Employee Benefits Webinar

July 18th, 2019
Your Presenters Today

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The German American Chamber of Commerce® of the Midwest (GACC Midwest), headquartered in Chicago with a branch office in Detroit, was founded in 1963. GACC Midwest is an integral part of the German Chamber Network (AHKs) with 140 offices in 92 countries around the globe.

Our continuing mission is to further, promote, and assist in the expansion of bilateral trade and investment between Germany and the United States, especially in the Midwest.

Three main tasks:
- Official Representation of German Companies
- Membership Organization
- Service Provider to Companies
1. Introduction of Presenters
2. Overview of Employee Benefits in the U.S. and importance for Employee Retention/Recruiting
3. General Overview of the U.S. Health Insurance Affordable Care Act (ACA)
4. Employee Benefits Policy Offerings: Highlights, Benchmarking, and Compliance
5. Retirement Plan Highlights and Advisory Solutions
6. Q&A
Benefits are Critical to Attract and Retain Talent

• With unemployment rates in the US near historic lows, qualified employees can be very selective
• Per survey released by SHRM in March 2019:
  • 92% of employees stated that benefits were important to their overall job satisfaction
  • 29% of employees cited their current benefits package as a reason they would look for a new position in next 12 months, while 32% of employees cited that satisfaction with existing benefits would make them unlikely to seek a new position in the coming year
  • 34% of companies increased the benefits offered to their employees over the past 12 months- of these, 72% cited employee retention and 58% cited talent acquisition as top reasons for doing so

78% Almost as many employers say that benefits help employees be more productive

6 in 10 employees say that benefits were an important reason why they joined their company

Benefits are Critical to Attract and Retain Talent

What do employees consider must-have benefits?

- **Must have**
- **Nice to have**
- **Not needed**

- Medical (health) insurance
- Prescription drug coverage
- Dental insurance
- Defined contribution retirement plan (401(k) or "other")
- Vision care insurance or discount program
- Life insurance
- Auto insurance
- Home insurance
- Long Term Disability insurance
- Short Term Disability insurance
- Payroll deduction individual retirement account (IRA)
- Defined benefit pension plan
- Accident insurance

*(individual account retirement plan such as a 403(b) or 457 plan)*

Source: 2019 MetLife Employee Benefit Trend Survey
Overview – Health Insurance

Health Insurance Coverage in the US

- 49% Through Employer or Family Member
- 21% Receive Medicaid
- 14% Purchase Individual Insurance Coverage
- 9% Receive Medicare
- 7% Uninsured
- 1% Other

Source: Kaiser Family Foundation (2017)
Overview – Retirement Plans

• 53% of small- to mid-sized businesses (5 to 250 employees) offer a retirement plan

• IRA (Individual Retirement Account) vs. 401 (k) plan

• Defined contribution plan vs. defined benefit plan
Overview – Paid Time Off

Per SHRM survey, 92% of employees reported that paid leave is important to their overall job satisfaction. However, just 73% reported being satisfied with paid leave offered at their organization.

Vacation

- Germany mandates 20 paid vacation days per year, whereas US has no legal paid vacation entitlement
- Despite no legal mandate, 96% of companies offer full-time employees paid vacation (whereas only 46% offered this to part-time employees)

Sick pay

- No federal legal requirements for paid sick leave, but state legislation in 11 states (5 days to 2 weeks)
- 79% of exempt employees received paid sick leave
- For employers with > 50 employees: unpaid medical leave of up to 12 weeks for certain medical situations for either the employee or a member of the employee's immediate family

Overview – Paid Time Off

Paid time off (PTO)

• Combines vacation, sick and personal time into one plan and thereby allows employees to choose how they spend their time off

Parental leave

• For employers with >50 employees: 12 weeks unpaid leave required (FMLA)

• 5 states offer paid family-leave programs

• Has become more popular over past few years but still only slightly more than one-third of companies offer maternity leave (and fewer still offer paternity leave)
What emerging benefits interest employees most?

