



October 2021

NEBRASKA HOSPITAL ASSOCIATION

RETIREMENT PLAN UPDATE

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Leading Brokerage & Consulting Firm **USI at a Glance**



Largest privately-held
broker of U.S. business

**"America's Best
Large Employers"**

Two Years in a Row!

Forbes Magazine, 2018 & 2019

8,000+
employees



~200 Local offices

Servicing local, national,
and international needs.



500,000⁺



clients served

\$2 Over
BILLION
IN
Revenue

150⁺ Years of
brokerage
experience

through our acquired agencies

PROPERTY & CASUALTY ■ EMPLOYEE BENEFITS ■ PERSONAL RISK ■ PROGRAMS ■ RETIREMENT CONSULTING

*Information provided is specific to USI, the parent company of USI Consulting Group

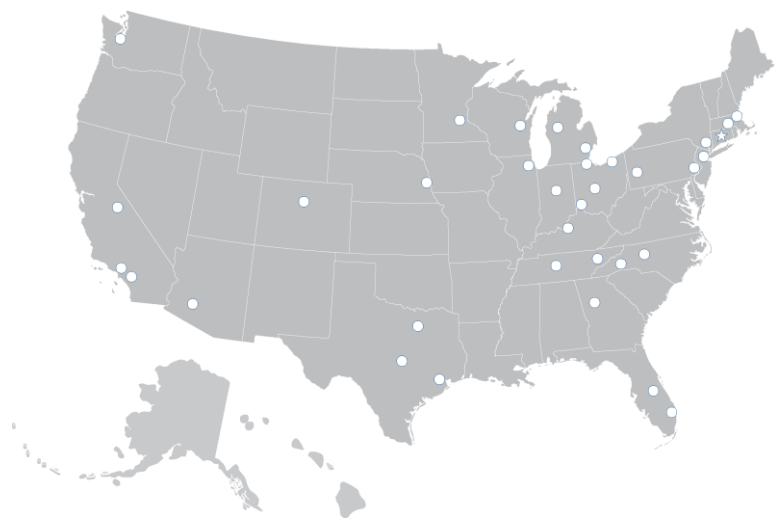


401(k)

Retirement Planning

Leading Retirement Consulting Firm **USI Consulting Group***

USI's retirement consulting and benefits administration division, serving a national client base with offices connected across the U.S.



Qualified &
Non-qualified
Plans

Investment
Advisory
Services**

Regulatory &
Compliance

Employee
Communications

- **\$110M** in U.S. Revenue* and **~\$32B** in assets under advisement**
- Recognized as one of the 10 largest defined benefit administration service providers by PLANSPONSOR***
- Consult with approximately 3,800**** retirement plans
- Broad and deep knowledge based on the shared expertise and experience of 575 professionals located across the U.S.
- Headquarters and operations in Glastonbury, CT; 35 sales/account offices nationwide

*USI Consulting Group ("USICG") is a corporation (incorporated in the State of Connecticut) and is a wholly-owned subsidiary of USI Insurance Services ("USI"), a private equity partner with KKR and CDPQ.

**Investment Advice for institutional accounts provided by USI Advisors, Inc. USI Consulting Group is an affiliate of USI Advisors, Inc.

***USI Consulting Group has been recognized as one of the 10 largest defined benefit (DB) administration service providers, as measured by both participants and numbers of plans fully outsourced. Source: PLANSPONSOR, 2021 Defined Benefit Administration Survey: <https://www.plansponsor.com/research/2021-defined-benefit-administration-survey/>

