

**Denominational Health Plan Policy**  
**The Episcopal Diocese of Upper South Carolina**  
**October 2015**

The Episcopal Diocese of Upper South Carolina (EDUSC), in accordance with the Canons of the Episcopal Church, establishes a policy ensuring that the diocese and all of its congregations provide health insurance for all eligible employees (those lay and ordained employees who work 1,500 hours or more per year) through an approved Diocesan plan according to the following:

1. **All eligible employees will be offered health insurance.** The plans available will be selected by EDUSC from those offered by Episcopal Church Medical Trust. Employees may opt out of EDUSC health insurance coverage and will be required to sign a release declining coverage if they choose to opt out.

2. **All eligible employees will at a minimum be offered health insurance at the level of “Employee.”**

3. **Schools, day care facilities and other parochial and diocesan institutions that are legally distinct from EDUSC or the Parishes with which they are affiliated are encouraged to achieve parity between all clergy and lay employees.** These institutions are encouraged but are not required to purchase insurance from the Episcopal Church Medical Trust and will be required to solicit bids from the Episcopal Church Medical Trust when purchasing insurance for their employees.

4. **Diocesan Executive Council shall annually assess health insurance plan options** from the Episcopal Church Medical Trust to ensure that EDUSC plan options provide adequate cost choices and quality coverage for all eligible employees in the diocese.

**Compliance:** The EDUSC DHP policy is written in such a way as to conform to the canons of the Episcopal Church.

**Eligibility:** Health insurance **MUST** be offered to all employees who work 1,500 or more hours annually. Insurance may be made available to employees who work 1,000 to 1,499 hours and they may purchase their own coverage through the diocesan plan.

**Opting Out:** The Episcopal Church Medical Trust allows eligible employees to opt out of the DHP coverage **provided** they have insurance coverage from an approved source as described by the Church Medical Trust. Parishes may not opt out – only individual employees. Lay or ordained employees who opt out must sign a release noting their desire to decline coverage as it has been offered. Under no circumstances should an employee be pressured to opt out by the employer.

**Level of Coverage:** EDUSC has set “employee” as the minimum level of coverage, a level that includes the majority of plans already utilized by employees in the diocese. A parish may also elect to offer their eligible employees ‘family’ coverage. An employee may purchase additional coverage or a more expensive plan than the minimum their employer offers.

**Schools and Other Institutions:** The Episcopal Church has made it clear that as a body we seek parity among all our employees, lay or ordained, when considering health insurance offerings. All Episcopal institutions are included in this vision, although EDUSC recognizes that the economic realities of the DHP around purchasing insurance create a particular hardship for some schools and institutions. As long as the spirit of the resolution is being met, schools and other institutions have the option to seek their own plans and pricing. In order to keep the door open to future participation in the Episcopal Church Medical Trust, all diocesan schools and institutions engaged in a bid process for health insurance are requested to seek a quote from the Trust as a part of that process. Ultimately, as more institutions join the Episcopal Church Medical Trust, everyone shares in the cost effectiveness of large group insurance. In cases where the Trust is competitive with other options, it is the hope of EDUSC that schools and institutions will consider joining the Trust.

**Plan Options and Pricing:** Diocesan Executive Council makes annual selections for health insurance plans with counsel and recommendation from the Commission on the Diocese. Moving forward Council recognizes the need for a careful review of plan options at various price points. Current and recent plan offerings have been very full benefits and therefore carry considerable premiums. Some parishes will experience increased costs associated with the DHP Policy, and we will work diligently to find plan options that balance good coverage and affordable premiums.

**Implementation:** While this policy takes effect on January 1, 2016, we realize that some parishes require additional time to plan for the changes this DHP policy is creating. As with all diocesan policies, parishes should do their best to meet the requirements of the policy, and should be in conversation with the Diocese if that is not possible.

As a part of implementation, all new hires from January 1, 2016 must be made in accordance with the DHP Policy of the Diocese. For all clergy called after January 1, 2016, Letters of Agreement must contain language that is compatible with the DHP Policy. *Clergy Letters of Agreement dated prior to December 31, 2015 will be honored at the level of health insurance coverage contained in the Letter of Agreement and the level of health insurance provided in the Letter of Agreement shall not be considered when determining parity in that parish.*

Approved by Diocesan Executive Council October 12, 2015