



The Alms Plan An Integrated Approach to Mutual Aid

By Merle Herr

The principle of mutual aid and church support has always been central to Anabaptist theology, serving as a beacon of hope and love. Anabaptist Brotherhood's **Alms Plan** is a modern expression of that principle, providing a structured and compassionate system that enables deacons and church leaders to care for the most vulnerable among us: **widows, people with disabilities, and low-income families.**

This plan is much more than a financial program; it is a church-driven framework that leverages the collective strength of a network of churches to ensure that aid reaches those in need. A key feature is its seamless coupling with the **Medical Aid Plan**, creating a holistic approach that addresses both catastrophic health expenses and essential alms-related needs. Together, the two plans effectively provide a practical solution to long-standing challenges surrounding Social Security Exemption.

The Alms Plan is built on shared responsibility. Individual, family, and local church efforts remain the first line of support, while the plan itself complements—rather than replaces—the traditional alms funds. Local churches continue to operate their own alms efforts, but Brotherhood provides an overarching “umbrella” of support, ensuring that resources can flow from those with greater capacity to those with greater need.

All aid is guided by the principles of local discernment and mutual accountability. Congregational leaders, who know the needs of their people best, are the gatekeepers of requests. Members must bring their alms needs to their ministers or a designated church leader, ensuring that requests are vetted carefully and resources are used with wisdom and compassion.

The Doctrine of Shared Burden

At its heart, Brotherhood's Alms Plan is a fresh application of age-old biblical practices: *bearing one another's burdens* (Galatians 6:1-10) and *caring for your own* (1 Timothy 5:8). These verses emphasize that families and churches must provide for their members. The Alms Plan puts this into practice through a tiered system of responsibility:

- **Individual Responsibility:** Each person is encouraged to take care of their own needs to the best of their ability. This fulfills the biblical call to bear your own burden and nurtures personal responsibility.
- **Family Support:** Immediate family members share in providing financial and emotional care, reinforcing the family as a bedrock of support.
- **Local Church:** Congregations are called to care for their own members before seeking broader assistance, strengthening bonds within the church body.

This tiered approach ensures that aid is rooted in genuine need, avoids fostering an entitlement mindset, and preserves the spirit of mutual aid. This approach differs from the Medical Aid Plan, which uses an Annual Unshared Amount (AUA) to determine personal responsibility.

Local leaders are entrusted to discern the need, using a simple **Alms Request Form** to formally request support from the Alms Plan. With 70% participation, alms requests receive priority consideration. Churches with less than 70% participation should not assume that their alms requests will be fully funded.

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Funding the Alms Plan: A Tiered Contribution Model

The financial engine of the Alms Plan is a **tiered contribution system** based on household income. This system aligns with the principle that those with greater financial capacity have the responsibility—and privilege—to bear the burden of those with less.

Quarterly contributions are determined by the previous year’s **Adjusted Gross Income (AGI)** reported from federal tax Form 1040, line 11. Members submit their tier level by November 1 each year. Contributions range from a modest amount for low-income households to higher rates for those with greater means:

Quarterly Alms Contribution Rates

Annual Income Tiers and Alms Contribution	
Income Tiers	Quarterly Rate
\$1-25,000	\$55
\$25,001-\$50,000	\$115
\$50,001-\$75,000	\$170
\$75,001-\$100,000	\$255
\$100,001-\$150,000	\$565
\$150,001-\$200,000	\$790
\$200,001 and above	\$1,015

This honor system does not require submission of tax returns. Instead, it trusts members to report truthfully—reflecting Anabaptist values of integrity and accountability.

The Integrated Approach: Alms and Medical Aid

A defining strength of the Alms Plan is its close integration with the Medical Aid Plan, acknowledging that health crises and financial hardships often go hand in hand. It provides support for needs that fall outside the scope of traditional medical sharing. These Alms expenses are not subject to the member’s Annual Unshared Amount (AUA), because it presumes that the individual and church have first carried their share of responsibility.

