

# University of the Incarnate Word VEBA Trust Retiree Health Savings Plan

## 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. University of the Incarnate Word established the retirement healthcare plan to help you prepare and pay for medical expenses in retirement.

This plan complements your retirement program and offers tax advantages as you accumulate savings and when you retire:

- Tax-free employer contributions
- 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.

## How it works

### A tax-advantaged retirement healthcare account

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

- Funded with tax-free 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

## Your benefits

- Easy online access to account and investment information
- Dedicated toll-free customer service center
- Healthcare payment card
- Ability to establish and manage recurring claims online
- No per transaction fee when claims are submitted
- Reimbursement for qualifying expenses for you, your spouse, and dependents



Questions? Call us at  
877-554-1004, weekdays,  
8 a.m. to 10 p.m. (ET)

- Select option 1 to speak with a TIAA representative regarding your account balance, asset allocations or claims activation
- Select option 2 to speak with an Optum representative for questions related to claims processing, using your healthcare payment card or eligible expenses



- Download the TIAA app or log in to the TIAA.org website:
- Check account balance
- View pending transactions
- Transfer funds

## About the plan

### Eligibility

To participate in the plan, you must be at least 40 years old and have been employed 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 subject to the following restrictions.

### Contribution schedule

The amount of your employer contributions will be determined by your employer annually. Your employer will stop making contributions on the earliest of the following events: your employer has made 25 years of contributions to your account, your separation from employment, or your death during employment.

### Vesting

Your voluntary after-tax contributions are always 100% vested. Your employer contribution is vested after 5 years of continuous service. Employees who terminate employment prior to attaining 5 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 terminated employment, you may begin accessing your account to pay for qualified medical expenses. If you have not met the program'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 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.

### Investments

Initial contributions will be invested in a Nuveen Lifecycle Mutual Funds 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 options if you so choose. Also note that you will need to have funds in the Nuveen Money Market Mutual Fund to be reimbursed for claims or to use the debit card.

This material is for informational or educational purposes only and is not fiduciary investment advice, or a securities, investment strategy, or insurance product recommendation. This material does not consider an individual's own objectives or circumstances which should be the basis of any investment decision.

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

Teachers Insurance and Annuity Association of America (TIAA) will provide services to the plan and may issue plan communications on behalf of the plan sponsor, in its capacity as a plan recordkeeper.

**Investing may not be suitable for everyone and before making any investments, you should carefully consider the investment objectives, risks, charges, and expenses of any mutual fund before investing. A prospectus and, if available, a summary prospectus containing this and other important information can be obtained by visiting the fund sponsor's website. Please read the prospectus carefully before investing.**

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# INCOME SECURITY

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# HEALTHCARE SECURITY

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# RETIREMENT READINESS

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.

The IRS requires that all reimbursements are verified as qualified medical expenses, so always save your receipts as they will be required during the claims approval process.