

## PC(USA) Board of Pensions restructures benefit offerings for 2025

'Season of Rebuilding' plan blueprint affirmed at board of directors spring meeting with pricing to follow in April.

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Philadelphia — The Presbyterian Church (U.S.A.) Board of Pensions (BoP) board of directors today voted to approve the benefit design brought forward by the board and publicly discussed across settings of the church over the past year. Dubbed the “[Season of Rebuilding](#)” in reports and discussion sessions, the hallmark of the design is the restructure of health benefits offerings for installed clergy.

Healthcare offerings in 2025 will include a percentage-based benefit structure that covers installed pastoral participants, as is required by the *Book of Order*, in addition to presbytery-approved commissioned elders. This pastor-only plan – renamed the “Congregational Pastors Package” – will be a reduction from the current percentage paid for full family health coverage. Dependent coverage – for a pastor and spouse, a pastor with children, and a pastor with a family – will be competitively priced as fixed-cost additions.



“When you take all of that together – declining installation of ministers, ministers being systematically excluded from benefits and then our structure itself not matching the demographics of our own population – we were compelled to say, ‘What changes do we make?’”  
— Frank Spencer

Caring financially and medically for clergy, both while they are in service to the church and in retirement, is required by the *Book of Order*. Under the current “Pastor’s Participation” plan offered to installed clergy by the BoP, churches pay 29% of the pastor’s effective salary toward full family health coverage, regardless of the number of family members, 8.5% toward the pension plan, 1.0% toward death and disability insurance, and 0.5% toward temporary disability insurance, for a total of 39% of effective salary.

Several benefits dues packages currently exist for churches and clergy to reduce costs for participation in BoP offerings, including the pension- and insurance-only “Minister’s Choice” plan, “Pathways to Renewal” for new and restructuring congregations, and a medical plan for seminary students.

Frank Spencer, president of the Board of Pensions, said the assumptions included in the existing benefits structure put in place in the mid-1980s are no longer the reality for clergy and employees.

“That system was based on a lot of assumptions about who ministers were and what family structures looked like that no longer fits the context of the church today,” he said. “We have been very conscientious about collecting data and being data-driven in these decisions, and what becomes really powerful is when the anecdotes and the data align.”


In the 1980s, the data pointed toward mostly male clergy with families, where a spouse and children were dependent on the clergy person for benefits. Spencer said data collected by the BoP over the past several years verified assumptions about the changing nature of clergy and the family structure. Of those enrolled in Pastor’s Participation in 2024, Spencer said:

1. Fewer than half (46%) are a clergy person with a spouse and children
2. More than a quarter (28%) are a clergy person with a spouse and no children
3. Single persons comprise 20% of participants
4. The remaining 6% are clergy with children only and no spouse

Added to these statistics is a [decline in installed pastoral leadership in PC\(USA\) congregations](#). For the first time, in 2023, fewer than half of PC(USA) congregations had installed pastors. In 2024, 59% of congregations no longer have installed pastoral leadership. Only 30% of congregations with 150 or fewer members have installed leadership. In Black congregations, regardless of size, just 20% had installed pastoral leadership. The cost of required benefits for installed clergy is one of several factors in these numbers.


**In 2024:**

- 59% of congregations lack installed pastoral leadership.
- 30% of congregations with 150 or fewer members have installed pastors.
- 20% of Black congregations, regardless of size, had installed pastors.



**Matters of equity:**

- 4,219 ministers ordained in the PC(USA) since 2007
- 1,269 have never received BoP benefits.
- 63% of those excluded from benefits are women



Another equity issue discovered in the BoP’s research was that of the 4,219 ministers ordained in the PC(USA) since 2007, 1,269 have never received BoP benefits. A majority of those excluded from benefits – 63% – are women.

“The point was our dues system is set up for full family coverage, and not even half the ministers are utilizing that,” said Spencer. “When you take all of that together – declining installation of ministers, ministers being systematically excluded from benefits and then our structure itself not matching the demographics of our own population – we were compelled to say, ‘What changes do we make?’”

In consultation with more than 1,000 leaders in the church over the last 18 months, and reflecting its research on clergy and employee benefits trends, the Board of Pensions recommended the new structure to its board of directors at their March 7-9, 2024, meeting in Philadelphia.

