

Healthcare is one of the largest expenses employers and employees face

Women need **\$159,000**

Men need **\$142,000**

to cover their healthcare expenses in retirement.¹

Comprehensive benefits planning includes planning for healthcare

Rapidly rising healthcare costs represent a growing share of compensation and benefit costs for employers. At the same time, unfunded future benefit liabilities are creating financial risks for employers.

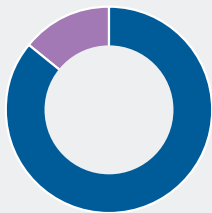
For employees, paying for healthcare in retirement is a significant concern, causing uncertainty about their future financial security. This often leads to delayed retirement, creating workforce management issues for employers who face increased compensation costs, fewer advancement opportunities for younger employees and stalled workforce renewal.

The TIAA Retirement Healthcare Program (RHP) is a defined contribution healthcare savings plan that complements your existing benefits offer—including retirement plans and health savings accounts to help your employees pay for their qualified medical expenses in retirement.

In addition, the program is triple-tax advantaged (employer contributions, investment earnings and qualified reimbursements are all tax free) which further allows your benefits expense to be maximized as compared to only offering a retirement plan.

BUILT TO PERFORM.

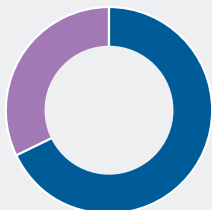
CREATED TO SERVE.



86% of plan sponsors say that rising healthcare costs are a very significant concern for retirement security.¹



Medicare is not enough, covering only about 59% of total healthcare costs in retirement.²



68% of workers are confident they will have enough money to take care of medical expenses during retirement.³

Meeting current and future challenges

Rapidly changing economics, shifting employee demographics and competing budget priorities are why many institutions have chosen the RHP.

The RHP helps employees pursue healthcare security in retirement, while providing employers with an innovative way to manage total compensation and healthcare costs; make benefits packages more competitive; strengthen workforce strategies to attract, retain and refresh talent; and improve retirement confidence.

Improve the ROI on your benefits spend

- Fund accounts with predictable contributions
- Provide triple tax-free savings
- Stretch benefit dollars by up to 33%⁴

Align to your employees' goals

- Help increase employees' confidence to retire when they want
- Improve retirement incentive packages
- Attract and retain top talent with an innovative rewards strategy



Triple tax-free savings

Employer contributions, investment gains and reimbursements for qualified medical expenses are all tax free.

A triple-tax advantage

1

Tax-free employer **contributions**

2

Tax-free **investment** earnings

3

Tax-free **reimbursement** for qualified medical expenses in retirement

Complement your retirement plan with the TIAA Retirement Healthcare Program

The TIAA RHP is a retiree health reimbursement account designed to complement an employer's retirement plan by allocating a portion of the employer's benefits spend to a tax-free healthcare account. Additional features include:

- A defined contribution healthcare reimbursement account funded during the working career of employees, similar to a 403(b) or 401(k) plan
- Funding with a tax-exempt voluntary employees' beneficiary association (VEBA) or governmental trust
- Triple tax-free advantage: Contributions, investment gains and benefits paid for qualified medical expenses are never subject to taxation
- Customizable plan design: Eligibility, contributions and vesting can be tailored to meet the employer's needs
- Tax-free reimbursement for all Section 213(d) medical expenses, including: Health plan premiums, COBRA, Medicare Part B, C or D, Medicare supplement, copays, deductibles, dental, vision, hearing aids and more
- Integrated client digital experience: Employees can view their retiree healthcare account, including consolidated statements, with their retirement plan and other TIAA accounts at TIAA.org
- An open architecture investment platform of TIAA-CREF Lifecycle Mutual Funds and other mutual funds available on the TIAA retirement plan platform

Maximize your retirement benefits spend

The TIAA RHP can enable your organization to optimize your benefits spend and help your employees save and pay their healthcare expenses with tax-free dollars.



**Retirement
income**



**Healthcare
security**



**Retirement
confidence**



To discuss how an RHP can complement your existing retirement offering

Contact your TIAA relationship manager.

Learn more at TIAA.org/retireehealth.



¹ 2021 TIAA Plan Sponsor Retirement Survey.

² EBRI. Issue Brief Number 549, January 13, 2022.

³ EBRI. 2021 Retirement Confidence Survey. Fact Sheet #1.

⁴ Assumes a 25% combined federal plus state income tax.

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