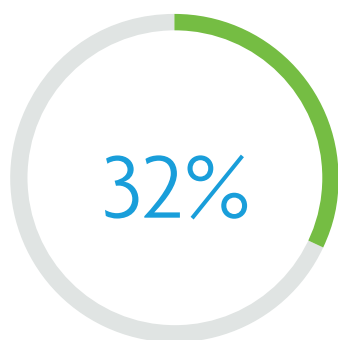


Reimagine your retirement plan for an evolving workforce

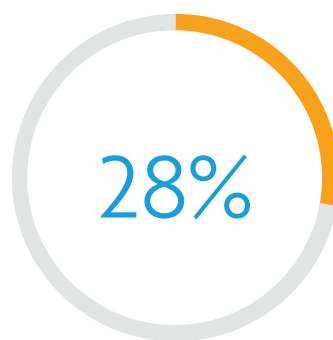
Major themes and challenges

Recruit and retain healthcare staff

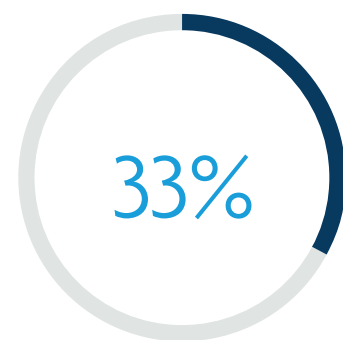
The pressures of caregiving during the pandemic accelerated retirement and turnover among clinicians.



expected turnover for nurses over the next two years¹



expected turnover for physicians over the next two years²



of physicians are over age 60.³
20% of nurses are age 65+.⁴

Engage a multidimensional workforce

Even as financial conditions are improving for many employees since the height of the pandemic, there are still needs, given the dynamics of a diverse workforce.

Financial impact of COVID-19



72%

of employees said their financial condition improved from 2020 to 2021.⁵

Here are examples of specific employee groups that face unique challenges.

90% of RNs and LPNs are female.⁶ What's more,

76% of all healthcare jobs are held by women,⁷ who live

5 years longer than men,⁸ but retire with nearly

1/3 less income.⁹

Historical/systemic obstacles can impede financial resiliency. The impact on Black and Latinx Americans?

15-20% lag
behind White Americans financially.¹⁰

Strengthen inclusion, diversity and equity (ID&E) programs

Build greater inclusion and equity by applying ID&E principles to plan design, investment menus and employee engagement programs.



96%

of plan sponsors report a greater commitment to ID&E.¹¹

Fortify the organization's financial stability

Overpaying for talent during the pandemic has led to upward pressure on labor costs.

\$58.4K

average turnover cost per nurse.¹²



Manage risks from ongoing mergers and acquisitions



42%

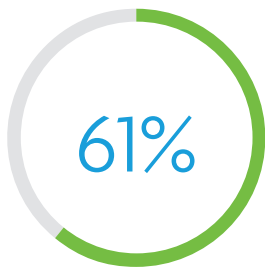
of organizations anticipate being involved in a merger/acquisition in the near future. Ensuring successful integration and risk mitigation are essential.¹³

Solutions

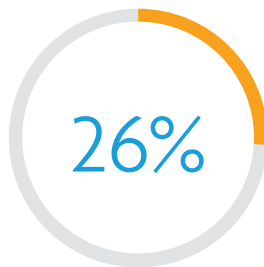
Amid the challenges, employers are refocusing overall benefit programs. Robust retirement plans can provide meaning and value to all employees.

Retirement plan purpose

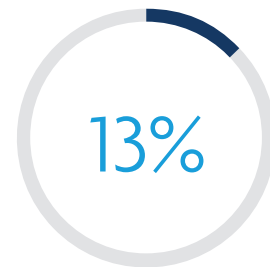
The primary purpose of an organization's retirement plan is to provide participants with secure income in retirement.



