

.....

THE BOARD OF BENEFITS SERVICES OF  
THE REFORMED CHURCH IN AMERICA, INC.

**Annual Insurance and  
Retirement Benefits Information**

.....

**Calendar year 2023**





September 2022

Dear Friends,

This booklet is made available to assist consistories in complying with promises made under Formulary No. 5 of the RCA's *Book of Church Order (BCO)* and to outline resources that are available through the Board of Benefits Services (BOBS). We hope that you will find this resource helpful throughout the year.

As stated in the *BCO*, a consistory shall fulfill the provisions of the call form (Formulary No. 5) for all ministers serving the church under call or contract by paying the stipulated contributions to the RCA 403(b) Retirement Program. In addition, consistories must “provide benefits including group life insurance, long-term disability insurance, and medical insurance” for a minister and his/her immediate family (*BCO* Appendix, Formulary No. 5). If the minister and his/her family elect medical coverage through a spouse's employer-sponsored group plan, the church must compensate the minister for “any medical premium costs incurred by [the pastor's] immediate family, up to the premium cost of the Reformed Benefits Association plan meeting the minimum standards stipulated for the year compensated” (*BCO* Appendix, Formulary No. 5). These stipulations apply equally to full time and part time ministers.

There are, however, a few exceptions to this general rule. Chapter 1, Part I, Article 2, Section 7 of the *BCO* states that “a consistory shall fulfill the provisions of the call form (Appendix, Formulary No. 5) for retirement and insurance for all ministers serving the church under call or contract unless (a) regarding retirement, the minister is covered by the retirement plan sponsored by the Regional Synod of Canada or the retirement plan of the communion where the minister's membership is held, (b) the classis determines that the minister is serving the church part time, as defined by the Board of Benefits Services, and that circumstances warrant that the consistory be exempt from this requirement, or (c) the minister is serving less than part time as defined by the Board of Benefits Services” (2021 edition, p. 15).

In the sections that follow, you will find the following information:

- Section 1: General Benefits Requirements
- Section 2: RCA 403(b) Retirement Program
  - Retirement Contribution Requirements and Calculation Examples
  - Retirement Program Adoption Agreement
  - Simplified Contribution Platform (SCP) and Retirement

- Contribution Remittance
  - Contribution Verification and Retirement Security Form
  - Retirement Plan Reallocation
- Section 3: Medical and Other Insurance
  - Minimum Standards for Medical Insurance
  - Health Savings Account (HSA)
  - Life and Long-term Disability Insurance
- Section 4: Definition of Part Time
- Section 5: Employee Assistance Program (EAP)
- Section 6: Participating in Social Security
- Section 7: Treasurer's Frequently Asked Questions
- Section 8: Preparing to Retire
- Section 9: Contact Information and Resources

If you have a question, please contact one of us at the Board of Benefits Services. You will find contact information in Section 9.

Sincerely,

A handwritten signature in black ink, appearing to read "Kelly Oliveira". The signature is fluid and cursive, with a large initial "K" and "O".

Kelly Oliveira  
Executive director of benefits services

475 Riverside Drive, Suite 1606  
New York, NY 10115  
616-541-0869 · (Fax) 833-627-7620 • [koliveira@rca.org](mailto:koliveira@rca.org)

## Section 1: General Benefits Requirements

It is helpful to know what benefits an RCA-ordained Minister of Word and Sacrament is entitled to, whether you are an RCA congregation that provides the benefits or an RCA-ordained Minister of Word and Sacrament that receives them. Note: The first examples highlight benefits for ordained Ministers of Word and Sacrament; see later entries regarding Commissioned Pastors and other special cases.

The benefits requirements depend on a couple factors:

1. Church type: RCA church, Formula of Agreement church, or others
2. Minister type: RCA-ordained or ordained in a Formula of Agreement church
3. Working status: full time or part time

### Benefits Cheat Sheet

1. RCA Minister of Word and Sacrament: serving full time (call or contract) an RCA church, classis, regional synod, or eligible employer
  - Participation in RCA 403(b) Retirement Program: at least 11 percent of salary or effective buying power per household (EBPH), whichever is greater
  - Group life insurance: ministers not enrolled in life insurance through the Reformed Benefits Association (RBA) will be automatically enrolled in a plan administered by BOBS
  - Long-term disability insurance: all ministers working a minimum of 17.5 hours per week will be automatically enrolled
  - Medical insurance<sup>1</sup>
2. RCA Minister of Word and Sacrament: serving part time (call or contract) an RCA church, classis, regional synod, or eligible employer
  - Participation in RCA 403(b) Retirement Program: at least 11 percent of salary
  - Group life: ministers working a minimum of 17.5 hours per week who are not enrolled in life insurance through the

---

<sup>1</sup> Group medical insurance is available through the Reformed Benefits Association (RBA). The RBA is a nonprofit corporation established by The Board of Benefits Services of the Reformed Church in America Inc. and the Christian Reformed Church in North America. Churches and other eligible employers may enroll in benefits through the RBA or pay for the cost of comparable coverage for eligible ministers. If the minister and his/her family elect medical coverage through a spouse's employer-sponsored group plan, the church will compensate for "any medical premium costs incurred by [the pastor's] immediate family, up to the premium cost of the Reformed Benefits Association plan meeting the minimum standards stipulated for the year compensated" (BCO Appendix, Formulary No. 5). These stipulations apply equally to full time and part time ministers.

