

**Trinity Health Home Office**  
**Frequently Asked Questions:**  
**Temporary 403(b)/401(k) Match Suspension and Pay Increase Suspension**

***The Situation***

**Q1: What's happening?**

A1: To assure the continued strength of our Ministry Organization during the economic downturn affecting the nation, our senior leaders identified numerous initiatives and created the Sustaining the Ministry Plan (SMP) in the fall of 2008. The SMP steering team was formed to work with Ministry Organization and Home Office leaders to achieve new operational and financial targets in fiscal years 2009 and 2010. (The fiscal year runs from July 1 to June 30.)

While the SMP has progressively gained momentum, continued stagnation in patient volume and investment returns have resulted in increased budget gap projections for the next couple of years. Our ability to maintain the organization's financial strength is at risk unless we take more significant action within the next 90 days.

**Q2: How does this situation affect me?**

A2: For the 2010 fiscal year, Trinity Health is temporarily suspending the 403(b)/401(k) employer match for senior leaders, management, associates and employed physicians, subject to existing contractual agreements.

**Q3: Will other changes be forthcoming?**

A3: We are always reviewing our benefit plans to make sure they are competitive and offer the best value for the investment. Keeping you updated on any other further changes will remain a critical priority.

***403(b)/401(k) Match Suspension***

**Q4: Why is the temporary match suspension necessary?**

A4: Suspension of the Retirement Savings Plan (that is, the 403(b)/401(k) plan) match is a temporary measure designed to help Trinity Health and its Ministry Organizations remain financially strong. We consider the suspension to be temporary, and we will reevaluate it as conditions improve.

**Q5: Should I continue to contribute to the 403(b)/401(k) Plan?**

A5: The recession has not reduced the importance of planning for the future, and we encourage you to continue saving for retirement in whatever manner makes the most sense for you. Plan participants still have the advantage of tax-deferred savings, meaning the amount you save directly reduces your taxable income.

As always, during your retirement planning process you need to consider your time horizon until retirement and your risk tolerance. For assistance with this process, visit your Diversified Retirement Plan Specialist or call Diversified at 800.394.5240. For more information, visit the Trinity Health Total Retirement Program website at <https://retirementprogram.trinity-health.org>.

**Q6: Will I continue to receive the employer match on before-tax contributions made through June 30, 2009?**

A6: Yes, your 403(b)/401(k) contributions deducted on paychecks dated through June 30, 2009, will be matched. The 403(b) match will be calculated in July and posted effective July 1, 2009. The 403(b) match is credited to the Trinity Health Pension Plan and appears on your quarterly statement from Diversified as "Pension Match." The 401(k) match will be calculated in July and invested when the funds are made available to Diversified by your location.

**Q7: Will there be groups of participants who will not be affected by the match suspension?**

A7: There are a few groups that will continue to be allocated with an employer match, such as locations not offering a defined pension plan benefit and receiving a match in lieu of this benefit, as well as some limited groups whose benefit changes are restricted by a contractual agreement.

**Q8: Will I continue to earn vesting credit?**

A8: Your ability to earn vesting credit during the match suspension period is not affected. Associates are vested in their employer match benefit after accruing three years of service with at least 1,000 hours per year.

**Q9: What will happen to the employer match amounts I have already earned?**

A9: Your accrued 403(b)/401(k) match benefit is not affected by the temporary suspension of the match. The employer match is applicable to all contributions deducted from paychecks dated before July 1, 2009. The match will continue to accrue interest, and will continue to be part of the Trinity Health Pension Plan. The 403(b)/ 401(k) match accrued prior to July 1, 2009 will continue to be reported on your Diversified quarterly statements.

***Pay Increase Suspension***

**Q10: Why is a temporary suspension of pay increases necessary?**

A10: Suspending pay increases is a temporary measure designed to help Trinity Health remain financially strong. We consider the suspension to be temporary, and we will reevaluate it as conditions improve.

**Q11: My performance evaluation is due soon. Will I receive a pay increase?**

A11: If your review is due in May or June 2009, you're eligible to receive an increase provided you meet all of the other criteria.

In general, pay increases will not be granted or will be restricted between July 1, 2009 and June 30, 2010. We recognize, however, that unusual circumstances may necessitate a minimal increase for some hard to recruit job classifications. These exceptions will be carefully managed.

**Q12: If I get a promotion, will I be eligible to receive the accompanying pay increase?**

A12: The pay increase suspension applies to your current job. Associates who receive promotions will be paid at an appropriate rate of pay for their new positions.