Meeting with members to meet their needs

I feel like I have been living in a Johnny Cash song this year — indeed, “I’ve been everywhere, man.”

By the time 2009 concludes, I will have flown more than 35,000 miles on 45 flights, stayed in 29 different hotels, driven thousands of miles, and met with hundreds of people. And I have not been alone — a handful of BBT staff has logged more collective time among Plan members and organizational clients in 2009 than BBT has done in many years.

Why? To help ensure that BBT is providing the best products, rates, and customer service possible.

From Cocoa Beach, Fla., to San Diego, I have attended, often with other BBT staff members, seven gatherings to articulate how the economic downturn of 2008-2009 adversely impacted the Brethren Pension Plan and the steps that BBT has taken to try to safeguard the Plan.

I have visited client organizations in eight states to discuss how the BBT staff is fulfilling the needs of our members, and to determine what we can do better.

I have attended professional consultations in Arizona and Georgia, alongside the leaders of more than 40 church-based benefit plan organizations, to learn how each of us has dealt with difficulties posed to us by the recent downturn in the markets.

I have met with a representative of another denominational medical plan in Boston to learn how they successfully rebuilt their ministers’

Long-term care insurance — a plan for the future

As the nation focuses on escalating health care costs, long-term care insurance has become a commonly discussed solution to the problem of paying for expensive medical services associated with a prolonged physical illness, a degenerative disease like Alzheimer’s or Parkinson’s, or a disability. Given studies that suggest 70 percent of Americans 65 and older will need long-term care, and that nursing home residency with skilled care costs $187 per day on average (according to 2008 government calculations), people from age 18 to 84 are purchasing LTCi policies today to preserve both their assets and their power to make good health care choices tomorrow.

Though many people think their primary health insurance or Medicare will cover costs associated with maintaining a good quality of life in their later years, neither will completely cover services like personal care — assistance in activities of daily living such as eating and bathing — or skilled or semi-skilled nursing care. Medicaid only pays for long-term care for individuals who have less than $2,000 in

Insurance Services

Randy Yoder, director of Insurance Services, can be contacted regarding LTCi.

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The perils of plastic

Paying with plastic often means paying a premium — especially when paying with a credit card. Debit and prepaid cards are popular, debt-free alternatives to credit cards, but the banks that control them levy fee after fee. Here are a few of the ways card users might pay for convenience —

Credit cards

Credit card users should benefit from The Credit Card Accountability, Responsibility, and Disclosure Act, which was signed into law by President Obama in May. This set of laws ends unfair fee increases, expands notification time for card term agreement changes, raises the age limit for credit card holders, and increases fines applied to banks that break these laws. The first phase of the Credit CARD Act went into effect on Aug. 20; many of the rules, however, will not begin until the middle of 2010, when the remaining phases are rolled out.

Some skeptics think the laws should be even more stringent and have made suggestions to consumers about protecting themselves against predatory credit card maneuvers. Mary Hunt, author of the blog “Everyday Cheapskate,” points out that even with the new laws, card holders cannot opt out of minimum payment or interest rate increases after making a payment 60 days after the due date. Additionally, variable rate credit account holders have interest rates tied to an index like the prime rate; these rates can increase and decrease at any time based on the index.

In anticipation of the full rollout of The Credit CARD Act, companies have been steadily raising interest rates on consumer credit cards and increasing interchange fees — usage payments that retailers pay each time a shopper uses a credit card. Congressional efforts to make the remaining phases effective earlier than planned have stalled in the Senate.

Debit cards

Debit cards, which offer the convenience of credit cards without the debt, have created a new revenue stream for banks. Overdraft payment fees — a fee most banks charge when an account holder withdraws more money than is in the account — may bring in more than $27 billion for banks this year.

More frustrating than the charge itself, for some consumers, is the policy some banks have of reordering purchases made on an insufficiently funded debit card, so that the highest purchase is debited from the account first. For example, if an account has a $16 balance and a $12 purchase is made on Friday, a $65 purchase made on Sunday would be applied to the overdrafted account first, resulting in two overdraft fees.

