

# Office Hour Topics

## **We would like to quickly cover:**

- About the 401(k) & Key Dates
- How to Enroll

## **Then we will get to:**

- Common FAQs & Your Additional Questions

# Enhanced 401(k) Plan

## About the Enhanced 401(k) Plan

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- The plan for nearly all BAYADA employees
- Enhanced plan launching 10/1 with **expanded coverage** for more employees and **immediate eligibility** for employee contributions
- Benefits mirror 403(b) – same eligibility, employee contributions, investments, nearly same distribution provisions
- Match eligibility has not changed – you must meet requirements to be eligible to receive match (attainment of age 21, 1 year of service and 1000 hours from original Date of Hire or during a subsequent plan year)
- For those HCE's not eligible for the 403(b) plan, employee contributions still subject to 4% contribution cap

### Key Dates:

Date	Activity
9/7	• Enrollment begins
9/24	• 4pm ET deadline to make elections for contributions to be deducted from paycheck on October 1, 2020
10/1	• Enhanced 401(k) plan officially launches

\*Unlike Open Enrollment, employees may enroll in the plan at any time after 9/24 and contributions will be deducted from your paycheck as soon as administratively feasible (1-2 pay periods), however, if the employee would like deductions made from the 10/1 paycheck, deferral elections must be updated before 9/24 4PM ET.

# How to Enroll in the 401(k) Plan

**Check your inbox for an email on 9/8 and 9/21 including your Enrollment Brochure and Getting Started Guide.**

## How to enroll:

- Visit [www.prudential.com/online/retirement](http://www.prudential.com/online/retirement)
- New User? Follow the prompts to register your account.
- Enroll: select your contributions and investments. After confirming, add your beneficiary information\*

## **IMPORTANT INFORMATION REGARDING BENEFICIARY INFORMATION**

### Marital status incorrect on the Prudential site?

- Update on Workday under Personal /Personal Information
- Data will be transmitted to Prudential within 1-2 pay periods
- Once updated, log on an update your beneficiary information. ‘

\*New users will be able to update their beneficiary once they receive a security code from Prudential by mail, about 5-7 days from initial account registration.

## Resources to support you:

- Prudential Participant Services 877-778-2100 from 8AM – 9PM ET - Questions about your account or for enrollment issues
- Prudential 401(k) Getting Started Guide which includes Plan Highlights, Investment & Goalmaker information & performance
- Prudential Enrollment Brochure for screen shots how to enroll and manage your account online
- BAYADA Benefits Website [Retirement Plans](https://www.bayada.com/benefits/find-benefits/retirement-plans/) section at <https://www.bayada.com/benefits/find-benefits/retirement-plans/>
  - Tips & Tools has FAQs, Getting Started Guide, Recordings of Educational Webinars and Plan Highlights, Summary Plan Description (update coming soon)

# Common FAQs

## 1. What happens if I miss the 9/24 enrollment date?

Don't worry, you haven't missed your chance, but your contributions will not begin on 10/1. You can update your elections at any time, although it may take up to 2 pay periods to see deductions begin from your paycheck.

## 2. I met the eligibility requirements under the prior 401(k) plan. How do the plan changes affect me?

No change or action required for currently contributing plan participants. Review now your savings plan to evaluate whether you are on track or adjustments are needed.

## 3. How much can I contribute in 2020?

1%-80% of your pay each pay period up to the 2020 IRS limit of \$19,500. If you are age 50+ in 2020, you may make an additional \$6,500 catch up contribution. Your contributions will continue and payroll will stop your withholding once you reach the annual limits.

## 4. Are my contributions to the 401(k) plan eligible for matching contributions?

Yes, any employee contributions made after meeting the match eligibility requirements will be eligible for an employer match in any year for which BAYADA funds a matching contribution if the employee is either employed on the last day of the plan year or has worked at least 501 hours during the year. Match contributions are funded once a year, usually in March of the following year.

## 5. How does the match work?

The employer match is a discretionary contribution, which means that your employer may increase, decrease or not to make a contribution in any given year. The employer matching contribution is based on the contributions you make to the plan. You must meet match eligibility requirements to be eligible for a match. Catch-up contributions are not matched, and employee contributions made before meeting match eligibility requirements are not matched. If made, the annual match is deposited into your 401(k) account in the year following the year contributions are made. Employer match contributions are subject to the vesting schedule (see retirement website for details).

## 6. Does the plan allow me to roll over money from another retirement plan or my IRA?

Yes, you may consolidate your retirement accounts from a qualified retirement plan from your prior employer or a Traditional (pre-tax) IRA. Regulations do not permit the rollover of Roth IRAs into the 401(k) plan. Call Prudential's Retirement Plan Consolidation Team at 800-249-2430.

# 401(k) vs. 403(b) Cheat Sheet

## 401(k) Plan

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- The plan for nearly all BAYADA employees with expanded coverage and immediate eligibility for employee contributions
- Benefits mirror 403(b) – same eligibility, employee contributions, investments, nearly same distribution provisions
- Employee contributions not eligible for match until match eligibility has been met.
- **HCE employee contributions subject to 4% contribution cap**

## 403(b) Plan

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- For HCEs from BHHC, BHC, CCNE
- **More retirement savings potential**
  - **Up to IRS annual limit (no more 4% cap!)**
  - **No corrective distributions for testing failure on employee contributions**
- No longer be allowed to contribute to the 401(k) plan after 9/24/20
- Will have 401(k) account for their employer match
- Match contributions still subject to testing (and potentially corrective distributions)

**To the extent that regulations permit, we are moving the HCEs to the 403(b) plan**