

Montefiore



Annual Benefits Election Period

November 12 – November 30

WHAT'S NEW IN BRIEF!

- Health Care FSA Annual Contributions
- Voluntary Tax Deferred Annuity 403(b) Plans



To Wakefield Registered Nurses:

According to a MetLife Benefits Election Poll, 20% of workers who had the opportunity to participate in a benefits enrollment last year failed to act and defaulted to either the prior year's choices or their employer's default choices.

This year it is more important than ever to take the time to explore your benefit options including Voluntary Benefits and choose the plans that best fit your individual needs. You may want to visit www.MyMonteBenefits.com – for additional information and a quick link to Montefiore's enrollment website.

Each year during the Annual Benefits Election Period, you have the opportunity to elect a Health Care Flexible Spending Account (FSA) or change your contributions. You must make a new election if you want a Health Care FSA in 2014. Your 2013 election will *not automatically* continue into 2014.

If you need assistance, contact the HR-Benefits Office by email at montebenefits@montefiore.org or call **914.378.6531**.

Sincerely,



William Shanahan

Vice President, Human Resources – Total Compensation

www.MyMonteBenefits.com

Your Gateway to Montefiore's Benefits & Wellness Programs

There is a special section just for you! Be sure to enter the site through "Enter Here" – "If You Work At: Montefiore Medical Center or Emerging Health Information Technologies (EHIT)".

www.MyMonteBenefits.com is a centralized location for benefits and wellness information plus resources for all Montefiore associates. My MonteBenefits has everything you will need to help you make informed enrollment decisions – and a direct link to Montefiore's Enrollment Website www.montebenefits.com.



What You Can Find On My MonteBenefits

You have unlimited access to:

- **Spotlight On** – Check here often for useful articles, important notices and the latest information about Montefiore's Benefits & Wellness Programs including Annual Enrollment materials.
- **To Your Health!** – Montefiore's Wellness Program with up-to-date information and resources, as well as interactive tools which can help you define and reach your health goals.
- **Retirement Center** – Thinking of retiring from Montefiore? Here's important information about benefits that may be available once you retire.
- **Resource Center** – You'll find Contact Information, Forms, Summary Plan Descriptions, and Summary Annual Reports. Print versions are available upon request.

Once you set up a personal account and sign in, you will have access to more specific information about your benefits.

- **For Your Benefit**

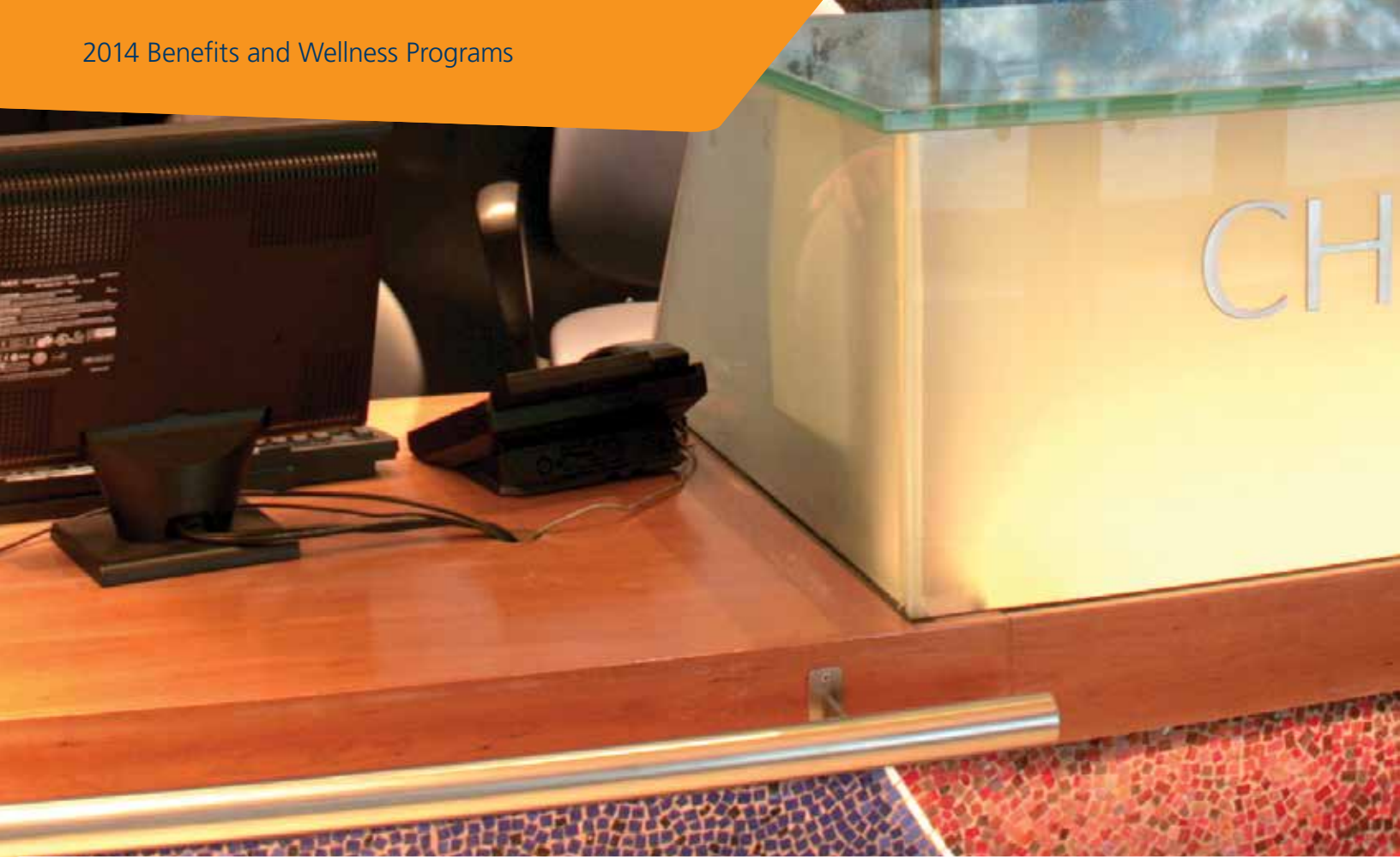
- **Montefiore's Benefits Program** – Learn about your Health Care Flexible Spending Account and saving for your future financial security.
- **Voluntary Benefits** – Direct access to additional products and services. Some offer group discounts and the convenience of payroll deduction. You may enroll at any time during the year.
- **Eligibility & Enrollment** – Find out who is eligible and how to enroll in Montefiore's Benefits Program.
- **Life Events** – Learn how changes in your marital and family status affect your benefits.

