NAGDCA 2023 LEADERSHIP RECOGNITION AWARD

RetireReadyTN: Setting Plan Advisors up for success leads to better participant outcomes

RetireReadyTN Plan Profile

- Offers 401(k) and 457(b) Plans, as well as a defined benefit plan.
- Participants hired after July 1, 2014 are auto enrolled into the Hybrid Plan, where the employee contributes 5% to their defined benefit plan and 2% to their 401(k). Their employer contributes 4% to their defined benefit plan and 5% to their 401(k).
- Asset size: 401(k) $4.8B / 457 $642M as of March 31, 2023.
- Number of participants: 401(k) 195,937 / 457 15,656 as of March 31, 2023.
- Industry partner: Empower (recordkeeper).

Background information

The Tennessee Treasury Department, under the leadership of Treasurer David H. Lillard, Jr., oversees the State's retirement program, branded as RetireReadyTN (the Program). RetireReadyTN combines the strengths of one of the nation's strongest defined benefit plans, the Tennessee Consolidated Retirement System (TCRS), with deferred compensation plans and retirement readiness education. The mission of RetireReadyTN is to counsel participants on their complete retirement picture, from TCRS, to the 401(k), 457(b), and any other outside assets they may have.

RetireReadyTN, through Empower, employs 16 dedicated Plan Advisors who are licensed by FINRA to provide advice. Plan Advisors meet one-on-one for a "Retirement Readiness Review" to counsel participants at any career stage on all sources of retirement income, including TCRS, and provide detailed information about plan provisions. These meetings help the participant take the best next step to prepare for retirement. Plan Advisors also conduct Retirement Counseling sessions for members who are 3 years or less from retirement. Retirement Counseling sessions include a detailed overview of official TCRS benefit estimates and other income sources in retirement. Retirees from the Program can also meet with a Plan Advisor to further refine their retirement planning. Plan Advisors additionally conduct group meetings around the State.

The Program determined that participants are more likely to make positive changes if they sit down one-on-one with a Plan Advisor who can provide customized recommendations for them. The Program and Empower promoted one-on-one meetings with Plan Advisors to participants and employers at every opportunity. Empower also created a comprehensive onboarding strategy to ensure that each Plan Advisor knew what their goals were for each interaction. Plan Advisors were trained extensively not only on the 401(k) and 457(b) deferred compensation plans, but also on the defined benefit plan by experts from TCRS. With regular reporting on progress toward goals, enhanced training, and heavy promotion of the Plan advisors, the number of participants meeting with a Plan Advisor has increased. In addition, participants' satisfaction ratings with their Plan Advisor rose by quite a bit. Improved participant results and positive changes to plan metrics are also a result of this effort.

Goals

RetireReadyTN wanted to increase the number of participants meeting with Plan Advisors, therefore increasing the number of positive participant actions in 2023.

In their own words

Ashley Nabors, Assistant Treasurer, Financial Empowerment, said, "Ensuring members are on track for a successful retirement is at the core of everything we do. Promoting our Plan Advisors to participants and employers at every turn has led to great success and improved participant outcomes. We are driving more retirement readiness meetings with our members each year."

Detailed description of the project

Knowing that participants are more likely to take positive actions if they meet with a Plan Advisor, the Program set out to both successfully onboard new Plan Advisors and promote them via multiple communication channels.

Onboarding new Plan Advisors
Setting Plan Advisors up for success starts with the onboarding process. New Plan Advisors are required to watch 100 recorded comprehensive retirement readiness reviews. They are also trained on the deferred compensation plans and TCRS, the defined benefit plan. New Plan Advisors do not meet with a participant until they have completed 60 days of training and are clear on their goals, objectives and direction when meeting with participants. They become experts on the Program as a whole. Their manager sets aside at least eight hours during their first eight weeks of employment to meet with the new Plan Advisor, answer their questions and get to know them. This helps to build a culture of trust and accountability. Once they are ready to meet with participants, Plan Advisors know what the big picture is and what their goals are, and they hit the ground running.

