



**Atrium Health**

GREATER CHARLOTTE

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# Retirement *Guide*

# GETTING STARTED

We appreciate all of the contributions you have made to our patients and your fellow teammates throughout your career with Atrium Health. As you begin your journey toward retirement, we want to ensure you have the information you need to appropriately prepare for your next chapter of life.

The process of preparing for retirement is not as complex as it may seem. In this guide, you will find the six essential steps to take and the information you need to complete them.

It is important for you to know that all of the steps will not apply to you at the same time. Get started early with your planning, and you will have the opportunity to prepare at your own pace.

## Six Steps To Retirement

### STEP 1:

Review your Social Security Statement at [ssa.gov](https://www.ssa.gov)

### STEP 2:

Visit [Medicare.gov](https://www.Medicare.gov) to review your options. Download or request a paper copy of the *Medicare & You* handbook.

### STEP 3:

If you are eligible, contact [Empower Retirement at 866-247-0970](https://www.empowerretirement.com) to request a pension estimate. (Teammates hired before 12/31/2013 may be eligible for pension benefits.)

### STEP 4:

Review your budget. Determine how much income you will need to receive from your 401(k) Plan, Advantage Plan or any IRAs you may have. Consider your distribution options and consult a tax professional for guidance on balancing income needs and taxation.

### STEP 5:

Analyze your life insurance needs and plan for the end of your group coverage. You may continue coverage with MetLife by contacting them directly.

### STEP 6:

Review your Flexible Spending Account (FSA) and Health Savings Account (HSA) balances, if applicable.

**Please be aware that PRN teammates are actively employed. Moving from a full-time position to a PRN role is not leaving employment and therefore does not enable you to begin retirement benefits.**

# YOUR RETIREMENT TIMELINE

Here is an overview of the benefits you will be eligible for, depending on your age and timeline to retirement, as well as the forms you'll need to complete and the materials you'll receive along the way:

	<b>WHEN YOU REACH THIS AGE OR STAGE IN THE RETIREMENT PROCESS...</b>	<b>HERE'S WHAT YOU SHOULD KNOW AND DO...</b>
<b>BEFORE YOU RETIRE</b>	<b>Age 55+ with at least 5 years of service</b>	<b>KNOW:</b> You may be eligible for a Pension Plan distribution if you leave employment (if hired before 12/31/2013).
	<b>Age 59½+</b>	<b>KNOW:</b> You are eligible for an in-service withdrawal and rollover from the <b>Atrium Health 401(k) Plan</b> without penalty.
	<b>1 year before retirement date</b>	<b>DO:</b> Review your budget and estimate the expenses that will continue into retirement. Start to determine the income you'll need and where each part will come from.
	<b>6 months before you retire</b>	<b>DO:</b> Request a pension estimate from <b>Empower Retirement</b> . <b>DO:</b> Go over your pension payment options and begin to consider how and when you'd like to take your distribution. <b>DO:</b> Stop HSA contributions 6 months prior to enrolling in Medicare. Medicare Part A will be retroactive up to 6 months (but not prior to Medicare eligibility), and HSA contributions made during those months are subject to tax penalty. Contact <b>Medicare</b> at <b>800-633-4227</b> with questions regarding this requirement.
	<b>4 months before you retire</b>	<b>KNOW:</b> You can apply for your Social Security benefit up to four months before you would like your payment to start. The <b>ssa.gov</b> online retirement application is the quickest and easiest way to apply.
	<b>90 days before you retire</b>	<b>DO:</b> Complete the applicable form(s) in your pension election packet and return to <b>Empower Retirement</b> . <b>KNOW:</b> You should sign up for Medicare 3 months before your 65th birthday. You may sign up online at <b>ssa.gov</b> , call <b>Social Security</b> at <b>800-772-1213</b> , or contact your local Social Security office.