RBA will be automatically enrolled in a plan administered by BOBS

- Long-term disability insurance: all ministers working a minimum of 17.5 hours per week will be automatically enrolled
  - Medical insurance (see footnote 1 on previous page)
3. RCA Minister serving Formula of Agreement church: full time
    - Participation in RCA 403(b) Retirement Program: at least 11 percent of salary or EBPH, whichever is greater
    - Participation in group life and long-term disability insurance
    - Medical insurance (see footnote 1 on previous page)
  4. RCA minister serving Formula of Agreement church: part time
    - Participation in RCA 403(b) Retirement Program: at least 11 percent of salary
    - Participation in group life and long-term disability insurance
    - Medical insurance (see footnote 1 on previous page)
  5. Commissioned Pastor serving an RCA congregation:
    - Commissioned Pastors are considered to be “lay employees” of the congregation. With the authorization of the employer (church) through the Adoption Agreement, Commissioned Pastors may participate in the RCA 403(b) Retirement Program. The annual employer contribution is agreed upon by the Commissioned Pastor and the church
    - Commissioned Pastors may participate in group life and long-term insurance if working a minimum of 17.5 hours per week
    - Commissioned Pastors may participate in RBA health insurance plans if working a minimum of 20 hours per week
    - Commissioned Pastors are eligible to claim a clergy housing allowance when filing taxes
  6. Formula of Agreement minister serving an RCA congregation:
    - Participate in the retirement and benefits program of her/his ordination
  7. Married Co-Ministers
    - Each minister must be enrolled separately in the RCA 403(b) Retirement Program (see details above)
    - Each minister must be enrolled separately in the group life and long-term disability insurance programs
    - One health insurance family plan should be provided to the ministry couple
  8. Exemptions
    - Churches must provide the minimum benefits requirements for ministers under call or contract unless the classis determines that the minister is serving the church part

time, as defined by the Board of Benefits Services, and that circumstances warrant that the consistory be exempt from this requirement, or if the minister is serving less than part time as defined by the Board of Benefits Services. For the definition of part time, see section 4 of this booklet. Exemptions from benefits are discouraged, and should only be considered as a last option

## Section 2: RCA 403(b) Retirement Program

### Retirement Contribution Requirements and Calculation Examples

The employer contribution amount payable to the RCA 403(b) retirement account of eligible full time ministers must be at least the amount of the effective buying power per household (EBPH) or 11 percent of compensation, whichever is greater.

The EBPH amount represents the minimum amount of basic employer contributions that should be made on behalf of ministers working full time, prorated over the number of months worked in a calendar year. This amount is established annually by the Board of Benefits Services (BOBS) and is updated based on the national median earnings provided by Bureau of Labor Statistics, US Department of Labor. **The EBPH annual amount for 2023 is \$7,734.**

The EBPH amount **does not** apply for part time ministers. The annual employer contribution required for a part time minister's retirement plan account is calculated as 11 percent of the eligible pay of the minister.

The "compensation" is the total amount of base salary, wages, or other payments paid to a minister, including any employee contributions to the RCA 403(b) Retirement Program. It **does not** include any office allowance, vehicle allowance, education assistance allowance, bonus, or self-employment tax contributions (SECA) that are provided to assist with Social Security and Medicare tax obligations. It **does** include housing allowance and any taxable compensation added for ministers who are purchasing medical insurance for themselves and their families through a private insurance company, through a federal or state marketplace, or through the spouse's employer-sponsored group plan.

Eligible pay is defined as 100 percent of compensation if a parsonage is not provided. If a parsonage is provided, eligible pay is defined as 140 percent of compensation (actual compensation is grossed up by 40 percent; the contribution is then calculated as 11 percent of the 140 percent of compensation).

An RCA 403(b) contribution calculator is available on the Board of Benefits Services website under the “Employers” section:  
[www.rca.org/benefits/retirement/contribution-limits](http://www.rca.org/benefits/retirement/contribution-limits).

Following are a few examples of how the RCA 403(b) Retirement Program contributions should be calculated for ministers who are designating a housing allowance and for ministers who are provided with a parsonage.

*Note: These calculations are based on the RCA 403(b) Retirement Program plan document, which requires that contributions “must be **at least** the amount of the EBPH or 11 percent (11%) of compensation, whichever is greater”. The EBPH does not apply to part time participants (see definition of part time in Section 4). The complete plan document is available at <https://www.rca.org/wp-content/uploads/2021/12/RCA-403b-Retirement-Program.pdf>*

### **For ministers who are designating a housing allowance**

**Example 1: A full time minister who will work a full year in 2023.** The minister will receive \$75,000 in compensation, of which \$15,000 is designated as housing allowance.

- The eligible pay is \$75,000 (\$60,000 taxable income + \$15,000 designated as housing allowance)
- The calculated contribution is \$8,250 (\$75,000 eligible pay x 11 percent contribution rate)
- The EBPH amount for 2023 is \$7,734
- The required church contribution is \$8,250 (the greater of the EBPH and the 11 percent calculated contribution)

**Example 2: A full time minister who will work a full year in 2023.** The minister will receive \$40,000 in compensation, of which \$10,000 is designated as housing allowance.

- The eligible pay is \$40,000 (\$30,000 taxable income + \$10,000 designated as housing allowance)
- The calculated contribution is \$4,400 (\$40,000 eligible pay x 11 percent contribution rate)
- The EBPH amount for 2023 is \$7,734
- The required church contribution is \$7,734 (the greater of the EBPH and the 11 percent calculated contribution)

**Example 3: A full time minister who will work six months in 2023, with a start date of July 1, 2023.** The minister will receive \$40,000 in



compensation for the six-month period, of which \$7,500 is designated as housing allowance.

- The eligible pay from July to December is \$40,000 (\$32,500 taxable income + \$7,500 designated as housing allowance)
- The calculated contribution for the period from July to December is \$4,400 (\$40,000 eligible pay x 11 percent contribution rate)
- The six-month, prorated EBPH amount for 2023 is \$3,867
- The required church contribution for the six-month period is \$4,400 (the greater of the prorated EBPH and the prorated 11 percent calculated contribution)

**Example 4: A full time minister who will work six months in 2023, with a start date of July 1, 2023.** The minister will receive \$20,000 in compensation for the six-month period, of which \$5,000 is designated as housing allowance.

