

Quadrennial
Benefits
Conference



CPP Disability Processes



Wespath
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Agenda

- Key Definitions
- Summary of General Conference 2016 Changes
- Comprehensive Protection Plan (CPP) Overview
- CPP Disability Application Process

Key Definitions

Denominational Average Compensation (DAC)

Average plan compensation of clergy enrolled in United Methodist clergy plans and serving full-time appointments

2016: \$67,333

2017: \$68,876

CPP Eligibility

Plan Eligibility

Effective January 1, 2017

- Mandatory participation for eligible clergy
 - Serving full-time
 - Compensation equals 25% of DAC
- Not eligible
 - Clergy appointed half-time or quarter-time
 - *UMLifeOptions*

Premium calculation: 3% of plan compensation* (*housing plus cash salary*)

*** Plan compensation excludes “cash in lieu of group health coverage”**

Plan Sponsor Election

- Three-quarter time clergy
 - Full and provisional members (including deacons and elders)
 - Associate members
 - Members of other Methodist denominations
- Three-quarter time local pastors
- Leave of absence for no more than 12 months
 - Voluntary leave (personal, family, transitional)
 - Medical leave (not CPP disabled)
 - Attend school
 - Sabbatical leave

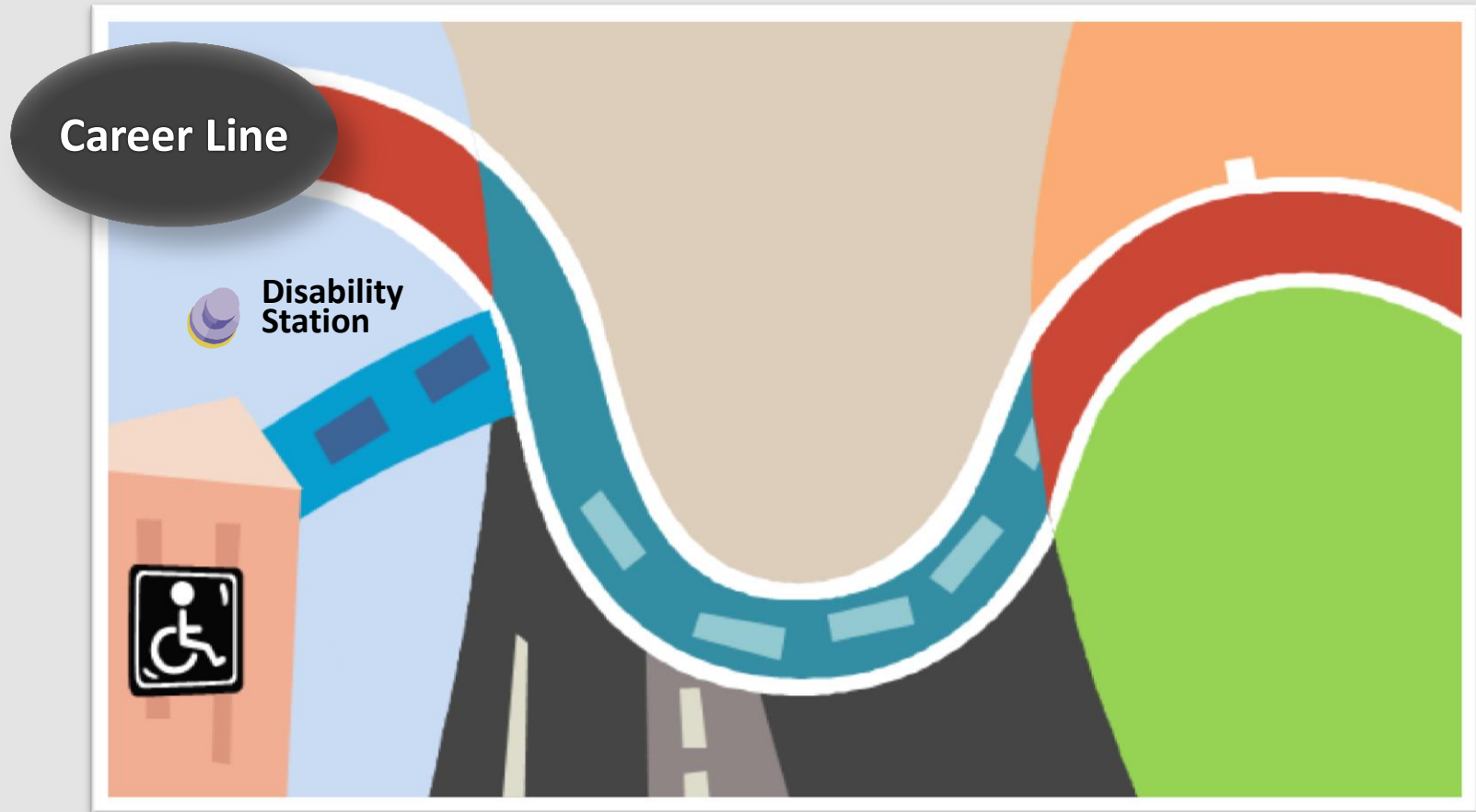
Premium calculation: 3% of plan compensation (*housing plus cash salary*)