- 72% Unlimited paid time off
- 69% Wellness programs that reward healthy behavior
- 68% Phased retirement program
- 66% Paid sabbatical program
- 61% On-site free/subsidized services (e.g., meals, gym, dry cleaning, hair)
- 59% On-site health/medical care (including mental health)
- 54% The ability to work abroad or take work assignments in a foreign country
- 44% Concierge program (e.g., assistance with booking reservations for things like travel)
- 38% Genetic testing
- 33% Subsidized egg freezing
- 32% Gender reassignment support/subsidy

Source: 2019 MetLife Employee Benefit Trend Survey
A few Best Practices for Employee Benefits

- Companies should showcase the financial value of offered benefits by providing employees with annual benefit statements—increases transparency and improves loyalty.

- Timelines are important! When hiring their first US employees, companies should inform themselves about benefits in the local market and engage a competent service provider BEFORE starting the recruitment process.
Alliant/Mesirow Overview

• On July 29, 2016, Mesirow Insurance Services joined Alliant, the 9th largest broker in the United States and one of the largest privately held brokers in the nation according to Business Insurance (2019)

• Combined Midwest property, casualty and employee benefits premium volume is in excess of $1.75 billion

• Over 350 employees in the Midwest

• Nationwide distribution from 110 plus offices with 3,700 employees and 47% Alliant employee owned

• Organized around service teams that are led by a shareholder of the firm and specialty practices to provide or clients the expertise they need
Top Non-Insurance Benefits

Specialty Practice Service Departments Provided to Alliant/Mesirow Clients

Health And Productivity (Wellness)
Leverage data analytics to identify unique health issues and use best practices to solve them through strategic planning and customized program integration.

Medicare
Analyze current individual health plan coverage and select appropriate alternatives from the public (on-exchange) and private (off-exchange) placement alternatives. Ensure a smooth transition from group to individual or Medicare coverage.

Communication Solutions
Deliver your benefits messages across multiple channels so the employees can get to the information they need, in the format that they prefer. Make learning about benefits less confusing and less complicated.

Technology
HR Technology education and consulting are at the core of our philosophy. Our in-house technology experts can provide assistance via direct consulting with specified partners, automated online enrollment options, as well as full employee lifecycle management (payroll/HRIS/Benefit Administration).

Voluntary Benefits (Worksite Benefits)
Offering supplemental employee paid benefit programs to expand current benefits and to attract and retain top talent. These can also provide choices to help financially protect employees.

Compliance
Create a proactive educational plan with insights and alerts via email, webinar and seminar on federal, state, and local labor laws. Take advantage of a dedicated in-house employee benefits attorney as well as an in-depth resource library to help you stay on top of HR responsibilities.
Top Non-Insurance Benefits (Data Analytics Capabilities)

5% of your population accounts for 50% of your medical costs

Claims Utilization, Assessment, Modeling and Benchmarking

- Evaluate health plan performance
- View an immediate executive summary of health plan experience
- Easily spot trends and problem areas
- Assess where, how and to what end healthcare dollars are being spent
- Drill down and identify emerging high risk categories
- Benchmark the costs associated with your medical benefits against other companies
  - Benchmarking metrics utilized: Alliant and Alliant/Mesirow book of business and other third party vendors
- Model plan design alternatives and financial impact
General Overview of the U.S. Health Insurance Affordable Care Act (ACA)

What employer organizations are required to follow the guidelines under ACA?

• Companies that are considered an Applicable Large Employer (ALE)
  – ALE’s - An employer is considered an ALE if a company has 50 full-time employees or 50 full-time equivalents
  – To determine number of Full Time Equivalents add the number of the variable hour employees aggregate hours and divide by 120 and then add this result to the number of your full time employees. Employers will be allowed to exclude the full-time seasonal employees that work less than 120 days during the year

• Companies who are considered part of a controlled or affiliated group
  – A company under 50 employees may need to comply with ACA
What regulations are Employer Organizations required to comply with in order to avoid penalties?\(\textit{Penalties are triggered if a single employee gets a subsidy}\) 