- The eligible pay from July to December is \$20,000 (\$15,000 taxable income + \$5,000 designated as housing allowance)
- The calculated contribution for the period July to December is \$2,200 (\$20,000 eligible pay x 11 percent contribution rate)
- The six-month, prorated EBPH amount for 2023 is \$3,867
- The required church contribution for the six-month period is \$3,867 (the greater of the prorated EBPH and the prorated 11 percent calculated contribution)

**Example 5: A part time minister who will work a full year in 2023.** The minister will receive \$45,000 in compensation, of which \$10,000 is designated as housing allowance

- The eligible pay is \$45,000 (\$35,000 taxable income + \$10,000 designated as housing allowance)
- The calculated contribution is \$4,950 (\$45,000 eligible pay x 11 percent contribution rate)
- The required church contribution is \$4,950
- EBPH is not applicable because of the part time status

### **For ministers who are provided with a parsonage**

**Example 1: A full time minister who will work a full year in 2023.** The minister will receive \$55,000 in compensation and will be provided with a parsonage.

- The eligible pay is \$77,000 (\$55,000 x 140 percent gross up for the parsonage)
- The calculated contribution is \$8,470 (\$77,000 eligible pay x 11 percent contribution rate)

- The EBPH amount for 2023 is \$7,734
- The required church contribution is \$8,470 (the greater of the EBPH and the 11 percent calculated contribution)

**Example 2: A full time minister who will work a full year in 2023.** The minister will receive \$40,000 in compensation and will be provided with a parsonage.

- The eligible pay is \$56,000 ( $\$40,000 \times 140$  percent gross up for the parsonage)
- The calculated contribution is \$6,160 ( $\$56,000$  eligible pay  $\times$  11 percent contribution rate)
- The EBPH amount for 2023 is \$7,734
- The required church contribution is \$7,734 (the greater of the EBPH and the 11 percent calculated contribution)

**Example 3: A full time minister who will work six months in 2023, with a start date of July 1, 2023.** The minister will receive \$30,000 in compensation for the six-month period and will be provided with a parsonage.

- The eligible pay from July to December is \$42,000 ( $\$30,000 \times 140$  percent gross up for the parsonage)
- The calculated contribution is \$4,620 ( $\$42,000$  eligible pay  $\times$  11 percent contribution rate)
- The six-month, prorated EBPH amount for 2023 is \$3,867
- The required church contribution is \$4,620 (the greater of the EBPH and the 11 percent calculated contribution)

**Example 4: A full time minister who will work six months in 2023, with a start date of July 1, 2023.** The minister will receive \$20,000 in compensation for the six-month period and will be provided with a parsonage.

- The eligible pay is \$28,000 ( $\$20,000 \times 140$  percent gross up for the parsonage)
- The calculated contribution is \$3,080 ( $\$28,000 \times 11$  percent contribution rate)
- The six-month, prorated EBPH amount for 2023 is \$3,867
- The required church contribution is \$3,867 (the greater of the EBPH and the 11 percent calculated contribution)

**Example 5: A part time minister who will work a full year in 2023.** The minister will receive \$35,000 in compensation and will be provided with a parsonage.

- The eligible pay is \$49,000 ( $\$35,000 \times 140$  percent gross up for the parsonage)
- The calculated contribution is \$5,390 ( $\$49,000 \times 11$  percent contribution rate)

- The required church contribution is \$5,390
- EBPH is not applicable because of the part time status

## **Contribution Limits**

The Internal Revenue Service (IRS) has set limits on the contributions that may be made to a participant's RCA 403(b) account. Visit the employers section of the BOBS website ([www.rca.org/benefits/employers](http://www.rca.org/benefits/employers)) for more information about these requirements.

1. 402(g) limitation on salary deferrals:  
The limit will be increased by the IRS to reflect cost of living adjustment. The 402(g) limit applies to all salary reduction contributions (including designated Roth contributions) to 401(k) and 403(b) plans combined.
2. 415(c) annual contribution limit:  
The annual additions (including salary deferrals and employer contributions) cannot exceed the lesser of 100 percent of includible compensation or annual limit (adjusted periodically by IRS to reflect cost of living).

The includible compensation is defined as taxable compensation plus salary reduction contributions to 403(b) plan, elective deferrals to section 125 cafeteria plan, etc.

Please note that the includible compensation **does not** include tax-excludable clergy housing allowance. When the church and minister determine the designated housing allowance, make sure the required annual contributions to the RCA 403(b) Retirement Program will not exceed the includable compensation for the year.

## **RCA 403(b) Retirement Program Adoption Agreement or Alternate Adoption Agreement**

The RCA 403(b) Retirement Program is a multi-employer church plan. Each employer (RCA church or entity) is required to formally adopt the RCA 403(b) Retirement Program by completing and submitting an Adoption Agreement for RCA 403(b) Retirement Program. A non-RCA church or entity can contribute employer contributions to the account of an RCA minister serving that church if the church completes and submits an Alternate Adoption Agreement.

Why is this important? The Adoption Agreement is a legal document required for each adopting employer for compliance purposes. It also

provides the RCA church or entity certain degrees of flexibility to customize retirement benefits for its employees. This customization could include setting eligibility requirements to enroll lay employees, offering matching contributions for certain employees, vesting schedule for optional contributions, etc.

If your church currently does not have an Adoption Agreement, or the Adoption Agreement on file is no longer accurate, you should download the form at [images.rca.org/docs/bobs/AdoptionAgreement.pdf](https://images.rca.org/docs/bobs/AdoptionAgreement.pdf), complete it, and submit it to the Board of Benefits Services. An electronic version of the Adoption Agreement is available upon request through [retirement@rca.org](mailto:retirement@rca.org). If the treasurer is not sure about the status of the Adoption Agreement, please inquire by contacting our office by phone (866-221-5480) or email: [retirement@rca.org](mailto:retirement@rca.org). Non-RCA churches should also contact the BOBS office for an Alternate Adoption Agreement form.

### **Simplified Contribution Platform (SCP) and Retirement Contribution Remittance**

Churches and other employers must use Fidelity's Simplified Contribution Platform (SCP) (<https://contribution.appiancloud.com/suite/>) to make contributions to their employees' retirement account. After setting up the bank information, only a few clicks are needed to finish each contribution request. Automated reminders and reporting functions help the church to keep track of the payment schedule.

Any contributions that are sent to Fidelity with a check will be returned to the church so they can be properly remitted electronically.

If your church needs to set up a new user, please provide the contact information to Fidelity through the online request form: <https://fidelityinvestments.tfaforms.net/660093>. Fidelity will send the user a temporary password and tutorial guide to help configure the system. The username will be your email address, so it is important to make sure you have access to it.

