



Overcoming Budget Obstacles with Simple Solutions: Retirement Incentives

Navigate difficult decisions with confidence. Count on National Insurance Services to provide you with the solutions you need to help you and your employees win.

Offer These Plans to Provide Employees with a Win-Win

Voluntary separation programs that offer early retirement incentives can be a viable alternative to layoffs. Employees leave on their own accord while feeling valued by their employers.

Special Pay Plan 403(b)

- Funds can be used for any purpose
- Permanently save employee and employer up to 7.65% in FICA taxes
- Payouts can occur for up to 5 years past the date of separation — earnings are tax-deferred

Retiree Health Reimbursement Arrangement (HRA)

- Funds can be used for qualified medical expenses in retirement, including insurance premiums
- Permanently save the employee and employer on all taxes — contributions, distributions, and interest accrual are tax-free
- Can help reduce and/or eliminate OPEB liability

Supplemental Early Retirement Plan (SERP)

- Enhances retiree benefits, improves job security, and provides effective budget and staff planning solutions with valuable, voluntary retirement incentives
- Generates cost savings through the differential in salary costs for a retiring teacher and a new hire
- Benefit payout options include annuities, special pay plans (lump sum), and VEBA health reimbursement arrangements
- Reduces pension obligations
- Helps avoid layoffs

Contact Your NIS Representative to Put These Simple Solutions to Work Today



Landon Mowry

Market Development
800.627.3660, Ext. 1321
lmowry@NISBenefits.com