****As of November, 2020 internal statistical information



A few provisions from the SECURE Act

Pushed back RMD
to 72

Permits penalty free
\$5,000 for birth or
adoption
distributions

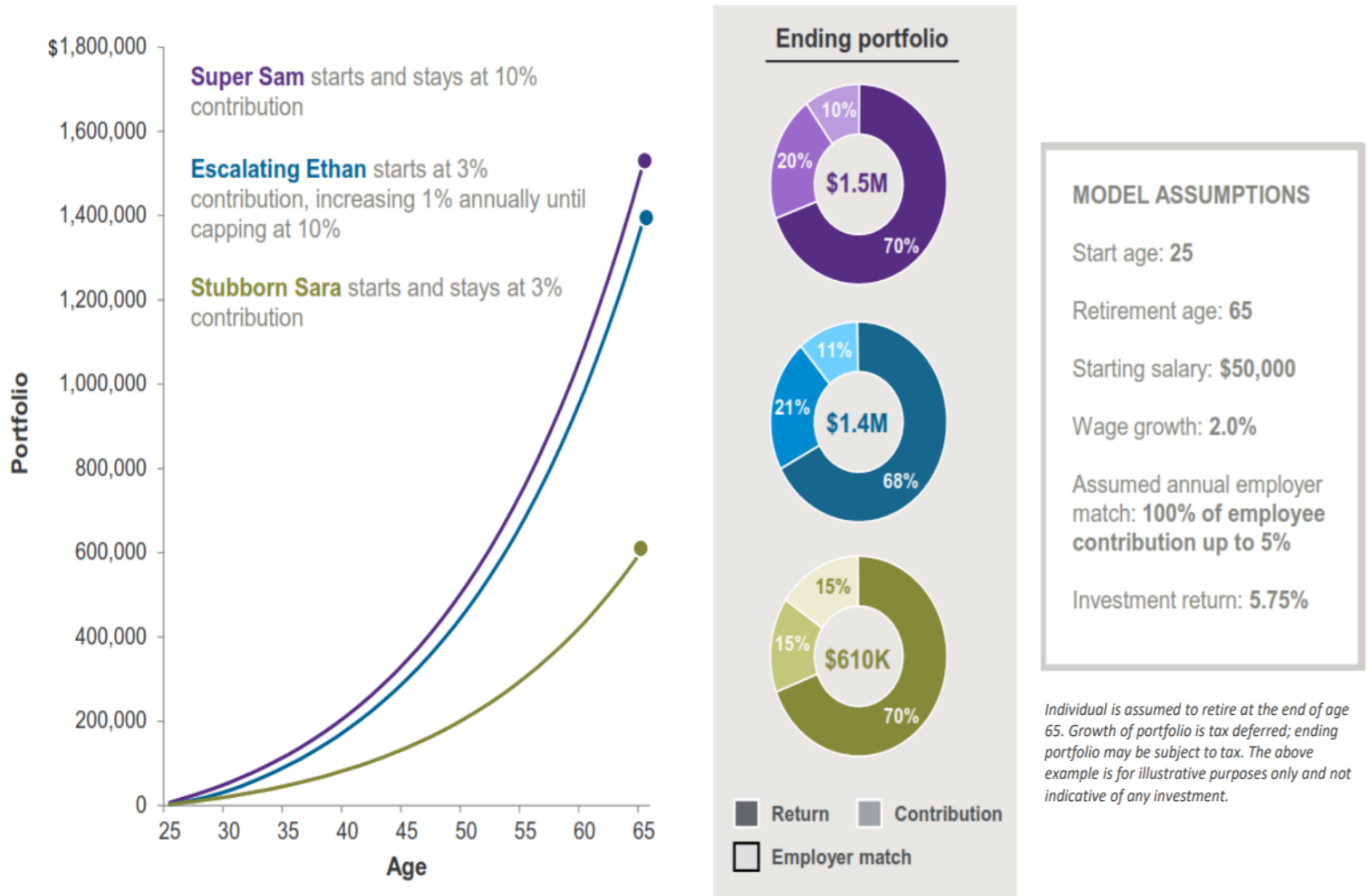
Portability of
Lifetime Income
Options

Fiduciary safe
harbor on selection
of lifetime income
provider

Automatic
Enrollment and
Automatic Increase

The Benefits of Auto-Escalation

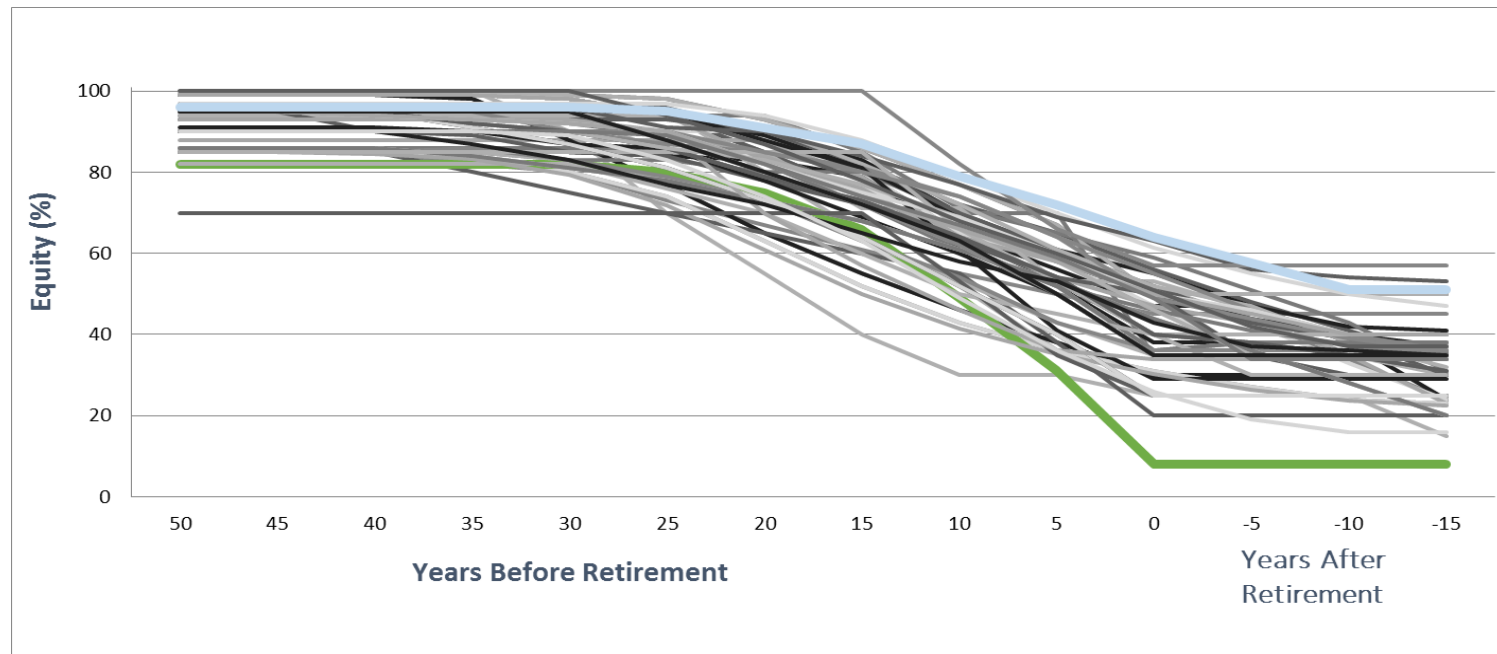
The power and value of escalating contributions is illustrated below. While Stubborn Sara is considerably behind Sam at retirement, Escalating Ethan starts at Sara's 3% but escalates overtime to 10% and ends up not far behind Sam's steady 10%.



Target Date Fund Selection

Differences Among Off-the-Shelf TDF Glidepaths

- TDFs have never been more widely available or more diverse¹
- One of the most widely used investment options in defined contribution plans
 - \$880 billion in total assets¹
 - Projecting 88 percent of new contributions and representing 35 percent of total 401(k) assets by 2019²
- TDF equity allocations at retirement can vary by as much as 56 percent



Data as of 9/30/2015. Source: Morningstar, Inc. The multiple lines represent various TDF glidepath options available within the market place.

¹Morningstar 2017 Target-Date Fund Landscape

²Defined Contribution Trends Survey, Callan Investments Institute, 2010-2015 reports

Past performance is not indicative of future results.

Target Date Fund Selection

- **DOL target date retirement funds – Tips for ERISA Plan Fiduciaries, February 2013**

- ✓ Periodically review TDF investment options for any changes
- ✓ Consider performance, fees and expenses
