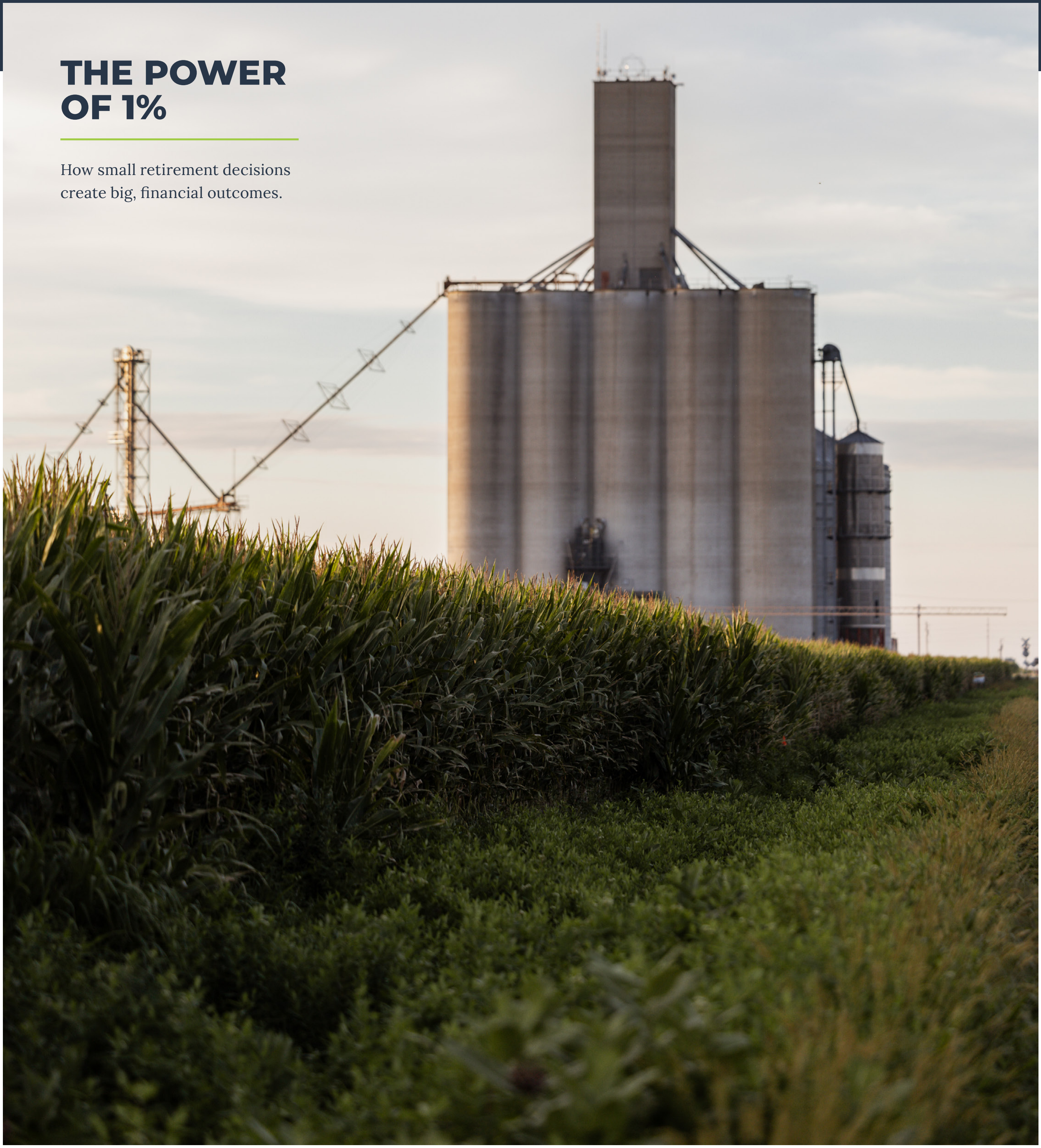
ABC

The Advantage

SEPTEMBER 2026 | YOUR BENEFIT RESOURCE



THE POWER OF 1%

How small retirement decisions create big, financial outcomes.

