

October 7, 2024

Dear Henry Ford House Officers, Residents and Fellows:

We are excited to announce that you will be eligible to participate in the HFHS Ambassador 403(b) Plan (Ambassador Plan), effective with the October 25, 2024, paycheck. The Ambassador Plan will replace your current HFHS Heritage 403(b) Plan (Heritage Plan). Although both the Ambassador Plan and the Heritage Plan allow you to contribute a fixed dollar amount or percentage from your compensation to a 403(b)retirement account, only the Ambassador Plan also provides a Henry Ford Health employer-paid Matching contribution and an annual Supplemental contribution to help you save for retirement.

The Ambassador Plan is a comprehensive and flexible savings option designed to enhance your financial future and provide greater support for your retirement goals.

Key features of the Ambassador Plan include:

- **Matching Contributions Each Paycheck:** You will have the ability to receive up to a 3.5% matching contribution if you contribute at least 6.0% of your compensation. You will receive a matching contribution each paycheck as long as you are contributing to the Ambassador Plan.
- **Annual Supplemental Contribution:** In the first calendar quarter each year, Henry Ford Health leadership provides all participants who meet certain eligibility requirements a “discretionary” Supplemental contribution for their prior year’s service
- **Pre-tax and Roth (after-tax) employee contributions,** up to the 2024 IRS maximum of \$23,000 (\$30,500 for employees age 50 and over). Please keep in mind that your combined Heritage Plan and Ambassador Plan employee contributions cannot exceed these limits.
- **Diverse Investment Options:** Choose from a variety of investment options tailored to different risk levels and retirement timelines.
- **An auto-enrollment feature** if you prefer to have Henry Ford Health enroll you in the plan without requiring you to take any action.

It is very important that you review the attached Q&A to learn more about the Ambassador Plan, including how to self-enroll in the plan and the auto-enrollment provisions. The Q&A also addresses that your participation in the Heritage Plan will end at the same time that you will become eligible for the Ambassador 403(b) Plan. The Q&A includes contact information for whom to contact with questions.

Thank you for your continued dedication and hard work. We are committed to supporting your financial future and look forward to helping you achieve your professional and financial well-being!

Sincerely,



Kimberly Baker-Genaw, M.D.
Director, Medical Education/DIO

**Henry Ford Health House Offices, Residents and Fellows
Q&A for the HFHS Ambassador 403(b) Plan
October, 2024**

1. Why is my retirement plan changing from the Heritage 403(b) Plan (“Heritage Plan”) to the Ambassador 403(b) Plan (“Ambassador Plan”)?

Henry Ford Health recognizes the importance of saving for your retirement plan. Your current 403(b) plan is the Heritage Plan and it only allows for contributions (“deferrals”) from your compensation. The Ambassador Plan continues to allow you to defer compensation from your earnings, but also provides a Matching contribution and annual Supplemental contribution, both paid for by Henry Ford Health. (See below for how Matching and Supplemental contributions work). Although you are always vested (“own”) in your employee contributions, you must satisfy certain vesting rules to “own” the Henry Ford matching contribution and annual Supplemental contribution. Please see the discussion below for more information about “vesting.”

2. How do I enroll in the Ambassador Plan and start making employee contributions?

There is no “paperwork” for you to sign to participate in the Ambassador Plan. You can enroll in the Ambassador Plan and begin making contributions from your own compensation by either auto-enrollment or self-enrollment.

- a. Auto-enrollment does not require you to take any action. You will be automatically enrolled in the Ambassador Plan in December, 2024 or early January, 2025.
- b. Self-enrollment allows you to enroll in the Ambassador Plan, right away. You can self-enroll in the Ambassador Plan as early as your October 25, 2024 paycheck. To contribute for the October 25th paycheck, you must logon to the Empower website (EmpowerMyRetirement.com) between October 8th and October 16th (by 4:00 PM). You can contribute a specific dollar amount or percentage of earnings (e.g. \$500 or 4% per paycheck) on a pre-tax and/or Roth basis. You can also self-enroll or modify your contributions after October 16th , but your contribution election will not take effect until a paycheck subsequent to October 25th. See the chart below for the cut-off dates and times for the remaining paychecks in 2024.