Comprehensive Protection Plan (CPP)



- Death and disability benefits
- Severance benefits

Disability Benefits and Medical Leave



Long-Term Disability Plan Benefits

Definition

Unable to perform duties due to injury or illness
for at least six continuous months

Disability Amount

- 70% of pre-disability plan compensation (housing + cash salary)
 - Plan compensation not to exceed 200% of DAC
- Social Security offset (\$1 for \$1)
 - Imputed offset for those opting out of Social Security
 - No offset if not enough quarters or medically denied

Benefit Duration

| Provision | Participant's Disability Date December 31, 2012 and Before | Current Benefit |
|---------------------|--|-------------------|
| Benefit Duration | Disability date <i>before</i> age 60: Until age 65 Disability date <i>after</i> age 60: 5 years | See next slide |

Benefit Duration Schedule

| Age at Disability | Benefit Duration |
|-------------------|--|
| Less than age 62 | To Social Security retirement age, or retirement date if earlier |
| Age 62 | 60 months |
| Age 63 | 48 months |
| Age 64 | 42 months |
| Age 65 | 36 months |
| Age 66 | 30 months |
| Age 67 | 24 months |
| Age 68 | 18 months |
| Age 69 and above | 12 months or age 72, whichever is earlier |

CPP Disability Claim and Procedures

Medical (Incapacity) Leave ≠ Disability Benefits

Eligibility for medical leave *does not* equal long-term disability (LTD) claim approval

- **Medical leave—relationship status** with the annual conference
- **CPP disability—welfare benefit** claim determination
 - Liberty Mutual determines LTD claim approval based on medical evidence received

Separate Decisions

| | Medical Leave | Disability Benefits |
|-------|---|---|
| WHAT | Relationship to the conference | Income replacement benefit |
| WHO | <ul style="list-style-type: none"> • Joint Committee • Board of Ordained Ministry • Clergy Session | <ul style="list-style-type: none"> • Administrator • Wespath for eligibility or appeals |
| BASIS | Unable to perform duties due to medical reasons | Unable to perform clergy duties for at least 6 months based on medical evidence |

Disability Benefits Administrator

Liberty Mutual

Third-party adjudication
and claims management



LTD Application Process

- Participant Form (*Form A*)
- Conference Form (*Form C*)
- Grant Form (*Form F*)



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Participant Form



Liberty Mutual
Begins adjudication process

How Can You Help

District Superintendents (DS)

- Assist with obtaining disability forms
- Confer with Joint Committee on Clergy Medical Leave (Joint Committee)
- Submit letter to Wespath and Joint Committee supporting medical leave (if applicable)

Roles and Responsibilities

Conference Benefits Officer (CBO)

- Verify clergy eligibility in CPP
- Provide disability forms to clergy or district superintendent
- Complete *Grant Form* based on conference policy (if applicable)
- Submit completed paperwork to Wespath

How Can You Help?

Conference Benefits Officer

- Set conference grant policy
 - Amount of grant
 - Duration of grant
 - Reimbursement (if applicable)
- Establish policy regarding other benefits
 - Medical insurance
 - Moving expenses

How Can You Help?

