

TO ALL IOWA UNITED METHODIST CHURCHES

October 2017

RE: United Methodist Church Minimum Insurance Requirements

The Iowa Conference has become aware that United Methodist Insurance is sending each church a letter attempting to enroll you in their insurance program. The mailing indicates that there are new “minimum insurance requirements” that each church must comply with. Please be aware that:

1. The coverages and limits shown in their mailing are merely suggested countrywide limits rather than required limits.
2. The Iowa Annual Conference long ago developed its own minimum suggested insurance coverage. If you participate in the Iowa Conference insurance program with Guide One, you are already in compliance with Iowa’s requirements.

The differences between the suggested denominational coverage and the Iowa Conference’s suggested coverage for Iowa churches are minor and are outlined below:

- UMI suggests churches carry \$1,000,000 of Employment Practices Liability coverage, while the Iowa Conference suggests a minimum limit of \$250,000 for individual churches. The Iowa Conference itself has the predominant exposure for this coverage, and we carry a \$5,000,000 limit.
- UMI suggests churches carry \$1,000,000 of Sexual Misconduct coverage, while the Iowa Conference suggests minimum limits of \$100,000/ \$300,000. Higher limits are available in Iowa, but churches must typically be able to show that they have the proper controls in place and an additional premium would apply.
- UMI suggests churches carry a \$1,000,000 Employers Liability limit. We believe that a \$500,000 limit is more cost-effective for Iowa churches based on Iowa statute. In addition, if your church carries an Umbrella, the Umbrella limit stacks on top of a \$500,000 Employers Liability limit.
- UMI suggests only churches with over 500 members need an Umbrella. The Iowa Conference recommends that every church carry an Umbrella. A church of any size can sustain the type of large liability claim that is covered by an Umbrella but would otherwise be financially devastating to a church.

While participation in the denominational program with UMI follows the General Church guidelines, if you participate in the Iowa program with Guide One, it follows the Iowa Annual Conference guidelines. Please contact me at the Conference with any questions or concerns.

Maggie Biggs
Iowa Conference Treasurer/Director of Admin Services