



MOUNT SINAI  
SCHOOL OF  
MEDICINE  
NEW YORK

# SUMMARY OF FACULTY RETIREMENT BENEFITS\*

<b>403(b) Retirement Plan.....</b>	<b>1-2</b>
<b>Grandfathered Retiree Health &amp; Welfare Program (limited eligibility).....</b>	<b>3</b>
<b>457(b) – Supplemental Retirement Program.....</b>	<b>4</b>
<b>(limited eligibility)</b>	

*\* A complete description of these plans is available on the intranet , which is accessible on campus or off-campus using VPN to connect to your office computer. Once on the intranet , click: 1) “Benefits” tab (in the upper left corner of page); 2) “Plan Information” (along left-hand column); 3) “Pension/Retirement” (on horizontal bar in middle of page). Then scroll down to the plan you want to review.*

*Note: Benefits are subject to change from time to time in accordance with institutional policy.*

*Updated: February 2011*

# **SUMMARY**

## **403(b) RETIREMENT PLAN**

*For 403(b) inquiries, call (212) 241-8938 during normal business hours.*

*A complete description of the 403(b) plan and enrollment forms are on the Human Resources intranet (accessible only on campus or using VPN off-campus). Once on the intranet, click: 1) "Benefits" bar (upper left on screen); 2) "Plan Information/Forms"(along left side of screen); 3) "Pension/Retirement" (along top of screen). Scroll down to "403(b) Plan Information" -- depending on whether you were hired before or after 1/1/04, you will click a different summary plan description. Scroll down further for enrollment forms for particular vendors.*

\* \* \* \* \*

**Mount Sinai offers a 403(b) tax-deferred retirement plan to eligible faculty. Investment options are available through three companies: Prudential, TIAA-CREF, and Vanguard.**

**Enrollment: Faculty should complete enrollment forms to participate in the tax deferred retirement plan. However, effective January 1, 2008 faculty who do not enroll by their eligibility date (as defined below) will automatically be enrolled in the Vanguard Target Retirement Funds for their employer contribution; they would then need to complete paperwork to select another investment company for the employer contribution. Paperwork is always required to initiate employee (individual) contributions.**

**Employer (School) Contribution:**

- **Faculty at the rank of Instructor will receive from the School a contribution to their tax-deferred account of an amount equal to 7 percent of base salary.**
- **Assistant Professors, Associate Professors and Professors will receive from the School a contribution to their tax-deferred account of an amount equal to 10 percent of base salary.**
- **The employer contribution is capped at the IRS maximum, which is currently \$245,000. If your base salary exceeds**

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*Updated: February 2011*

**\$245,000, Mount Sinai will contribute 7% or 10% (depending on your rank) only up to the \$245,000 cap.**

- **The employer contribution will begin on the first of the month coincident with, or immediately following the completion of, the first year of employment. Examples: A plan participant with a hire date of May 1, 2010 will be eligible for employer contributions beginning May 1, 2011. A participant with a hire date of May 15, 2010 will be eligible for employer contributions beginning June 1, 2011.**
- **Vesting: If you leave Mount Sinai School of Medicine employment prior to completing three years of service, the employer contributions and earnings on those contributions will be forfeited.**

**Employee (Individual) Contribution:**

- **Employee contributions to the retirement plan are voluntary.**
- **Faculty who elect to participate may contribute to their own account through a pre-tax salary reduction.**
- **The maximum allowable contribution in 2010 for individuals under age 50 is \$16,500**
- **The maximum allowable contribution in 2010 for individuals age 50 and above is \$22,000.**
- **There is no waiting period for the voluntary contribution; faculty may begin to contribute as soon as they sign up for this benefit.**
- **Vesting: If you leave Mount Sinai School of Medicine, you will be entitled to any funds that you contributed and earnings on those funds, regardless of your length of service.**

**IRS regulations stipulate that the combined employer contribution and voluntary self-contribution cannot exceed the lower of \$49,000 or 100 percent of gross annual earnings.**

**Federal income taxes on contributions and investment earnings are deferred until the participant actually receives benefits from the plan, although there may be State tax consequences to contributions.**

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*Updated: February 2011*

# **SUMMARY**

## **GRANDFATHERED**

### **RETIREE HEALTH AND WELFARE PROGRAM**

**(Limited eligibility as described below)**

**Eligibility to participate in the Retiree Health and Welfare Program requires that active employees met the following criteria by 1/1/04:**

- **They were at least 50 years old, with 10 or more years of service to Mount Sinai\* or**
- **They completed at least 20 years of continuous service.**

**Regular salaried faculty with base hours of at least 17.5 per week who meet the above criteria and are at least age 62 on the day of retirement are eligible to retire with medical, prescription and life insurance benefits.**

**If you are eligible for the grandfathered Retiree Health and Welfare Program\_ and you want more information about it, call the Benefits Office at 212-241-7045.**

*\*For purposes of determining Mount Sinai Retiree Health & Welfare Program eligibility, years of service are determined solely by the years of service within a participating entity of the Mount Sinai Medical Center. Faculty must satisfy the minimum required hours of service per week, as described above, in each of the ten years prior to retirement.*

*A previous grandfathered clause, dating back to 1991 remains in effect. The clause states that all regular salaried part-time and full-time faculty who completed at least 25 years of continuous service on or before 12/31/91 are eligible to retire with medical, prescription, and life insurance benefits as early as 55 years of age.*

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**457(b) – SUPPLEMENTAL  
RETIREMENT PROGRAM**  
(Limited eligibility as described below)

**The 457(b) Supplemental Retirement Program is only available to faculty earning \$140,000 or more in base salary. To obtain additional information please contact the Benefits Administration office at (212) 241-8938.**

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*Updated: February 2011*