



MissionSquare Employer Investment Program

Meet Your Retiree Health Care Obligations

MissionSquare
RETIREMENT

Help Fund a Major Expense For Retired Employees

Will your employees be able to pay for health care when it's needed most?

1 The number of retirees is increasing.
By 2030, all baby boomers will be age 65 or older.¹

2 Health care costs are significant and rising.
Out-of-pocket health care expenses, such as premiums and deductibles, average several thousand dollars per year in retirement. Overall health care costs continue to be higher than overall inflation. And, health care spending continues to be higher for older Americans.²

3 Individuals are living longer.
The number of people age 80 years or older is expected to triple between 2020 and 2050 to reach 426 million.³

In an environment of rising health care costs and Governmental Accounting Standards Board (GASB) 75 financial reporting requirements, public sector employers want solutions to pre-fund the cost of Other Post-Employment Benefits (OPEB).

MissionSquare Retirement's Employer Investment Program (EIP) is designed to help you meet those retiree health care obligations and ease your administrative responsibilities.

Characteristics	EIP
Plan description	Defined benefit plan for promised retiree health care benefits ⁴
Funding vehicle	Integral part trust
Model trust service	Available for adoption
Custodian and/or trustee service	Third-party trustee, if desired
Investments	Selections made by plan sponsor

¹ Source: [United States Census Bureau](#)
² Kaiser Family Foundation and Centers for Medicare and Medicaid Service
³ Source: [World Health Organization](#)
⁴ Private Letter Ruling and Treas. Reg. 301.7701-1(a)(3)

EIP offers a turnkey solution for establishing and funding an OPEB Trust that saves you time and expense.

EIP includes administration and trust services – all with a single, trusted provider – to meet your current **and** future needs.

- 1 IRS-approved funding vehicle** – EIP uses an IRS-approved Integral Part Trust (IPT) funding vehicle for retiree health costs.
- 2 Regulatory compliance** – Creating your own trust for retiree health obligations can be complex and time consuming. EIP’s IPT includes a model document ready for adoption that is updated as laws and circumstances change, so that pre-funding employee benefits is compliant, convenient, and cost-effective for you.
- 3 Dedicated account** – Employers are generally required to use a separate trust, such as EIP’s IPT, to fund a defined benefit retirement plan. Assets set aside in a trust rather than a general account provide security that they will be used specifically for retiree health costs.
- 4 Creditor protection** – The EIP trust’s exclusive nature protects the assets from employer and employee creditors.
- 5 Liability offset** – Only assets in a dedicated trust will offset an employer’s OPEB liability. EIP’s trust allows the employer to assume a portfolio rate of return under GASB rules that requires a lower funding liability than the lower, short-term assumed investment rate if there is no dedicated funding.
- 6 Diversified investment lineup** – We make available a wide range of mutual funds from different fund families, allowing you to control and customize the level of diversification and risk for the assets you contribute. You can make changes at any time.
- 7 Tax advantages** – Trust contributions, investment earnings, and disbursements for retiree health benefits are tax-free.

Experience matters. Providing retiree health care services is not new to us. MissionSquare introduced our retiree health product line in 1999. We currently have over \$2.6 billion in Assets Under Management and Administration in our retiree health care programs, including serving over 1,300 MissionSquare Retirement Health Savings (RHS) Plans and Employer Investment Programs (EIP) with over 174,000 participant accounts.*

Help your employees take care of their health care costs in retirement, a critical expense for many. EIP allows you to establish and fund an OPEB Trust.

- **Contact your MissionSquare representative or Plan Sponsor** Services at (800) 326-7272
- Visit www.missionsq.org/eip

* Data as of June 30, 2023

Founded in 1972, **MissionSquare Retirement** has helped more than 3 million people in public service retire with confidence. MissionSquare is a mission-based, nonstock, nonprofit, financial services company that focuses on delivering results-oriented retirement plans, education, investments, and advice for over 1.8 million public participant accounts.* For more information, visit www.missionsq.org.

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