If you have any questions about Fidelity's SCP system, contact Fidelity's SCP team at 1-800-917-4369 or [SCPHelp@fmr.com](mailto:SCPHelp@fmr.com).

### **Contribution Verification and Retirement Security Form**

Each year, the Board of Benefits Services (BOBS) works to verify that RCA-ordained ministers receive the correct amount of contribution to

his/her retirement account in accordance with the terms of the RCA 403(b) Retirement Program document and the *Book of Church Order*.

The necessary information for BOBS to perform this annual review is collected as part of the annual Consistorial Report Form (CRF), through the Retirement Security Form (RSF) sub-section of the CRF.

The RSF should be completed for each RCA-ordained minister and any lay employees who participate in the RCA 403(b) Retirement Program at your church. The information is kept confidential and only accessed by the BOBS staff.

The information that BOBS needs to perform this review is:

- Total annual compensation paid to the minister, including the portion designated as housing allowance, if any
- Amount of salary designated as housing allowance, if any
- Indication if parsonage was provided
- Work status: either full time or part time (see definition of part time in Section 4)

Once the CRF is closed, the Board of Benefits Services reviews the submitted compensation information and verifies that the proper amount of church contribution was paid into the minister's RCA 403(b) account. Any contributions shortfall are communicated to the church treasurer and minister along with a request for payment from the church.

It is extremely important that churches take the time to complete the RSF so BOBS can verify that the proper amount of retirement contribution was paid to the minister's account.

## **RCA Retirement Plan Reallocation**

Since 2015, the RCA Board of Benefits Services has been offering participants the option to reallocate funds from their RCA Retirement Plan account to their RCA 403(b) Retirement Program account. This provides eligible RCA Retirement Plan participants an opportunity to consolidate their retirement savings into one account and allows for greater flexibility at the time of retirement or termination from employment.

Eligibility and the amount that can be reallocated each year is determined by BOBS in accordance with the IRS annual contribution limits, IRS regulations, and the participant's RCA-related taxable earnings within the last five calendar years.

For more information about the RCA Retirement Plan reallocation, please check our FAQs at [www.rca.org/benefits/retirement/reallocation](http://www.rca.org/benefits/retirement/reallocation).

### **Section 3: Medical and Other Insurance**

Group medical insurance is available through the Reformed Benefits Association (RBA). The RBA is a nonprofit corporation established by The Board of Benefits Services of Reformed Church in America, Inc., and the Christian Reformed Church in North America. Churches and other eligible employers may enroll in benefits through the RBA or pay for the cost of comparable coverage for eligible ministers. More information about the RBA and the products they offer can be found at [www.reformedbenefits.org](http://www.reformedbenefits.org).

The RBA offers three medical insurance plans for its members: the premium plan, the consumer plan, and the co-pay plan. In addition, they offer group dental and vision, group and supplemental life, and a variety of ancillary insurance products.

Open enrollment through the RBA will be held October 24–November 4, 2022. Coverage for those who enroll will begin January 1, 2023. The RBA will be sending information regarding open enrollment in October.

When considering a severance package for a departing minister who is enrolled in medical insurance through the RBA, please be aware that the RBA medical plan does not allow insurance continuation as part of a severance agreement. If a church wants to provide medical insurance to the minister, the minister should enroll in COBRA; the church can either pay the RBA directly for the cost of COBRA or provide the minister with a cash amount (this is considered taxable income). The minister can then either participate in COBRA through the RBA or find an independent plan. However, if a minister is terminating at one church but is waiting for a call, they can remain on the RBA medical insurance for up to three months providing the church pays the premiums directly. Also, if a member enrolled in medical insurance through the RBA retires before age 65, there may be options to stay on the plan as an “early retiree.” Please contact the RBA for more information.

Churches are not able to use standard reimbursement practices if a minister purchases medical insurance through a private insurance company, through the marketplace, through Medicare, or through a spouse’s employer-sponsored plan. Any funds provided directly to a pastor to cover medical insurance must be considered taxable income. Churches and ministers may participate in a third party ICHRA

(Individual Coverage Health Reimbursement Arrangement) to reimburse ministers for coverage purchased through the marketplace.

As required in the *BCO*, if the minister and his/her family elect medical coverage through a spouse's employer-sponsored group plan, the church must compensate the minister for any medical premium costs incurred by his/her immediate family, up to the medical premium cost of the RBA plan meeting the minimum standards as stipulated for the year compensated.

The Reformed Benefits Association has partnered with Holmes Murphy and Group Benefits Ltd. (GBL) to offer a simple and personalized insurance resource. This could be helpful for those individuals working less than part time or whose church may not be able to afford medical benefits for their pastor. For more information, call 800-640-7382 or email [sanderson@grpbenltd.com](mailto:sanderson@grpbenltd.com) and mention Holmes Murphy.

### **Minimum Standards for Medical Insurance**

Formulary No. 5 states, "Such insurance coverages shall meet or exceed the minimum standards stipulated by the Board of Benefits Services." The minimum standard of coverage established by the Board of Benefits Services (BOBS) will be met by offering coverage that approximates the consumer plan, as offered by the RBA.

The consumer plan carries a coinsurance of 80 percent, an individual, in-network deductible of \$3,000 and a family deductible of \$6,000. The maximum, in-network, out-of-pocket cost is \$5,000 for an individual and \$10,000 for a family. Coverage is 80 percent after the deductible has been met and until the out-of-pocket maximum has been reached. Once the out-of-pocket maximum has been met, the plan covers 100 percent of eligible medical expenses.

Churches may not provide Medi-Share, or similar programs, for their minister in lieu of traditional health insurance. Although Medi-Share is Christian-based and encourages participants to live a healthy lifestyle, the government does not recognize these programs as health insurance. They are a bill-sharing service. BOBS is mandated to uphold the requirements set forth by the *Book of Church Order (BCO)*, which requires churches to provide health insurance. Therefore, Medi-Share and similar programs are not suitable alternatives.