How to Enroll

You can enroll online at Montefiore's Enrollment Website – www.montebenefits.com – or call the Benefits Enrollment Call Center **888.860.6166** Monday through Friday between 8am and 8pm EST. You'll speak to an enrollment specialist who will help you enroll.

Counseling Available!

In conjunction with the Annual Benefits Enrollment Period, you may schedule an appointment with a Professional Benefit Counselor to review the coverage options available to you and your family. Watch for a schedule of times and locations on MyMonteBenefits.com or go online to schedule an appointment at www.Onlinepolicycenter.com/Montefiore.



Health Care Flexible Spending Account

During the past year, did you:

- Pay any medical, dental or vision plan deductibles, copayments and/or coinsurance?
- Have any out-of-pocket expenses not covered by medical, prescription drug, dental, vision or hearing benefits?

If you answered “yes” to any of these questions, a Flexible Spending Account (FSA) can help you *save money!*

You ***must*** make a new Health Care FSA election each year. Your Health Care FSA election ***will not automatically*** continue for 2014.

What is a Health Care FSA?

A Health Care FSA is a tax-effective way to pay certain out-of-pocket healthcare expenses for you and your family members. By contributing a portion of your payroll dollars on a pre-tax basis you reduce your taxable income as well as setting aside funds to cover healthcare expenses.

The Health Care Account is used to pay unreimbursed healthcare expenses for you and your eligible family members you claim as a dependent on your federal income tax return – as well as children to age 26, regardless of whether they are dependent upon you for support.

Annually, you decide how much to contribute to your account, in equal amounts every pay period. No taxes are withheld from your contributions. Then, you pay eligible expenses from the balance in your account.

The maximum Health Care FSA contribution is \$2,500 for the 2014 calendar year.

Check Out This Added Bonus!

If you enroll in the Health Care FSA, expenses you incur from January 1, 2014 through March 15, 2015 can be reimbursed from your 2014 FSA account. And, you have until March 31, 2015 to submit claims.



How Does the FSA Work?

You pay federal, state, and sometimes local, income taxes on your income, in addition to Social Security and Medicare taxes. Let's assume that comes to a total of 30% of your income. That means for every \$1,000 you earn, you pay \$300 in taxes, and you get to keep \$700.

What if you contributed \$1,000 to a Health Care FSA during the year? It reduces your taxable income by \$1,000. You won't be taxed on the \$1,000 you put in your FSA – the entire amount is deposited into your FSA tax-free. When you incur an eligible expense, the amount paid to you from your FSA is not subject to tax. You won't ever pay taxes on that money – saving you an amount equal to the percentage of your income you pay in taxes. In this example, you would save 30% of \$1,000 – or \$300.

What Expenses Can I Reimburse from a Health Care FSA?

Generally, you can use the Health Care FSA to reimburse yourself for medical, dental, vision or prescription drug expenses not reimbursed by any health care plan. Examples include copayments, coinsurance, deductibles, amounts above reasonable and customary charges and expenses not covered by the plan. The expenses can be for you or any family members you claim as a dependent on your federal income tax return.