Wachovia Bank and Bank of America are two of several major banks being sued by members for what plaintiffs call deceptive debit card practices, like reordering purchases.

Checking accounts, the source of funds for debit cards, might also experience new fee structures at many national banks. Some banks have hinted at upcoming monthly fees of up to $20 for checking accounts, on top of ATM and other fees.

“Read the fine print,” urges Steve Bob, director of Church of the Brethren Credit Union. “Know your bank’s fee structure and opt out of any services you don’t want, like overdraft.” Consumers should seek banking institutions, like CoBCU, that do not reorder purchases and make an effort to minimize fees on checking and debit transactions.

Prepaid cards

How can you shop online or pay with the convenience of plastic if you don’t have a bank account or good credit? Banks have devised an answer to this question — prepaid cards. Found in retail stores and banks nationwide, prepaid cards in values of $25, $50, $100, or more can be bought with cash and used like a debit card.

But, like the other members of the plastic family, prepaid cards can be fraught with fees. Account setup fees can run as high as $99; activation charges are generally above $10, and many shave off one or two dollars from the balance for each ATM and debit transaction. An October New York Times study found that fees for two months of “typical use” of the most popular prepaid cards can range from $38.13 to $79.75.

With employers like Wal-Mart putting paychecks on prepaid cards for employees who don’t have bank accounts, and figures that suggest close to $8.7 billion was loaded onto prepaid cards last year, this card is becoming the hottest — and priciest — form of payment in town.

For more information on making wise plastic payment decisions, visit www.mymoney.gov or speak with a financial adviser. — B.S.
CoBCU members can borrow more cash

Are you worried that your rust bucket won’t make it through another winter? Thanks to changes in its lending policies, Church of the Brethren Credit Union can now offer larger loan amounts for automobiles.

“We listened to our members and have therefore raised the limit of our auto loan offerings so that we can better match the loan amount to the cost of the car,” said Steve Bob, director of CoBCU.

These larger loans will be available to Credit Union members with good credit scores.

CoBCU’s auto loan rates are competitive with banks and other credit unions. To emphasize good stewardship of God’s resources, CoBCU offers a 0.5 percent interest rate reduction to members buying hybrid cars.

For more information, contact the Credit Union at 888-832-1383 or cobcu@brethren.org. — B.S.

Access your deposits more quickly at the Credit Union

Church of the Brethren Credit Union strives to make banking easier for its members, no matter where they live. One of the most frequent complaints to the Credit Union has been the need to send checks to another location to be processed, which extended the time between depositing money and having it accessible. With the addition of a check scanner at the Credit Union’s business office in Elgin, Ill., an outside lockbox is no longer needed. Delays in check processing will be reduced by having all checks sent to CoBCU’s main office, effective immediately.

That means it is time to find all your old Credit Union envelopes that have a Chicago address on them and recycle them. If you accidentally use one of these outdated envelopes, it may greatly delay your deposit or payment. If you have a deposit or loan payment to make in the future, please mail it to the following address —

Church of the Brethren Credit Union
1505 Dundee Avenue
Elgin, IL 60120

Moving on, moving in, moving up — staff changes at BBT

On Oct. 2, Bob Mosley, director of financial operations, announced his retirement from Brethren Benefit Trust, effective April 9, 2010. Bob started at BBT as a staff accountant on Sept. 14, 1998; he was promoted to senior accountant in 2000 and manager of accounting in 2005. Bob has been in his present position since May 1, 2008.

BBT welcomes Sandy Schild as the new director of financial operations, starting on Dec. 14. Sandy is a certified public accountant in Illinois, and has a Master of Science in taxation from DePaul University, as well as a Master of Business Administration in accounting and a Bachelor of Business Administration from the University of Wisconsin, Madison. Sandy has served as a controller for Schild Consulting Inc. and a management company, and has also worked in international and domestic tax planning. Sandy lives in Barrington and is an active member of the Barrington United Methodist Church.