### **Health Savings Account (HSA)**

A participant in a high-deductible health plan may establish a health

savings account (HSA) that can be funded with pre-tax dollars. This HSA can be established by the employee through a local bank or credit union. Many RCA employers contribute to the HSA accounts of their minister. **It is recommended that employers fund no more than half of the HSA annual maximum contribution for an individual or family.** An employee may also make pre-tax salary deduction contributions to an HSA up to the annual maximum for an individual or family. For 2023, the IRS has set the maximum contributions to an HSA at \$3,850 for a single person and \$7,750 for two or more persons enrolled in a qualified plan. Those over age 55 are allowed a catch-up contribution of \$1,000 annually.

Married couples with HSA-eligible family coverage will share the contribution limit of \$7,750. However, if both spouses have eligible self-only coverage, each spouse may contribute up to \$3,850 in separate accounts. If both spouses with family coverage are 55 or older, they must have two health savings accounts, one in each of their names, if they want to contribute an additional \$1,000 catch-up contribution.

Employees who are over 65 years of age and enrolled in Medicare are not eligible to contribute to an HSA. If you work beyond age 65 and defer Medicare, however, you will need to stop contributing to your HSA six months prior to receiving Social Security.<sup>3</sup>

## **Life and Long-term Disability Insurance**

The *BCO* also requires that churches cover the premiums for group life and long-term disability (LTD) insurance for eligible RCA ministers. Employers must directly pay for the group life and LTD premiums as required by the group plan. In order to not jeopardize the terms of a group plan, ministers cannot pay the premiums through their personal credit card or bank account.

RCA ministers who enroll in medical insurance through the RBA must enroll in the RBA basic life plan. Participants in the RBA may also enroll in supplemental life insurance plans offered through the RBA.

Eligible RCA ministers who work a minimum of 17.5 hours per week will be automatically enrolled in the LTD insurance program administered by BOBS. In addition, RCA ministers who do not enroll in life insurance through the RBA will be automatically enrolled in the group life insurance plan administered by BOBS. Eligible participants will have the

---

<sup>3</sup> <https://healthaccounts.bankofamerica.com/hsa-in-retirement-and-medicare-faqs.shtml>



opportunity to enroll in voluntary life plans through BOBS during open enrollment from November 7–28, 2022.

Part time ministers who regularly work a minimum of 17.5 hours and no more than 29 hours per week may be exempt from participating in the insurance programs, as stated in the *BCO*. To apply for an exemption, a waiver of insurance form must be completed and submitted to BOBS. The waiver is available on the RCA website at <http://images.rca.org/docs/bobs/BenefitExemptForm-parttime-minister.pdf> or by contacting BOBS. The waiver must be signed by the eligible minister, the consistory, and the supervising classis. Ministers who work 30 hours per week or more are not eligible to be exempt from benefits.

Ministers without charge can continue to be covered by group life and LTD insurance for 90 days after their last day worked when enrolled in the Lincoln plans through the Board of Benefits Services. The most recent church where a minister without charge served must pay the premium for this extended period. Life insurance, for those enrolled through the RBA, requires that a member is actively working, so life insurance terminates as of the last day worked. Upon termination, members have the opportunity to port/convert their policy with Reliance. Options for conversion or porting a policy is communicated in a letter from the RBA to the terminated staff.

More information about the life and LTD insurance programs offered through the Board of Benefits Services can be found at [www.rca.org/ltd-and-group-life](http://www.rca.org/ltd-and-group-life). You will also find information about 2023 insurance rates, beneficiary designation, and payment options on this webpage.

Per Internal Revenue Code Section 79, employer-paid group life insurance may generate taxable, imputed income. More information is available on the employer page of the BOBS website ([www.rca.org/benefits/employers](http://www.rca.org/benefits/employers)). Or, visit the IRS webpage: [irs.gov/government-entities/federal-state-local-governments/group-term-life-insurance](https://irs.gov/government-entities/federal-state-local-governments/group-term-life-insurance).

## **Section 4: Definition of Part Time**

Similar to the requirement that BOBS set for the minimum standard for medical insurance for ministers, BOBS is also required to define “part time employment.”

Because different vendors have varying eligibility requirements, the definition of part time varies based on the product.

- For life and LTD insurance purchased through BOBS, part time is defined as working a minimum of 17.5 hours but not more than 29 hours per week. Those working 30 hours per week or more are considered full time.
- A definition of part time for the RCA 403(b) Retirement Program is anyone working 1 to 29 hours per week; however, consistories are required to make contributions for all ministers serving the church under call or contract. Those working 30 hours or more are considered full time.
- For medical insurance, part time means working a minimum of 17.5 hours but not more than 29 hours per week. Those working 30 hours per week or more are considered full time.

If insurance is purchased through the RBA, its terms of participation require that any insured member must work a minimum of 20 hours per week to be enrolled in medical, dental, vision, and life insurance. For further clarification, contact the RBA at 800-701-8992.

## **Section 5: Employee Assistance Program (EAP)**

The Board of Benefits Services (BOBS) has contracted with Pine Rest Christian Mental Health Services to provide free, confidential, Christian counseling services to eligible RCA ministers, retirees, denominational staff, and their households.

This contract includes an expanded network of providers so ministers and their households can seek in-person services in their community at a local clinic. In any given year, up to three visits per issue are provided through an outpatient clinic in your area or via online telehealth sessions.

Also available is access to an online library containing hundreds of articles (about health, wellness, financial, tax, and legal matters), videos, forms, calculators, and assessments.

The employee assistance program is available 24 hours a day, seven days a week. To receive services, call 833-244-2490 and identify yourself as an RCA member. For more information, visit the BOBS webpage at [www.rca.org/benefits/employee-assistance-program](http://www.rca.org/benefits/employee-assistance-program)

## **Section 6: Participating in Social Security and Medicare**

The General Synod of 1996 directed the general secretary to inform newly ordained ministers that it is their responsibility to fully participate

in the Social Security system (*Minutes of General Synod 1996*, pp. 304-6). The report from General Synod states the following reasons for not opting out:

- The Reformed tradition views government as a necessary means by which order is preserved.
- According to John Calvin, paying taxes is one way that citizens exercise their duty to the government and thus to one another.
- Those who would offer a conscientious objection to public insurance need to deal with the reality that, in modern society, the care of widows, orphans, and the elderly depends on established government programs.
- A minister of Calvinist persuasion will, it would seem, face a very difficult assignment if he or she is called before the IRS to give an account of his or her specific “religious considerations.”
- If your opt-out decision was challenged by the IRS, no one in the official denominational structure will be able to support your view.

