

CASE STUDY

Van Buren / Cass District Health



Key Takeaways

- Taking an employee-centric approach by listening to employee feedback and addressing their concerns can help lead to a successful retirement benefits transition.
- Changing retirement benefits providers can result in significant savings and a more streamlined reporting and administrative processes.



Municipality Profile

- The Van Buren/Cass District Health Department is a public health organization serving both Van Buren and Cass Counties. Services include environmental health permits and inspections, emergency preparedness, dental health, and nursing (immunizations, STI tracing and prevention, childhood vision and hearing, children's special healthcare)
- The Department provides retirement benefits to 105 current and former employees.

MERS Programs Used

- Defined Contribution Plan
- 457 Program

Situation

Van Buren/Cass District Health Department employees expressed dissatisfaction with the lack of responsiveness and clarity in plan options from their previous plan provider.

Process

In June 2023, The Van Buren/Cass District Health Department began a review of the benefits offered to employees. After gathering feedback from employees, the Department reached out to another retirement benefits provider (MERS) in August 2023.

MERS provided a free plan comparison report, highlighting significant cost savings and higher rates of return compared to the other provider. The report indicated that employees could save an average of 0.59% in fees and showed how those savings would impact not only their account balance but projected retirement income as well.

Strategy

Key steps in the Department's strategy included:

- **Review Plans:** Conducting a thorough review of the current retirement plans and gathering employee feedback.
- **Engage Provider:** Contacting MERS to compare plan options and benefits.

- **Communicate Findings:** Presenting the findings to employees and the Board of Directors to gain support for the transition.
- **Implement Change:** Implementing the new MERS plans, effective January 2024.
- **Educate Employees:** Providing onsite education and training sessions for employees to ensure a smooth transition.

Results

The transition to MERS yielded several positive outcomes:

- **Cost Savings:** The Health Department saved over \$4,000 annually by eliminating third-party administrator fees
- **Streamlined Processes:** Reporting and administrative tasks became easier through the MERS portal, with support from the MERS service center.
- **Enhanced Participant Education:** Onsite employee meetings and education sessions were well-received, enhancing employee satisfaction with the new plans.
- **Fiduciary Duty:** MERS assumed fiduciary responsibility, reducing the administrative burden on the Health Department.
- **Future Focus:** The Department plans to review the savings and consider increasing employer contributions to the Defined Contribution plan.



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