



The University of Vermont Retiree Health Savings Plan

Plan features

- Easy online access to account and investment information
- Dedicated toll-free customer service center
- 24-hour access to claims representatives
- Healthcare payment card
- Ability to manage recurring claims online via “click to pay”
- No additional fees when claims are submitted
- Wide array of health and wellness tools from WebMDTM
- Reimbursement for qualifying expenses of your spouse, domestic partner and other dependents

Saving today for a healthier tomorrow

As you get older, healthcare costs are likely to take up a larger portion of your budget, and Medicare may not be enough.* The University of Vermont (UVM) established the retiree healthcare plan as a way to help you prepare and pay for your medical expenses in retirement.

The retiree healthcare savings plan complements your retirement plan, and it offers a number of tax advantages, both while you are accumulating savings and later when you are retired, including:

- Tax-free employer contributions
- The potential for tax-free investment earnings
- Tax-free reimbursement for qualified medical expenses during retirement

In addition, you have the opportunity to save even more by making your own contributions on an after-tax basis. Any earnings are tax free as long as the money is used to pay for qualified healthcare costs.

* Sources: Bureau of Labor Statistics, BLS Consumer Expenditures in 2015, April 2017 and “Amount of Savings Needed for Health Expenses for People Eligible for Medicare: Good News Not So Rare Anymore,” Employee Benefit Research Institute (EBRI) Notes, Vol. 35, No. 10, October 2014.

Once you retire, the healthcare payment card, which works like a debit card, offers a convenient way to pay qualified medical expenses directly from your plan account.

How the plan works



A tax-advantaged retiree healthcare account

Money is set aside now to help you pay your healthcare costs in retirement:

- Funded with employer contributions and after-tax employee contributions
- No annual contribution limits
- Automatic enrollment



A tax-free reimbursement benefit

When you retire, money in your account can be used for a variety of qualified medical expenses, such as:

- Health insurance premiums
- Copayments and deductibles
- Prescription drugs
- Other expenses as defined by the Internal Revenue Service

About the plan

Eligibility	To participate in the plan you must have been hired on or after 1/1/2012 and have been employed at UVM for a period of at least one year. Once you are enrolled as a plan participant, you may make voluntary after-tax contributions to the plan at a minimum of \$25.00 per pay period.
Vesting	Your voluntary after-tax contributions are always 100% vested. UVM's contribution is subject to a 15-year vesting requirement, based on years of service. Employees who terminate employment prior to attaining 15 years of benefits-eligible service will forfeit any employer contributions plus any earnings attributable to the employer contributions.
Entitlement	Once you meet the vesting requirements of the plan and have attained age 65, you may begin accessing your account to pay for qualified medical expenses. If you have not met the plan's vesting requirements for employer contributions, you will only have access to the money you contributed and any earnings attributable to your contributions.
Benefits After Death	After your death, your spouse or domestic partner and eligible dependents may continue to receive reimbursement for their qualified medical expenses if allowed under your plan's rules. However, if there is no surviving spouse, domestic partner or eligible dependents, any unused benefits, including your own after-tax contributions, will be forfeited.
Contribution Schedule	UVM will make a contribution on behalf of eligible faculty and staff in the amount of \$1,150 per year up to a maximum of 30 years. Contributions will be made on a per pay period basis.
Investments	Initial contributions will be invested in a TIAA-CREF Lifecycle mutual fund that has a date closest to the year you will turn age 65. Keep in mind that, as with all mutual funds, the principal value is not guaranteed at that target retirement date or any other time. Once your account is established, you will have the opportunity to change your investment option(s) if you so choose.

Income Security + Healthcare Security = Retirement Readiness

We are committed to providing the resources you need to help prepare for the healthy retirement you deserve. If you have any questions or want more information regarding the retiree healthcare plan, please call **877-554-1004** and choose option 1.



The University of Vermont

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Interests in any retiree healthcare plan discussed herein are offered solely by the employer.

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