- Offer minimum essential health coverage to all employees working 30 hours and their dependents (not spouses, but children to age 26; excludes foster and step children) to 95% (2016 and beyond) of their full-time employees
  - variable hour employees need to be tracked via a measurement period
- ***Provide affordable coverage (coverage is considered unaffordable if the employees share of employee only coverage exceeds 9.86%-2019) of the employees box 1 w2 earnings
- Complete annual IRS filings illustrating that the above requirements were met
- Administer benefits that are no more than a 90 day waiting period for employee’s benefits to become effective (requirement for all employer groups)

*** to at least one plan offering that all eligible employees can enroll in
General Overview of the U.S. Health Insurance Affordable Care Act (ACA)

2019 ACA Updates

- **PCORI/Tax**
  - All health plans (both insured and self-funded) will pay an annual fee to fund Patient Centered Outcomes Research (PCORI).
  - TPA or carrier will pay on behalf of fully insured group.
  - Due by July 31st of the following year.
  - Various options for counting covered lives.
  - Fee is payable with IRS form -720 (In 2019).
  - **DISCONTINUED** for any plans ending on or after October 1, 2019.

- **Health Insurance Industry Fee**
  - Health Insurances will pay an annual, non-deductible fee allocated proportionally across the industry according to market share to fund premium subsidies and Medicaid expansion.
  - The amount of the fee is $8 billion in 2014, rising to $14.3 billion by 2018.
  - This tax is included within the fully insured premium rates and is not applicable under self-funded insurance plans.
  - **SUSPENDED FOR 2019, will be reinstated in 2020.**

- **Cadillac Plan Tax**
  - Imposes a “Cadillac Plan” tax – a 40% excise tax on plans that cost more than $10,450 (single) or $28,163 (family), indexed to CPI. These limits include employee FSA, employer HRA and/or employee/employer HSA contributions.
  - The tax is remitted by the insurer in the case of a fully insured group or the TPA in a self-funded arrangement but is passed on directly to the employer.
    - At the time when this provision takes effect, one or more of your existing plans may be subject to this “Cadillac Plan” tax.
    - The value of the plan is calculated using the annual premium for single and family rates based on guidance provided to date.
    - Any amount above the threshold will be taxed at 40%.
  - Additionally, future years’ plans will be indexed to determine the “Cadillac Plan” limits.
    - **Previously has been delayed but at this time this tax is still expected to be in effect 2022.**

- **Individual Mandate**
  - Starting within the 2019 calendar year the individual mandate no longer applies.
Employee Benefit Policy Offerings

- Medical
- Dental
- Vision
- Employer Paid Life/Voluntary Life
- Long Term Disability/Short Term Disability
- Long Term Care
- International Plans
- Worksite Benefits
Employee Benefit Policy Offerings

Standard Medical Plans Offered to Employees

<table>
<thead>
<tr>
<th>HMO</th>
<th>PPO</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pros of a Health Maintenance Organization (HMO)</strong></td>
<td><strong>Pros of a Preferred Provider Organization (PPO)</strong></td>
</tr>
<tr>
<td>• Lower premiums</td>
<td>• Usually provides out of network coverage</td>
</tr>
<tr>
<td>• Richer benefits</td>
<td>• Provides a larger network of providers</td>
</tr>
<tr>
<td><strong>Cons of a Health Maintenance Organization (HMO)</strong></td>
<td><strong>Cons of a Preferred Provider Organization (PPO)</strong></td>
</tr>
<tr>
<td>• Smaller Network/ no out of network coverage</td>
<td>• Higher Premiums</td>
</tr>
<tr>
<td>• Usually requires selection of a primary care physician (PCP)</td>
<td>• Typically more upfront out of pocket cost for the employee</td>
</tr>
<tr>
<td>• PCP referral typically required for care from a specialist</td>
<td></td>
</tr>
</tbody>
</table>

Employer Statistics: 33% HMO and 85% PPO

59% of employers are offering more than 1 health plan.

