

CASE STUDY

ST. LUKE'S UNIVERSITY HEALTH NETWORK

THE BACKGROUND

Headquartered in Allentown, Pennsylvania, St. Luke's University Health Network is a fully integrated, regional, nonprofit hospital system with more than 16,000 employees, 12 hospitals, and over 300 outpatient sites. It includes a school of medicine and is the home of the nation's oldest operating nursing school.

THE CHALLENGE

Since the start of St. Luke's relationship with Transamerica, the organization grew by almost 5,000 employees primarily due to mergers and acquisitions, but participation in the retirement plan remained low. The below-average participation rate was partly attributed to St. Luke's generous nonelective employer contribution which proved to be a disincentive for some employees to participate in the 403(b) plan.

With that in mind, St. Luke's and Transamerica set a goal to increase the plan participation rate to 50% from 39%.*

THE RESOLUTION

Faced with this challenge, St. Luke's knew it had to:

- Enhance the plan design to help increase participation
- Promote the availability of two onsite Transamerica retirement planning consultants (RPCs), who offer no-cost financial and retirement guidance

St. Luke's added automatic enrollment at 6% for new employees and partnered with Transamerica to create the RetireMore Ready program to increase plan awareness and visibility, participation, and personal interactions with Transamerica's RPCs.

LOCALIZING THE EFFORT

The plan's administrative team visited St. Luke's 13 campuses and increased communications with the Human Resources offices at each campus, including distributing enrollment and educational materials to all offices. Life-sized cardboard cutouts of Transamerica's RPCs were strategically placed at two of the largest campuses to encourage employees to take advantage of personalized retirement assistance available onsite. These efforts led to improved employee access to information about the retirement plan and local holistic guidance for their retirement planning needs.

St. Luke's also integrated the retirement plan into its internal Star Bucks rewards program. Employees earned reward points by watching a video explaining benefits of the retirement plan and the importance of starting to contribute to the plan as early as possible.

THE CLIENT

SPONSOR: St. Luke's University Health Network

GROUP: 15,667 employees

PLAN: 403(b)

FOCUS: Plan Awareness and Participation



1,170

employees attended a group meeting with an RPC

CASE STUDY

RESULTS

Due to the creative approaches employed by St. Luke's and Transamerica, awareness of the retirement plan and results rose significantly. Within one year, St. Luke's participation rate increased by 38%, jumping to 54% from 39%. The campaign also led to a 12% increase in positive retirement forecasts. Of the participants with an *OnTrack*® profile, 76% had a sunny or partly sunny *Your Retirement Outlook*®, meaning they are projected to have an 80% or better chance of replacing at least 80% of their income in retirement.



Rainy



Cloudy



Partly Sunny



Sunny

“We take a very personal approach to this important benefit so our employees can have a better chance at a financially secure future. Our goal is to start the conversation, to increase awareness on the ever-increasing importance of retirement readiness, and to make access to retirement benefits and resources innovative, fun, and as easy and friendly as possible for all of our employees so they can RetireMore Ready.”

— John Tiemann

NETWORK RETIREMENT SPECIALIST AT ST. LUKE'S

Awareness of the retirement plan and results rose significantly:

39%

INCREASE IN PLAN PARTICIPATION*

12%

INCREASE IN PARTICIPANTS WITH POSITIVE RETIREMENT FORECASTS*

2,272

PERSONAL INTERACTIONS WITH AN RPC*

ABOUT TRANSAMERICA

TOP 10
PROVIDER IN THE U.S.**

4.1 MILLION
PARTICIPANTS***

85+ YEARS
EXPERIENCE

*Internal client data as of December 2019

** "2021 Recordkeeping Survey," PLANSPONSOR, June 2021

*** As of December 31, 2021

Important: The projections or other information generated by the engine (which produces *Your Retirement Outlook*®) regarding the likelihood of various investment outcomes are hypothetical, do not reflect actual investment results, and are not guarantees of future results. Results derived from the tool may vary with each use and over time.

Retirement planning consultants are registered representatives of Transamerica Investors Securities Corporation member FINRA, 440 Mamaroneck Avenue, Harrison, NY 10528. Investment advisory services are offered through Transamerica Retirement Advisors, LLC (TRA), an SEC-registered investment advisor. All Transamerica companies identified are affiliated.

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