The Advantage

ABC helps you gain *The Advantage* in our ever-evolving industry by providing the tools and knowledge necessary to drive cooperative success and innovation.

A CornerPost Publication.

ABOUT ABC:

Associated Benefits Corporation provides administrative and consulting services for employee benefit plans to the cooperative system since 1953.

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Shifting Seasons

Another fall harvest is near, as farmers reap the results of preparation and diligent management. For months, they have been monitoring environmental and field conditions, and making decisions on how to respond accordingly to optimize their crop's yield. Similarly, ABC is experiencing a season of maturation, evaluating services and processes to implement new strategies that improve the ABC customer experience. Our team and board of directors have maintained an intentional focus on our entire suite of benefit offerings: implementing enhanced retirement program offerings, preparing for regulatory changes with 401(k) plans, streamlining our life and disability plans and more.

As you prepare to guide employees through selecting their benefits for 2027, I encourage you to also take a refreshed look at your benefits strategy as well. Inside this issue, you'll find insights on trends our team and vendor partners are seeing in the industry, initiatives your cooperative peers are implementing and ideas on new offerings to consider for your employees.

On page 4, we share the success of ABC's pension plan this year, with aggregate funding status reaching more than 135%, showing that it might be time for your cooperative to consider a cash balance plan to support your long-term retirement goals. On page 8, we explore how Innovative Ag Services is using an employee wellness program as a long-term investment to help lower health plan costs. On page 20, Lockton shares trends across the healthcare industry.

I hope you find valuable takeaways that guide your approach to employee benefits and ensure a successful upcoming open enrollment. ✓

Mike Israel

Mike Israel

CEO

ABC

Strong Markets, Strong Returns

ABC pension plans continue building momentum.

Fertilizer. Food. Fuel. We've all felt the impacts of economic volatility in these areas and more over the past several years. Rising interest rates, inflation concerns and shifting market conditions created a tough economic environment for cooperatives. Despite this, ABC's Aggregate Pension Plan has seen the positive side of this equation.

A combination of strong investment performance, improving market conditions and disciplined plan management increased the aggregate funded status to 135.6% at the end of 2025. This benefits ABC's cooperative customers in many aspects.

While some cooperatives are shifting away from the traditional pension and moving toward options like the Market Rate Cash Balance Plan, these gains in funding status prove the long-term viability of ABC's Aggregate Pension Plan. The future is strong for ABC cooperatives and their employees—now and into retirement. ✓

135.6%

AGGREGATED FUNDED STATUS AT END OF 2025

+50.9

FUNDED STATUS PERCENTAGE POINTS SINCE 2020

HOW A DISCIPLINED PLAN BENEFITS ABC COOPERATIVES

FINANCIAL STRENGTH
A well-funded pension plan is better positioned to meet its long-term benefit obligations to cooperative employees.

LONG-TERM STABILITY
This improved funding status will help support the sustainability of the pension plan through changing economic conditions in the future.

DILIGENT MANAGEMENT
ABC works closely with our trustee and actuaries, board of directors, legal counsel and investment professionals to continually monitor funding levels and adjust strategies as market conditions evolve.

WEATHERING MARKETS
Despite economic volitititaltiy, ABC Aggregate Pension Plan shows strong returns over the past several. years.

Markets will always have their ups and downs, but our focus is on managing the plan for the long term. A strong funded status gives our cooperative customers confidence that their pension plan is well positioned for the future.