# RETIREMENT TIMELINE

(CONTINUED)

	WHEN YOU REACH THIS AGE OR STAGE IN THE RETIREMENT PROCESS	HERE'S WHAT YOU SHOULD KNOW AND/OR DO...
BEFORE YOU RETIRE	<b>30 days before you retire</b>	<p><b>DO:</b> Confirm your retirement date with your manager. Be aware that changing your retirement date may impact the timing and amounts of your retirement benefits.</p> <p><b>KNOW:</b> You have up to 60 days following your retirement to make a one-time election to continue your Atrium Health medical, dental and vision coverage under COBRA. Election forms must be submitted to continue coverage.</p> <p><b>DO:</b> Update and review your beneficiary information with <b>Empower Retirement</b> and <b>Bank of America</b> (HSA).</p> <p><b>DO:</b> Update your address in CORE Connect or call the HR Service Center at 704-631-1500. This will ensure your benefits are not delayed.</p> <p><b>DO:</b> Contact MetLife no later than 30 days after your last day of employment if you want to continue term life insurance coverage.</p>
	<b>Last day of employment</b>	<p><b>KNOW:</b> Your medical, vision and dental benefits end on your last day of employment.</p> <p>If you select COBRA, benefits will begin the day following your last day of coverage. (See "Other Atrium Health Benefit Options" section for more information.)</p>
AFTER YOU RETIRE	<b>15 to 30 days after you retire</b>	<p><b>KNOW:</b> If you elect to receive your pension benefit following your retirement, your benefit will be paid in the form of a check (review payment options on page 6). If elected, direct deposit of monthly pension payment will start with your first scheduled payment.</p>
	<b>7 to 14 days after you retire</b>	<p><b>KNOW:</b> 7 to 14 days after your retirement, you may contact <b>Empower Retirement</b> at 866-247-0970 to request distribution of your <b>Atrium Health 401(k)</b> and/or <b>ADVANTAGE</b> plan accounts.</p>
	<b>Each October</b>	<p><b>KNOW:</b> If you elect to continue your Atrium Health medical, dental and/or vision benefits under COBRA, Atrium Health will provide annual enrollment options (if applicable) for the coming year.</p>

# WHEN CAN I RETIRE?

## Three Simple Questions

Once you have decided that retiring is a lifestyle decision you want to make, then you should ask yourself three questions to gauge how financially ready you are:

- 1 How much money do I need?
- 2 Where will the money come from?
- 3 How can I make it last?

Most of us are living longer and may need our retirement savings to last for 20 years or more, based on a retirement age of 65 and current life expectancy estimates.

A retirement calculator gives you an estimate of how much you'll be able to spend each year in retirement based on the following:

- Your starting balance
- How many years you may spend in retirement
- An assumed rate of return over that time

The more your investments earn, the longer they will last in retirement.

Not sure your savings will last through retirement? Consider delaying retirement for a few years to give your money time to grow. Be sure to review your current investment election(s) once a year to make sure it continues to reflect the risk you are comfortable with and your investment strategy. Working part-time after you retire is another way to ensure you do not outlive your savings. Don't forget to include your Social Security benefits in your calculation.

## Understanding Your Retirement Benefits

As part of the retirement process outlined in this guide, you'll be asked to choose a payment option for the Pension Plan, 401(k) Savings Plan and ADVANTAGE plan.

Note: Because these rules are very complex, consider talking with a qualified financial advisor about your personal situation. Once you have chosen your payment option, it cannot be changed.

# PENSION PLAN

## How do I determine my pension benefit?

Teammates hired before 12/31/2013 are eligible for pension benefits.

Access your account online at [AtriumHealth.org/Retirement](https://atriumhealth.org/Retirement) to run a benefit estimate and determine your benefit amount.

Please note current benefit calculation modeling is based on the prior year's interest rates. Interest rates change annually and may impact the value of a lump sum payment. It's critical to review all benefit options to determine which is most suitable for you and your family.

## How is my pension benefit paid?

Below are the types of payment options available to you and some things to consider as you think about what option(s) might be suitable for you. You may also wait to take your pension benefit. Please see the table below for details.

