**NTD Credentialed Ministers’ Life Insurance Program**

Frequently Asked Questions

1. **What is the benefit of this new program to our NTD Credentialed Ministers?**

The District is using the size of our credentialed minister pool to access guaranteed issue insurance coverage for our ministers that may not otherwise qualify at preferred pricing. All Active Credentialed Ministers will receive up to a $10,000 life insurance policy depending on their age ($10,000 Age 20-69; $6,500 Age 70-74; $5,000 Age 75+) at **no additional cost** as well as access to a variety of **voluntary** insurance benefits under a guaranteed issue basis. In addition, the District is creating a benevolent fund with a portion of the funds used to fund this new initiative to provide a death benefit to our Senior-Retired and Disabled Ministers of $3,000 as well as $1,000 for their spouses.

1. ***Will the Joseph Fund go away?***

The Ministers’ Life Insurance Program will replace the Joseph Fund Benevolence Program. Effective June 8, 2021, the Joseph Fund Benevolence Program will cease to exist. As previously noted, the new Ministers’ Life Insurance Program is only available to *“Active”*Credentialed Ministers. However, as part of the new life insurance program, the District will still be providing a life insurance benefit to all Senior-Retired and Disabled credentialed ministers and their spouses. This benefit will be $3,000 for the minister and $1,000 for their spouse.

1. ***What about the funds that have been paid into the Joseph Fund?***

The program requires a $20 initial enrollment fee and a $10 assessment each time a member of the program passes away. We currently have 316 active members in the Joseph Fund Benevolence Program. Based on the current active membership role, the District would collect $3,160 in assessments from its members to make a one-time death benefit of $3,000 to the beneficiary of the member that passes away. The remaining $160 is held within the Joseph Fund Benevolent Program to cover administrative costs associated with printing and postage. The program will cease to exist as of August 1, 2021 when the benefits under the Ministers’ Life Insurance Program become effective. Any funds remaining within the Joseph Fund Benevolent Program will be transferred to the benevolent program for our Senior-Retired and Disabled Credentialed Ministers.

1. ***What about Senior-Retired and Disabled Credentialed Ministers who are not required to tithe to the District?***

Under the Ministers’ Life Insurance Program, the District will use a portion of the 4% tithe allocation to setup a benevolent fund for our Senior-Retired and Disabled Credentialed Ministers to provide a death benefit of $3,000 for the credentialed minister and $1,000 for their spouse.

* 1. ***If I am a Senior-Retired or Disabled Credentialed Minister, what do I need to do to ensure I am part of the new benevolent fund? Do I have to enroll?***

In order to qualify for the new benevolent fund for Senior-Retired or Disabled Credentialed Ministers, you must renew and maintain your credentials with the District on an annual basis. Should you withdraw your credentials or allow them to lapse, you would no longer be eligible for the benevolent fund. From an enrollment perspective, there is no enrollment requirement since this particular fund is a benevolent fund for Senior-Retired and Disabled Credentialed Ministers and not a life insurance policy. The only additional information the District needs is beneficiary information for both you and your spouse. Please contact the District Secretary/Treasurer’s office to ensure your beneficiary information is correct.

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1. ***Who is the insurance carrier for this new program?***

Unum is the insurance carrier for all benefits in this new program except Out-patient Medical. Unum is a Chattanooga, Tennessee-based Fortune 500 insurance company formerly known as UnumProvident. Unum is the top disability insurer in both the United States and United Kingdom. The most recent Fitch Insurer Financial Strength rating for Unum was affirmed at “A-“.

1. ***What if I already have a life insurance policy in place?***

The $10,000 life insurance policy provided in this program along with any voluntary benefits elected are in addition to the insurance policies you may already have in place. The life insurance policy is not a replacement of any current life insurance policies you may have in place. This policy is in addition to your other coverage.

1. ***Do I have to enroll in the life insurance policy?***

Under this new program, the $10,000 life insurance policy is automatic for all *“Active”* Credentialed Ministers. Enrollment is required to properly identify your beneficiary. Coverage cannot be declined for this policy.

1. ***Do I have to enroll in the voluntary benefits?***

The voluntary benefits are completely voluntary and can be declined. If you only want the $10,000 life insurance policy, you can enroll for it alone and decline all other coverages. If this is the case, you will have no additional monthly costs under this program. Your only additional costs for the policy will be any voluntary coverages you elect to obtain.

1. ***When is open enrollment?***

Our initial open enrollment will occur from June 8, 2021 to July 15, 2021. The effective date of all policies for this initial open enrollment will be August 1, 2021. Moving forward, open enrollment will occur during the months of June and December each year. During this time, you will be able to make any changes to your coverage. ***IMPORTANT NOTE:*** All coverage is guaranteed issue, which means a health questionnaire is not required. However, for the guaranteed issue on the additional, **voluntary** term life insurance policy of up to $100,000, you must enroll in a minimum of $10,000 of this voluntary coverage at your initial enrollment period. If you enroll in this minimum level of coverage for the additional, voluntary life insurance coverage, you can increase your coverage on a guaranteed issue basis up to the $100,000 during future open enrollment periods without any type of health questionnaire. If you decline the additional, voluntary term life insurance coverage during this initial open enrollment period from June 8, 2021 to July 15, 2021, you will be unable to obtain guaranteed issue coverage up to $100,000 in the future and will be required to complete a health questionnaire for consideration of coverage at that time.