Setting goals and reporting metrics
Each Plan Advisor has a goal of conducting 25 meetings each week. This goal is set by the Program and Empower. Every Monday, Plan Advisors are sent a report of their progress to the goal, so they know exactly where they stand. Every quarter, the team reports back their numbers to the Program to ensure they are on track toward their goals.

RetireReadyTN and Empower's partnership
The Program and Empower have built a close working relationship, which has led to more doors opening for Plan Advisor meetings and an overall increase in meetings.

The Tennessee Treasury Department's Outreach team collaborates with Plan Advisors to establish closer relationships with participating employers and help them meet with more participants. Regular meetings are held to discuss upcoming employer and employee outreach opportunities. The Outreach team also coordinates introductions between the Plan Advisor and employers.

Government employee conferences are an area where the Outreach team and Treasury have also partnered with their Plan Advisor. A Plan Advisor has been assigned to represent the Program at these conferences. Prior to these conferences, the Outreach team promotes the Plan Advisor's availability to conference attendees by providing an online Plan Advisor meeting scheduling link. Plan Advisors now have preset appointments with participants during conferences, instead of waiting for participants to drop by their booth at the conference.

The Treasury Department also promoted Plan Advisor meetings at regular employer and employee information sessions conducted throughout the year. Information about Plan Advisor meetings and online scheduling links were shared along with other meeting materials and as part of post-meeting surveys. The Program even hosts a custom Meet your Advisor webpage on the Treasury site where participants can go to learn more and set up a meeting.

The Program established monthly "open mic" calls during which TCRS experts from the Treasury Department fielded questions from Plan Advisors that had arisen during recent participant meetings. The meetings provide continuing education for Plan Advisors and better enable them to provide participants with accurate, comprehensive advice about both TCRS and the 401(k) and 457 Plans.

Promoting Plan Advisors to participants
The Plan Advisor meeting link at **retirereadytn.empowermytime.com** is used in all participant communications. Campaigns feature the link, and QR codes that direct participants to the link are used in all print materials. Both the Program website and Empower's website features this link and promotes meeting with their Plan Advisor. Making it easy for participants to set up a meeting with their Plan Advisor is paramount, and using campaigns, the website and educational materials to promote the Plan Advisor has been very helpful. The Plan Advisors even include this link in their email signatures.

The Program and Empower created a series of 12 emails to promote meeting with a Plan Advisor. The Program's field administrators regularly send these emails out directly to participants. This additional level of support for communications is invaluable in ensuring that all participants have heard about their Plan Advisor and understand that this benefit is available to them at no cost. The emails have different themes for different times of the year. Emails are also targeted to the age 50+ population, as they have the ability to meet with a Plan Advisor to receive their defined benefit pension estimate when they are closer to retirement. When they are ready to file for retirement, the Plan Advisor can help the member fill out the application.

The Program and Empower also embraced automated messages that focused on participants with equity risk, inflation risk, and retirees/near-retirees. These automated messages were delivered to the participant directly from their assigned Plan Advisor. The messages promote meeting with the Plan Advisor to review their investments and confirm they are allocated correctly for their goals and objectives. The retiree/near-retiree emails provide an important level of support for age 50+ participants who plan to retire in the near future.

The Plan Advisors also use group meetings to promote the availability of one-on-one meetings. They post the meeting link, and they use that meeting to ask for referrals from the meeting attendees. Plan Advisors even attend departmental meetings with different employers to promote these meetings.