Fully insured employer groups have state mandate benefits that have to be complied with. Medicare is primary if your company has fewer that 20 employees.
# Employee Benefit Policy Offerings

## High Deductible Health Plans (HDHP) Offered to Employees

<table>
<thead>
<tr>
<th>Item</th>
<th>Health Reimbursement Arrangement (HRA)</th>
<th>Health Savings Account (HSA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funding</td>
<td>Employer-funded only</td>
<td>Funded by account holder and/or employer.</td>
</tr>
<tr>
<td>Tax-advantage</td>
<td>Employer</td>
<td>Tax-free contributions for account holder and employer</td>
</tr>
<tr>
<td>Portability</td>
<td>None. Stays with employer</td>
<td>Stays with account holder</td>
</tr>
<tr>
<td>HDHP Requirement</td>
<td>None</td>
<td>HDHP required</td>
</tr>
<tr>
<td>Interest earned?</td>
<td>No</td>
<td>Tax-free interest earned</td>
</tr>
<tr>
<td>Ability to invest</td>
<td>No</td>
<td>Investment option once account reaches minimum balance</td>
</tr>
<tr>
<td>Rollover/Account Accumulation</td>
<td>Variable</td>
<td>Yes</td>
</tr>
<tr>
<td>Funds available for use in retirement</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Employer Statistics: 19% HRA and 56% HSA

59% of employers are offering more than 1 health plan.
Employee Benefit Policy Offerings

Medical

• Employer funding arrangements are 47% contributory on average
• Average annual premiums for employer sponsored health insurance is $6,896 for single coverage and $19,616 for family coverage
• On average covered workers contribute 18% of the premium for single coverage and 29% of the premium for family coverage
• Level Funded/Self funded
  – 19% of Small Firms
  – 50% of Large Firms
  – 81% of firms with 1,000 plus employees
• 14% of employer group plans have less then a $2,000 out of pocket maximum 20% have an out of pocket maximum of $6,000 or more

Source: 2018 Kaiser Family Foundation Annual Survey; Kaiser Small Firms: 3-199; Kaiser Large Firms 200+
**Employee Benefit Policy Offerings**

### Prescription Drugs

**Covered works average prescription tier is:**

<table>
<thead>
<tr>
<th>RX Tiers</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Tier</td>
<td>$11</td>
</tr>
<tr>
<td>Second Tier</td>
<td>$33</td>
</tr>
<tr>
<td>Third Tier</td>
<td>$59</td>
</tr>
<tr>
<td>Fourth Tier</td>
<td>$105</td>
</tr>
</tbody>
</table>

- HDHP typically have a different cost sharing pattern for prescription drugs which would be the same cost sharing percentage as the plan offering or no cost sharing once the plan deductible has been met.
- Increase in five and six tier prescription tiers.

Source: 2018 Kaiser Family Foundation Annual Survey; Kaiser Small Firms: 3-199; Kaiser Large Firms 200+
Employee Benefit Policy Offerings

Dental

- 47% of employers offer contributory coverage
- 40.8% of employers offer a maximum benefit amount of $1,000
- 72.9% of employers offer an individual deductible of $50
- 46.9% of employers offer 100/80/50 coinsurance on dental coverage
  - 100%= preventative; 80%= basic services; 50%= major services
- 47% of employers offer 90% of Usual and Customary coverage (UCR)

Ortho Coverage

- 53.9% of employers offer no orthodontic coverage
- 31.9% of employers offer child orthodontic coverage
- 14.1% of employers offer adult and child orthodontic coverage

Source: Guardian GAGE Data
Employee Benefit Policy Offerings

Vision

• 54.3% of employers offer voluntary vision coverage
• 75.7% of employers offer 12/12/24 vision plan design
  – 12 = Annual Exam Copay
  – 12 = Annual Lens Copay
  – 24 = Two Year Frame Copay

Source: Guardian GAGE Data

Applicable to all size groups
Employee Benefit Policy Offerings

Basic Life

Benefit Schedule

- Basic Life is 100% employer paid
- 44.9% of employers offer a waiver definition to Age 65
- **Imputed income** is the dollar value that IRS puts on the amount of group term life insurance coverage in excess of $50,000. ... This tax liability is called "imputed income." It is added to your gross wages and is included on your form W-2 at the end of the year.

