

401(a) and 403(b) Retirement Plan Frequently Asked Questions

Enrollment & Participation

Category	Question	Answer
Enrollment	How do I enroll in the retirement plan?	To enroll in the 403(b) plan, register at www.empower.com/nebraskamed or call 1.833.667.3847
Eligibility	Are part-time and casual colleagues eligible?	Yes. All colleagues may contribute to the 403(b) and may receive 401(a) employer base and match contributions if criteria are met.
Contribution Requirement	Am I required to contribute to the 403(b)?	No. Enrollment is voluntary and not automatic. However, contributing makes you eligible for employer matching funds.
Employer Plan	Do I need to enroll in the 401(a)?	No. You are automatically enrolled but it's important to register your account to choose investments and beneficiaries.

Plan Basics (403(b) vs 401(a))

Category	Question	Answer
Plan Types	What is the difference between 403(b) and 401(a)?	403(b) = employee contributions. 401(a) = employer contributions (base + match).
Contributions	What is the employer base contribution?	3% of annual gross eligible compensation up to IRS limits. No 403(b) contribution required.
Contributions	What is the employer match?	\$0.75 per \$1 contributed to 403(b), based on years of service. Refer to the match table later in this document for specific match percentage.

Employer Contributions & Eligibility

Category	Question	Answer
Base Contribution	Do I need to contribute to receive base contribution?	No, however, contributing to the 403(b) makes you eligible for employer matching funds.
Eligibility	Requirements for employer contributions?	Work 1,000+ hours during plan year (Jan 1–Dec 31) and be employed Dec. 31. Worked hours and compensation are based on amounts paid through the last paycheck of the plan year.
Timing	When are employer contributions made?	Annually, typically in Q1 of the following year.
Exceptions/Retirement	Am I still eligible for the employer contribution if I work fewer than 1,000 hours or leave Nebraska Medicine before year-end (12.31)?	No, unless you meet the Plan's definition of retirement, in which case the 1,000 hours and December 31 employment requirement are waived. All hours and compensation are based on amounts paid through the final paycheck of the plan year.
New Hire	When am I eligible as a new hire?	Immediately eligible if you meet hour and year-end employment requirements.

Employer Match Details

Category	Question	Answer
Match Tiers	How is match determined?	Based on years of service as of Dec. 31:
Match Table		
Years of Service	Contributions Eligible for Matching	Resulting Employer Match
0-<5 yrs	3%	2.25%
5-<10 yrs	5%	3.75%
10-<15 yrs	7%	5.25%
15-<20 yrs	9%	6.75%
20-<25 yrs	11%	8.25%
25+ yrs	13%	9.75%

Contribution Limits & Tax Treatment

Category	Question	Answer
IRS Limits	What are current contribution limits?	IRS contribution and catchup contribution limits change annually and can be found by visiting the IRS website at: Retirement Topics 403b Contribution Limits Internal Revenue Service
Match Eligibility	Are catch-up contributions matched?	No.
Tax Type	Pre-tax vs Roth?	Pre-tax: taxed at withdrawal. Roth: taxed at contribution.
Pay Impact	How do contributions affect pay?	Pre-tax contributions reduce taxable income. Empower has calculators available to estimate impact. Empower - Learning center - Calculators - Home

Account Management

Category	Question	Answer
Contribution Changes	Can I change contributions anytime?	Yes, log on to your account at www.empower.com/nebraskamed . Changes take effect based on the schedule located on MyHR under MySavings.
Investment Changes	How do I change investments?	Log into Empower and choose “Investments” and select your preferred investments and allocation or call 1.833.667.3847.
Target Funds	What is a target date fund?	A professionally managed fund designed to provide a diversified portfolio that becomes more conservative over time.

Vesting & Retirement Eligibility

Category	Question	Answer
Vesting Definition	What does vesting mean?	Ownership of retirement funds when leaving.
403(b) Vesting	Employee contributions vesting	Always 100% vested.
401(a) Vesting	Employer contributions vesting	6-year graded schedule:
Vesting Credit	How do I earn vesting years?	Working 1,000+ hours in a plan year will earn 1 year of vesting.
Retirement	Retirement eligibility definition	Early Retirement: age 55 with 6 or more years of vesting service. Normal Retirement: age 65.
Vesting Table		
If your vesting service is:		You will be vested in this percentage of your 401(a) employer base and matching contributions
<2 yrs		0%
2 yrs		20%
3 yrs		40%
4 yrs		60%
5 yrs		80%
6+ yrs		100%

Rollovers, Withdrawals & Loans

Category	Question	Answer
Rollovers	How do I roll over funds?	Call Empower at 1.833.667.3847 or reach out to schedule time with our dedicated retirement counselor, Tiffany Sturm at tiffany.sturm@empower.com
Distributions	When can I withdraw funds?	At termination, retirement, death, disability, or hardship.
In-Service	What is an in-service withdrawal?	Withdrawal while employed. In-service withdrawals are not allowed unless they are on funds rolled into the Nebraska Medicine 403(b) or 401(a) plan or money purchase pension plan funds transferred from the former UNMC Physicians retirement plan if you are age 62 or older.

Loans

Category	Question	Answer
Loan Basics	Can I take a loan?	Yes, from your 403(b); one loan at a time.
Loan Fees	Fees	\$95 application + \$50 annual (assessed quarterly).
Loan Limits	Min/Max	\$1,000 min; up to 50% of vested balance (max \$50,000 in 12 months).
Interest	Rate	Prime + 2% (paid back to your account).
Repayment	Terms	General Loan: 1–5 years; Primary Residence Loan: 5–15 years.
Repayment Method	How are loan payments made?	Payroll deduction.
Default	What happens if I default?	Loan becomes taxable; no new loans until repaid.

Hardship Withdrawals

Category	Question	Answer
Hardship	Can I take a hardship withdrawal?	Yes, minimum \$1,000 from 403(b), subject to plan rules.
Qualifying Reasons		Purchase or construction of a principal residence, payment for higher education expenses, major medical expenses, preventing eviction from or foreclosure on a principal residence, payment of funeral or burial expenses for your spouse or dependents, repair of damage to participant's primary residence that qualifies for casualty deduction.
Taxes	Tax treatment	Taxed as income + early withdrawal penalty if under age 59½.
Disability	Exception	Disability withdrawals avoid penalties but are taxable.

Fees

Category	Question	Answer
Plan Fees	What fees apply?	
Express Mail		\$25 per transaction
Loan Processing		\$95 per loan
Loan Maintenance		\$50 annually (quarterly deduction)
Distribution Fee		\$50 per transaction
Installments		\$5 per transaction
QDRO		\$750 per transaction
Asset-Based Fee		0.05% annually (quarterly deduction)

This FAQ document is intended only to be a summary of commonly asked questions. Please refer to the plan document located on MyHR for full plan details. In the event of a discrepancy between this summary and the official document, the official document will prevail.