1. ***How is the life insurance policy paid?***

Based on our proposed resolution, the standard $10,000 life insurance policy for all Active Credentialed Ministers would be paid out of a 4% allocation of the District Tithe paid by the credentialed minister. The District would pay this monthly premium to the insurance carrier directly.

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1. ***How are the voluntary benefits paid?***

Any and all voluntary benefits elected would be paid by the credentialed minister directly to the insurance company through auto draft on a credit card or bank account.

1. ***If I don’t want the life insurance policy, can I request that all 10% of my District tithe be contributed to my Ministers Benefit Association retirement account?***

Under this new program, all Active Credentialed Ministers are required to enroll in the standard $10,000 life insurance policy.

1. **The proposed 4% allocation of my District Tithe would appear to be more than the actual cost of the life insurance policy. What is the District doing with the additional funds?**

The 4% allocation of the District Tithes will be used to fund the monthly standard life insurance policy cost of all Active Credentialed Ministers. We estimate this policy cost to run approximately $60,000 per year. The 4% allocation is anticipated to equate to $105,000 annually, which leaves approximately $45,000 of additional funds. These additional funds will be placed into a Benevolent Program that will provide a $3,000 death benefit for our Senior-Retired and Disabled Ministers as well as a $1,000 benefit for their spouses. Based on our historical experience with the Joseph Fund Benevolence Program, the District would pay out more than $60,000 annually in death benefits. Therefore, the District does not anticipate having a large excess of funds on hand from the 4% allocation of District Tithes but rather a potential scenario where the District will contributed additional funds to the Benevolent Program to keep it sustainable.

1. ***When is my $10,000 life insurance policy effective?***

For our initial enrollment, all coverages are effective August 1, 2021. For any newly credentialed ministers, coverage for the standard life insurance policy is effective on the date the credential status is active/confirmed. All voluntary benefits will have to be elected during the next open enrollment period of either June or December, whichever is sooner. The voluntary benefits will be effective on the first day of the following month. For example, a June enrollment would make coverage effective July 1st while a December open enrollment would make coverage effective January 1st.

1. ***Where can I go to find out detailed information on the Voluntary Benefits offered?***

You can visit [insert web address] to access additional details regarding all voluntary benefits offered. A detailed brochure and, in most cases, a short video is provided to explain the offerings in detail. In addition, you have the ability to contact a representative for enrollment to walk you through all coverages offered.

1. ***How do I enroll in coverage?***

Please visit [northtexas.ag/life-insurance](http://www.northtexas.ag/life-insurance) to obtain additional information regarding enrollment. From this webpage, please click on the “Info/Enrollment” tab to access the enrollment webpage that includes all detailed information on coverages. The actual enrollment will only be open during June and December of each year but you can still access information relating to this program.

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1. ***I’m a newly credentialed minister, when do my benefits become effective?***

Once your credentials are approved and confirmed by the District, your standard $10,000 life insurance policy is effective immediately upon that date. For voluntary benefits, you will have to wait for the next open enrollment period in either June or December, whichever is sooner. If June is your open enrollment period, your voluntary coverage you elect will be effective July 1st. For December open enrollment, your voluntary coverage you elect will be effective January 1st.

1. ***Are there any exceptions to note with the Guaranteed Issue aspect of the voluntary benefits?***

All voluntary benefits are guaranteed issue, meaning that you are not required to complete a health questionnaire to provide evidence of insurability. **HOWEVER**, there is an exception when it comes to the ***guaranteed issue term life insurance policy***. This program offers guaranteed issue term life insurance up to a maximum of $100,000. To obtain this level of guaranteed issue coverage, you must enroll in the minimum level of $10,000 of this additional, voluntary coverage at your initial enrollment period (which is currently June 8, 2021 to July 15, 2021). If you enroll for this minimum level of coverage, you protect your opportunity and can request additional guaranteed issue coverage of up to the $100,000 level (depending on age) during future open enrollments. If you choose not to elect this minimum level of coverage, you will not be able to access this benefit on a guaranteed issue basis and will be required to complete a health questionnaire for consideration and may subsequently be denied coverage. **IMPORTANT NOTE:** We do want to note that this coverage is voluntary and is not the same standard $10,000 life insurance coverage you receive as an Active Credentialed Minister.

1. ***Will the insurance carrier and/or insurance broker under this new program share our personal information with other companies?***

All information is confidential and will only be used for purposes of this specific program. Your information will not be shared with third-party entities not associated with the program.

1. ***What happens if I transfer out of the District or do not renew my credentials with the District?***

Should this occur, you would no longer be eligible or enrolled in the standard $10,000 life insurance policy that the District is offering. However, any voluntary coverage that you have purchased is portable and can remain active if you continue to make your monthly premium payment. This coverage would continue to be administered between the insurance provider and you directly.