

Regional Health Pension Plan

Regional Health sponsors a retirement program that supports employee retirement income. Once you meet eligibility requirements, Regional Health provides 100% of plan contributions.

ELIGIBILITY

You become an automatic participant in the Regional Health Pension Plan after completing one year of service with Regional Health, reaching the age of 20½, and working a minimum of 1,000 hours per calendar year. You are 100 percent vested in the pension plan after completing three years of service with Regional Health.

HOW IT WORKS

When you become eligible, a cash balance account is established for you. Regional Health contributes an amount equal to 3% of your annual gross earnings to your account each year you work at least 1,000 hours with Regional Health. After 7 years of service, Regional Health increases its contribution to an amount equal to 4% of your gross earnings and then after 19 years the contribution increases to an amount equal to 5% of your gross earnings. There is no partial vesting. In addition to the contributions made by Regional Health, your account also earns interest on the previous year's balance. You are 100% vested after 3 years of qualifying service.

WHEN ARE PENSION BENEFITS PAYABLE

You will receive your vested cash balance account when you leave Regional Health if you have completed three qualifying years of service or if you should become disabled after completing 3 years of service. If you die, your beneficiary will receive your pension benefit. If you are married, your spouse is the automatic beneficiary. Several retirement distribution options are available, spouse survivor annuity, life annuity or lump sum distribution.

INCOME TAX INFORMATION

Current IRS tax rules require Regional Health to withhold 20 percent federal income tax on lump sum distributions unless the pension is rolled over into another qualified retirement plan or an IRA.

PENSION PLAN STATEMENTS

A personalized statement is mailed to your home annually. For additional information, please contact your local Human Resources.