



# Catholic Diocese of Sioux Falls

## Group Insurance Benefits Provided to Lay Employees

Salary and benefits paid to lay employees of parish and diocesan ministries must be a balance between the Church's obligation to care for those who carry out Her work and the Church's capacity to fund the many ministries She has established to attend to the pastoral needs of the faithful entrusted to Her care.

Out of concern for their physical, spiritual and financial well-being and recognizing that the provision of group insurance benefits extended to employees through their employer is a common practice, the Diocese of Sioux Falls requires that group insurance coverage is made available to lay employees of the diocese, diocesan ministries, parishes and school.

To assist the parishes, schools and other ministries in carrying out this just offering, group insurance plans have been established by the Diocese of Sioux Falls with published minimums for eligibility. So that the financial burden of rising costs of insurance benefits might be shared as broadly as governmental regulation will allow, the group insurance plans expand the risk pool in order that the plans might continue to enjoy financial stability. So that the diocesan plan might remain compliant with regulatory requirement and with contractual obligations, parishes, schools and other ministries must seek the written permission of the bishop before offering an alternative health plan to employees.

### **Eligibility – Parishes, Schools and Other Recognized Ministries as Employers**

Parishes in the diocese, including the schools that function as a ministry of those parishes, the Diocesan Chancery, and certain diocesan ministries listed in the Official Catholic Directory are required to participate in and make the group insurance plans established by the Diocese of Sioux Falls available for their employees and the employee's family.

### **Eligibility – Lay Employees**

Lay employees who work a minimum of 20 hours per week and their families are eligible to participate in the group insurance plans established by the Diocese of Sioux Falls. The seasonal nature and classification of certain positions should be considered when determining eligibility based on average expected hours per work week.

### **Minimum Premium Contributions by Employers For Group Health Insurance**

The following schedule is a prorated *minimum* benefit structure for the employer contribution, as well as the resulting *minimum* percentage of total premium to be paid by the employer for group *health* insurance:

<b><u>Average Expected Hours Per Week</u></b>	<b><u>Percent of Full Time Benefit</u></b>	<b><u>Resulting Percent of Total Premium Paid by Employer</u></b>
<b>0 - &lt;20 Hours</b>	<b>Does Not Qualify</b>	<b>N/A</b>
<b>20 - &lt;30 Hours</b>	<b>50%</b>	<b>25%</b>
<b>30 - &lt;40 Hours</b>	<b>75%</b>	<b>37.5%</b>
<b>40 Hours</b>	<b>100%</b>	<b>50%</b>

*This is a minimum contribution policy. The employer may provide a greater level of benefit.*

Employers wishing to extend a higher level of benefit to a particular class of employee must first consult with the Diocesan Director of Human Resources before extending this benefit.

## **Examples**

A parish youth minister works 40 hours per week. The youth minister has elected to enroll in the family health insurance benefit. The insurance premium is \$1,000.

*The parish would pay \$500 (50%) of the monthly premium. The \$500 in remaining premium is deducted from the employee's salary.*

A .8 FTE school teacher works under contract four days per week, 32 hours per week during the school year. The monthly individual insurance premium for the teacher is \$500.

*The school would pay \$187.50 (37.5%) of the monthly premium during the contract period.*

The same .8 FTE school teacher elects to enroll in the family health insurance benefit. The total premium is increased to \$1,000.

*The school would pay \$375 (37.5%) of the monthly premium during the contract period.*

A parish secretary works 18 hours and 23 hours per week on an alternating schedule. Because the secretary's average hours per week worked is greater than 20, the parish is required to pay a portion of the \$500 monthly individual health insurance premium.

*The parish would pay \$125 (25%) of the monthly premium.*

## **Plan Design**

To better accommodate individual needs, the Diocese of Sioux Falls will attempt to make available enhanced plan designs to employers when feasible.

## **Renewal**

The Diocese of Sioux Falls will inform parishes and other employers of changes in plan benefit design and annual premium rates in advance of the plan renewal date.

## **Contact**

If you should have any questions or comments regarding the health plan for lay employees, please contact the Diocesan Director of Human Resources, Twila Roman at 988-3741 or the Diocesan Finance Officer, Mike Bannwarth at 988-3759.