Expenses shared through the Alms Plan include:

- **Widows and Widowers:** Financial support for daily living and long-term costs of raising children alone.
- **Low-Income Families:** Financial assistance for basic needs like food and housing.
- **People with Disabilities:** Financial assistance for surgeries, therapies, equipment, and treatments for congenital conditions.
- **Medical (AUA):** Aid for low-income members who cannot meet their Annual Unshared Amount.
- **Catastrophic Medical Expenses:** Alms contributions are used for medical costs above \$100,000.

By addressing both medical and non-medical needs in one integrated framework, Brotherhood provides a comprehensive mutual aid system. The two plans are inseparable—they cannot be used independently.

Social Security Exemption

The Alms Plan is fully compliant with the requirements of the **Social Security Exemption (Form 4029)**, which mandates adequate church-based support in four key areas: medical needs, disabilities, widows, and low-income families. Together, the Medical Aid and Alms Plans meet this standard, ensuring members are not required to rely on government programs like Medicare or Medicaid.

This approach brings resolution to long-standing challenges related to Social Security Exemption. At the same time, the plans are not only for exempt individuals—they serve the whole brotherhood. Whether exempt or not, the plans reinforce identity, unity, and the biblical call to be your brother’s keeper.

Summary

The Alms Plan is more than a financial arrangement—it’s a testament to the strength of mutual aid when thoughtfully structured. With its tiered responsibility model, income-based contributions, and integration with medical sharing, it empowers deacons and church leaders to wisely and compassionately meet financial needs.

It fosters responsibility, generosity, and accountability, encouraging members to be active rather than passive recipients. In doing so, it avoids the pitfalls of entitlement while strengthening the bonds of brotherhood.

In a world where isolation and dependence on government programs are common, the Alms Plan offers a striking alternative: a church body bound together in love, committed to ensuring that widows, the disabled, and low-income families are lifted up and cared for generously. ●

Membership Update

The Medical Aid and Alms Plan is designed to scale and serve a broad range of Conservative Anabaptist groups—including Amish, Mennonite, German Baptist, and Brethren churches—that align with the constituency parameters outlined in the Complete Guidelines.

We opened our doors on May 1, 2025 with 22 households. Since then, we have grown to 235 households from 55 churches. Of those churches, 10 have chosen to reach the 70% participation threshold, gaining the added benefits available to congregations that commit to one primary sharing plan.

Automated Payment Options:

Members can make quarterly contributions via automated ACH or credit card payment. To request automated payments, contact the office.

Administrative Account Update

To provide the most transparent and accountable financial picture, we keep administrative income and expenses separate from the Medical Aid and Alms account. This distinction makes it easy to see how we're collectively investing in the foundational infrastructure of our organization.

For the first nine months of the year, combined donor contributions and administrative fees totaled **\$140,629.79**.

Our administrative expenses of **\$301,043.49** have been directed toward building a robust technological and operational platform—tools that will make your experience smoother, our processes more efficient, and our mutual aid stronger for years to come.

This strategic spending resulted in a temporary net negative of **\$160,413.70**, covered by loans. These loans provide the resources needed to keep moving with essential infrastructure projects. This short-term solution allows us to maintain momentum. If you have the capacity to donate funds, please consider helping with these startup costs. ●

Below is an abbreviated Income and Expense Statement for your reference.

Income	
Admin 9%	\$34,129.79
Donations	\$106,500.00
Total Income	\$140,629.79
Expenses	
Office	\$101,828.81
Payroll	\$74,704.55
Software	\$124,510.13
Total Expenses	\$301,043.49
Net	\$(160,413.70)

Medical Aid and Alms Account Update

Your contributions demonstrate the strength of a collective mutual aid plan. Since May 1—when we began actively serving members—your total contributions of **\$379,219.91** have enabled us to provide real care for our members. These funds have covered essential needs like doctor visits, surgeries, and lab tests—living out our mission of *caring for our own*.