PAYMENT OPTION	THINGS TO CONSIDER
<p><b>Deferred payment</b></p>	<ul style="list-style-type: none"> <li>• Pension payments will begin no later than April 1 of the year following your retirement date or 6 months after your 73<sup>rd</sup> birthday.</li> <li>• Ask yourself if you can live comfortably if you defer your pension benefit. Will your personal savings and other sources of income meet your needs until that time?</li> </ul>
<p><b>Lump sum payment</b></p>	<ul style="list-style-type: none"> <li>• Your payment will be considered ordinary income, and will be subject to federal (and possibly state) income taxes.</li> <li>• Your payment will be reduced by 20% for federal income tax withholding (and possibly state income tax withholding for your state of residence).</li> <li>• This form of payment is not available for all plans. Please refer to your plan's Summary Plan Description or call Empower Retirement at 866-247-0970 for options available to you.</li> </ul>
<p><b>Rollover to an Individual Retirement Account (IRA) or other qualified plan</b></p>	<ul style="list-style-type: none"> <li>• You have two rollover options:               <ol style="list-style-type: none"> <li>1. A direct rollover that transfers your benefit directly to the receiving plan or IRA; or</li> <li>2. A 60-day rollover in which the benefit check is sent to you and you have you 60 days to deposit the money into an eligible plan account or IRA (money not rolled over within 60 days will be considered a distribution, subject to taxes and possible penalties). Your payment will be reduced by 20% for federal and possibly state income tax withholding for your state residence.</li> </ol> </li> <li>• Consider whether the continued tax-deferred growth of rolling over the lump sum directly into an IRA will improve your retirement security since you may be in a lower tax bracket by the time you take withdrawals.</li> <li>• This form of payment is not available for all plans. Please refer to your plan's Summary Plan Description or call Empower Retirement at 866- 247-0970, for options available to you.</li> </ul>
<p><b>Single-life annuity</b></p>	<ul style="list-style-type: none"> <li>• You will receive 100% of your benefit calculated as of your benefit commencement date in equal monthly payments for the rest of your life; payments will end upon your death and no benefit is payable to anyone after your death.</li> <li>• If you are married or have dependents, consider whether choosing this option may hurt their financial security after your death. Do you have life insurance or other income/savings to support them?</li> <li>• Annuity payments cannot be rolled over to another qualified plan or IRA.</li> </ul>

# PENSION PLAN

PAYMENT OPTION	THINGS TO CONSIDER
<p><b>Joint and survivor annuity</b></p>	<ul style="list-style-type: none"> <li>• You will receive a monthly payment for the rest of your life.</li> <li>• When you die, your beneficiary will receive a percentage of your monthly benefit for his or her lifetime; you can choose to provide 50% or 100% of your benefit to your beneficiary.</li> <li>• Your monthly benefit will be lower than the amount you would receive with a single-life annuity to reflect payments made to your beneficiary.</li> <li>• Your benefit amount depends on your age, your beneficiary’s age and the percentage of the benefit that will be paid to the beneficiary when you die.</li> <li>• Annuity payments cannot be rolled over to another qualified plan or IRA.</li> </ul>
<p><b>10- or 15-year certain and life annuity</b></p>	<ul style="list-style-type: none"> <li>• You will receive a monthly payment for the rest of your life.</li> <li>• If you die before the benefit has been paid for 10 or 15 years, your beneficiary will receive payments for the remainder of the 10- or 15-year period.</li> <li>• Your monthly benefit will be lower than the amount you would receive with a single-life annuity to reflect payments made to your beneficiary.</li> <li>• The benefit amount depends on your age.</li> <li>• Annuity payments cannot be rolled over to another qualified plan or IRA.</li> </ul>

## How do I start my pension benefit?

Initiate your Pension Plan payment by accessing your account online at [AtriumHealth.org/Retirement](https://AtriumHealth.org/Retirement) or by calling Empower Retirement at 866-247-0970.

Payment of your benefit will generally occur within 30 days of the last of:

- 1 Receipt of your completed election package
- 2 Your termination of employment
- 3 Your benefit commencement date (the date you elected to receive your first pension payment)

To receive a payment on the first day of the following month, completed forms must be received by Empower Retirement no later than the fourth business day of the month. Other factors can delay your first payment.

**You can make changes to your federal or state tax withholding for your pension payments.**

Use Empower Retirement’s Retirement Income Control Panel to see how different tax withholding amounts might change your pension payment. Access your account online at [AtriumHealth.org/Retirement](https://AtriumHealth.org/Retirement) or call Empower Retirement at 866-247-0970. You will need your username and password.

# 401(K) AND ADVANTAGE PLANS

## ***How do I determine my 401(k) and ADVANTAGE account balance?***

Access your account online at [AtriumHealth.org/Retirement](https://AtriumHealth.org/Retirement) or by calling Empower Retirement at 866-247-0970.

