



Virginia United Methodist Pensions, Inc.

Pensions & Related Benefits

May 30, 2022



- **Virginia United Methodist Pensions, Inc. (VUMPI)** is the Virginia Conference's agency that administers clergy benefit programs
- VUMPI is also “auxiliary to” **Wespath**, which is the United Methodist general agency that administers denominational pensions, life insurance and disability insurance plans



Wespath
BENEFITS | INVESTMENTS



- Medical insurance plans
 - Health & prescription drugs
 - Dental
 - Vision
- Tax-advantaged spending accounts
 - Medical flexible spending accounts
 - Dependent care spending accounts



- Comprehensive Protection Plan (“CPP”)
 - Disability insurance
 - Life insurance
- Supplemental life insurance
 - Conference life insurance supplement
 - Voluntary supplemental life insurance



- United Methodist Personal Investment Plan (“UMPIP”)
- Clergy Retirement Security Program (“CRSP”)
 - Defined benefit component
 - Defined contribution component
- Compass pension plan
- Supplemental resources
 - EY financial planning services
 - Health Advocate
 - Anthem Employee Assistance Program



- Program eligibility is based on multiple factors
 - Appointment type: local church, extension ministry
 - Conference relationship status, e.g., Provisional Elder, Local Pastor, Lay Supply
 - Appointment percentage: 100%, 75%, 50%, 25%

Benefit Program Eligibility



		Conference Health Plan				CPP (Life and Disability)				CRSP (Pension)			
		100%	75%	50%	25%	100%	75%	50%	25%	100%	75%	50%	25%
FE	Elder in Full Connection	✓				✓	✓			✓	✓	✓	
FD	Deacon in Full Connection	✓				✓	✓			✓	✓	✓	
PE	Provisional Elder	✓				✓	✓			✓	✓	✓	
PD	Provisional Deacon	✓				✓	✓			✓	✓	✓	
AM	Associate Member	✓				✓	✓			✓	✓	✓	
PM	Probationary Member, 1992 Discipline	✓				✓	✓			✓	✓	✓	
OE	Elder Member, Other Annual Conference ("on loan")	✓				✓	✓			✓	✓	✓	
OD	Deacon, Other Annual Conference	✓				✓	✓			✓	✓	✓	
OA	Associate Member, Other Annual Conference	✓				✓	✓			✓	✓	✓	
OP	Provisional Member, Other Annual Conference	✓				✓	✓			✓	✓	✓	
FL	Full Time Local Pastor	✓				✓				✓			
PL	Part Time Local Pastor										✓	✓	
SP	Student Local Pastor	✓				✓				✓	✓	✓	
OF	Full Member, Other Denomination	✓				✓				✓	✓	✓	
EP	Full Member, Other Denomination, Serving as Provisional Elder	✓				✓				✓	✓	✓	
DP	Deacon, Other Denomination, Serving as Provisional Deacon	✓				✓				✓	✓	✓	
AF	Affiliate Member												
SY	Lay Supply												
LM	Certified Lay Minister												
MOD	Minister, Other Denomination, Serving Ecumenical Parish												
HL	Honorable Location												
DC	Deaconess												
DM	Diaconal Minister												



Medical Insurance Plans & Tax-advantaged Spending Accounts



- Three plans made available to eligible clergy

PPO Core

A plan matching the average US employer-sponsored health plan

PPO Buy-up

A plan with enhanced benefits at a higher participant cost

HSA

A higher-deductible plan paired with a Health Savings Account



- Health plan design details:
 - **Deductible:** the amount that you must pay before the plan starts to pay
 - **Coinsurance:** the percentage of costs that you pay after you meet the deductible
 - **Copay:** a flat dollar amount that you pay for certain services
 - **Out of pocket maximum:** the total amount that you have to pay before the plan covers all allowable costs



- PPO Core plan design details:
 - **Deductible:** \$1,000 individual/\$2,500 family
 - **Coinsurance:** 20%
 - **Medical copay:** \$30 for Primary Care Physician, \$50 for specialist
 - **Prescription drug copay:** \$15/\$30/\$50
 - **Out of pocket maximum:** \$6,500 individual/\$13,000 family