—Mike Israel, CEO of ABC

STRONG MARKET RETURNS

+

17.9%

INCREASE IN BLOOMBERG LONG-TERM GOVT/CREDIT INDEX IN 2025

+

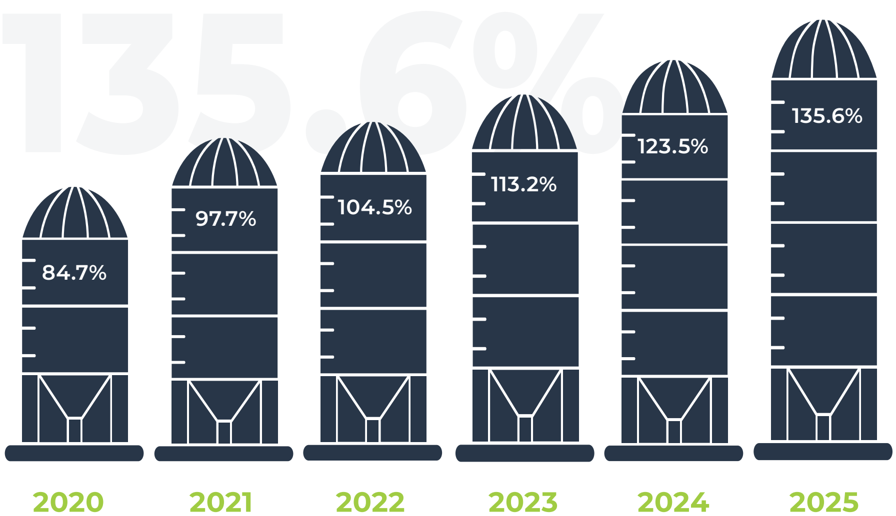
6.6%

INCREASE IN S&P INDEX IN 2025

=

12%

INCREASE IN ABC PLAN FUNDING STATUS IN 2025



ABC AGGREGATE PENSION PLAN FUNDING STATUS

WHAT IS FUNDED STATUS?

Funded status compares a pension plan's assets to the benefits it is expected to pay in the future. A funded status of 100% means the plan has enough assets to cover its projected obligations. At 135.6%, ABC's Aggregate Pension Plan is above and beyond the current plan obligations.

The Power of 1%

Small retirement decisions create big financial outcomes.

One percent doesn't sound like much. It's the kind of number most people overlook. One percent more on a tip. One percent off a sale. One percent of a paycheck. But when it comes to retirement savings, 1% may be one of the most valuable financial decisions an employee ever makes.

Conversations about retirement plans often center on participation rates, investment options, fiduciary responsibilities and employer matching. Those are all important. But sometimes the most effective way to improve retirement readiness is as simple as helping employees take one step in their retirement investments. The beauty of a 1% increase is that it feels manageable. Employees don't have to overhaul their budget or dramatically change their lifestyle. Yet over time, that small adjustment can compound into tens—or even hundreds—of thousands of dollars.

Just as importantly, the message isn't only for employees in the early stages of their careers. While younger workers have the advantage of time, employees in their 40s, and even the final decade before retirement can still make meaningful progress by increasing contributions just a little more.

GROWING REWARDS

Financial professionals have long said that time is the greatest asset an investor has. Compound growth rewards consistency more than dramatic action.

Consider an employee earning $50,000 annually. Increasing their retirement contribution by just 1% means setting aside an additional $500 each year—roughly $9.60 per week. That's about the cost of one lunch.

If that employee also receives an employer match of up to 4%, the combined annual retirement contribution reaches approximately $2,500. Assuming a conservative 6% annual return, those contributions could grow to:

- Nearly $33,000 after 10 years
- More than $90,000 after 20 years
- Nearly $200,000 after 30 years

Those numbers aren't created by taking extraordinary risks. They're the result of steady contributions and the quiet power of compounding.

The challenge is that younger employees often struggle to connect today's decisions with a retirement that feels decades away. Research shows that only 11% of Americans who participate in a retirement plan believe they are saving enough, while 61% wish they had started sooner.

That statistic says less about financial knowledge than it does about human nature. Retirement feels distant until

*11% of Americans who participate in a retirement plan believe they are saving enough, while **61%** wish they had started sooner.*

suddenly it isn't. Helping younger employees understand that even a small increase today can dramatically change tomorrow may be one of the most valuable financial wellness conversations an organization can have.