While the organization has been building infrastructure since the beginning of the year, the Medical Aid and Alms Plan itself has only been in operation for five months. During this period, Medical and Alms expenses, including the 9% administrative fee, totaled **\$48,474.12**. We've been blessed that no single medical bill has exceeded \$10,000 to date, but we know larger medical needs are part of life.

Through God's providence, this humble beginning has resulted in a net surplus of **\$330,745.79**. This surplus is more than just a balance-sheet number—it is our shared trust fund. Each month, we are building the reserves that will prepare us to meet the inevitable, larger medical needs our community will face in the future. ●

Below is an abbreviated Income and Expense Statement for your reference.

Income	
Contributions	\$379,219.91
Total Income	\$379,219.91
Expenses	
Medical	\$14,344.33
Alms	\$0.00
Admin 9%	\$31,129.79
Total Expenses	\$48,474.12
Net	\$330,745.79

Medical Aid and Alms Report

We believe in mutual aid—sharing one another's burdens and helping each other carry the load. This report is a snapshot of that principle in action, showing how our shared commitment translates into tangible care and meaningful savings for our members.

Report Period: May 1, 2025 - September 30, 2025

Gross Charge of Eligible Bills: \$36,974.88

Total Savings: \$21,957.58

This reflects the reductions achieved through our Reference Based Pricing model and provider negotiations, resulting in 59% savings on medical bills.

Amount Eligible for Sharing: \$15,308.39

This is the portion of eligible medical expenses shared among members and the Annual Unshared Amount, which members pay out of pocket.

Form 1458 Help Sheet

By Mark Martin, Board Treasurer

The **Form 1458 Help Sheet**, published by Anabaptist Brotherhood, assists churches with Social Security exempt members by explaining the purpose of Form 1458 and how to submit it to the Social Security Administration (SSA).

Form 1458 is a document through which a church congregation—particularly those of Anabaptist faiths—receives official recognition from the SSA. Once recognized, the church's members may be exempt from paying Social Security and Medicare taxes. Importantly, before an individual member can file Form 4029 to claim their exemption, their congregation's Form 1458 must first be approved. Without this recognition, members cannot obtain exempt status.

Social Security Exemption Standards

For a congregation to be recognized through Form 1458, it must meet three primary requirements:

1. Core Beliefs

The congregation must provide teachings that members rely on their church community, not on government benefits. This includes a commitment to providing financial aid to needy members.

2. Active Practice

The congregation must have a functioning financial system that supports members in four key areas: medical needs, widows, disabilities, and low income. This demonstrates a practical commitment to caring for members.

3. Historical Continuity

The church must have existed since December 31, 1950, or have at least one member who can trace their affiliation back to a previously "1458 Recognized" congregation.

Completing and Submitting Form 1458

Only ordained church leaders are authorized to submit Form 1458. While not required, it is recommended that the signing leader is Social Security exempt. The form has three sections:

• Church Group and Leadership Identification:

Provides the full church name and address, along with the name and ordained title of the leader submitting the form.

• Beliefs and Practices of Your Church:

Confirms the congregation's commitment to mutual aid and asks for a description of how its teachings, supported by Scripture, provide for members' financial needs.

• History of Your Church:

Establishes the church's history, either by showing continuous existence since 1950 or by demonstrating that members within the church trace back to origins in a previously recognized church. Founding dates and, if relevant, details of the original church must be included.

Additional Details

• Membership and Exemption Status:

A church may be recognized even if it has both Social Security exempt and non-exempt members. Non-exempt members may freely use Medicare, Medicaid, or private health insurance. However, if a congregation has exempt members, its tenets and mutual aid practices must fully meet Form 1458's requirements.

• Mutual Aid Practices:

To qualify, a church's aid system must adequately address medical needs, widows, disabilities, and low-income members. To provide reasonable aid, churches must participate in a broader network that shares aid across all four areas—not only medical aid.

• Why and When to File:

A church should file Form 1458 if

- it has exempt members,
- a new congregation forms,
- the congregation changes religious affiliation, or
- all previous signers are no longer able to sign.

• Processing Time:

The SSA typically takes 2 to 6 months to process a correctly completed Form 1458.