2024 Ambassador Plan schedule to enroll in the plan*

Enroll on the Empower website between: **	HFHS Payroll Check for first contribution: **
October 8 to October 16 (4:00 PM)	October 25, 2024
October 18 to October 30 (4:00 PM)	November 8, 2024
October 31 to November 13 (4:00 PM)	November 22, 2024
November 14 to November 27 (4:00 PM)	December 6, 2024
November 28 to December 11 (4:00 PM)	December 20, 2024

*In 2025 and after, you can continue to “self-enroll” yourself in the Ambassador Plan. This chart is only intended to provide a guide for the remaining paychecks of 2024.

If you enroll on the Empower website by the dates shown on the left side of the chart, please anticipate that you will see the enrollment (contribution to the Ambassador Plan from your paycheck) for the paycheck dates shown on the corresponding right side of the chart. **However, if there are delays in the payroll processing, your contribution “self-enrollment” election may be delayed to the following paycheck. It is your responsibility to please carefully review your paychecks to validate that your “self-enrollment” election is processed correctly. If you do not see it processed correctly, please contact Empower at 1-844-728-4738.

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3. Will I exceed the IRS 403(b) Plan Contribution Limit for 2024?

For 2024, the IRS limit for employee contributions to 403(b) plans is \$23,000. The limit is \$30,500 for those who are at least age 50 by December 31, 2024. However, please keep in mind your **combined** 403(b) contributions for 2024 to the Heritage Plan and Ambassador Plan cannot exceed these limits. For example, let's say that you are subject to the \$23,000 limit because you are under age 50. If you contributed \$16,000 to the Heritage Plan, then you can only contribute an additional \$7,000 for the rest of 2024 to the Ambassador Plan. You can find your total "year-to-date" 2024 contributions to the Heritage Plan on your paycheck (called "TSA" on your paycheck). In addition, you can track your contributions for 2024 to the Ambassador Plan on your remaining paychecks for 2024.

The Henry Ford Health Total Rewards Team will attempt to monitor your total contributions to both plans to help ensure you do not exceed the 2024 IRS limit. However, it is important you take an active role in this process as well. Please monitor your total contributions for 2024 to both the Heritage 403 Plan and the Ambassador 403 Plan. If you think that you will exceed the IRS limits for 2024, please use the chart on the previous page as a guide to reduce your future Ambassador Plan contributions and log onto the EmpowerMyRetirement.com website to make the change. If you are having difficulty making this change on the EmpowerMyRetirement.com website, then please contact Empower at 1-844-728-4738 for assistance. If you happen to exceed the 2024 limit, then you will be required to process a refund in the first quarter of 2025. Processing a refund is often a cumbersome process, so please try to make sure you do not exceed the IRS limit for 403(b) contributions by carefully monitoring your contribution amount to each plan for 2024.

4. What will happen to my contributions to the Heritage Plan that I see coming out of my paycheck?

If you are current contributing to the Heritage Plan, your last contribution will be deducted from your October 11, 2024, paycheck. You do not need to take any action.

5. Can Henry Ford Health "carry-over" my current Heritage Plan contribution elections to the Ambassador Plan?

No. Henry Ford Health cannot set up your Ambassador Plan contribution elections based on your current Heritage Plan contribution elections. As a result, unless you self-enroll as described in Q&A 2. above, you will not have contributions to the Ambassador Plan until the first "auto-enrollment" paycheck in December, 2024 or early January, 2025

6. What if I want to opt-out of the Ambassador Plan and want my contributions to be \$-0- ?

You must take action to stop the auto-enrollment process by either signing onto the Empower website and setting your contribution election to zero (-0-) by no later than December 4th or by calling Empower at 1-844-728-4738 by December 4th. If you call Empower, please tell the service center representative that you want to "opt-out" of the auto-enrollment process of the Henry Ford Health Ambassador Plan (Plan number 150120-05). Please keep in mind that you can elect to opt-out of the auto-enrollment process, but still be eligible at any time in the future to participate in the Ambassador Plan.