Health and Prescription Drug Plans

PPO Buy-up plan



- PPO Buy-up plan design details:
 - **Deductible:** \$750 individual/\$1,875 family
 - **Coinsurance:** 20%
 - **Medical copay:** \$20 for Primary Care Physician, \$30 for specialist
 - **Prescription drug copay:** \$15/\$30/\$50
 - **Out of pocket maximum:** \$4,500 individual/\$9,000 family

Health and Prescription Drug Plans

HSA plan



- HSA plan design details:
 - **Deductible:** \$2,250 individual/\$4,500 family
 - **Conference annual HSA contribution:** \$750 individual/\$1,500 family
 - **Coinsurance:** 20%
 - **Medical copay:** n.a.
 - **Prescription drug copay:** n.a.
 - **Out of pocket maximum:** \$5,500 individual/\$11,000 family

Health and Prescription Drug Plans

HSA plan



- Health Savings Accounts are paired with qualifying high deductible health plans
- HSAs are triple tax advantaged
 - Pretax participant contributions
 - Tax-free interest and earnings
 - Tax-free withdrawals to reimburse qualified medical expenses
- HSAs are portable
- Subject to annual contribution limits; 2022 limits (including any employer contributions) are as follows:
 - \$3,650 for individual health plan
 - \$7,300 for family health plan
 - \$1,000 catch up contribution for those age 55+



	Core Dental	High Dental
Deductible	\$50 per member	\$50 per member
Diagnostic & Preventive	Fully covered, not subject to deductible	Fully covered, not subject to deductible
Basic Restorative Care	20% coinsurance	20% coinsurance
Major Restorative Care	Not covered	50% coinsurance
Orthodontic Services	Not covered	50% coinsurance
Coverage Maximum	\$750 per member	\$1,000 per member

Medical and Dental Plan Participant Contributions - 2022



	Medical Plans			Dental Plans	
	PPO Core	PPO Buy-Up	HSA	Core	Major
Clergyperson Only	\$104	\$137	\$80	\$13	\$34
Clergyperson + Spouse	\$314	\$369	\$263	\$49	\$98
Clergyperson + Child(ren)	\$318	\$375	\$269	\$51	\$100
Family	\$332	\$408	\$280	\$60	\$109



- The optional vision plan includes the following benefits:
 - Annual eye exam: \$10 copay
 - Standard plastic lenses: \$10 copay
 - Progressive lenses: \$50 copay
 - Annual eyeglass frame allowance: \$150
 - Annual elective contact lens allowance: \$150
 - Medically necessary contact lenses: \$0 copay
- Monthly plan premiums are as follows:

	Vision
Employee Only	\$8.34
Employee + Spouse	\$15.05
Employee + Child(ren)	\$15.05
Family	\$24.19



- Flexible Spending Account:
 - Allows clergy enrolled in a Conference-sponsored health plan to withhold earnings on a pretax basis to pay for eligible medical expenses
 - Contributions of up to \$2,850 annually allowed in 2022
 - Up to \$570 can be rolled over to 2023 and used in the first 2 ½ months of the year
- Dependent Care Spending Account:
 - Enables clergy to withhold funds from their paycheck on a pretax basis to pay for eligible dependent care expenses
 - Contributions of up to \$5,000 annually allowed in 2022
 - Dependents must be under age 13, while disabled dependents can be any age



Life and Disability Insurance Programs



- Life and disability insurance coverage includes two component plans

Wespath's
Comprehensive
Protection Plan (CPP)

Virginia Conference
Supplemental Life
Insurance Program



Wespath's Comprehensive Protection Plan (CPP)

- Disability insurance:
 - Disabling condition expected to persist for at least six months
 - Benefit equal to 70% of total plan compensation at time of disability
 - Periodic re-approval is required
 - Benefits are coordinated with Social Security
- Life insurance:

	2022 CPP Death Benefit
Clergy	\$50,000
Spouse	20% of DAC at time of death
Surviving spouse	15% of DAC at time of death
Child	10% of DAC at time of death

** DAC = Denominational Average Compensation*



Virginia Conference Supplemental Life Insurance Program

- The Conference's life insurance program includes two parts
 - Supplemental life insurance benefit of \$25,000 for all clergy who are eligible for a CPP death benefit
 - Optional “voluntary” life insurance coverage for those who would like to purchase additional coverage
 - The cost of coverage varies with the amount of coverage and age; illustrative monthly costs are as follows:
 - \$0.06 per \$1,000 of coverage for a 30 year old
 - \$1.26 per \$1,000 of coverage for a 65 year old
 - No medical underwriting if purchased when first eligible with coverage amount \$100,000 or less
 - Spouse and dependent child coverage is also available



