

CPP Eligibility Decision Support Guide

Current CPP Eligibility Rules

General Eligibility:

- Full time clergy with compensation equal to at least 60% of the DAC/CAC; whichever is lower
Premium: 3% of Plan Compensation

Special Arrangements – Required and Optional

- Leave of Absence (voluntary and involuntary)
- Less than full time (ordained clergy and associate members)
- Full time but earning less than minimum requirement
Premium: 3.4% of DAC (Required) / 4.4% of DAC (Optional)

Proposed CPP Eligibility Rules *Effective January 1, 2017*

General Eligibility in CPP only; elimination of Special Arrangements

- Full time clergy with compensation equal to at least 25% of the DAC
Premium: 3% of Plan Compensation

Plan Sponsor Election

- $\frac{3}{4}$ time Ordained
- $\frac{3}{4}$ time Student and Part Time Local Pastors
Premium: 3% of Plan Compensation
- Continuation of coverage for clergy on LOA's for 12 months maximum
Premium: 3% of Plan Compensation (compensation immediately preceding LOA)

Immediate Impact of Proposed Rules

Clergy who will **lose** coverage:

- Ordained Clergy and Associate Members appointed 25% and 50%

Clergy who will **gain** coverage:

- Clergy appointed to 100% with plan compensation at least 25% of the DAC

Considerations for Proposed Rules

- What is net effect of clergy automatically **gaining coverage**? (**Exhibits A**)
 - Clergy appointed 100% making less than 60% of the DAC but more than 25% of the DAC
- What is the net effect of clergy automatically **losing coverage** (**Exhibit B**)
 - Clergy that are appointed 50% and 25%
- Do you want to provide LTD/Life coverage for 75% (Ordained and/or Local Pastor)
 - If yes: do you want to provide coverage through CPP or UMLifeOptions? (**Exhibit C**)
 - What is the premium for each, and any savings of one compared to other?
 - If UMLifeOptions is preferred choice, which entity will elect (Conference or Local Church)
- Do you want to continue to cover LOA in CPP or elect to provide continuation coverage for clergy on an LOA?

UMLifeOptions Plans Highlights and Considerations at a Glance

Please see UMLife Highlight Sheets for more information

Benefits	CPP	UMLifeOptions
Premium Calculation	3% of Plan Compensation	Age Based
LTD Benefits	70% of pre-disability comp	60% of pre-disability comp
LTD Elimination Period	None (LTD benefits retroactive to day one)	90 or 180 day before LTD begin
Participant Death Benefit	Yes; flat dollar amount	Yes; flat dollar – plan sponsor elected
Spousal Death Benefit	Yes; percentage of DAC	Yes; flat dollar – plan sponsor elected
Surviving Spouse Death Benefit	Yes; percentage of DAC	No
Child Death Benefit	Yes; percentage of DAC	Yes; flat dollar – plan sponsor elected
Retiree Death Benefit	Yes; percentage of DAC (paid up benefit)	Yes; flat dollar – plan sponsor elected
Retiree Dependent Death Benefits	Yes; percentage of DAC	No
Surviving Spouse Annuity	Yes	No
Educational Benefit	Yes	No

Please note that participation in UMLife Options does not count toward CPP Retiree Death Benefit Eligibility