## **Section 7: Treasurer’s Frequently Asked Questions**

### **1. Who does what: BOBS or Fidelity? Who should I contact if I need assistance?**

The RCA Board of Benefits Services is the administrator of the RCA Retirement Plan and the RCA 403(b) Retirement Program. Fidelity is the custodian and record-keeper of our plans.

Treasurers should contact BOBS for assistance unless they are experiencing an issue related to use of Fidelity’s PSW service or Simplified Contribution Remittance Platform (SCP) for remitting contributions. This includes any requests for and submission of forms. For PSW users please contact Classic Client Managers at 800-917-4369. For assistance with SCP, please contact SCP Help at 800-917-4369 or email [SCPHeP@fmr.com](mailto:SCPHeP@fmr.com).

### **2. What needs to be done when a lay employee who is a participant in the RCA 403(b) retirement program terminates employment or retires?**

The treasurer or church administrator should complete and send BOBS a Retirement/Termination Form. The form is found at [images.rca.org/docs/bobs/TerminationandRetirementform.pdf](https://images.rca.org/docs/bobs/TerminationandRetirementform.pdf). The treasurer or church administrator can also contact BOBS to request a form.

### **3. How are contributions handled for a minister being shared by two churches?**

When a minister is serving more than one participating employer and both employers are submitting contributions, there are two options: One employer may remit contributions through SCP, and the other employer may remit contributions via paper check. Please contact [retirement@rca.org](mailto:retirement@rca.org) to receive the proper form for sending checks to Fidelity. Alternatively, the employers may decide which one of the employers will remit the contributions to Fidelity through SCP on behalf of the minister. One employer will need to remit the contributions for both employers and then seek reimbursement from the other employer.

The division code for the remitting employer using SCP will be documented in the minister's Fidelity record.

### **4. Our treasurer or the person at our church who is responsible for RCA 403(b) Retirement Program contributions is changing. What do we need to do?**

When there is a change in contact person at your church, notify BOBS of the change and provide us with new contact information. BOBS will update our records and Fidelity's records. Simply send an email to [retirement@rca.org](mailto:retirement@rca.org) stating that there has been a change and list the new person's name, phone number, and email address.

It is important to advise BOBS as soon as possible, especially if the departing treasurer was set up to remit retirement contributions online to Fidelity. The new contact person must be registered as a SCP user in order to continue remitting the contributions. To enroll in SCP, use this link: <https://fidelityinvestments.tfaforms.net/660093> or contact the SCP team by phone (800-917-4369) or email: [SCPhelp@fmr.com](mailto:SCPhelp@fmr.com). More information about SCP can be found near the end of Section 2.

It is also important that the benefits other than retirement, i.e., group life insurance and LTD insurance, continue to be paid in a timely manner in order to avoid an interruption of insurance coverage.

## **Section 8: Preparing to Retire**

Retirement is an exciting event. To help remove some of the anxiety from this transition, BOBS offers some information, insight, and

resources to help you through the administrative process and necessary considerations.

As an RCA Minister of Word and Sacrament, your first step toward retirement is to notify your classis and have your classis declare you retired (using the Blue Form). Once your retirement date has been approved by your classis, the clerk should send denominational staff notice of your upcoming retirement. Ministers are also encouraged to notify the BOBS office so that we can keep accurate and up-to-date records.

### **A few items to consider when making your plans:**

- Determine the amount you may need to withdraw as a lump sum for immediate needs.
- Budget for the time after you retire to determine how much income you will need from your retirement account(s) on an ongoing monthly, quarterly, or annual basis. While the amount you elect may be changed (RCA 403(b) only), you need to start somewhere: [www.fidelity.com/viewpoints/retirement/retirement-and-budgeting](http://www.fidelity.com/viewpoints/retirement/retirement-and-budgeting)

### **Some helpful resources:**

- Take advantage of the Fidelity retirement planning tools found on NetBenefits by accessing your account online at [www.netbenefits.com/atwork](http://www.netbenefits.com/atwork).
- Connect with a Fidelity retirement planning expert consultant by calling 800-343-0860.
- Consult your financial planner. It is important to note that all funds rolled out of the RCA 403(b) Retirement Program may not fall under the auspices of the housing allowance letter provided by the Board of Benefits Services, which states that distributions from the RCA Retirement Plan and RCA 403(b) Retirement Program may be declared as housing allowance.
- Financial Planning with Everence: BOBS may be able to subsidize the cost for RCA Ministers for a financial planning experience with a financial planning team who are experts in clergy finance. Contact [retirement@rca.org](mailto:retirement@rca.org) for more information.
- Financial Counseling with Lutheran Social Service (LSS): BOBS has partnered with LSS to provide up to six free financial counseling sessions for RCA Ministers of Word and Sacrament, Commissioned Pastors, and any adult in their household. To set up your first session, visit [lssmn.org/rca](http://lssmn.org/rca).

The following is an outline of a participant's distribution options under

each RCA plan when a participant has accumulated retirement savings.

### **RCA Retirement Plan #72175**

- Distributions will be determined by the participant's original RCA Retirement Plan Distribution Election Enrollment form. If that form is not in existence or cannot be properly administered, the participant will be issued a new form to make a distribution election of systematic withdrawals (monthly, quarterly, or annually), with the amount determined by the participant. This election will begin immediately upon retirement or termination and is irrevocable.
- Upon reaching the age of 59½, a participant may elect to receive up to a maximum of 5 percent annually of their account balance as of December 31 of the year prior to the year in which the withdrawal is to be made. This election is irrevocable. Once elected, the initial distribution will be immediate and subsequent distributions will be calculated based on the same percentage and processed by March 1 of each year.
- Upon reaching age 59½, ordained ministers may request a one-time lump sum payment of up to 10 percent for the purpose of buying a residence. The proof of intention of a home purchase is required.