NEVER TOO LATE

While encouraging young employees to start early should remain a priority, executives shouldn't overlook another important audience: those approaching retirement. Many workers enter their final 10 years before retirement carrying more financial flexibility than they had earlier in life. Children may have finished college. Mortgages may be nearly paid off. Household income is often at or near its peak. Those years present an opportunity.

A 1% increase in retirement contributions during the final stretch of a career won't produce the same exponential growth as contributions made over 30 years, but it can still create meaningful flexibility. For the same employee earning $50,000 annually, increasing contributions by 1% and receiving a matching contribution could generate roughly $33,000 over the next decade, assuming similar investment returns. That amount may not completely change a retirement plan, but it can change the retirement experience. It could help cover Medicare premiums, a replacement vehicle, a long-awaited trip or simply provide greater confidence when unexpected expenses arise.

For employees earning higher salaries later in their careers, the impact becomes even greater because a 1% contribution represents a larger dollar amount. Increasing contributions during the final working years helps many employees enter retirement knowing they've done everything reasonably possible to prepare. That peace of mind has value beyond the account balance itself.

LEADERSHIP MATTERS

Employees consistently say they value financial wellness benefits, yet retirement planning often remains a topic people postpone. That's where leadership makes a difference. Cooperatives don't need to become financial advisors. They simply need to create an environment where retirement planning becomes a normal part of workplace conversations. Sometimes, all employees need is permission to take one small step, whether that's a reminder during open enrollment, a newsletter article, a financial wellness seminar or an email encouraging employees to revisit their contribution percentage after receiving an annual raise.

When organizations normalize these conversations, participation increases and employees become more engaged with their long-term financial goals. Leaders can also reinforce an important mindset shift. Rather than asking employees, "Can you afford to save more?" encourage them to ask, "Could I increase my contribution by just 1%?" Many employees find that increasing contributions when they receive a raise makes the change almost unnoticeable. Others may choose to increase contributions every January or every other year. Small habits often outperform ambitious plans that never get started.

READINESS FOR ALL

Encouraging stronger retirement savings isn't simply an employee benefit. It can also benefit the organization. Employees who feel financially secure generally experience less financial stress, helping them to stay more focused and engaged at work.

Organizations with financially prepared employees may also experience smoother workforce transitions as employees retire when they're ready rather than delaying retirement because they cannot afford to leave the workforce.

A strong retirement plan also strengthens recruitment and retention efforts. Prospective employees increasingly evaluate total compensation, and retirement benefits remain one of the most valued long-term offerings employers provide.

SMALL STEPS, BIG IMPACT

The message isn't complicated. Employees don't have to double their retirement savings overnight. They don't need to become investment experts. They simply need to start—or take the next small step.

Whether someone is 25 and beginning their career or 58 and thinking seriously about retirement, increasing retirement contributions by just 1% can create opportunities that didn't exist before. Over time, that extra 1% becomes more than another line on a paycheck deduction. It becomes greater flexibility, more financial confidence and, ultimately, freedom to enjoy their retirement. ✓

WHAT DOES 1% LOOK LIKE?

About $9.60 a week. That's roughly what 1% of a $50,000 salary looks like. It could be a coffee run or a quick stop at the gas station. On its own, $9.60 may not seem like much. Put that 1% toward retirement consistently, and it can add up to something much bigger over time.

Wellness That Works

Innovative Ag Services looks beyond the basics.

For Innovative Ag Services, wellness is about more than encouraging employees to take more steps or choose a healthier lunch. The cooperative has built a program that recognizes something many employers are learning: there is more to employee wellness than just physical wellbeing. Financial stress can affect mental health. Mental health can affect physical health. When employees are struggling in any of those areas, it can affect their ability to focus, perform and be their best at work. That is why Innovative Ag takes what Carla Elliott, Vice President of Human Resources, calls a "wellness triangle" approach, which focuses on physical health, financial wellness and mental health.