This article is a summary of the **Form 1458 Help Sheet**. To request a free copy with complete details, please contact Anabaptist Brotherhood. ●

The graphic features the Anabaptist Brotherhood logo (caring for our own) and the SSA Form 1458 Help Sheet title. Below, a diagram shows the Social Security Administration logo, a red seal reading '1458 RECOGNIZED SSA', and a house icon labeled 'RECOGNIZED CHURCH' with a smaller seal reading '4029 SOCIAL SECURITY EXEMPT'. Below the diagram, the text reads: 'Recognition of Religious Group for Social Security Exemption Status' and 'How Churches Receive Recognition or Certification for Social Security Exemption Status'.

Form 4029 Help Sheet

By Mark Martin, Board Treasurer

The **Form 4029 Help Sheet**, published by Anabaptist Brotherhood, assists individuals and churches in understanding the Social Security exemption process. It explains how to submit Form 4029—a document issued by the IRS and filed with the Social Security Administration (SSA)—to be exempt from paying Social Security and Medicare taxes.

This exemption is based on specific religious convictions and requires membership in a congregation that has been recognized by the SSA. By signing Form 4029, an individual permanently waives all rights to future Social Security benefits, including any funds previously paid into the system.

This exemption was narrowly defined in 1965 after sustained efforts by Anabaptist groups such as the Amish and Mennonites, who believe that the church, not the government, should provide for the needs of its members. This belief is supported by several biblical passages that emphasize the responsibility to provide and share financial aid with fellow believers.

Requirements for the 4029 Exemption

To qualify for a Form 4029 exemption, an individual must meet three main requirements:

- **Religious Belief:**

The applicant must hold a conscientious belief that the church community (or brotherhood) is responsible for caring for its members. This conviction is the foundation of the exemption.

- **Church's Support System:**

The applicant's church must operate an adequate and reasonable mutual aid system that provides financial aid in four key areas: medical needs, widows, disabilities, and low-income members.

- **Recognized Congregation:**

The applicant must belong to a congregation already approved by the SSA through Form 1458. This ensures the church either existed continuously since December 31, 1950, or it has members who came from a previously recognized church.

Employment Parameters

The 4029 exemption applies differently depending on employment:

- **Self-employed individuals and those working for an exempt employer** are not required to pay Social Security and Medicare taxes.
- **Exempt employees working for a non-exempt employer** must still pay these taxes, but by signing Form 4029 they also waive all rights to future benefits.

This means exempt individuals—and their families—are not eligible for Social Security, Medicare, or Medicaid benefits, including disability payments. In addition, they are excluded from Workers' Compensation, medical, death, and disability benefits, although they may still qualify for lost wages.

Understanding Conscientious Opposition

Applicants must certify on Form 4029 that they are “conscientiously opposed to accepting benefits of any private or public insurance that makes payments in the event of death, disability, old age, or retirement; or makes payments for the cost of medical care; or provides services for medical care.” The Help Sheet refers to these as “**Insurances of the Body.**”

- **Death, Disability, Old Age, or Retirement:**

Includes life insurance and retirement annuities that guarantee payments. It does not apply to personal savings accounts such as IRAs.

- **Medical Care, Disability, and Low Income:**

Includes all forms of health insurance and disability benefits, both public and private, such as Medicare, Medicaid, and private health insurance plans. (Note: Medicaid falls under the federal Social Security Act and is not an acceptable aid option for exempt individuals.)

Other types of insurance—such as auto, liability, or fire insurance—are not considered “insurances of the body” and are acceptable for exempt members.

Completing and Filing Form 4029

Applicants must neatly print or type the requested information.

- **Part I** collects personal details along with the exact name of the applicant's church and religious affiliation, which must match what was submitted on Form 1458.
- **Part II** must be signed by an authorized, ordained church leader who is listed with the SSA as an approved signer.

