

Working While Pensioned (Work After Retirement) Exception Application

Application to be submitted by the Bishop (or, in the Bishop's absence, the Ecclesiastical Authority) of the Diocese in which the work will take place. The completed application must be submitted three months in advance of the proposed start date.

Section 1: Employee Information

Legal Name of Retired Cleric

First MI Last

Mailing Address

Street

City State ZIP

Date of Birth

Section 2: Employment Information

Employer Name

Mailing/Billing Address

Street

City State ZIP

Scope of Responsibilities: Full-time Part-time

Work expected to begin Work expected to end

Exceptions from the Working While Pensioned Rules may be granted for no more than two years total.

Cleric remaining at same place as prior to retirement*: Yes No

Cleric earning more than \$42,850 Yes No

* If the cleric will serve in the same location as just prior to receipt of their pension benefit, please attach a description of their duties and compensation for the position prior to retirement and after retirement.

** During the 12-month period beginning on the start date indicated above.

Section 3: Compensation

Other than a one-time payment, list all amounts on an **annual basis**. See www.cpg.org for details.

\$ _____
Base salary (excluding housing) and
scheduled taxable cash payments

\$ _____
Cash housing allowance and/or
utilities***

Employer-provided housing expected to
last for more than 24 months?***
Yes No
(Check Yes if employer provides **physical
housing** for the employee)

\$ _____
Employer contributions to a qualified or
non-qualified plan.

\$ _____
One-time payments

*** Note that if the retired cleric receives temporary housing (i.e., (1) expected to last for 24 months or less and (2) is not the cleric's permanent residence), whether a cash housing allowance or an employer-provided residence, it will not be included towards housing for the compensation limit. Housing that is not temporary should be included as compensation as of the date the housing is first provided.

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Certification by Applicant and Bishop (or, in the Bishop's absence, the Ecclesiastical Authority)

I certify that:

- If the cleric will serve in the same location as just prior to receipt of their pension benefit, the cleric will serve in a position with limited scope and remuneration (in each case, as compared to all compensated Church work prior to retirement);
- If the cleric is age 65 or older, the Church employer will comply with the Medicare Secondary Payer rules (please review the attached Eligibility For Active Health Plans For Medicare-Enrolled Retirees for further details);
- If the cleric is under age 65 and working at the same location as just prior to receipt of their pension benefit, a bona fide severance occurred (pursuant to the applicable Internal Revenue Code rules) prior to the cleric's return to employment with the Church employer

If you have any questions, call us at (866) 802-6333, Monday–Friday, 8:30AM–8:00PM ET (excluding holidays).

I hereby certify that this information is true and accurate as of the date of this certification.

Date of Application _____ (must be at least three months prior to inception of exception)

Signature of Applicant

Signature of Bishop (or, in the Bishop's absence, the Ecclesiastical Authority)

Printed Name of Bishop (or, in the Bishop's absence, the Ecclesiastical Authority)

Diocese of Bishop or Ecclesiastical Authority

Eligibility For Active Health Plans For Medicare Enrolled Retirees

Medicare Secondary Payer (MSP) Law

The Medical Trust's Plans must comply with the government's Medicare Secondary Payer (MSP) law, which outlines when Medicare is not responsible for paying first for health claims. The government designed Medicare to provide health coverage for retired individuals, not actively working individuals. Medicare requires employers' active health plans to be the primary payer of health claims for individuals who are eligible for active healthcare coverage. If an actively working age 65+ employee is eligible for employer-provided health benefits, then Medicare will not be the primary payer for health claims.

Each employer (parish, diocese, etc.) must determine which employees are eligible for employer-provided health benefits. The Medical Trust cannot determine this policy. The policy should comply with the Age Discrimination in Employment Act (ADEA), which requires employers to offer their age 65+ employees and spouses the same health coverage that is offered to employees and spouses under age 65, regardless of their Medicare eligibility. In addition, this equal-benefit rule applies to health coverage offered to full-time and part-time employees. Those actively working employees over age 65 who are qualified for employer-subsidized health benefits and meet the Medical Trust's basic eligibility rules described in the Medical Trust plan must be offered an active health plan.

Medicare beneficiaries are free to reject employer health plan coverage and retain Medicare as their primary coverage. However, when Medicare is the primary payer, employers cannot offer such employees or their spouses secondary health coverage for items and services covered by Medicare.

Medicare states that an employer cannot sponsor or contribute to individual Medicare supplement health plans or Medicare HMOs for Medicare beneficiaries who are otherwise eligible for active group health coverage. Therefore, the Medical Trust does not offer Medicare supplement health plans or Medicare HMOs to actively working employees and their spouses over age 65 who are eligible for active group health coverage, and the actively working employee and their spouse can no longer receive a subsidy under The Church Pension Fund Post-Retirement Medical Assistance Plan. Failure to comply with the MSP rules can result in penalties assessed against the employer. It is the employer's responsibility to comply with the MSP rules.

For more information, please view information about the Medicare Secondary Payer (MSP) Manual on www.cpg.org.