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7. How do the Henry Ford Health Ambassador Plan employer-paid Primary (Matching) Account and Supplemental Contribution accounts work?

ONE RETIREMENT PLAN BUT WITH TWO SEPARATE ACCOUNTS

The Primary Account: This account is used for your “employee contributions” and for the Henry Ford Health matching contributions. Each paycheck, employees are eligible to make contributions from their earnings (“deferrals”) and contribute to this account. The maximum employer-matching contribution is 3.5% of your eligible earnings if you contribute at least 6% of your eligible earnings. However, you can receive a reduced employer-matching contribution even if you do not contribute 6% of your earnings. The IRS caps the eligible earnings for 403(b) Plans to \$345,000 (2024 limit). Please refer to the table below to see the value of the employer-matching contribution when you contribute less than 6% of your earnings. You can always contribute more than 6% of your earnings, but the maximum employer-matching contribution is 3.5%. For 2024, the IRS limit on maximum employee contributions is \$23,000. The limit is \$30,500 for those who are age 50 and older by December 31, 2024.

Primary Account

EMPLOYEE CONTRIBUTION	EMPLOYER-MATCH CONTRIBUTION
6.0% of compensation	3.5% matching
5.0% of compensation	3.0% matching
4.0% of compensation	2.5% matching
3.0% of compensation	2.0% matching
2.0% of compensation	1.5% matching
1.0% of compensation	1.0% matching

The Supplemental Contribution Account: Eligible employees who accumulate at least 1,000 hours of service during the Plan Year and are actively employed within Henry Ford Health on December 31 may also receive a discretionary Supplemental contribution. The Supplemental contribution formula will be a discretionary percentage and will be allocated as a uniform percentage of eligible earnings to all eligible participants. This employer-paid contribution amount is subject to change based on the financial performance of Henry Ford Health, and therefore may vary from year to year. Henry Ford Health expects to make Supplemental contributions by the end of the first quarter each year for the prior Plan Year. This allows time for the prior year’s financial metrics and the discretionary Supplemental contribution percentage to be finalized.

Here is an example to show you how this works. As noted above, the Supplemental contribution percentage (%) is discretionary and the illustration below is only an example – the actual percentage will be determined in the first quarter of each year for the prior Plan Year. Example: Based on Henry Ford Health’s financial performance in the prior calendar year, Henry Ford Health leadership determines that the Supplemental contribution will be 1.5% for 2025. If you earn \$50,000 in eligible compensation during the year 2025, and A) you completed at least 1,000 hours of service during the 2025 Plan Year, and B) you are employed within Henry Ford Health as of December 31, 2025, the Supplemental contribution to your account made the following year (e.g., at the end of the 1st quarter of 2026) would be \$750 (\$50,000 x 1.5%). However, see Q&A 8. which follows on vesting requirements to “own” this benefit.

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8. What are the vesting requirements for the Ambassador Plan?

The “employee” contributions that you make from your eligible earnings to the Ambassador Plan are always fully vested (100%). However, the Matching contributions and Supplemental contributions are employer-paid and require two (2) years of vesting to “own” them when you leave or retire from service from Henry Ford Health. Each Plan Year that you accumulate at least 1,000 hours of service will result in one (1) year of vesting being awarded to you in the Ambassador Plan. In addition, Henry Ford Health will recognize all your years of service since your start date with Henry Ford Health as vesting service under the Ambassador Plan. As a result, if you have already accumulated at least 1,000 hours in two (2) separate Years of Service, you will be immediately fully vested (100%) on October 25, 2024 for any future employer-paid Matching and Supplemental contributions.

9. What are the investment options in the Ambassador Plan?

The investment options in the Ambassador Plan include are identical to those offered in the Heritage Plan:

Ten (10) JPMorgan SmartRetirement target date funds

Four (4) Vanguard core funds.