Results

1) There was a large increase in Retirement Readiness Review meetings overall. In 2022, Plan Advisors performed **11,120** one-on-one Retirement Readiness Review meetings, a **13%** increase over 2020 (9,833 meetings).
2) A higher percentage of meetings in 2022 also included a comprehensive plan review (**75%**) than in 2020 (55%). Meetings including comprehensive plan reviews are the most likely to lead to positive retirement actions.
3) Promoting Plan Advisor meetings resulted in positive participant actions throughout 2022.
    - **61%** of participants who met with a Plan Advisor reported taking positive action.
    - The meetings resulted in **9,321 enrollments** in the Plan, **30,451 deferral changes**, **3,551 asset allocation changes**, and **1,305 rollovers**.
4) The meetings with participants also reduced the number of equity risk participants in the Plan. In 2020, 22,000 participants were exposed to equity risk. At the end of 2022, that number was down to **15,000, a 31% total decrease** of equity risk participants in the Program.
5) Participants meeting with their Plan Advisor were given the opportunity to rate their Plan Advisor, and **93%** of participants were satisfied with their experience. The Plan Advisors achieved a **Net Promoter Score (NPS) of 91** in 2022. Those ratings rose from 2020's satisfaction score of 86% and NPS of 83, and 2021's satisfaction score of 90% and NPS of 87.
6) Compared to other governmental plans at Empower, the Program's NPS score is world-class. Other governmental Plan Advisors have an average NPS score of 84, compared to the Program's rating of 91.
7) **97%** of participants rated their Plan Sponsor's ability to answer questions as effective or highly effective.
8) Overall plan metrics improved as well. The median Lifetime Income Score (LIS) for the Program was 62% in 2021. By the end of 2022, the LIS improved to **65%**. The LIS helps participants measure the percentage of income they are on track to replace in retirement.
9) Finally, at the end of 2021, 30,864 participants were on track to replace 100% of working income in retirement. By the end of 2022, **36,772 participants** were on track to replace 100% of their income. This represents a **19% increase** in participants who are on track to replace 100% of pre-retirement income.

Feasibility of use by other governments of a similar size

Other government plans should work closely with their recordkeeper to promote one-on-one meetings with licensed professionals like RetireReadyTN Plan Advisors. Promoting the Plan Advisor at every opportunity is important for success, as is regularly checking in on progress with Plan Advisors and their recordkeeper. This project was especially successful because the government entity opened doors for their recordkeeper, allowing for more coverage and more effective deployment of Plan Advisor resources.

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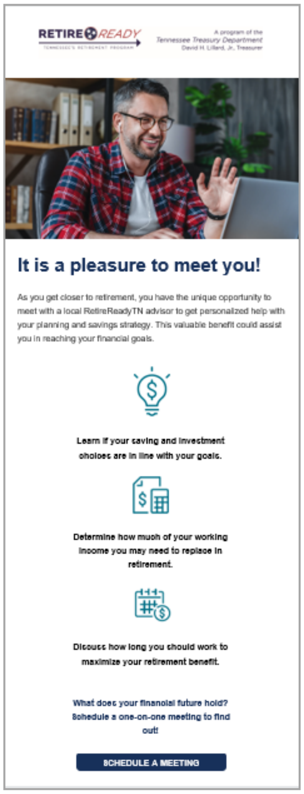

