysis, and other services. In 2018, the cost of Part B is $134 per month or higher based on your income (Modified AGI). This is what most people pay, but the amount increases for those with incomes above $170,000 (married filing jointly).
3. **Part C** – is also called a Medicare Advantage Plan. These plans were designed to fill the 'holes' or 'gaps' in coverage found in Part A & B coverage. There are four different options here, in addition to a Medicare Medical Savings Account (MSA). The four alternatives are Medicare HMO, PPO, private fee-for-service, and Medicare special needs plans. Medicare Part C plans include a Drug Plan. IMPORTANT NOTICE: Not everyone can enroll in a Medicare Advantage Plan because of doctor availability. As a result, most individuals purchase a Medicare Supplement Plan, also called a Medigap policy. Note that Medigap and Part C Advantage Plans are provided by private health care insurance carriers, and prices and availability are specific to each state.
4. **Part D** – covers prescription drugs. Again, Medicare Part C plans include a drug plan. But those with Medicare Supplement Plans must also purchase a separate Medicare Part D drug plan.

When do I enroll?

The initial enrollment period is the three months before an individual's 65th birthday month and three months after the birth month (that's a total of seven months). Once enrolled, coverage will begin either on the first day of the birth month or the first day of the month following the date of enrollment. Most people should enroll in Part A, B and D at 65 to avoid possible penalties. If you have medical coverage through your employer, i.e. the church, you may qualify for a special enrollment period (SEP) which could enable you to delay enrolling. Once you transition to Medicare Part A & B, you should purchase a Medicare Part D, and Supplement or Advantage plan as well.

What happens if I don't enroll? (Hint: it's not good)

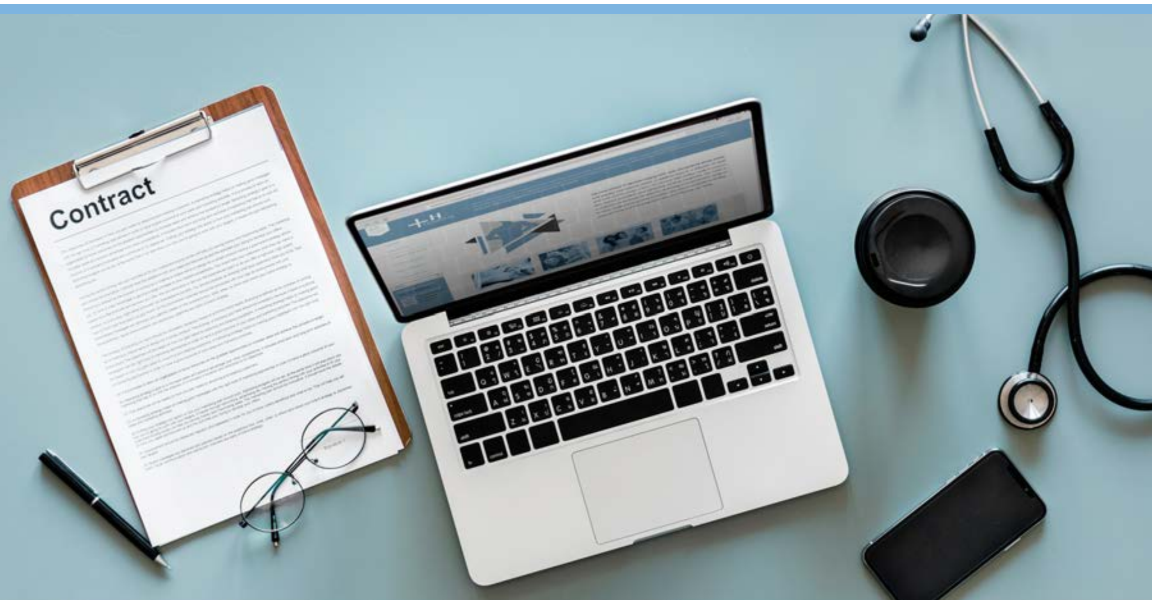
This is where you and I may risk exhibiting our lack of sanctification, because it seems as though they have sought to make this as complicated and convoluted as possible. Let's try to boil it down.

You could pay a penalty for not enrolling at age 65. The Part A penalty is 10% of the current Part A premium and is applied to your bill for two times the number of years you were eligible but did not enroll. For example, if you wait until 66 to enroll, you will receive a 10% penalty for 2 years, or until you are 68.

The Part B penalty is a *permanent* penalty that goes up by 10% for every full 12-month period that you could have had Part B but did not take it. For example, you will receive a penalty of $13.40 + $134 = $147.40 for life if you wait until age 66 to enroll.

The Part D penalty is also permanent and is 1% of the average monthly premium (1% of $35.02 in 2018) times the number of months you were late. For example, using the same scenario above: 12 months x 1% = 12%, $4.20 + $35.02 = $39.22 for life. So, delaying one year would cost you an additional $717.60 for two years and approximately $211.20 for the remainder of your life. As you can see, these penalties would really add up. The takeaway? Don't be late.

There you have it. So, when the time comes for you to make your way through the Medicare maze, perhaps you will have a little bit more understanding of what you need to do, and that should help you avoid some penalties and retain your composure. At least, that is what I am praying for myself because there is one thing that is for certain: the Lord is committed to rooting sin out of my heart...He is even willing to use Medicare to accomplish that purpose if necessary.



Ranking the Importance of Employee Benefit Options

When it comes to your monthly budget, you are likely seeking ways to cut costs, not add them. However, the structure and make-up of employee benefits plans or insurance is an important consideration when evaluating coverage options.