This article is a summary of the **Form 4029 Help Sheet**. To request a free copy with full details, please contact Anabaptist Brotherhood. ●

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IRS Form 4029
Help Sheet

4029 Exemption from
Social Security and Medicare Taxes

How Individuals Gain Social Security Exemption Status
by Filing Form 4029

Presenting to Providers and Pharmacies

When you visit a medical provider or pharmacy, you don't need to feel uncertain or uncomfortable. At Brotherhood, our approach rests on three core principles: **Truth**, **Transparency**, and **Trust**. These principles shape how we interact with providers—and how you, as a member, can confidently present yourself.

Truth

We believe in true, fair, and reasonable pricing. That's why Brotherhood uses Reference-Based Pricing instead of paying inflated amounts masked by discounts. This method anchors payments to fair, competitive benchmarks, ensuring prices are reasonable and consistent with industry standards.

As a member, you also practice truth by clearly presenting who you are and the plan you belong to. Your **Member ID Card** contains everything a provider needs to know about your membership. Always present it at the time of service.

Transparency

We require providers to send itemized, coded bills on standard industry forms. In return, members provide their Member ID Card with its electronic address (ANB25). This electronic address allows providers to instantly confirm your eligibility in their system and submit bills directly to Brotherhood. It's a HIPAA-approved way of sharing accurate information—building trust and openness between you and your providers.

Trust

Trust is the result of consistent truth and transparency. We ask providers to accept our Reference-Based Pricing and provide clear bills. In return, we commit to:

- Fast electronic billing options
- Prompt payment within 10 business days
- Respectful, timely, and peaceful resolution of pricing differences

This cycle of trust benefits both you and your provider.

How to Present to Providers

To ensure a smooth, confident experience at every visit, follow these steps:

Step 1: Present Your Member ID Card

Your card contains:

- Household Member ID number
- Billing and contact details
- A clear message about Brotherhood's sharing plan
- Electronic address (ANB25)

If the provider cannot use the electronic address, they can mail the bill to the P.O. Box listed.

Step 2: Have the Provider Call Our Office

If they hesitate to accept the Member ID Card, encourage them to call the Brotherhood office. A short conversation can answer their questions and usually resolves concerns.

Step 3: Suggest the Provider Send You the Bill

If the provider still declines, ask them to send the bill directly to you. Do **not** pay the invoice. Forward it to Brotherhood, and we'll process it under Reference-Based Pricing, pay the fair amount, and invoice you for any Annual Unshared Amount (AUA).

Step 4: Pay at the Time of Service (If Necessary)

If the provider rejects the first three steps and requires immediate payment, we advise caution. Only pay upfront if:

- You are certain the price is fair, **and**
- The bill is under \$1,000.

This is common for primary care visits. If you pay a bill at the time of service, send a copy of the receipt to Brotherhood. Eligible expenses exceeding your AUA will be reimbursed.

How to Present to the Pharmacies

At Brotherhood, we want your pharmacy experience to be as smooth and stress-free as possible. That's why we've partnered with **Drex**i, a trusted resource for prescription purchasing. Whether you're stopping by your local pharmacy, ordering medications by mail, or considering manufacturer and international options, Drex*i* is there to ensure the process is simple, transparent, and affordable.

Drex*i*'s mission is to remove the guesswork from prescription pricing. Instead of leaving you to wonder what a medication will cost, Drex*i* gives you clear information up front. By anchoring everything to cost-based pricing with no hidden markups, Drex*i* makes it easy to know you're paying a fair price. With access to nearly all major pharmacy chains nationwide, members can count on convenience as well as saving around **20% or more** than traditional discount cards or paying cash.

Step 1: Shop for Medications

Drex*i* gives two convenient ways to find the best option for your prescriptions:

- **Shop Locally:** Visit drex.com and enter your prescription details to see real-time pricing at nearby pharmacies. You can compare options and choose the one that best fits your needs.

- **Shop by Mail Order:** If home delivery is more convenient, Drexli offers a reliable mail-order service. Simply call **844-728-3479** or place your order through their website, and your medications will arrive right at your door.