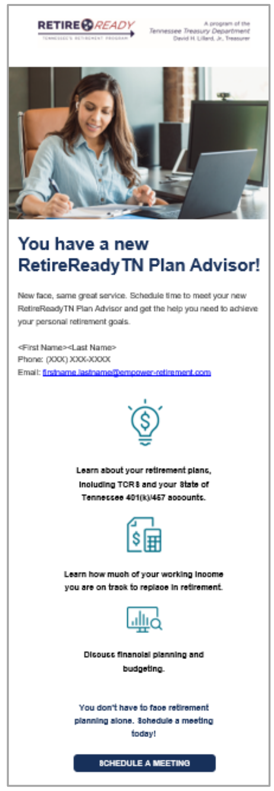

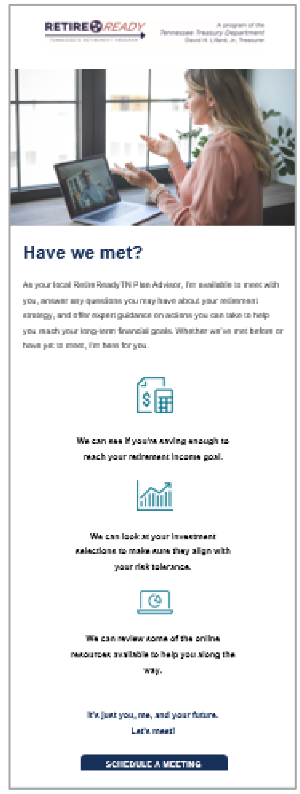

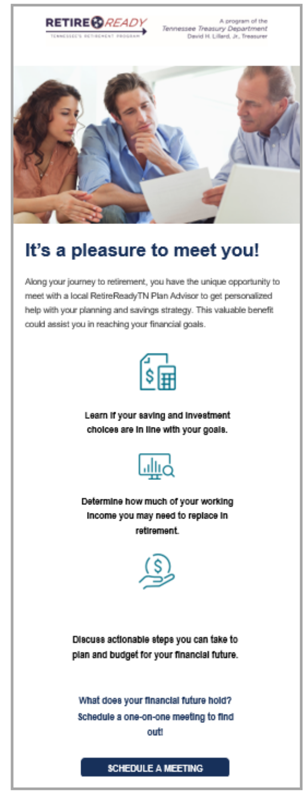

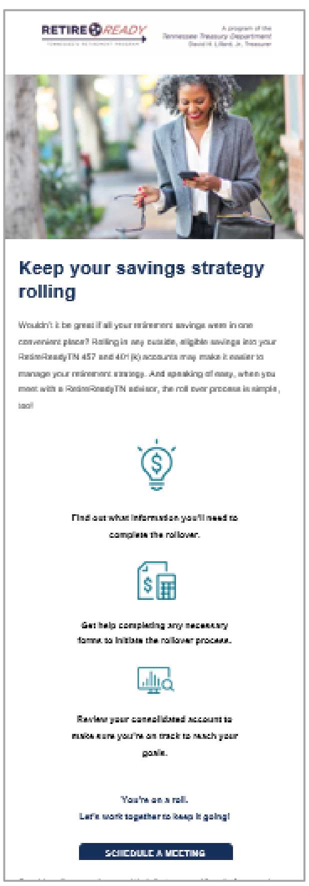

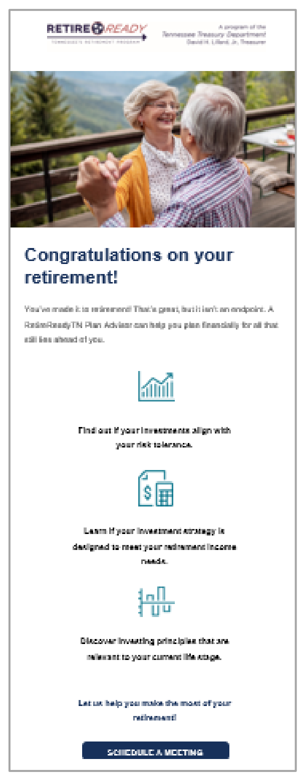

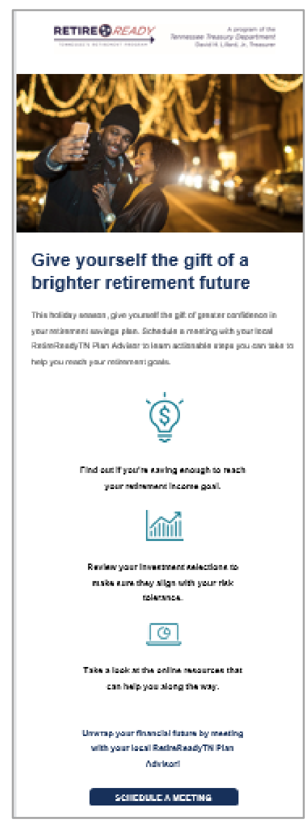

Plan Advisor promotion email samples

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Tennessee Department of Treasury
David H. Lillard, Jr., State Treasurer

EXPLORE YOUR TN TREASURY | SERVICES | FINANCIAL EDUCATION | RETIREMENT | UNCLAIMED PROPERTY | INVESTMENTS

Information and Resources

Meet with a RetireReadyTN Plan Advisor

Take advantage of a comprehensive retirement readiness review as part of your retirement program

Be Aware of Marketing Contacts Referencing TCRS

People nearing retirement are attractive to marketing firms that get a fee for referrals to businesses offering retirement products. We have become aware of third-party organizations approaching members to offer retirement planning services. When contacting our members, these marketing firms often reference your future TCRS retirement benefits.

Retirement planning and counseling are services already offered at no charge to all members of the retirement plan. Members of RetireReadyTN, including TCRS and the State 401(k)/457(b) plans, can meet a RetireReadyTN Plan Advisor for assistance with retirement planning, counseling, or to discuss any other financial planning needs.