Joint Committee on Clergy Medical Leave

- Confer with DS on clergy status
- Make recommendations to Board of Ordained Ministry regarding status of medical leave
- Assist CBO and DS in contacting clergy to follow up on requested medical information
- Aid CBO and DS with transitional needs of clergy (e.g., secure housing, transportation, pastoral care)

LTD Claim Adjudication

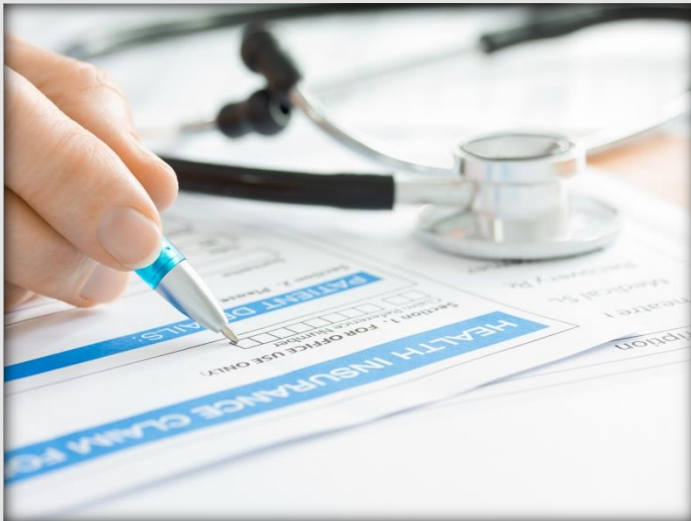
Timeline

25-day turnaround from date
Liberty Mutual receives forms

- Delays due to lack of medical information
- Liberty Mutual will provide written notice to claimant and CBO

Claim Adjudication Process

Proof of claim—45 days



- Step approach in obtaining medical data from treating providers—one 45-day extension
- Final determination made after 60 days based on medical data received to date

Claim Adjudication Process

| | |
|---------------|--|
| DAY 1 | Claim submission |
| DAY 2 | Liberty Mutual contacts participant for intake and contacts physician for medical records |
| DAY 15 | Liberty Mutual contacts participant that physician has not responded |
| DAY 30 | Liberty Mutual requests medical records again |
| DAY 45 | Liberty Mutual contacts participant again regarding missing medical records and one-time extension given |
| DAY 60 | Final determination is made based on medical records received |

Application Determination

Approvals

- Effective date is 1st of the month following last day of paid salary or grant
 - Plan will reimburse conference for grant
- Liberty Mutual will conduct ongoing reviews of claim

Denials

- Appeal claim denial
 - Initial appeal, intermediate appeal, final appeal

How Can You Help?

Conference Benefits Officer (CBO)

- Receive claim updates from Liberty Mutual
- Keep Joint Committee and DS apprised of change in clergy disability status

How Can You Help?

Joint Committee on Clergy Medical Leave

- Provide continuing ministry to clergy and assist with maintaining fellowship with members of the conference
 - Committee members visit clergy at least once/year
 - Committee members call clergy at least twice/year
 - Identify if and when “extra” assistance is needed by clergy (e.g., transportation needs to/from doctors, pastoral care, etc.)
- Keep records of all visits and communications

Return-to-Work Program

Income from Part-Time Work

| Period | Other Income Offset |
|-------------------------------|--|
| First 24 months of disability | <ul style="list-style-type: none">• Up to 100% of pre-disability compensation from disability benefits + earnings• Above 100%: \$1 for \$1 offset |
| After 24 months | <ul style="list-style-type: none">• 50¢ offset for each \$1 from earnings |

Return-to-Work (RTW) Overview

- Claimants with doctor's release for any type of part-time work
- Participant disincentive (10% of benefit payment)
 - For refusal to participate in approved RTW plan
- Conference incentive (grant)
 - Up to the lesser of 40% of DAC **or** 50% of pre-disability compensation reimbursement credited to conference account
 - Conference to monitor participant's RTW compliance

Return-to-Work Process

| | |
|---------------|---|
| Step 1 | Participant receives medical release from own attending physician for any level of part-time work |
| Step 2 | Liberty Mutual verifies participant's work restrictions and limitations ("R&Ls") |
| Step 3 | Liberty Mutual notifies participant that his/her physician provided medical release for part-time work |
| Step 4 | Wespath and conference review participant's R&Ls <ul style="list-style-type: none">• Identify potential transitional position |