There are no IRS-required minimum distributions under this plan, but distributions must begin at retirement and cannot be changed thereafter.

### **RCA 403(b) Retirement Program #72433**

- Request systematic withdrawals (monthly, quarterly, or annually).
- Purchase a commercial life annuity
- General loan and home loan
- Rollover your money to another eligible retirement plan (i.e., IRA, 403(b), 410(k))

The IRS requires that participants withdraw a minimum amount annually upon reaching the age of 72 (or 70 ½ if you were born before July 1, 1949). Participants must take the Required Minimum Distributions (RMD) by April 1 of the year after they turn 72 and then must take another RMD by December 31 of the same year and each year after that. Participants can contact Fidelity at 800 343-0860 to set up the RMD payments. If a

participant is due for an RMD but hasn't taken enough distributions for the year, Fidelity will calculate the RMD amount and issue the payment by the end of the year.

## **Frequently asked questions**

### **1. When may I begin distributing funds from my RCA Retirement Plan #72175 account and/or RCA 403(b) Retirement Program #72433 account?**

Upon reaching age 59½, lump sum distributions are available from each plan.

- For the RCA Retirement Plan, you may elect a lump sum of up to 5 percent of your balance as of December 31 of the previous year. This election, once taken, becomes an irrevocable annual distribution of the percentage you elected and will be processed by March 1 each year following.
- For the RCA 403(b) Retirement Program, you may distribute or rollover some or all of your employee contributions.

Upon reaching age 60, a participant may request to be declared retired by his or her classis. Once you are declared retired, the following are your options under each plan:

Under the RCA Retirement Plan #72175: you are required to immediately make a monthly, quarterly, or annual systematic withdrawal election in an amount of your choosing. This election is irrevocable and cannot be changed.

Under the RCA 403(b) Retirement Program #72433: you have the following options: full payout, rollover, or systematic withdrawal. You are not required to take any distributions until you are age 72 when, per the IRS, you must begin RMD (Required Minimum Distributions). Fidelity will contact you in the year you turn age 72 and will calculate and distribute your RMD at year's end.

### **2. Who do I contact for information and forms for distribution at age 59½ and upon retirement?**

The RCA Board of Benefits Services is the administrator for the RCA Retirement Plan and 403(b) Retirement Program.

Contact Fidelity directly for rollovers and withdrawals under the RCA 403(b) Retirement Program by calling 800 343-0860. Access your account online at: [www.netbenefits.com](http://www.netbenefits.com).

### **3. I have funds in both RCA plans, from which should I begin taking distributions first?**

Under the RCA Retirement Plan, upon retirement (age 60), you are required to take systematic distributions immediately. The RCA Retirement Plan is a non-qualified, deferred compensation plan; as such, it cannot be rolled over and is not subject to the required minimum distributions.

The RCA 403(b) Retirement Program is a qualified plan; as such, it is eligible for rollovers (with some restrictions) and has a required minimum distribution upon reaching the age of 72. Upon retirement, you may decide when to start the systematic distributions.

### **4. May I purchase a life annuity with either or both plans?**

Yes, you may purchase an annuity with funds from the RCA 403(b) Retirement Program. Contact BOBS for more details about the process to purchase an annuity.

While the purchase of annuities with funds from the RCA Retirement Plan is an option in the plan document, the purchase of annuities in the name of the board is suspended through December 2025. If a participant wants to purchase an annuity from the RCA Retirement Plan, the purchase would require a fully taxable distribution with which the participant can then purchase an annuity in their name.

### **5. What happens to my account(s) if I die?**

The disposition of your retirement plan account(s) is done according to your wishes, per your beneficiary form and the rules per each plan. If you are married, by default, your spouse is your primary beneficiary at 100 percent. If you wish to name another beneficiary, you must complete the spousal consent form with your spouse's notarized signature. Upon your death, a spousal beneficiary has two options:

For the RCA Retirement Plan, BOBS must refer to your most current beneficiary form for your beneficiary designations. If you had already begun taking distributions at the time of your death, your beneficiary(ies) will receive the same amount at the same frequency. If distributions had not yet begun, then your beneficiary(ies) will be required to take a full payout or make a distribution election to begin immediately. The election is irrevocable.

For the RCA 403(b) Retirement Program, the spousal beneficiary



and non-spousal beneficiary(ies) may receive a full payout or a spousal beneficiary may join the plan. In this case, a spousal beneficiary account will be opened in his or her name, and the assets from your account will be transferred to his or her beneficiary account. The spousal beneficiary will have all the same rights and privileges, except for housing allowance.

Please be sure you have completed a beneficiary form for both plans and have them on file. The best way to ensure that your beneficiaries are paid out in a timely manner is to complete and/or update your beneficiary information by accessing your account online at [www.netbenefits.com/atwork](http://www.netbenefits.com/atwork) or call Fidelity at 800-343-0860 to request the forms and be sure to fill out the beneficiary information completely (include SSNs, date of birth, and addresses).

## **6. What happens to my RCA retirement plan(s) and insurances if my church leaves the RCA?**

For lay employees:

- **Under the RCA 403(b) Retirement Program**, if an RCA church leaves the denomination, neither the church nor the lay participant may continue to contribute to the RCA 403(b) Retirement Program. The lay employee will become inactive until they terminate their employment with the church. Any contributions made after the date the church has officially left the denomination must be returned to the church. Once the lay employee stops working for the former RCA employer, they will have full access to their account and may request a payout or a rollover.
- **Under the RCA Retirement Plan**, the lay participant, if under age 60, is deemed “terminated.” If the participant is age 60 or older, they are deemed “retired” and, under the plan rules, will be subject to the distribution elections made on their original RCA Retirement Plan enrollment form. If that document is not available or is not able to be administered, the participant may elect to take a full payout or make a distribution election to begin immediately. All elections from the RCA Retirement Plan are irrevocable.
- **Under insurances through the RBA**, lay employees who are enrolled in insurances administered through the RBA should contact the RBA at 616-224-5881 or [benefits@reformedbenefits.org](mailto:benefits@reformedbenefits.org) to determine their eligibility.