Lifetime income replacement¹⁴



Wealth accumulation¹⁵



Lifetime income replacement and wealth accumulation¹⁶

As part of an overall cost-reduction strategy, organizations continue to:



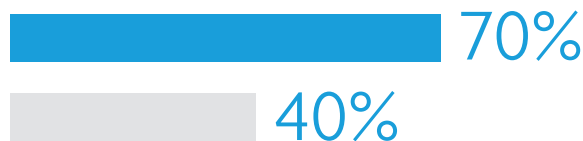
Shift from defined benefit (DB) plans to defined contribution (DC) plans.



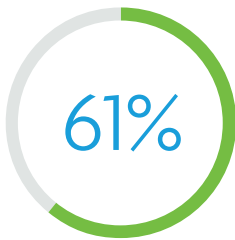
Many are **including DB-like personal pension benefits** in their DC plans.

Automatic features increase participation and savings for all

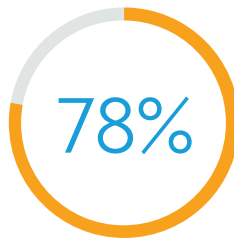
Participation rate for organizations that implement **automatic enrollment** in their 403(b) plans and those that do not.¹⁷



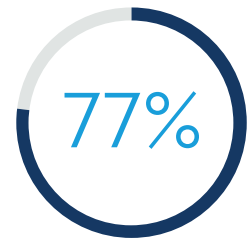
Default investments for lifetime income



of new contributions go into a plan's default option, typically a target date fund (TDF), with inertia keeping funds in that default.¹⁸



of plan sponsors believe TDFs help participants meet income needs in retirement. However, they **generally don't provide guaranteed lifetime income.**¹⁹



of plan sponsors would be interested in offering a **lifetime income** option in a custom default.²⁰

Robust education and engagement



70%

of employees **need their employer's help now more than ever** to become financially secure.²¹ A plan provider can assist by offering:

	2020 ²²	2021 ²³
Retirement readiness tools and services	89%	98%
Advice, not just guidance 73% of plan sponsors say this is extremely valuable ²⁴ (compared to 53% in 2020). ²⁵	89%	96%



For more insights

Download *The current state of retirement plans for healthcare organizations*.

Available at TIAA.org/helpinghealthcare

TIAA was founded to help educators retire with dignity. Today, 100+ years later, we've evolved into a Fortune 100 organization, managing \$66B in retirement assets from healthcare institutions alone as of 3/31/22. With a specialized practice in healthcare, TIAA helps clients contain costs, reduce complexities and provide their employees with a clear and confident path to retirement. Imagine the possibilities.

^{1,2} Healthcare Sector Financial Wellness Survey, TIAA Institute (2021)

³ <https://www.beckershospitalreview.com/workforce/early-retirements-could-be-drastic-in-healthcare.html>

⁴ TIAA Insights: Nurse Retention (2021)

⁵ Healthcare Sector Financial Wellness Survey, TIAA Institute (2021)

⁶ American Nursing Association, 2020

⁷ Jennifer Cheesman Day and Cheridan Christnacht, August 14, 2019

⁸ National Center for Health Statistics Report - March 2021

⁹ Organization for Economic Cooperation and Development study: "Towards Improved Retirement Saving Outcomes for Women," 2021

¹⁰ TIAA Institute-GFLEC Personal Finance Index (2021)

¹¹ Spectrem Group Not-for-Profit Healthcare Sector Report (2021)

¹² <https://www.nursingworld.org/news/news-releases/2021/ana-urges-us-department-of-health-and-human-services-to-declare-nurse-staffing-shortage-a-national-crisis/>

^{13, 14, 15, 16, 17} Spectrem Group Not-for-Profit Healthcare Sector Report (2021)

¹⁸ Calculation based on TIAA healthcare plans

^{19,20} TIAA Retirement Insights Survey (2021)

²¹ 2020 EBRI/Greenwald Research Workplace Wellness Survey

^{22, 23, 24, 25} Spectrem Group Not-for-Profit Healthcare Sector Report (2020)



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