



## Reward, retain and recruit healthcare talent while cutting costs in a post-pandemic era

Even before the pandemic, healthcare employers faced challenges such as declining resources, staffing and high turnover. To help ensure their long-term survival, many will need to take action to more effectively attract and keep quality employees while also examining ways to reduce expenses. A well-constructed, cost-effective retirement plan can help you accomplish these goals while at the same time putting employees on a more confident path toward retirement.



Offering a competitive retirement program with comprehensive advice to educate employees to select appropriate investments in their plan can put them on a more confident path toward retirement and improve satisfaction with their plan, which can help boost employee retention.

### Dynamic challenges facing healthcare employers and employees

In today's historically competitive labor market, offering the right benefits has become an important strategy for employers trying to attract and retain top talent.<sup>1</sup> Before the pandemic, one of the challenges in the healthcare sector was a physician shortage and high turnover among healthcare workers. During 2020, the pandemic brought new challenges as most retirement plan sponsors spent most of the year focusing on their organization's response to the pandemic. This included revisiting their total benefits package and retirement program, and re-prioritizing initiatives. A TIAA survey in November showed that one in five had to reduce employer contributions to manage costs.<sup>2</sup>

Offering a competitive retirement program with comprehensive advice to help employees select appropriate investments in their plan can put them on a more confident path toward retirement. This can lead to improved employee satisfaction with their retirement plan, and can help boost employee retention. Financial wellness programs have grown in importance as more employers recognize them as a key component to reducing the anxiety and distraction caused by financial stress. In a recent TIAA survey, 69% of employers said they were increasing focus on improving the financial wellness of their employees in 2020.<sup>3</sup>

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TIAA can apply its experience to help you take action to put your employees on a better course for retirement, simplify plan management and minimize plan-related costs. To learn more, go to [TIAA.org/public/plansponsors/who-we-serve/healthcare](https://www.tiaa.org/public/plansponsors/who-we-serve/healthcare).

### How TIAA can help

Our deep experience serving the healthcare industry helps us offer products that can drive retirement outcomes, reduce plan costs and make plan management easier for you.

For example:

- We can help you employ best practices across plan design, operations and financial reporting, and offer tools to measure how well your plan is helping employees pursue retirement readiness.
- Our open architecture platform includes low-cost<sup>4</sup> mutual funds and annuities. Annuities can provide a stream of guaranteed income<sup>5</sup> for life—we have been offering annuities for more than a century and make them the foundation of our platform.
- Employee segmentation and engagement are top priorities. We can examine your employee demographics to create a targeted communication, education and advice plan, and help you engage employees with messaging relevant to them.
- We offer comprehensive, in-person advice about plan investments tailored to each participant's specific goals, and promote confidence and satisfaction with their plan. Our consultants can explain annuitization and other financial concepts to your participants.
- Converting from multiple plan providers to a single recordkeeper can help improve plan participation and oversight, drive retirement readiness and potentially lower costs. TIAA offers an integrated set of sole recordkeeping services that may save your institution time and money.

<sup>1</sup> Source: <https://us.milliman.com/en/Insight/Five-benefit-trends-from-2019-that-well-continue-to-see-in-2020>.

<sup>2</sup> Source: TIAA 2020 Plan Sponsor Listening Tour, Harris Insights & Analytics. 191 plan sponsors surveyed from 11/11/2020- 12/2/2020.

<sup>3</sup> Source: The TIAA Retirement Insights Survey: A survey of employees and employers. 12/2020.

<sup>4</sup> Applies to mutual fund and variable annuity expense ratios. Source: Morningstar Direct, March 31, 2021. 71% of TIAA-CREF mutual fund products and variable annuity accounts have expense ratios that are in the bottom quartile (or 93.15% are below median) of their respective Morningstar category. Our mutual fund and variable annuity products are subject to various fees and expenses, including but not limited to management, administrative, and distribution fees; our variable annuity products have an additional mortality and expense risk charge.

<sup>5</sup> Guarantees are subject to the claims-paying ability of the issuing company.

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