



ARCHDIOCESE OF WASHINGTON

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Vicar General
and Moderator of the Curia
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December 15, 2010

Dear Brother Priests,

The purpose of this letter is to clarify some information relating to the Long-Term Care (LTC) program for priests and to provide an update to the Priest Personnel Policy manual.

Effective July 1, 2010, all active archdiocesan priests were enrolled in a long-term care program with UNUM, the same provider offering coverage to lay employees of the Archdiocese. **You did not need to do anything for this coverage to be effective.** The Medical and Care Fund pays the premium for this coverage out of the monthly contribution paid by each assignment for active priests.

Priests who were retired as of June 30, 2010 are not eligible for this group LTC insurance program. The Archdiocesan Medical and Care fund will pay an identical benefit as the base UNUM plan. Priests who retire after June 30, 2010 may choose to continue coverage under the group plan by assuming the premiums after retirement.

As to the LTC insurance coverage, active priests automatically have the base coverage of \$1,500 per month for 3 years, but may acquire additional coverage. Indicators that may lead you to decide to obtain additional coverage include:

- you have significant personal assets that you intend to pass on to others
- you do not have significant assets, but you want to ensure you can personally cover long-term care expenses and not use Medicaid

Those who wish to purchase additional long-term care insurance to supplement the core plan do so through UNUM, Knights of Columbus or another carrier of their choice.

Contact information for UNUM and Knights of Columbus follows:

UNUM Benefit Representative
Jay E. Black, CSA CLTC
410-893-9288 (office)
410-409-4695 (cell)
jblack@unum.com

Knights of Columbus Benefit
Representative
Harry J. Canter, MBA, FICF
General Agent
301-262-4300
harry.canter@kofc.org

Please note: if you do not want to pursue obtaining additional long-term care coverage, you do not need to do anything for your base coverage to be effective.

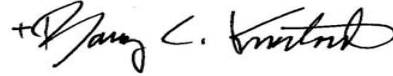
Attached is the excerpt from the Priest Personnel Policy addressing long-term care. For those of you who did not attend one of the LTC regional meetings, you should contact the Office of Ministerial Leadership at 301-853-4550 to obtain helpful UNUM information about long-term care and a description of your coverage. If you have questions about long-term care, there is also more information on the “clergy only” website <http://clergy.adw.org>. The user name is “clergy” and the password is “resources.”

The Priest Personnel Policy also addresses the cost for funerals. Each of you should have information on file with the Office of Ministerial Leadership concerning funeral arrangements. The maximum the Medical and Care fund will pay for a priest’s funeral has been set at \$10,000. If you would like to have your funeral paid from your personal assets, a clause should be included in your will authorizing funeral costs to be paid from your estate.

Finally, enclosed is a revised **Exhibit 1 to Appendix C** of the Priest Personnel Policy. Please replace the current page 7 of Appendix C of the manual with the enclosed revised Exhibit 1 to Appendix C.

Please let me know if you have additional questions. Thank you for your attention to this important matter regarding the care and well-being of our brother priests.

Sincerely in Christ,

A handwritten signature in black ink, appearing to read "Barry C. Knestout", with a small cross symbol to the left of the first name.

Most Reverend Barry C. Knestout
Moderator of the Curia and Vicar General

Excerpts from Appendix C of the Priest Personnel Policy

II. B. Long-Term Care

Core long-term care insurance coverage equal to the benefit offered to lay employees will be provided for all active priests. The cost is to be paid by the priest's assignment. Please refer to the current coverage materials for benefit and other information.

A priest who has long-term care insurance may, at his discretion, maintain this insurance in retirement by assuming responsibility for the premiums. Because long-term care insurance premiums are based upon the age at which a participant begins coverage, retired priests will be charged different premiums to continue the same benefit. To mitigate this inequity, the Priests' Retirement Board will establish and review annually a maximum personal contribution for long-term care insurance. See Exhibit 1 to Appendix C. Amounts in excess of this threshold will be paid by the Archdiocese.

Priests who were retired as of June 30, 2010 who eventually need long-term care will be provided with the same benefit as the core policy; however, the benefit rather than an insurance premium will be paid by the Archdiocese.

Priests in long-term care as of June 30, 2010 will be grandfathered (care paid by the Archdiocese), but they will be asked to contribute to their care if they are financially able to do so.

Priests will use personal assets to pay for long-term care. Those who wish to purchase additional long-term care insurance to supplement the core plan will be able to do so through UNUM, Knights of Columbus or another carrier of their choice.

II. D. Funeral and Other Final Expenses

The Archdiocese will pay for the funeral expenses of a priest up to the amount established and reviewed annually by the Priests' Retirement Board. (See Exhibit 1 to Appendix C) If the priest or the family of the priest chooses a more elaborate funeral, then the excess expenses are the responsibility of the estate or of the family.

Exhibit 1 to Appendix C

Amount of Retirement Benefit:

FY 2010-2011	\$1,415 per month
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Maximum funeral expense to be paid from Archdiocesan sources

FY 2010-2011	\$10,000
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Maximum car insurance reimbursement

FY 2010-2011	\$1,500
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Core Long-Term Care benefit

FY 2010-2011	\$1,500 per month for 3 years
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Maximum personal contribution after retirement for continuation of core long-term care benefit

FY 2010-2011	\$25 per month
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