Applicable to all size groups

Source: Life Insurance Marketing Research Association
Voluntary Life

Voluntary Life is a 100% employee paid benefit
• 92.9% of employers offer a benefit schedule with the variable amount being $50,000 or greater
• 44.5% of employers offer a maximum guarantee issue limit from $100k-$249k
• 53.6% of employers offer a maximum issue limit of $500,000 or greater

Source: Life Insurance Marketing Research Association
Applicable to all size groups
Long-Term Disability (LTD) & Short Term Disability (STD)

Employer Paid disability plans are taxed to the employee so a majority of employees become underinsured. Critical to evaluate your policy by: ensuring your highest wage earners are covered at your benefit percentage, include commission and bonus revenue if desired or offer individual disability insurance to complement your group LTD (Alliant has individual disability and Life Specialists)

LTD
- 68.3% of employers offer LTD as a non-contributory benefit
- 72.6% of employers offer an elimination period of 90 days
- 88.9% of employers offer 60% of a benefit percent for LTD
- 71.1% of employers offer 2 years of benefits for an own occupation period

STD
- 47.4% of employers offer 8/8 (8th day accident/8th day sickness), 1st day of benefits (elimination period)
- 64.6% of employers offer a 60% benefit for STD coverage
- 53.9% of employers offer 9-13 weeks for the maximum benefit period
- 64.9% of employers offer a non-contributory plan design for LTD and STD
- Temporary disability benefits continue to be regulated the following states: California, Hawaii, New Jersey, New York and Rhode Island; and in the Commonwealth of Puerto Rico.

Applicable to all size groups
Source: Life Insurance Marketing Research Association
Employee Benefit Policy Offerings

International Plans

Provides coverage while on an international business/personal trip via the below services (not just emergency coverage; which is typically what most group health insurance policies cover). Standardly 100% employer paid (inexpensive coverage).

<table>
<thead>
<tr>
<th>Coverage Type</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Emergency Coverage</td>
<td>Emergency medical treatment, hospital admission surgical care, outpatient medical care and ambulance services due to accident or sickness</td>
</tr>
<tr>
<td>Prescription Coverage</td>
<td>Prescription drugs when medically necessary and replacement medicine for medically necessary lost prescriptions</td>
</tr>
<tr>
<td>Dental Coverage</td>
<td>Dental emergencies including dental accidents and alleviation of sudden and unexpected dental pain</td>
</tr>
<tr>
<td>Evacuation Coverage</td>
<td>Medical evacuation and repatriation of remains, service provided in partnership International SOS</td>
</tr>
<tr>
<td>Additional Coverage</td>
<td>7 days of personal travel or sojourn travel and Dependent travel coverage when in conjunction with a business trip</td>
</tr>
</tbody>
</table>
Employee Benefit Policy Offerings

Long Term Care Plans (LTC)

- Health and Disability insurance do not cover LTC costs. Medicare is not the answer either. For most, it’s an out of pocket expense.

70% Percentage of Americans 65 and older who will need LTC assistance

$91,000 Average national cost for skilled LTC facility for one year.

$15,600 Average annual Social Security benefit for retired workers

$165,000 Average 401(k) balance

Bottom line: LTC Insurance helps protect retirement savings.
Flexible Spending Account (FSA), Dependent Care, and Transit

