



# NORTH CENTRAL DISTRICT OF THE C&MA

## Health Insurance FAQs & Resources

### Frequently Asked Questions

**1. Is my church required to provide insurance to me and/or our pastoral staff?**

Churches are required by law to pay for certain types of insurance – Worker’s compensation and unemployment insurance are the ones we know are required in Minnesota, North and South Dakota. Churches can apply for exemption from unemployment insurance.

**2. Does the Alliance Benefits Plan require participation by 50% of the churches in the North Central District for our church to participate?**

The Alliance Benefits Plan Board removed the requirement of 50% of the churches in the participating church’s district from the Plan in 2016.

**3. What if my church wants to provide benefits – what should we have in place to make sure our employees are covered?**

Each church should have an employee policy or handbook which clearly states whether or not the church provides benefits to employees. Care should be taken to make sure that each “class of employee” (pastoral, administrative, janitorial, etc.) are treated the same. That policy should have a clear statement similar to this – *“For the benefit of employees and this organization, (name of church) provides certain employee benefits outlined within this policy/handbook. All employee benefits are subject to change or elimination at any time at the discretion of the organization. Benefits also may be modified in accordance with federal and state law. Contact the church treasurer with any questions regarding benefits.”* – taken from “Working Together”, published by Brotherhood Mutual Insurance Company.

**4. Can benefits be declined by an employee of our church?**

Each employee should be given the choice to elect or deny benefits that are offered to them. Documentation should be kept on file when coverage is elected and/or denied.

**5. Can one employee receive benefits through the group plan and another employee receive a predetermined cash amount for benefits via an alternative plan?**

Your policy or employee handbook should provide for how benefits are paid on behalf of employees. If the church does elect to pay cash to the employee in lieu of paying for the benefits – this is taxable compensation to the employee. Typically, this “payment in lieu of” is less than the full amount if the church were to pay for the benefits.

**6. What advantages does the Alliance Benefits Plan provide?**

The Alliance Health Plan is a self-funded, multi-employer church plan that is specifically for the Alliance family. Monthly premium includes: medical, HAS contribution, prescription, dental, vision, life insurance, and long-term disability.



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### Resources

- [The Alliance Benefits Plan](#)
- North Dakota Options
  - Blue Cross Blue Shield of North Dakota
  - Medica
  - Sanford
- South Dakota Options
  - Avera
  - Sanford
- Minnesota Options
  - MNSURE
    - Individual plans
    - SHOP – Small Business Health Options Program
  - Local insurance broker