What's the Downside?

Estimate your anticipated expenses carefully. If your annual contribution exceeds your expenses the IRS requires that you forfeit any unused amounts. But you have an extra three months after the end of the calendar year to submit claims for eligible expenses. You may find that even with a small forfeiture, you can still come out ahead.

Your Health Care FSA election does not carry over from year to year. You must actively elect to fund your Health Care FSA every Annual Enrollment. You can't change your election during the year, unless you have a change in family status.

Should I Elect an FSA?

Most of us have healthcare expenses we have to pay out-of-pocket and would save money if we used an FSA for those expenses. For more information about how the FSA works and how to claim reimbursement, go to www.MyMonteBenefits.com.

Thinking About Retirement Can Be Overwhelming

All too often, saving and planning for retirement is overshadowed by immediate financial worries and debt. You owe it to your future financial security to find out more about the Montefiore Voluntary Tax Deferred Annuity 403(b) Plan, retirement planning and investing through the Principal Financial Group® educational seminars – onsite or online. Go to www.MyMonteBenefits.com for the Group Seminar schedule or to view the online seminars.

- Onsite Educational Group Seminars – *“Shifting Gears”* or *“Road Map Toward Retirement”*
- Online Seminars – *“Should you be saving for retirement?”* or *“Are you saving enough for retirement?”*

If you prefer, you may schedule a confidential one-on-one meeting with an onsite Principal representative:

- Contact Jason Lipka at **718.219.0537**
- Make an appointment using the Montefiore Intranet.

Voluntary Tax Deferred Annuity 403(b) Plan

The Montefiore Voluntary Tax Deferred Annuity 403(b) Plan provides an excellent tool to help you save for your future financial security.

- Your before-tax contributions are automatically deducted from your paycheck and accumulate earnings on a tax-deferred basis. Your account is credited with investment earnings based on your portfolio's performance and accumulate tax-free while they remain in the Plan.
- You make your own investment decisions based on your investment strategy and the level of risk you are willing to accept.
- You may change your allocations and transfer amounts among investment options.
- You are always 100% vested in your contributions.
- You may be eligible to borrow against your account and under certain circumstances you may even make a withdrawal.

Maximum contributions are determined by the IRS and are adjusted annually. There are also two "catch-up" opportunities:

- If you are age 50 or older and you contribute the maximum permitted amount, you are eligible to make an annual Age 50+ Catch-up contribution

At any time during the year, to elect the Voluntary Tax Deferred Annuity 403(b) Plan, change your election *and/or* if you are eligible for and want to make a "catch-up" contribution, contact The Principal Financial Group at **800.547.7754** or go online to www.principal.com.

- If you have worked for Montefiore for at least 15 years and your previous Voluntary Tax Deferred Annuity 403(b) contributions did not exceed an average of \$5,000 for each year of service, you may be eligible to contribute up to a maximum of \$15,000 of 15+ Years of Service Catch-Up contributions, limited to \$3,000 in any one year.

If you are eligible for both types of catch-up contributions, the dollars that you contribute as catch-up contributions will be treated as 15+ Years of Service Catch-Up contributions, until they reach the maximum. Then, your catch-up contributions will count as Age 50+ catch-up contributions.

Maximum Voluntary Tax Deferred Annuity 403(b) contribution amounts for 2014 are shown below.

| If You: | The Maximum You Can Contribute Is: |
|--|---|
| Are under age 50 | \$17,500 |
| Qualify for the full annual 15+ Years of Service Catch-up Contribution | \$20,500 (17,500 + \$3,000) |
| Qualify for the Age 50+ but not the 15+ Years of Service Catch-up Contribution | \$23,000 (\$17,500 + \$5,500) |
| Qualify for the Age 50+ and the 15+ Years of Service Catch-up Contributions | \$26,000 (\$17,500 + \$3,000 + \$5,500) |

This overview provides only highlights of the Montefiore Health Care Flexible Spending Account and Voluntary Tax Deferred Annuity 403(b) Plan and serves as a Summary of Material Modifications to the Summary Plan Description dated January 2014 describing the Montefiore Health Care Flexible Spending Account and Voluntary Tax Deferred Annuity 403(b) Plan with respect to Wakefield Registered Nurses benefits. It describes benefit changes as well as additional Plan administrative information required by the Employee Retirement Income Security Act of 1974 (ERISA) and the Health Insurance Portability and Protection Act (HIPAA). You can find additional information about the Health Care Flexible Spending Account and Voluntary Tax Deferred Annuity 403(b) Plan on Montefiore's Benefits Website at www.MyMonteBenefits.com.

The actual provisions of the plans are governed by the legal documents. If there is a discrepancy between the information presented here, in the Summary Plan Descriptions and the legal documents, the legal documents will govern.

Montefiore

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HR-Benefits Office**

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