In addition, for an annual fee, you can choose from many other mutual fund options in a brokerage account. The brokerage account does not offer individual stock or bond offerings.

You can obtain information about the JPMorgan SmartRetirement target date funds and other investments in the Qualified Default Investment Alternative (QDIA) Notice and Investment Performance/Fee Information Notice that is available on the Empower website. In addition, both of these notices will be sent to you by Empower via email or to your home address. Your payroll contributions to the Ambassador Plan will be made in accordance with the QDIA Notice, which provides that your funds will be invested in the JPMorgan SmaertRetirement fund with the year closest to your 65th birthday. You can, of course, change your fund selection on the EmpowerMyRetirement.com website after your first contribution is “posted” to the Ambassador Plan.

10. What will happen to the balance I have accumulated in the Heritage Plan from payroll contributions and earnings?

By the end of 2024, Henry Ford Health will automatically transfer your account balance from the Heritage Plan to the Ambassador Plan. The funds will be invested into the same investments options you currently elected in the Heritage Plan. You do not need to take any action. Please do not attempt to contact Empower and ask them to transfer the funds from the Heritage Plan to the Ambassador Plan because they are not able to honor such a request from a participant. The transfer of funds from the Heritage Plan to the Ambassador Plan is a non-taxable event and there are no fees associated with it. Henry Ford Health will manage this transfer for you.

11. If I have a loan through the Heritage Plan, what will happen after I am transition to the Ambassador Plan?

The loan you have under the Heritage Plan will continue to come out of your payroll each pay period until the loan is paid off. When your account balance is transferred from the Heritage Plan to the Ambassador Plan in late December, 2024, your loan will transfer with it.

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12. Does the Ambassador 403(b) Plan have loan and hardship withdrawal provisions?

Yes. You are eligible for up to two loans from the Ambassador Plan at a time. However, you must meet eligibility requirements. Empower can assist you with the loan process and the requirements. You may be eligible for a “hardship” distribution, if your hardship request meets one of the seven (7) reasons provided by IRS regulations AND you provide the proper documentation. If you apply for a loan or hardship, please make sure to carefully review the requirements that will be provided to you by Empower.

13. What are the distribution options if I leave service from Henry Ford Health or continue to work here until my retirement?

Employees are eligible to receive distributions from the Ambassador 403 Plan after they have terminated or retired from service from Henry Ford Health and affiliated entities. However, employees are eligible for “In-Service” distributions beginning at age 59½. Employees can elect to receive any vested amounts in their account as a lump sum distribution in the form of a taxable distribution, rollover to another employer’s retirement plan or a rollover to an Individual Retirement Account (IRA). Installment payments from the Ambassador Plan are also an option.

14. Where can I receive more information about the Ambassador Plan?

You should first try contact Empower at 1-844-728-4738 or log onto www.EmpowerMyRetirement.com because they are the service administrator and record keeper for the Ambassador and Heritage Plan. If you call Empower, please tell them that you are part of “the Henry Ford Health newly eligible group of House Officers, Residents and Fellows in October of 2024.” Please let them know that you are calling about this Q&A document so they can reference it. The Ambassador Plan is Empower plan number 150120-05. If you have a special question or situation that Empower is unable to provide you adequate assistance, you can also contact the Henry Ford Health Employees Services Team at 1-855-874-7100.

The Summary Plan Description (SPD) for the Ambassador Plan is a comprehensive summary of the plan and is posted to the Empower website. Please review it for more detailed information about the Ambassador Plan.

IMPORTANT NOTE: This Henry Ford Health System (HFHS) Ambassador 403(b) Plan and HFHS Heritage 403(b) Plan Q&A document summarizes certain plan provisions and benefits as clearly as possible. However, the official plan document for each plan remains the final authority. If this document is in conflict with either of the official plan documents, then the official plan documents will rule and remain the final authority. In addition, similar to all Henry Ford Health benefit plans/programs, Henry Ford Health maintains the right to amend, modify or terminate the HFHS Ambassador 403(b) Plan and Heritage 403(b) Plan at any time.