## ***How are my 401(k) and ADVANTAGE accounts paid?***

Payment options available to you depend on your account balance.

### **If your account balance (including rollover contributions) is more than \$5,000, you may elect to:**

- a. Leave your money in the plan until age 73, at which time you will receive a required minimum distribution paid directly to you. Once this has been paid, you must indicate whether the remaining portion of your account will be rolled over to another qualified plan or IRA or if a lump-sum payment is to be made directly to you
- b. Roll your money over to another qualified plan or IRA
- c. Have your account balance paid directly to you in a single lump-sum payment

### **If your account balance is between \$1,000 and \$4,999.99 (including rollover contributions), you may elect to:**

- a. Have your account balance paid directly to you in a single lump-sum payment
- b. Roll your money over to another qualified plan or IRA

*Note:* If you do not make an election, an IRA will be opened on your behalf and your account will be transferred into the IRA. You will receive paperwork from the IRA provider about how to access the IRA account.

### **If your account balance is less than \$1,000 (including rollover contributions), you may roll your money over to another qualified plan or IRA.**

*Note:* If you don't make an election, your account balance will automatically be paid to you in a single lump-sum payment.

### **Eligibility for basic and performance-based contributions**

*You must complete 1,000 hours of service in a designated 12-month period to meet eligibility for basic and performance-based contributions. You will become a participant on the last day of the month during which the 12-month period is completed. To receive basic or performance-based contributions for a calendar year, you must complete 1,000 hours of service during the year and be employed with Atrium Health on the last day of the year (except for participants who complete 1,000 hours of service and terminate employment on or after normal retirement date (age 65) or because of death or permanent disability).*

## ***Things to know about a lump-sum payment***

If you elect to receive a lump-sum payment, 20% mandatory federal income tax withholding will be deducted from the total. State income tax may also be withheld depending on your state of residence. If you are under age 59 ½, an additional 10% tax penalty will also apply.

Rolling your account over to an IRA is an option you may want to consider. This will allow you to continue deferring taxation and may give you more flexibility in the amount and timing of your future distributions.

## ***Beneficiary designations***

To review or make changes to your beneficiaries, visit [AtriumHealth.org/Retirement](https://AtriumHealth.org/Retirement) or call 866-247-0970.

*Note:* Beneficiaries cannot be changed once you begin receiving payments.

### **Do you have an outstanding 401(k) loan?**

You can continue to make loan repayments by authorizing Empower Retirement to debit your saving or checking account. If you do not repay the loan, the unpaid balance will be considered a taxable distribution and will be subject to taxation and possibly penalties. To set up the ACH debit process, please call Empower Retirement at 866-247-0970.



# OTHER ATRIUM HEALTH BENEFIT OPTIONS

In addition to your Atrium Health retirement benefits, there is plenty you should know and do when it comes to your medical, dental and vision coverage and other Atrium Health benefits (both before and after you retire). Take a look!

BENEFIT	COVERAGE ENDS	CONTINUED COVERAGE/ DISTRIBUTION OPTIONS	WHAT TO EXPECT	ACTION NEEDED (YOUR RESPONSIBILITY)
<b>HEALTH &amp; WELLNESS</b>				
Medical insurance/ Prescription drug plan	Ends at midnight on your last day worked	18 months COBRA coverage available for all covered persons	Information regarding how to continue coverage and cost, mailed from MedCost within 30 days of last day of coverage  Alternatively, you may also contact 800-318-2596 or <a href="https://www.healthcare.gov">Healthcare.gov</a> for information on the federal healthcare marketplace insurance plans	Return completed COBRA election form to: MedCost Benefit Services Attn: COBRA Department P.O. Box 24042 Winston-Salem, NC 27114 Phone: 800-204-2085
Dental insurance	Ends at midnight on your last day worked	18 months COBRA coverage available for all covered persons	Information regarding how to continue coverage, and cost, mailed from MedCost within 30 days of last day of coverage	Return completed COBRA election form to: MedCost Benefit Services Attn: COBRA Department P.O. Box 24042 Winston-Salem, NC 27114 Phone: 800-204-2085
Vision insurance	Ends at midnight on your last day worked	Available through Community Eye Care	Information regarding how to continue coverage mailed upon request	Contact CEC Vision Plans to enroll: <a href="https://www.cecvision.com/member/login">CECVision.com/member/login</a> or 888-254-4290
Healthcare Savings Account (HSA)	Always yours to keep, even after you retire, some fees may apply		Continue to use this account for eligible medical expenses and Medicare premiums	Contact Bank of America for balance information and to view a list of eligible expenses at <a href="https://www.bankofamerica.com">BankofAmerica.com</a> or by calling 866-731-4206