Step 2: Present Your Member ID Card

Your **Member ID Card** is the key to unlocking Drexli's savings. Whether you're at the pharmacy counter or ordering by mail, always present your card. The card tells the pharmacy that Brotherhood has a contract with Drexli, and your medications should be priced according to those terms.

On the front of your card in the bottom right-hand corner, you'll see Drexli's pharmacy identifiers, including the **Bin number, PNC number, and Group number**. These details are what connect you directly to Drexli's pricing system.

In the rare case that a pharmacy does not accept our card, don't worry. You can still purchase your medication—though it will be at the regular price. Afterward, notify Brotherhood, and we'll reach out to the pharmacy to help resolve the issue for the future.

Step 3: Pay for Your Medications

When you pick up your prescription, simply pay at the time of purchase. **You don't need to send a receipt to Brotherhood**—Drexli automatically sends us an electronic

record of your purchase. This allows us to review your prescription and check for additional savings.

If the medication is eligible for sharing and you've already met your **Annual Unshared Amount (AUA)**, Brotherhood will reimburse you.

Step 4: Brotherhood Alerts You to Additional Savings

Once we receive your prescription report, our team reviews it to see if there may be even better options—whether through international purchasing or manufacturer programs. If we discover potential savings, we'll reach out to let you know, so you can make an informed choice moving forward.

Summary

At Brotherhood, every interaction is built on **Truth, Transparency, and Trust**—so you can focus less on costs and more on your health and well-being. With providers, we demonstrate truth through a clear Member ID Card and transparency through secure, HIPAA-approved electronic access to your information. Reference-Based Pricing then builds trust by ensuring fair, prompt payment. With pharmacies, we extend the same principles by partnering with Drexli, a reliable source of transparent, cost-based pricing. Together, these practices ensure that every interaction—whether at a provider's office or a pharmacy—is smoother, simpler, and more affordable for you as a Brotherhood member. ●

Therapeutics Evaluation Committee

Anabaptist Brotherhood's sharing plan is expanding its mission to help members navigate the broader world of alternative healthcare. To achieve this, we've formed a **Therapeutics Evaluation Committee** composed of humble, knowledgeable health professionals. The committee's main goal is to produce the **Preferred Providers and Treatments (PPT)** booklet, which will be updated annually. This publication will help clarify which functional, integrative, and natural healthcare options are effective, credible, and therefore eligible for cost-sharing. While traditional medicine will remain our core focus, the PPT will empower members with additional, trusted choices. The booklet will list the committee members to provide credibility, making it a vital tool for Anabaptist Brotherhood members on their healthcare journey.

The committee's work is challenging. Identifying truly effective treatments can be daunting, as alternative healthcare often lacks sufficient evidence to make clear decisions about

its efficacy. The committee won't rely on anecdotal evidence; instead, they will review professional opinion articles, peer-reviewed studies, and clinical data that provide a sufficient body of outcome-based evidence. This diverse group of experts—including medical, functional, and integrative practitioners—will meet monthly to respectfully debate their findings and work toward a consensus. This service is a charitable work, with members serving one-year terms.

The first annual edition of the **PPT is set to be published in the spring of 2026**. This initial publication will focus on "low-hanging fruit"—treatments that are more easily discerned as effective and credible. Future publications will expand to include treatments that require more extensive research and deliberation. In this way, the PPT will continually grow to offer a more comprehensive list of eligible treatments and providers, empowering you with clear, evidence-based alternative options for your health.

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Newsletter

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By this shall all men know that ye are my
disciples, if ye have love one to another.
John 13:35

Startup Costs

There are significant costs related to building the infrastructure of Anabaptists Brotherhood's unique reference-based pricing approach to medical bill negotiation. We are seeking donations to cover the one-time infrastructure costs. We have already received generous gifts of \$105,000 toward these startup expenses. We are in need of \$185,000 of additional funding. Would you consider a one-time gift to help fund these startup costs for Anabaptist Brotherhood? The organization is a 501(c)(3) non-profit entity, and donations will receive a tax-deductible receipt.

Make contributions to:
Anabaptist Brotherhood
P.O. Box 144, Guys Mills, PA 16327

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