“By the time we got to this meeting, we’d been working on the plan for two years,” said Margaret Fox, chair of the BoP board of directors and associate pastor for adult ministries at Westminster Presbyterian Church in Minneapolis. “It represents a substantial change from what has been in place for 40 years. A big part of that is recognizing the changing realities of the church ... We’ve been paying attention to who’s been excluded from installed positions and which congregations are struggling because they can’t afford installed pastoral leadership.”

The board of directors approved the following structure for benefits beginning January 1, 2025:

1. Congregational Pastors Package – full health care and defined benefit pension as required by the PC(USA) *Book of Order* for teaching elders. This benefit will be extended to commissioned pastors sanctioned for congregational minister by their presbytery.
  - Required non-contributory (dues paid by the church) coverage for minister.
  - Optional medical coverage for family members on a contributory (dues paid by church and/or member) basis.

2. Covenant Package (replaces Minister's Choice): pension, death and disability insurance provided on a non-contributory (paid by church or employer) basis for all employees of church or church-related entities working 20 hours or more per week.
3. Transitional Pastors Participation Package: designed as a subsidized bridge to the Congregational Pastors Package, it replicates the existing Pastor's Participation plan until it is phased out in 2027.

Actuarial calculations on past-year claims are still underway and pricing will not be available for the plans until early April when an update to this story will be published.

Spencer acknowledges there has been concern voiced by pastors who participate in the Pastor's Participation plan that their congregation will discontinue non-contributory family coverage if it isn't bundled into the pastor's benefits.

"The only appropriate Christian stance to take is that we trust our siblings in Christ to make the best decision they possibly can in their context," he said, noting the concern was also raised when benefits choice was introduced to church employees seven years ago. "But it didn't happen. In fact, congregations enrolled 1,000 more employees over the last five years."

Spencer said one goal of the new plan is to enroll all ministers of Word and Sacrament in benefits programs, but many are currently being excluded. "We feel like the only way to get there is to provide flexibility and transparency and choice, and to have congregations and pastors and presbyteries work together to structure the best outcome in each individual context."



"[This plan blueprint] represents a substantial change from what has been in place for 40 years. We've been paying attention to who's been excluded from installed positions and which congregations are struggling because they can't afford installed pastoral leadership." — Margaret Fox

Greg Goodwiller, executive presbyter and stated clerk of the Presbytery of Saint Andrew in North Mississippi and the executive of the Synod of Living Waters, was part of the discussions on the new plan structure. He acknowledges the community nature of the existing Pastor's Participation plan – where congregations with greater resources subsidize those with fewer – doesn't fit today's families. In his case, Goodwiller's wife had benefits available to her through her university position that she did not utilize because of his BoP health plan.

"Everybody's life situations are different," he says, agreeing with Spencer that congregations will have to reconsider how they provide benefits to pastors and their families. "And that's where the mid councils are going to have to work with the new plan that's coming out – to say how do we, as the mid council, maintain that community nature with our churches as best we can?"

Additional actions of the Board of Pensions board of directors approved a 4.5% experience apportionment – a cost of living and inflation adjustment – in retirement and survivor pension benefits for members and survivors receiving benefits effective July 1, 2024. This 4.5% increase was also extended to those receiving disability benefits from the Board of Pensions. The board of directors also approved all minister members who are enrolled in the Defined Benefit Pension or medical plan as eligible for Minister Debt Relief, Minister Education Debt Assistance, Sabbath Sabbatical and the Clergy Wellness programs.

## New benefits structure approved by the Board of Pensions to begin in 2025. Costs will be available in April.

- Congregational Pastors Package – full health care and defined benefit pension as required by the PC(USA) Book of Order for teaching elders. This benefit will be extended to commissioned pastors sanctioned for congregational minister by their presbytery.
  - Required non-contributory (dues paid by the church) coverage for the minister.
  - Optional medical coverage for family members on a contributory (dues paid by church and/or member) basis.
- Covenant Package (replaces Minister’s Choice): pension, death and disability insurance provided on a non-contributory (paid by church or employer) basis for all employees of church or church-related entities working 20+ hours per week.
- Transitional Pastors Participation Package: designed as a subsidized bridge to the Congregational Pastors Package, it replicates the existing Pastor’s Participation plan until it is phased out in 2027.



*The Presbyterian Church (U.S.A.) Board of Pensions was formed in 1717 and today serves 65,000 members in PC(USA) congregations, retirees and employees of affiliated organizations with health benefits, pension and retirement savings plans, insurance offerings, economic assistance and educational opportunities.*



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