There are several types of employee benefits including pay, vacation, insurance and retirement, and many others. For the purposes of this article, and because we're PCA Retirement & Benefits, we will focus on the provision of insurance and retirement benefits. We provide more exhaustive information on benefit considerations in the resource, PCA Call Package Guidelines, available at the pcarbi.org website.

#1: Health Insurance

Provision of health insurance is at the top of many lists for employee benefits. While larger employers are required to provide benefits for employees, most organizations in the PCA are much smaller and are not legally required to provide health insurance. Increasing, most employers are struggling to provide benefits due to rising costs.

In addition, PCA Retirement & Benefits (RBI) does not offer a denominational health plan any longer (see accompanying article, "Today's Challenges in the Health Insurance Marketplace," for an explanation). Nonetheless, we encourage individuals and organizations to consider their optimal solutions for healthcare coverage. We recommend asking questions like:

- Can the church provide any coverage;
- Does the individual have access to other coverage outside the church;
- What options are available within the church's geography;
- Is a healthcare sharing ministry an option;
- And what is the best option for my family's health conditions?

Because everyone has the shared likelihood of medical visits in the future, provision of a healthcare benefit or solution is the top consideration. Please consult the pcarbi.org website for healthcare resources and potential solution providers.

#2: Retirement Savings Plan

As *everyone* will retire or at least have reduced earnings potential at some point in the future, and due to the substantial benefit of long-term savings appreciation, the provision of some retirement plan savings option is second.

Choosing the plan, signing up, diversifying investments (such as in a Target Retirement Fund), saving a consistent monthly amount, and increasing this amount over time (and after provision for other benefits – see below), are essential elements in a retirement savings plan. A 403b Plan such as the PCA Retirement Plan is a great solution because RBI provides tax-sheltered savings solutions, including pre-tax and Roth.

#3: Life Insurance and LTD

While there is some debate about which to list first, we believe both Long Term Disability (LTD) and Life Insurance are essential employee benefits. Both are tied for third with LTD likely being a higher priority item. According to research by the Social Security Administration and LIMRA (a research organization for financial services firms), younger workers have a 1 in 4 chance of becoming disabled during their working years and a 1 in 6 chance of dying during their working years.

Obviously, if one has dependents, life insurance is important for *their* benefit; however, long-term disability insurance provides for *both* the employee and dependents by providing income replacement should a disabling accident or disease occur to the employee, preventing the employee from working and earning a salary.

Group LTD insurance and basic term life insurance are ordinarily provided with no health underwriting ('guarantee issue') and are lower in cost due to the risk spread and fixed term of coverage. RBI provides both solutions and our associates can speak with you in more detail about how to obtain and how much you need. Basic tools are located on the pcarbi.org website, but you can also call our office at 800-789-8765.

#4: Ancillary Benefits

RBI also provides Dental and Vision plans. While these plans are not essential, they can be economical ways to reduce costs for such care if there is money in the budget to include the plans. While one could argue that "you only insure what you cannot afford to lose," both plans provide discounts that can stretch the benefit value beyond the cost.

For example, going to a 'in-network' provider means that $100 worth of coverage only costs $80, extending the reach of $100 paid (that is, more services could then be purchased). Further, if these plans are paid for through payroll deduction as an employee benefit, there are tax savings which can further reduce the cost of coverage or extend the value of that coverage.

It is possible, especially for vision coverage, to access network savings through other associations (like wholesale buying clubs, AAA, AARP, etc.), but the convenience, tax savings and national network features of dental and vision plans can provide both savings and peace of mind.

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PCA Retirement & Benefits is a non-profit agency of the Presbyterian Church in America.

RBI OFFICE HOURS SCHEDULE

The business hours of PCA Retirement & Benefits (RBI) are Monday through Friday 8 a.m. to 5 p.m. ET, following a devotional on Monday mornings. The RBI office will be closed on the following holidays:

- **Thanksgiving – Thursday & Friday, November 22-23**
- **Christmas – Monday & Tuesday, December 24-25**
- **New Year's Eve – Monday, December 31**
- **New Year's Day – Tuesday, January 1**
- **Martin Luther King, Jr. Day – Monday, January 21**

RBI reminds our ministry partners that the following resources are available year round:

- **RBI Website: www.pcarbi.org**
- **Retirement Plan Website: www.nwps.401k.com**
- **Retirement Plan call center: 1.877.543.0055**
- **Insurance Plan Website: www.smartben.com**

Benefits of the PCA Retirement Plan

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The Investment Committee of the Board of Directors - comprised of trained and experienced financial professionals from all over the PCA - oversees the plan and hand-selects the companies who manage assets in the plan. In evaluating the firms and funds, the Board works with one of the top pension fund consultants–Callan Associates. This level of expertise and care is difficult to find, even when individuals are working with investment professionals.

Many of our funds are also morally screened. A number of retail mutual funds available to IRA's today seek to screen their investments to avoid companies which violate their Environmental, Social, and Governance (ESG) concerns. The PCA Retirement Plan goes further by implementing something we refer to as Biblically Responsible Investing. Where possible, the PCA Retirement Plan (403(b)) excludes companies from our portfolios who profit from activities related to the abortion, gambling, and the pornography industry, as well as companies profiting from human rights violations and bio-ethical concerns.

The PCA Retirement Plan also offers loan possibilities and lower fees than those of most brokerage company IRA accounts. Significant financial and retirement planning guidance and counsel is available at no additional cost.

If you're interested in learning more about the benefits of the PCA Retirement Plan, we would love to talk with you. Contact us online at **pcarbi.org** or call us toll-free at **800.789-8765.**

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