After serving BBT’s outreach to members for almost nine years in several marketing and communications positions, Loyce Swartz Borgmann has been promoted to manager of client relations. Most recently, Loyce has supported BBT as its client relations coordinator and will continue to serve BBT from her office in North Manchester, Ind. — B.S.
group plan, and while there met with two of BBT’s investment managers to review their processes for investing some of the funds under BBT management. I met with senior staff at one of the largest credit unions in the state of Washington to learn practices that could be adopted by Church of the Brethren Credit Union.

Indeed, these and many other experiences have helped mold me during my first full year as BBT’s president. I have been educated through observing how others do business. I have been challenged to rethink decisions, to re-examine data, and to reconsider assumptions. Most importantly, many of the meetings and discussions I have had were focused on fulfilling our organizational mission, which is to help people within and affiliated with the Church of the Brethren be good stewards of their financial resources. This year we have taken steps to undergird our ministries. In addition to making changes to the Brethren Pension Plan, we launched the Credit Union’s Online Banking with Bill Pay service. And we have worked to ensure that the funds we manage are producing strong returns.

The frenetic pace of our work promises to continue in 2010. We anticipate launching online capabilities and offering new investment options for Pension Plan members and Brethren Foundation clients. We will begin valuating our funds twice monthly, and our investments will be filtered using four additional screens as part of our commitment to socially responsible investing. We will be increasing customer service capabilities and our presence among our members. We will be assessing compliance issues with all of our ministry areas as well as engaging in an independent review of the Brethren Pension Plan. And we will continue our practice of offering seminars upon request that pertain to issues of good stewardship and money management. (Contact us for a list of those seminars.)

BBT staff members will continue to travel around the country to learn more about those whom we exist to serve. Perhaps we’ll see you next year in our efforts to improve the services and work that we do. — N.D.

“Meeting with members”... Continued from page 1

“Long-term care insurance”... Continued from page 1

assets; eligibility for married couples differs from state to state.

In its commitment to provide health care options for all stages of life, Church of the Brethren Benefit Trust is ramping up its efforts to educate denominational members and employees of Church of the Brethren-affiliated institutions about its LTCi offerings. Currently, BBT provides policies with seven of A.M. Best’s A-rated insurance companies, including John Hancock, MetLife, and Genworth.

In his travels this year, Randy Yoder, director of Insurance Services, has provided members and employees with answers to some important questions, including —

When should I buy long-term care insurance? Although most people invest in LTCi in their 50s or 60s, the premiums you pay are based on your age, so the earlier you purchase a policy, the lower your premiums will likely be. Since LTCi covers medical issues that can occur at any stage of life — permanent disability, for example — policies can be purchased for individuals as young as 18.

What costs can long-term care insurance cover? Every LTCi policy is different, but generally this insurance can cover nursing home care, care in your home by a licensed healthcare provider, custodial services, hospice care, and services provided by adult day care and assisted-living facilities.

Will my current health affect my long-term care insurance cost? Most long-term care insurance policies do require underwriting — a review of your health history — for potential policyholders. Health problems could raise your premium, but medical history is only one of many factors that determines your LTCi cost.

Can I afford long-term care insurance? As the amount of coverage, your health and age, and the percentage of income you wish to spend on LTCi vary, it’s best to ask an insurance representative about how to budget for LTCi. With many companies offering LTCi plans, the cost and benefits of your policy can be tailored to fit your financial needs.

For more detailed answers to these and any other questions you may have about long-term care insurance, contact Randy Yoder at 800-746-1505, ext. 362 or ryoder_bbt@brethren.org. — B.S.
Winter wellness, inside and out

Bundle up — The 2010 Farmers’ Almanac predicts that this winter may bring below-average temperatures to three-quarters of the nation, which means staying healthy might be more of a challenge this year. Here’s a look at two threats to your physical and mental wellness this season, and a treatment style that is growing in popularity.