- Employer pays for administration of these types of policies
  - 47% FSA, 67% DCFSA, 11% Transit/Parking
- A **Flexible Spending Account** is a special account you put money into that you use to pay for certain out-of-pocket health care costs (deductible, copays, vision, dental expenses, etc.)
- Employees don't pay taxes on this money. This means employees will save an amount equal to the taxes they would have paid on the money set aside
  - Employer provides the maximum (IRS maximum is $2,700)
  - **Rollover Benefit of up to $500** for enrolled employees is an employer offering option
- A **Dependent Care FSA** (DCFSA) is a pre-tax benefit account used to pay for eligible dependent care services, such as preschool, summer day camp, before or after school programs, and child or adult daycare
  - Maximum IRS Benefit is $5,000 and is a pay as you go benefit unlike an FSA program
- A **Transit/Parking benefit** was an IRS created program to extend tax-free benefits to assist with employee's commuting costs. It allows employees to pay for their transit rides using pre-tax dollars – up to $265 per month and is a pay as you go benefit.
  - **Mandated with 20 or more employees: New York, NY; San Francisco, CA; Washington D.C.**
Worksite

- Majority of plans offered are 100% employee paid
- Accident, Critical Illness and Hospital benefits can be used to supplement major-medical coverage by providing benefits to help cover deductibles and copays.
- These benefits act as insurance against accidental death and dismemberment in the case of a business travel accident. The benefits are paid regardless of whether or not other life insurance and AD&D coverage is in place
- Expands employers overall benefits package to attract and retain top talent
  - 26% of employees think Accident is a must have benefit, 51% think it’s a nice to have.
  - 32% of employees think Critical Illness is a must have benefit, 56% think it’s a nice to have.
- Provide choices to help financially protect employees

Source: MetLife Insurance
Retirement Planning
Mesirow Financial Overview

• **Experience**
  – Founded in 1937, we have worked for decades to meet and exceed client expectations
  – Repeatable processes that have led to $31.5 billion in assets under advisement in fiduciary services as well as $28.2 billion in assets under management, and $83.1 billion in currency risk management assets

• **Independence**
  – Ownership structure ensures clients’ interests come first
  – A focus on risk management helps protect clients’ capital

• **Specialized Solutions**
  – A holistic approach takes into account your unique combination of needs, goals and challenges
  – Our sophisticated strategies can be customized to address your specific objectives
  – Our commitment to client service ensures that you receive long-term personalized attention
Understanding Your Risks
Today's Plan Sponsors Face Multi-Faceted Risks

Partnering with a qualified, trusted advisor is key to managing your risk

<table>
<thead>
<tr>
<th>Legal/Regulatory</th>
<th>Legislative Evolution</th>
<th>Investment Volatility</th>
<th>Operational Challenges</th>
<th>Savings Rates</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ongoing class action lawsuits</td>
<td>Consistent change, over 23 updates in 20 years¹</td>
<td>Manager performance</td>
<td>Administrative complexity</td>
<td>Concern about income replacement</td>
</tr>
<tr>
<td>DOL investigations</td>
<td>Continued legislative uncertainty</td>
<td>Fund manager consolidation</td>
<td>Level of provider expertise</td>
<td>Employee inertia</td>
</tr>
<tr>
<td>LaRue Supreme Court decision</td>
<td>EGTRRA, Sarbanes Oxley, Pension Protection Act, Dodd Frank</td>
<td>Fixed-income exposure to financials, mortgage securities</td>
<td>Record keepers contracting/consolidating</td>
<td>Only 17% of workers feel very confident in their ability to live comfortably in retirement²</td>
</tr>
<tr>
<td>Form 5500 Expense Disclosure</td>
<td>Fiscal cliff</td>
<td>Stable value risk, wrap providers</td>
<td>Provider staff reduction</td>
<td>68% expect to work during retirement²</td>
</tr>
<tr>
<td>408(b)(2), 404(a) Fee disclosure</td>
<td></td>
<td>Fraud cases</td>
<td>Provider commitment to business</td>
<td>Life expectancy increasing</td>
</tr>
</tbody>
</table>

To: [Redacted]

From: [Redacted]

Date: [Redacted]

Subject: [Redacted]

Dear [Redacted],

Today's plan sponsors face multi-faceted risks that require careful management. Partnering with a qualified, trusted advisor is key to addressing these challenges.