- ✓ Does your TDF characteristic align with participant demographic
- ✓ Consideration of other retirement plans, salary levels, withdrawal patterns
- ✓ Understand a “to” or “through” glidepath
- ✓ Document the selection and review process



401(k)

Retirement Planning

Lifetime Income Illustrations

- ✓ Lifetime Income illustrations project a monthly payment amount that the participant would receive at retirement
- ✓ Based on purchase of either qualified Joint and Survivor Annuity or a single life annuity from total account balance
- ✓ Participant directed plans, the first illustration will need to be included on June 30th ,2022
- ✓ Provided at least once every 12 months



401(k)

Retirement Planning

Under Consideration

House	Provisions	Senate
Allow CITs	403(b) Investments	Allow CITs
Allow for open MEPs/PEPs	403(b) MEPs	Not directly but similar bill
Permits Employer Contributions	Student Loan Repayment	Permits Employer Contributions
Increase RMD to 75 in phases	Increase RMD	Increase RMD to age 75 in 2032
\$10,000 ages 62-64	Higher Catch-up Limits/ROTH	\$10,000 age 60+
End 2032	ROTH In Plan Conversions	End 2032
Employer Contribution	ROTH Match	Employer Contribution



Plan of Action

- Review current administrative procedures
- Consider your current plan design options and potential upcoming changes
- Conduct an independent review to optimize your retirement plan



Questions Comments

Thank You



DEREK BAILEY, CRPS®, AIF®

Vice President of Retirement Plan Services

Over 14 years of experience in the retirement plan industry | Chartered Retirement Plans SpecialistSM (CRPS®) | Accredited Investment Fiduciary® (AIF®) FINRA administered Series 6, 63, 65

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