For RCA ordained ministers:

- **Under the RCA 403(b) Retirement Program**, an RCA-ordained minister is always active in the plan and the non-RCA church may continue to contribute to their minister's RCA 403(b) Retirement Program account as long as the minister remains ordained in the RCA. However, the church is no longer required to make employer contributions. The RCA minister is not required to participate in the RCA 403(b) Retirement Program while serving a non-RCA church, but may do so and may always make salary deferred contributions.
- **Under the RCA Retirement Plan**, the minister will remain active in the plan. No action is required until the minister retires or is no longer working for the church.
- **Under insurances through BOBS**, as an ordained RCA minister, he or she may continue to participate in LTD and life insurance provided by BOBS as long as they are working a minimum
- **Under insurances through the RBA**, RCA ordained ministers who are enrolled in insurances administered by the RBA should contact the RBA at 616-224-5881 or [benefits@reformedbenefits.org](mailto:benefits@reformedbenefits.org) to determine their eligibility.

Churches and ministers who are considering leaving the RCA should review the "Leaving the RCA?" webpage ([www.rca.org/leaving](http://www.rca.org/leaving)) to learn more about how leaving the denomination impacts their benefits.

## **7. What happens to my RCA retirement plan(s) and insurances if my RCA minister transfers her/his ordination from the RCA and the church leaves the RCA?**

- **Under the RCA 403(b) Retirement Program**, if the minister participant is still working for the same employer (whether an RCA church or not) and there has not been a distributable event, the minister must leave their money in the plan. Should the minister leave that employer, they are deemed "terminated" in the plan and will have full access to their account and may request a payout, a rollover or leave it in the plan until a later date.
- **Under the RCA Retirement Plan**, the minister participant, if under age 60, is deemed "terminated." If the minister is age 60 or older, they are deemed "retired" and, under the plan rules, will be subject to the distribution elections made on their original RCA Retirement Plan enrollment form. If that document is not available or able to be administered, then the participant

may elect to take a full payout or make a distribution election to begin immediately upon termination or retirement and the election is irrevocable.

Once a minister transfers their ordination out of the RCA, they are no longer eligible to participate in LTD and life insurance provided by BOBS. Their insurance will be terminated immediately. They will have 30 days from the date of termination to convert their insurance and continue it by making payments directly to Lincoln Financial.

For complete and up-to-date information regarding this subject, please visit: [www.rca.org/leaving](http://www.rca.org/leaving).

If the minister is enrolled in insurance provided by the Reformed Benefits Association (RBA), please contact the RBA office for more information at 616-224-5881 or [benefits@benefitsreformed.org](mailto:benefits@benefitsreformed.org).

Contact the Board of Benefits Services with your questions or to schedule a discussion: [retirement@rca.org](mailto:retirement@rca.org).

## **Section 9: Contact Information and Resources**

### **General questions:**

- 866-221-5480; [retirement@rca.org](mailto:retirement@rca.org)

### **RCA Retirement Plan and RCA 403(b) Retirement Program:**

- Thos Shipley, retirement program plan administrator: 917-277-9373; [tshipley@rca.org](mailto:tshipley@rca.org)

### **RCA life insurance and long-term disability insurance plans:**

- Cineca Anthony, life and LTD administrator: 866-221-5480; [retirement@rca.org](mailto:retirement@rca.org)

### **RCA 403(b) correction, reallocation, and other special projects:**

- Feifei Liu, benefit actuarial analyst: 917-277-9374; [feifeiliu@rca.org](mailto:feifeiliu@rca.org)

### **Retiree chaplains and assistance program:**

- Mornier Rich, coordinator of retiree chaplains and assistance program: 917-277-9371; [mrich@rca.org](mailto:mrich@rca.org)

### **Clergy financial health, communications, and grant projects:**

- Billy Norden, retirement and financial education coordinator: 616-541-0890; [bnorden@rca.org](mailto:bnorden@rca.org)

**Executive director of Benefits Services:**

- Kelly Oliveira: 616-541-0869; [koliveira@rca.org](mailto:koliveira@rca.org)

**For participant address changes**, visit [www.rca.org/addresschange](http://www.rca.org/addresschange).

**Mailing address**

Board of Benefits Services  
475 Riverside Drive, Suite 1606  
New York, NY 10115

**Fax:** 833-627-7620

- *When faxing an important document, confirm receipt by also emailing us at [retirement@rca.org](mailto:retirement@rca.org).*

**Fidelity Investments**

- Register and login: [www.netbenefits.com/atwork](http://www.netbenefits.com/atwork) or 800-343-0860

**Reformed Benefits Association (RBA)**

- [benefits@reformedbenefits.org](mailto:benefits@reformedbenefits.org) or 800-701-8992

**BOBS website:** [www.rca.org/benefits](http://www.rca.org/benefits) has several resources available for churches and pastors. A few of those resources are listed below.

- **Life and LTD insurance plans for RCA ministers:** Premium calculator, imputed income calculator, highlights of benefits
  - [www.rca.org/ltd-and-group-life](http://www.rca.org/ltd-and-group-life)
- **RCA 403(b) Retirement Program and RCA Retirement Plan:** Plan document, tax limitations, distribution forms, summary of investment performance, reallocation FAQ
  - [rca.org/benefits/retirement](http://rca.org/benefits/retirement)
- **Information for employers:** RCA 403(b) Retirement Program contribution calculator, summary of benefits for RCA ministers (Annual Insurance and Retirement Benefits Information Guide), and Adoption Agreement
  - [rca.org/benefits/employers](http://rca.org/benefits/employers)
- **Privacy policy:** The benefits page of the RCA website contains the Board of Benefits Services privacy notice. The notice spells out the information we may collect, information we may disclose, to whom we might disclose the information, how to opt out, and our policy regarding confidentiality and security.
  - For more information, visit [www.rca.org/benefits/policy](http://www.rca.org/benefits/policy).
- **Other information:** housing allowance letter, change of address form, etc.





© Reformed Church Press 2022

BOB2257