# OTHER ATRIUM HEALTH BENEFIT OPTIONS

(CONTINUED)

BENEFIT	COVERAGE ENDS	CONTINUED COVERAGE/ DISTRIBUTION OPTIONS	WHAT TO EXPECT	ACTION NEEDED (YOUR RESPONSIBILITY)
<b>HEALTH &amp; WELLNESS</b>				
Flexible Spending Accounts (FSA)	Contributions stop at last pay period	Available via COBRA through current year end	File claims through April 30 of the year following your employment end date for expenses incurred through employment end date	Contact Bank of America for balance information: <a href="https://myhealth.bankofamerica.com">MyHealth.BankofAmerica.com</a> or 866-731-4206
<b>LIFE/LONG-TERM DISABILITY INSURANCE</b>				
Group life insurance and Long-Term Disability	Employment end date	Can be converted to an individual plan	Forms mailed to you from MetLife Insurance Company to convert this policy	Return completed forms or contact MetLife with questions: 866-729-9201
<b>OTHER</b>				
Additional benefits	Employment end date	Options to continue coverage vary	Information regarding how to continue coverage mailed from benefit providers	Contact benefit providers directly. Refer to list on: <a href="https://teammates.atriumhealth.org">Teammates.AtriumHealth.org</a>
Paid Time Off (PTO)	Ends on your last week worked	N/A	Eligible earned PTO hours paid the pay period following your last paycheck, provided your manager notifies Human Resources  Employed less than 2 years, payout equals 50%	N/A

# SOCIAL SECURITY AND MEDICARE

## Social Security

Depending on your birth date, you'll receive a full benefit between ages 65 and 67. You may begin receiving a reduced benefit as early as age 62.

Important: Apply for Social Security benefits three months before your retirement date to ensure your benefits will begin when you need them. Go online to [SSA.gov](https://www.ssa.gov), visit your local Social Security Administration office or call 800-772-1213.

## Medicare

Medicare is a federal health insurance program for people who are age 65 and older or disabled at retirement. You may choose traditional Medicare coverage which has three parts:

**TRADITIONAL PART A:** Covers hospital stays, care in skilled nursing facilities, home healthcare, hospice care and blood transfusions. Everyone who's eligible for Medicare gets Part A at no charge.

*Note:* You are automatically enrolled in Medicare Part A when you sign up for Social Security benefits, unless you elect otherwise.

**TRADITIONAL PART B:** Covers doctors' services, outpatient hospital care and some medical supplies and equipment. It also covers some services that Part A doesn't cover, such as certain physical and occupational therapy and home healthcare services. Part B, which is optional, has a monthly premium that's deducted from your monthly Social Security benefits.

*Note:* Enroll in Medicare Part B within three months before you reach age 65. If you wait, you may have to pay a premium penalty.

**TRADITIONAL PART D:** Covers prescription drugs. Part D is optional.

If you elect traditional Medicare coverage, you are encouraged to research Supplemental Medicare plans offered in your area. These plans coordinate with Medicare to assist with items not fully covered by Medicare.

- Atrium Health has determined that the prescription drug coverage offered by the LiveWELL Health Plan is, on average for all plan participants, expected to pay out as much as the standard Medicare prescription drug coverage will pay, and is considered Creditable Coverage.
- You can't have both Medicare Part D coverage and Atrium Health prescription drug benefits. If you enroll in Medicare Part D and elect to continue your medical benefits under COBRA, you will be unable to utilize the prescription drug benefit under the Atrium Health medical plan.

### MEDICARE ADVANTAGE PLAN

You may also want to explore Medicare Advantage Plans. Medicare Advantage Plans provide Part A and Part B benefits and often include drug coverage. If you choose a Medicare Advantage Plan, you will not need a supplement.