Retirement Savings Programs



- The denominational retirement savings programs include two plans, both administered by Wespath

United Methodist
Personal Investment
Plan (“UMPIP”)

Clergy Retirement
Security Program
 (“CRSP”)



United Methodist Personal Investment Plan (“UMPIP”)

- UMPIP is a 403(b) plan that allows tax-favored contributions
 - Traditional (before tax)
 - Roth
 - After tax
- Contributions are allocated to Wespath funds as directed by the plan participant
- The local church is the plan sponsor – a new contribution election form must be completed at each new appointment
- Clergy appointed at least 50% to Virginia Conference churches are eligible
- Vesting is immediate; hardship loans are available under specific circumstances



Clergy Retirement Security Program (“CRSP”)

- The Clergy Retirement Security Program has two components:
 - **Defined benefit:** annual benefit equal to 1% of the Denomination Average Compensation in the year of retirement for each year of ministry credit
 - **Defined contribution:** 2% of total plan compensation automatic contribution and 1% of total plan compensation “matching” contribution (requires at least 1% personal contribution to UMPIP)
- Benefits are initiated upon retirement
 - Early retirement: at age 62 or 30 years of ministry
 - Normal retirement: at age 65 or 40 years of ministry
 - Mandatory retirement: at the Annual Conference following age 72
 - 20 year-rule retirement: with 20 years of ministry and reaching age 62
- Clergy appointed at least 50% are eligible



- Both UMPIP and the CRSP defined contribution program are allocated among Wespath funds as directed by the plan participant
 - 11 funds reflecting a range of investment objectives
 - All adhere to the denomination's socially responsible investment guidelines
- Wespath offers the LifeStage Investment Management program to automatically create and adjust fund allocations based on your risk tolerance
- LifeStage Investment Management can be elected in Wespath's Benefits Access online system, or with an investment election form (available at www.Wespath.org)



- At the next General Conference, Wespeth will recommend a new denominational pension plan
- The Compass plan will be a defined contribution pension plan, replacing the Clergy Retirement Security Program

**Automatic
contribution:**

3% of total plan
compensation

**“Matching”
contribution:**

Up to 4% of total
plan compensation

**“Equalizer”
contribution:**

\$140 per month

- VUMPI will distribute additional details about the Compass plan after General Conference’s approval



Supplemental Resources



- Wespeth program participants may access confidential financial counseling through EY at no charge
- Services can be accessed by phone or online
 - 1-800-360-2539
 - <https://wespeth.eynavigate.com> (registration required)
- EY consultation topics include the following:
 - Creating a retirement plan
 - Evaluating Roth vs. traditional UMPIP contributions
 - Choosing retirement plan investments
 - Buying a home
 - Developing an estate plan
 - Managing debt



- Health Advocate
 - Provides advocacy and engagement services to individuals covered by VUMPI-sponsored health plans
 - Wellness/telephonic health coaching
 - Benefits education
 - Routine/specialty care locator
 - Claims assistance
 - Access and register at <https://members.healthadvocate.com> (enter VAUMC for the organization) or call 866-799-2731



- Anthem Employee Assistance Program
 - Provides access to licensed professionals to assist with a broad range of issues
 - Stress and depression
 - Legal issues
 - Financial consultation
 - Tobacco cessation
 - Identity recovery and credit monitoring
 - Available to clergy enrolled in the Conference-sponsored health plans, as well as all members of their household
 - Available 24 hours a day, seven days a week
 - Access at 800-346-5484 or anthemeap.com (enter “VAUMC” to log in)



- Health Plan Administrator
 - Melissa Wahlberg: melissawahlberg@vaumc.org or 804-521-1131
- Pension and Welfare Plans Administrator
 - Nancy Blair: nancyblair@vaumc.org or 804-521-1130
- Executive Director
 - John Fuller: johnfuller@vaumc.org or 804-521-1128
- Mailing address:
 - 10330 Staples Mill Road, Glen Allen, VA 23060