Return-to-Work Process

| | |
|---------------|--|
| Step 5 | Conference sends transitional position recommendation to Wespath and Liberty Mutual |
| Step 6 | Liberty Mutual reviews recommended transitional position and duties <ul style="list-style-type: none">• Ensures position aligns with participant's R&Ls• Completes <i>Transitional Position Plan Form</i> |
| Step 7 | Liberty Mutual notifies participant, presents RTW plan |
| Step 8 | Conference monitors participant's progress and compliance with the RTW plan |

Return-to-Work Process

| | |
|----------------|--|
| Step 7a | If a transitional position is <i>not</i> identified by the conference, Liberty Mutual will begin the process of identifying a transitional position outside the Church |
| Step 8a | Liberty Mutual will create and present RTW Transitional Plan |
| Step 9a | Liberty Mutual will monitor participant's compliance |

Return-to-Work Process

| | |
|----------------|--|
| Step 10 | Conference notifies Liberty Mutual every 3 months of any compensation (salary or wages) paid <ul style="list-style-type: none">• Via e-mail or with paystubs |
| Step 11 | RTW program <ul style="list-style-type: none">• Maximum: 12 months |

Next Step

Attending physician recommendation:

- Release participant to full-time work, *or*
- Keep participant on CPP disability

| Function | Reduced Hours | Reduced Stress | Limited Standing | Limited Walking | Limited Lifting | Limited Driving |
|-----------------------------------|---------------|----------------|------------------|-----------------|-----------------|-----------------|
| Hospital visitation | ✓ | | ✓ | ✓ | ✓ | |
| Nursing home visits | ✓ | | ✓ | ✓ | ✓ | |
| Telephone calls to shut ins | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Send cards to shut ins | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Update church websites | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Review church policies/procedures | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Assist with bulletin/newsletter | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Assist with church office work | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Grief/pre-marital counseling | ✓ | | ✓ | ✓ | ✓ | ✓* |
| Teach Bible study | ✓ | ✓ | ✓ | ✓ | ✓ | ✓* |
| Tutoring/mentoring | ✓ | ✓ | ✓ | ✓ | ✓ | ✓* |
| Food bank volunteer | ✓ | ✓ | ✓ | ✓ | ✓ | ✓* |
| Homeless shelter volunteer | ✓ | | ✓ | ✓ | ✓ | ✓* |
| Nursing home volunteer | ✓ | ✓ | ✓ | ✓ | ✓ | ✓* |
| After school program assistance | ✓ | ✓ | ✓ | ✓ | ✓ | ✓* |
| Halfway house volunteer | ✓ | | ✓ | ✓ | ✓ | ✓* |
| Hospice volunteer | ✓ | | ✓ | ✓ | ✓ | ✓* |
| YMCA after school program | ✓ | ✓ | ✓ | ✓ | ✓ | ✓* |
| Speaker—church groups/auxiliary | ✓ | ✓ | ✓ | ✓ | ✓ | ✓* |
| Speaker—community groups | ✓ | ✓ | ✓ | ✓ | ✓ | ✓* |
| Interfaith hospitality network | ✓ | ✓ | ✓ | ✓ | ✓ | ✓* |

* Limited; may be required to reach location of work

Roles and Responsibilities

District Superintendent

- Confer with CBO to assist in identifying and outlining specific duties for transitional position within clergy's restrictions and limitations (R&Ls)
- Appoint member to monitor clergy for compliance with transitional position; document any non-compliance
 - Member will submit hours worked and compensation paid (if any) to CBO

Roles and Responsibilities

Conference Benefits Officer (CBO)

- Participate in roundtable discussion with Wespath and Liberty Mutual Return-to-Work (RTW) coordinator
- Act as liaison between Wespath and DS
- Assist DS in coordination of transitional position
- Submit hours/pay for time worked

Roles and Responsibilities

Joint Committee on Clergy Medical Leave

- Assist DS and CBO in identifying and coordinating transitional position
- Aid clergy with transition back to work (i.e., assistance with accommodations, transportation needs, etc.)
- At end of RTW period: evaluate medical leave status and make necessary recommendations to conference Board of Ordained Ministry



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