

REPORT OF THE COMMITTEE ON CONSTITUTION AND CANONS

Canon 14 - Health Insurance Benefits

1 All congregations and other entities subject to the authority of the Church
2 shall provide health insurance benefits to all qualified clergy and lay
3 employees and contribute to the cost for such benefits as shall be
4 mandated by the canons of the Episcopal Church, and resolutions of the
5 General Convention or the diocesan convention.

Supporting Information

The 76th General Convention adopted resolution A-177 establishing the denominational health plan (DHP) and amending its associated Canon (Canon I.8) in July, 2009.

Canon I.8 was amended to mandate the provision of health insurance to all employees of the Episcopal Church who are scheduled to work at least 1,500 hours a year. Each diocese is to determine the minimum requirements for the provision of health insurance and what employment settings are to be included in the mandate (congregations, schools, community development corporations, diocesan staff and such). The diocesan-wide policy must apply equally, within each employment setting, to clergy and lay employees scheduled to work 1,500 or more hours per year. The canon is effective January 1, 2013.

The proposed canonical change seeks to bring the diocese in compliance with the General Convention resolution and national church canon.

The text of the existing canon is as follows:

Canon 14 - Insurance

The Diocese of Newark shall obtain a group policy or group policies which will provide life and health insurance coverage for the clergy of the Diocese. Participation by Parishes, Aided Parishes, Incorporated Missions and Missions is mandatory. The premium cost attributable to insurance employed by a Parish, Aided Parish, Incorporated Mission or Mission shall be paid by that Parish, Aided Parish, Incorporated Mission or Mission. The effective date of this shall be January 1, 1985.

Resolution A-177 stated:

Resolved, the House of Deputies concurring, That this church establish The Denominational Health Plan of this church for all domestic dioceses, parishes, missions, and other ecclesiastical organizations or bodies subject to the authority of this church, for clergy and lay employees who are scheduled to work a minimum of 1,500 hours annually, in accordance with the following principles:

1. The Denominational Health Plan shall be designed and administered by the Trustees and officers of The Church Pension Fund, following best industry practices for comparable plans;
2. The Denominational Health Plan shall provide that, subject to the rules of the plan administrator, each diocese has the right to make decisions as to plan design options offered by the plan administrator, minimum cost-sharing guidelines for parity between clergy and lay employees, domestic partner benefits in accordance with General Convention Resolution 1997-C024 and the participation of schools, day care facilities and other diocesan institutions (that is, other than the diocese itself and its parishes and missions) in The Denominational Health Plan;
3. The Denominational Health Plan shall provide benefits that are comparable in coverage to those benefits currently provided by the domestic dioceses and parishes of this church;
4. The Denominational Health Plan shall provide equal access to health care benefits for eligible clergy and eligible lay employees;
5. The Denominational Health Plan shall provide benefits through The Episcopal Church Medical Trust, which shall be the sole plan sponsor for such benefits and continue to be operated on a financially sound basis;
6. The Denominational Health Plan shall have a church-wide advisory committee that is representative of the broader church and appointed by The Church Pension Fund, and such church-wide advisory committee shall receive an annual report about the status of The Denominational Health Plan;
7. For purposes of this Resolution, the term "domestic" shall mean ecclesiastical organizations and bodies located in the United States, including the Dioceses of Puerto Rico and Virgin Islands;
8. The Church Pension Fund shall continue to work with the Dioceses of Colombia, Convocation of American Churches in Europe, Dominican Republic, Ecuador Central, Ecuador Litoral, Haiti, Honduras, Micronesia, Taiwan and Venezuela to make recommendations with respect to the provision and funding of healthcare benefits of such dioceses under The Denominational Health Plan; and
9. The implementation of The Denominational Health Plan shall be completed as soon as practicable, but in no event later than by the end of 2012; and be it further

Resolved, That Canon I.8 shall be amended as follows:

Sec. 1. The Church Pension Fund, a corporation created by Chapter 97 of the Laws of 1914 of the State of New York as subsequently amended, is hereby authorized to establish and administer the clergy pension system, including life, accident and health benefits, of this Church, substantially in accordance with the principles adopted by the General Convention of 1913 and approved thereafter by the several Dioceses, with the view to providing pensions and related benefits for the Clergy who reach normal age of retirement, for the Clergy disabled by age or infirmity, and for the surviving spouses and minor children of deceased Clergy. The Church Pension Fund is also authorized to establish and administer the denominational health plan of this Church, substantially in accordance with the principles adopted by the General Convention of 2009 in Resolution A177, with the view to providing health care and related benefits for the eligible Clergy and eligible lay employees of this Church, as well as their eligible dependents.

Sec. 3. For the purpose of administering the pension system, The Church Pension Fund shall be entitled to receive and to use all net royalties from publications authorized by the General Convention, and to levy upon and to collect from all Parishes, Missions, and other ecclesiastical organizations or bodies subject to the authority of this Church, and any other societies, organizations, or bodies in the Church which under the regulations of The Church Pension Fund shall elect to come into the pension system, assessments based upon the salaries and other compensation paid to Clergy by such Parishes, Missions, and other ecclesiastical organizations or bodies for services rendered currently or in the past, prior to their becoming beneficiaries of the Fund. For the purpose of administering the denominational health plan, The Church Pension fund shall determine the eligibility of all Clergy and lay employees to participate in the denominational health plan through a formal benefits enrollment process, and The Church Pension Fund shall be entitled to levy upon and collect contributions for health care and related benefits under the denominational health plan from all Parishes, Missions, and other ecclesiastical organizations or bodies subject to the authority of this Church with respect to their Clergy and lay employees.

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