Legal/Regulatory Risks:
- Ongoing class action lawsuits
- DOL investigations
- LaRue Supreme Court decision
- Form 5500 Expense Disclosure
- 408(b)(2), 404(a) Fee disclosure

Legislative Evolution Risks:
- Consistent change, over 23 updates in 20 years¹
- Continued legislative uncertainty
- EGTRRA, Sarbanes Oxley, Pension Protection Act, Dodd Frank
- Fiscal cliff

Investment Volatility Risks:
- Manager performance
- Fund manager consolidation
- Fixed-income exposure to financials, mortgage securities
- Stable value risk, wrap providers
- Fraud cases

Operational Challenges Risks:
- Administrative complexity
- Level of provider expertise
- Record keepers contracting/consolidating
- Provider staff reduction
- Provider commitment to business

Savings Rates Risks:
- Concern about income replacement
- Employee inertia
- Only 17% of workers feel very confident in their ability to live comfortably in retirement²
- 68% expect to work during retirement²
- Life expectancy increasing
- Health care costs rising

As of 12/31/18.

Source: EBRI 2018 Retirement Confidence Survey
Retirement Planning and Advisory Solutions
Our Retirement Planning and Advisory Solutions

Strategic Plan Consulting

Manage Your Fiduciary Risk

Strengthen Your Team

Drive Outcomes

Research and Monitoring
Strategic Plan Consulting

We help you create a plan to meet specific objectives

• We work closely with you to design a plan that works for your participant population:
  – Review your plan demographics
  – Conduct extensive plan provider search and evaluation
  – Analyze and evaluate all fees
  – Perform ongoing evaluation and benchmarking
  – Deliver clear and consistent quarterly summary reports of our findings and suggestions

Our plans aim to better educate employees in regards to plan details, increase employee participation and retire on time.
Managing You Fiduciary Risk

We strive to mitigate your risk through proactive fiduciary monitoring

Our goal is to minimize your risk of litigation by providing ongoing monitoring and clear documentation of a sound fiduciary process.

- Proactive review of your fiduciary requirements, including reporting
- Recommendations for action, when appropriate
- Access to all analysis and reports through portal
- We provide ongoing industry monitoring and analysis to keep you informed while keeping your plan in compliance. We stay committed to analyzing, translating and communicating what is happening in the industry and applying its relevance and impact to your unique situation.
- Keeps plan sponsors from getting into trouble
- Legal protection
- Shared liability
We help you establish a sound, well-documented process

- Implement a full provider evaluation process, which includes identification of potential candidates for consideration and RFP process
- Examine and evaluate providers across several parameters:
  - Background information
  - Administrative structure and process
  - Outsourcing solutions
  - Plan design recommendations
  - Investment offerings
  - Performance standards
  - Fees
- Activate customized portal where you can access all analysis and documentation
- Perform ongoing quantitative and qualitative analysis of managers
- Proactively review your fiduciary requirements, including reporting and recommendations for action
Driving Outcomes

We provide tools to train and guide employees to make prudent financial decisions

Our web-based tools can be added to internal websites, providing institutional-quality investment advice, as well as service numbers for employees to call with questions.

- Mesirow SMART Portfolios® – ROBO Advisor
- Mesirow Invest@Work® – Digital Advisor
- Medicare and Social Security Support
- Participant communications and education
- These tools aim to increase employee participant, educate participants in regards to their plan details and answer questions they might have.
Our Invest@work® Program

Providing holistic financial support and advice through a customized microsite unique to your plan

- Invest@Work® empowers employees to set their retirement goals, monitor their success, and update portfolios as needed, with the help of dedicated financial professionals.
- Provides participants a customized, on-demand and personal overview of their complete retirement outlook through the help of Certified Financial Planners.
- An important aspect Invest@Work® addresses is the support your participants need when making hard financial decisions:
  - Am I saving enough money?
  - How long will my savings last in Retirement?
  - How much will I need to retire? What is my retirement savings “income gap”?
  - As I near retirement, when should I be reaching out to Social Security and Medicare?
  - Who can I talk to about my estate planning?
- Provides feedback and action items that participants can implement today to improve retirement outlook.
Questions?

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