- **H1N1 flu virus.** Many people are considering the pros and cons of both the 2009 H1N1 flu vaccine and the seasonal flu vaccine. Health care professionals often exalt the virtues of flu shots, as they are intended to keep a person from developing influenza-related complications. Opponents of flu shots note how quickly the flu virus can mutate, reducing the effectiveness of a flu shot, and that getting the shot isn’t worth the adverse reactions that occur in a very small percentage of patients.

  Nevertheless, to combat the spread of swine flu, the Centers for Disease Control and Prevention has advised children, pregnant women, and healthcare workers to get the H1N1 vaccine, available in shot or nasal spray form. If you have questions about the safety of the H1N1 vaccine or the seasonal flu shot, visit the CDC’s Web site at www.cdc.gov or talk to your physician.

- **Seasonal affective disorder.** Holidays, unpleasant weather, and the pressure of writing yet another list of New Year’s resolutions can be stressful for anyone. But for some people, this time of year can more seriously impact their mental health as a result of seasonal affective disorder, a mood disorder that creates depression-like symptoms related to a particular season — usually winter. Exhaustion, lethargy, a craving for sweet foods or carbohydrates, and withdrawal from social activities are the most common symptoms. Light therapy is a popular treatment, but antidepressant medications and negative air ionization — the discharge of negative ion particles into one’s sleeping area — have also proven to be beneficial. See your physician or search “SAD” at www.nlm.nih.gov if you suspect your “winter blues” are deeper in hue than they ought to be.

- **Alternative medicine.** With concerns about side effects related to over-the-counter and prescription cold and flu medicines, vaccines, and antidepressants, the CDC’s December 2008 National Health Interview Survey suggests that 38 percent of U.S. adults are turning to alternative medicine as a path to wellness. Alternative medicine offers substitutes for everything from pain relievers to cancer treatments, and can be used to thwart some of winter’s most common foes. The National Center for Complementary and Alternative Medicine provides a list of homeopathic remedies for ailments normally treated by prescription or over-the-counter medication. Vitamin C can boost your immune system to help prevent the onset of illness; Vitamin B can boost red blood cell activity; treat SAD, and combat degenerative diseases like Alzheimer’s and Parkinson’s. S-adenosylmethionine — SAM-e for short — is a natural supplement that can also be taken to combat SAD-related depression. Acupuncture, Chinese herbs, exercise, and sunlight exposure are other methods for maintaining good winter health without taking a trip to the pharmacy. To get a better idea about available treatments, visit nccam.nih.gov. — B.S.

Wells Fargo contacts Brethren Pension Plan members

Recently, representatives of Wells Fargo Advisors have contacted Church of the Brethren congregations and Brethren Pension Plan members regarding the stability of the Plan. In their letters, they attacked the Plan based on information taken out of context from the Pension Plan’s Web site and implied that the Plan has serious issues.

On Nov 5, Church of the Brethren Benefit Trust sent a letter to these representatives of Wells Fargo Advisors, asking them to cease their attacks on the Pension Plan and apologize in writing to those whom they have contacted. BBT has indicated in its letter that further action will be taken if these representatives do not apologize. Wells Fargo Advisors sent a letter of apology in late November, but it did not address discontinuing its solicitation of Brethren congregations. BBT again requested that this happen and, at press time, had not yet received a reply.

If you have received a letter from Wells Fargo Advisors and have any questions or concerns about the Brethren Pension Plan, please contact Pension Plan Director Scott Douglas at 800-746-1505, ext. 385 or sdouglas_bbt@brethren.org. — B.S.
Church of the Brethren Benefit Trust wishes you and your family Merry Christmas and Happy New Year.

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Inside: A look at wintertime troubles; CoBCU members offered more loan money.

Christmas decorations at Manchester (Ind.) Church of the Brethren.