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**New Study by Transamerica and American Hospital Association Identifies  
Key Retirement Trends in Healthcare Sector**

*Opportunities for Advisors and Intermediaries Emerge in Healthcare-Specific Research*

A new study reveals that employees in the healthcare sector present a unique set of challenges and opportunities to retirement plan sponsors, as well as providers, advisors and intermediaries. Co-authored by Transamerica Retirement Solutions Corporation and the American Hospital Association, the research report “Retirement Plan Trends in Today’s Healthcare Market” found that eight in 10 surveyed healthcare retirement plan sponsors partner with an intermediary, who is most likely to be an investment or benefits consultant and also works either primarily or exclusively with retirement plans.

“Hospitals and other healthcare employers have become increasingly attentive to the retirement readiness of their participants in recent years,” said Brodie Wood, senior vice president of not-for-profit markets, Transamerica Retirement Solutions. “Our survey shows that over 82 percent of healthcare employees now participate in a defined contribution plan, so their efforts are clearly having an impact.”

In addition to increased plan participation rates, the study revealed the following trends and tips for healthcare plan sponsors and their advisors and intermediaries:

- **Use mobile:** Using mobile technology as a channel to deliver retirement education also emerged as a priority, since many hospital workers spend their days working with patients as opposed to sitting in front of computers.
- **Manage costs:** When asked to identify their primary concerns related to their plans, healthcare plan sponsors most often indicated that they are “extremely concerned” or “very concerned” about the impact of increasing healthcare costs on the plan (53 percent), as well as the likelihood that “employees may have to delay retirement because they are unprepared financially” (51 percent).
- **Build in Roth:** Healthcare plan sponsors continue to offer the Roth option in greater numbers in 403(b) plans, with a year-over-year increase from 21 percent to 33 percent.
- **Adopt new approaches:** Holding one-on-one and group employee meetings, offering an attractive employer matching contribution and implementing automatic features were identified as effective in terms of addressing plan challenges.



- **Streamline investment options:** When asked to identify the initiatives that are most effective for moving employees toward further retirement preparedness, healthcare plan sponsors identified streamlined investment options as a key driver. The number of investment options offered by healthcare plans continues to hover around a *sweet spot*: 35 percent of plans offered 11 to 15 funds in 2015, up from 29 percent in 2014.
- **Market the plan to employees:** Healthcare plan sponsors also indicate their concerns, although less frequently, about “employee appreciation of the plan” (34 percent) and the ability to continue the employer contribution (8 percent).

“Today’s rapidly evolving healthcare industry landscape can be challenging for plan sponsors to navigate, but this research shows that their efforts are having a positive effect,” Wood said. “Looking ahead, it will be important for the healthcare plan sponsors to continue to embrace technology and innovative approaches that move the needle on retirement security while controlling costs.”

To download a copy of the full report, visit <http://isrm.transamerica.com/retirement-plan-trends-in-healthcare-2015-report>.

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#### **About Transamerica Retirement Solutions**

Transamerica Retirement Solutions (Transamerica) is a leading provider of customized retirement plan solutions for small to large organizations.

Transamerica partners with financial advisors, third party administrators, and consultants to cover the entire spectrum of defined benefit and defined contribution plans, including: 401(k) and 403(b) (Traditional and Roth); 457; profit sharing; money purchase; cash balance; Taft-Hartley; multiple employer plans; nonqualified deferred compensation; and rollover and Roth IRAs.

Transamerica helps more than three million retirement plan participants save and invest wisely to live the life they want. For more information about Transamerica Retirement Solutions Corporation, please visit [transamerica.com](http://transamerica.com).

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