

## **Affordable Care Act (ACA) to have major impact on Conference health insurance plan in 2014.**

The Conference Board of Pension & Health Benefits (CBOPHB) established a task force to recommend how the conference should implement the Affordable Care Act (ACA). The group evaluated our current framework that provides access to a group plan for lay employees at local churches. Their recommendation is that the group plan through the conference is no longer needed.

Effective Jan. 1, 2014, local churches and extension ministries will no longer have the opportunity to adopt the conference health insurance plan for lay employees. The conference health insurance program will limit participation to clergy serving full time under Episcopal appointment and full time lay employees on the conference staff.

The rationale for offering the conference health insurance plan to lay employees at local churches was due primarily to the lack of individual or small group plans that would accept individuals without medical underwriting. Most local churches that chose to adopt the conference plan did so because they were unable to secure private insurance plans for their lay employees that did not exclude those with pre-existing conditions. One of the key provisions of the ACA is the requirement that insurance plans cannot deny insurance coverage to individuals with pre-existing medical conditions.

Later this year lay employees at local churches will have the opportunity to apply for insurance coverage through Health Insurance Exchanges or Marketplaces established as a part of the ACA implementation. In addition, many of these workers may qualify for Premium Tax Credits to assist them in purchasing affordable health insurance coverage.

Each local church must determine how to comply with the new law based on the composition of its workforce. The ACA requires any employer *with 50 or more full time employees* to provide health insurance coverage to its employees. Most local churches across the Florida Conference do not employ 50 or more full time equivalent employees and will not be penalized for not providing health insurance to their lay workers. However, any local church, preschool or extension ministry that has 50 or more full time equivalents will be required to provide “affordable” health insurance coverage that satisfies the definition of essential health benefits or face fines and penalties for non-compliance.

The General Board of Pension & Health Benefits (GBOPHB) has a comprehensive directory of reference material on the ACA. This resource is provided to assist Annual Conferences as well as local churches in determining how to comply with the new law. You can find this information at:

[http://www.gbophb.org/health\\_welfare/healthcarereform/index.asp](http://www.gbophb.org/health_welfare/healthcarereform/index.asp).

We encourage Staff Parish Relations Committee (SPRC) members to begin considering how to address this development in their local settings as soon as possible.

Two workshops will be offered for local church leaders this summer to provide information and assistance in implementing the ACA. Further details on workshops and other changes planned as a part of the ACA implementation will be released as details become available.

Submit any questions or comments on this topic to: [benefits@flumc.org](mailto:benefits@flumc.org)