Protect yourself against companies that may be looking to profit for their services. Information on how to schedule a Retirement Readiness Review or a Retirement Counseling session is included below.

Retirement Readiness Review

Get a complete picture of your retirement readiness by meeting with your RetireReadyTN Plan Advisor. In your one-on-one meeting, your Plan Advisor will look at your overall financial picture and provide customized recommendations tailored to help you achieve your personal retirement goals. If you plan to retire in the next three years, consider requesting a Retirement Counseling session.

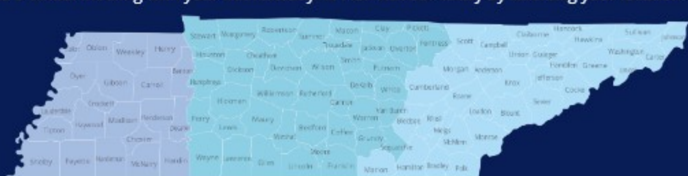
Schedule a free retirement readiness review with your Plan Advisor to discuss:

- Your retirement plans, including TCRS, Social Security, and your State 401(k)/457 accounts
- How much of your working income you may need to replace in retirement
- Your personal retirement goals and planned retirement age
- Whether your savings and investment choices are in line with your goals
- Financial planning and budgeting

Get a strategy customized just for you:

- How long you should work, how much you should save, how your investments should be allocated
- Learn the actionable steps you can take to reach your goals
- Review your recommendations and next steps
- Receive personalized advice and customized projections

Schedule a virtual meeting with your RetireReadyTN Plan Advisor today by selecting your location.



West TN	Middle TN	East TN
Schedule a meeting	Schedule a meeting	Schedule a meeting

Are you within 3 years of retirement?

Schedule a retirement counseling session.

During a counseling session you will:

- Review your TCRS benefit estimate, benefit payment options, and employment history
- Review your 401(k)/457(b) account balances, investment choices, and retirement income options
- Discuss Social Security options
- Discuss how to execute your retirement plan

Call (800) 922-7772 to schedule a Retirement Counseling Session with your RetireReadyTN Plan Advisor. To prepare your benefit estimate, you will be asked to provide your:

- TCRS Member Number or Social Security Number
- Proposed Retirement Date
- Beneficiary Information including their name and date of birth

RetireReadyTN.gov Meet your Advisor webpage

RETIRE READY
TENNESSEE'S RETIREMENT PROGRAM

A program of the
Tennessee Treasury Department
David H. Lillard, Jr., Treasurer

If you are contributing less than $50 a month to the State 401(k) plan, you could be leaving money on the table.

State and Higher Education employees qualify for a $2 match for every $1 contributed to the State of Tennessee 401(k) Plan, **up to $100 each month**, for the fiscal year beginning July 1, 2022.

Review your retirement plan today by **logging in to your account** to check whether you are saving enough each month to get the full $100 match. Once you have logged in, you can review your savings and see your estimated retirement income based on your current account balances and contributions.

Have questions? Contact us by calling **800-922-7772**. RetireReadyTN Representatives are available to answer questions about your retirement plan business days between 8 a.m. and 7 p.m.

GO TO MY ACCOUNT

Need help? Meet with your RetireReadyTN Plan Advisor

www.RetireReadyTN.gov | 800-922-7772

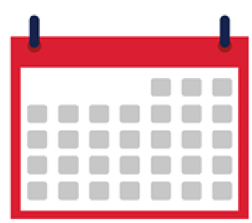
Match campaign email with meeting link

RETIRE READY
TENNESSEE'S RETIREMENT PROGRAM

A program of the
Tennessee Treasury Department
David H. Lillard, Jr., Treasurer

RetireReadyTN 401(k) and 457 Plans

Try it free for 90 days[1]



Experience the full benefits of My Total Retirement™[2]

Enroll now through **11/30/2022** to experience all the benefits of My Total Retirement with no obligation[3] for 90 days.

You can also contact your local Retirement Plan Advisor to discuss your options. Click here to set up a meeting.

LEARN MORE OR ENROLL

Managed Account offer email with meeting link