Important: Be sure to enroll three months before your retirement date to ensure that your benefits will begin when you need them to, and to avoid possible premium penalties.

For more information, go online to [Medicare.gov](https://www.medicare.gov) and browse the information listed under, "Sign Up/Change Plans" or call 800-MEDICARE (800-633-4227).

# RETURNING TO WORK AFTER YOU RETIRE

After retirement, you may decide to return to work with Atrium Health. People decide to return to work after retirement for many reasons – to try a new career, for a sense of belonging or for financial reasons.

If you decide to return to work with Atrium Health after you retire, it is important to understand how your retirement benefits may be affected. In most cases, IRS regulations require that you stop your employment in order to receive your retirement benefits. In addition, you must have a “bona fide severance from employment.” This means you may not discuss or enter into a pre-arranged agreement to return to work before you retire, and you must be retired for a reasonable amount of time – generally not less than three months.

## *Some things to consider before deciding to return to work:*

- In order to begin receiving your pension, you must be terminated from employment. If you return to work at Atrium Health before you begin receiving your pension benefit, you will not be able to apply for benefits until after you end employment.
- Social Security has limitations on earnings prior to full retirement age. Your Social Security benefits could be reduced if you exceed certain income limits. Contact the Social Security Administration for additional information.

## *Online tools at your fingertips*

The Empower Retirement website is a convenient way to manage your Pension Plan, 401(k) Savings Plan and ADVANTAGE retirement account. The website provides decision-making support and real-time transactions to help you prepare for retirement and other life events. To access your account, go to [AtriumHealth.org/Retirement](https://AtriumHealth.org/Retirement) or call Empower Retirement at 866-247-0970.

Bank of America is our partner for your Health Savings Account (HSA) and Flexible Spending Account (FSA). The Bank of America website is a resource for all your questions about these accounts. To access your account, go to [MyHealth.BankofAmerica.com](https://MyHealth.BankofAmerica.com). If you have questions about your new account(s), call Bank of America at 866-731-4206.

### **Remember your username and password.**

For your security purposes, you'll need your username and password to work with an Empower Retirement or a Bank of America representative. Be sure to keep this information in a safe place. You'll also need it to access your information after you've retired. If you ever forget your information, just click “Forgot Username or Password” on the website and follow the instructions.

### **Remember to update us!**

After you retire, don't forget to let Atrium Health know if your address changes. To update, call the [HR Service Center](#) at 704-631-1500 and Empower Retirement at 866-247-0970.

# KEY RESOURCES

KEY RESOURCES	CALL	CLICK
<b>EMPOWER RETIREMENT</b> (401(K), ADVANTAGE AND PENSION PLANS)	<b>866-247-0970</b>	<a href="https://AtriumHealth.org/Retirement">AtriumHealth.org/Retirement</a>
<b>BANK OF AMERICA</b> (HSA AND FSA)	<b>866-731-4206</b>	<a href="https://MyHealth.BankofAmerica.com">MyHealth.BankofAmerica.com</a>
<b>MEDCOST</b>	<b>800-204-2085</b>	<a href="https://Medcost.com">Medcost.com</a>
<b>DELTA DENTAL</b>	<b>800-662-8856</b>	<a href="https://DeltaDentalNC.com">DeltaDentalNC.com</a>
<b>CEC</b>	<b>888-254-4290</b>	<a href="https://CECVision.com">CECVision.com</a>
<b>HR SERVICE CENTER</b>	<b>704-631-1500</b>	<a href="https://Teammates.AtriumHealth.org">Teammates.AtriumHealth.org</a>
<b>MEDICARE</b>	<b>800-MEDICARE (800-633-4227)</b>	<a href="https://Medicare.gov">Medicare.gov</a>
<b>SOCIAL SECURITY</b>	<b>800-772-1213</b>	<a href="https://SSA.gov">SSA.gov</a>

**KEEP THIS LIST HANDY!**

This guide provides a summary of Atrium Health retirement benefits. It does not supersede the description of benefits contained in the plan documents. In the event of any discrepancy between this guide and the plan documents, the plan documents will govern. Atrium Health retains the right to make changes to the plan at any time.

**THIS CHECKLIST SHOULD BE USED AS AN ADDITIONAL RESOURCE TO PLANNING FOR RETIREMENT.**