

News & Notes

Summer 2017

NEW Benefit Program: Long Term Care Insurance

by Jerry Rich

FCMM has partnered with a leading Long Term Care Insurance (LTCI) agency to help address the need for planning for staff members of Evangelical Free Churches and ministries as well as other FCMM-participating organizations. Newman LTC is known for their proven experience and exclusive focus in this area. They work with many of the leading insurers, giving you one trusted resource to explore all your options.

Staff members of EFCA ministries and other FCMM-participating organizations, begin by contacting FCMM Benefits and Retirement for an initial discussion with one of our licensed agents, Jeff Englin or Jerry Rich. Based on that conversation, if long term care insurance looks like a

viable option, we will connect you with a LTCI specialist at Newman Long Term Care. Your specialist will then work to develop a plan best suited for your health, age, financial situation, and desired care options – and will then obtain competitive quotes from suitable, reliable insurance carriers.

For many, long term care insurance can be an effective solution to help protect retirement assets and personal savings. The benefits and resources provided by an insurance policy may also alleviate some of the care-giving burdens from loved ones.

Premiums paid for LTCI may qualify for tax deductions, payment from Health Savings Accounts, or even an employer-provided tax-free benefit.



SIGN UP for *Benefits Briefing* Email

At least twice a year, FCMM publishes an emailed newsletter focused on benefits developments, not only regarding FCMM, but also other updates in tax law and human resources.

To sign up for *Benefits Briefing*, visit the News & Articles section of our website.

UPDATE: Document Available for Small Employers to Pay Individual Health Insurance under QSEHRA

FCMM has worked with legal counsel to provide a working document that can guide a church in implementing a QSEHRA starting in 2017. Download it from the News section of the FCMM website.

The new Qualified Small Employer Health Reimbursement Arrangement (QSEHRA) allows employers with fewer than 50 full-time employees to reimburse (or directly pay) health insurance premiums obtained individually by employees, along with other medical expenses. The QSEHRA lifts part of the ACA prohibition against employer payment of individual premiums, but enacts significant guidelines that limit the extent of the benefit, such as a cap of \$10,000 for family benefits. QSEHRA benefits are not included in reported income.

Access Your Account Online: Downloadable Statements and More

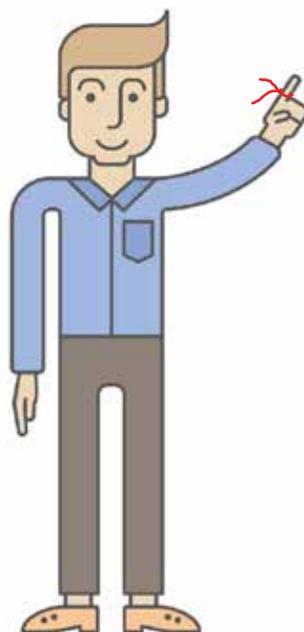
Electronic statements (PDF documents) are available via FCMM online retirement account access. You may opt out of receiving a mailed statement by changing your preference under the **MyProfile** tab while logged in to your account. (For participants with international addresses the eStatement must remain activated.) Each quarter, when a new statement is available you'll receive an email alert. Be sure to read the quarterly newsletter from the link included in your email alert, or any time at FCMM's website.

Please use the "Account Access" link at the top line of FCMM's website to log in. If you have not previously accessed your account online and need instructions, please contact FCMM's customer service, fcmm@fcmmbenefits.org.

To download your statement after logging in, select your first FCMM Plan listed to reach the Account Overview page, then click on **MyStatements** on the left side of the page.

Your online access allows you to review detailed transactions and to reallocate fund investments within each mutual fund option (Option F, G, or J).

Mutual fund values and transactions are updated daily (Options F, G, & J). FCMM-Managed Funds (Options C, D, E, & H) are collective funds whose values and changes are updated monthly, normally by the fourth week of the following month.



Reminder:

All forms of retirement distributions from FCMM may qualify for designation as ministers' housing allowance where the funds were contributed while the participant was eligible for housing allowance. This means the distributions are tax-free to the extent they are used for housing expense under IRS guidelines.

FCMM serves churches and ministry employers with ...

Retirement

Long Term Disability Ins.

Payroll

Group Health Ins.

Long Term Care Ins.



FAQ'S

Q: *How are Monthly Income Benefits ("annuities") calculated in the Retirement Plan?*

A: When a participant is ready to begin drawing all or some portion of accumulated FCMM retirement funds, a number of factors are used to determine the amount of the Monthly Income Benefit: the value being converted to a MIB, the age of the participant, the age of

the participant's spouse if applicable, current actuarial projections (published mortality tables), earnings rates, and the type of benefit selected. Then, a calculation matches a monthly payment to the actuarial longevity, so that on average, each participant's account would reach zero at the end of the each annuitant's actuarial life.

The MIB earnings rate is calculated on a base interest rate (fixed) plus a variable interest rate and the applicable actuarial table. Each Plan year annuity is considered a separate annuity with a distinct variable interest and mortality table. The variable earnings rate and the actuarial assumptions used at a participant's benefit commencement date will be adjusted only in the case of extraordinary circumstances. For 2017, MIB calculations are based on 5% interest (2% fixed; 3% variable) and the 2010 mortality table.

NOTE: We recommend contacting FCMM three months in advance of your anticipated MIB start date to ensure adequate processing time.