"If an employee is struggling in any one of those areas, it can impact the other," Elliott states. "It's all tied together. That's why we have taken a holistic approach to the way we deliver our wellness program at Innovative Ag."

While the approach is designed to benefit employees, it also makes good business sense. For a cooperative with a diverse workforce spread across multiple locations, creating a healthier workforce can support productivity, employee retention and long-term healthcare cost management.

> *If an employee is struggling in any one of those areas, it can impact the other... It's all tied together.*

FINDING THE ROOT CAUSE

Innovative Ag Services has made wellness a priority for years, with a goal that goes beyond simply offering a program. Their starting point was understanding that employers have a role to play in helping employees make healthier choices and giving them the tools to do that.

"As an executive of the company, it's our job to make sure that we control cost," Elliott explains. "And how do we do that? You have to get to the root cause of it."

That means making resources available to employees who want to improve their physical health, while also creating opportunities for employees to learn about financial and mental health.

Innovative Ag partners with Wellmark and ABC to provide employees with access to a wellness platform through WebMD. The program gives employees opportunities to participate in challenges, complete health activities and access educational resources throughout the year.

ABC's cooperative model also plays an important role. Through the collective purchasing power of the cooperative system, ABC helps provide access to benefits and wellness resources that individual cooperatives may have difficulty securing on their own. For

+38%

EMPLOYEE ENGAGEMENT FROM EMPLOYEES WHO VALUE WELLNESS BENEFITS

Innovative Ag, that partnership has helped make wellness a practical, ongoing part of the employee benefits strategy.

Elliott, who also serves on the ABC Board of Directors, sees the opportunity from both sides: as an HR leader implementing wellness for her own team and as a board member helping advance wellness across the cooperative system.

"It's been a priority for ABC to devote time to promoting wellness among all cooperatives to help drive a healthier workforce across all of us," Elliott says. "In turn, that helps drive down cost, and it increases productivity."

BEYOND OPEN ENROLLMENT

One of the biggest strengths of the Innovative Ag program is that wellness does not disappear once open enrollment is over. In August, the cooperative hosts an annual health screening over a two-week period, bringing screening services to 10 primary locations and coordinating with employees from other locations to participate. Employees have a variety of health measures checked, including blood pressure, weight, blood sugar and A1C.

Employees who complete qualifying wellness activities, an annual health assessment and the health screening can earn an incentive based on their participation. The program is also designed to be accessible to everyone. Employees who are not enrolled in the company's health plan can still participate in the screening, and spouses can also receive a screening at no cost.

All the health information collected through the program remains confidential. Wellmark provides Innovative Ag with only the information needed to determine an employee's incentive tier, not individual health details. That structure allows the cooperative to encourage participation while protecting employee privacy.

> *It's been a priority for ABC to devote time to promoting wellness among all cooperatives to help drive a healthier workforce across all of us.*

However, the annual screening is just one piece of the puzzle. Throughout the year, employees are encouraged to participate in quarterly wellness challenges, each designed to keep employees engaged. Challenges have included step competitions, drinking more water, walking challenges and educational webinars.

Some challenges even turn wellness into a virtual adventure, allowing participants to track their steps as they move through a park or up a mountain. The goal is simple: make healthy choices easier to engage in and give employees a reason to keep coming back.

WELLNESS MEETS FINANCE

The cooperative also recognizes that financial health can have a direct impact on an employee's overall well-being. Rather than treating financial education as a separate benefit that employees have to seek out on their own, the cooperative brings those conversations directly to employees.

By partnering with Dupaco Credit Union, Innovative Ag provides financial wellness education at its locations. Dupaco sends a team of representatives to piggyback on location meetings such as a safety huddle and provides short presentations covering topics such as managing credit, saving for a home, balancing a checkbook or applying for a mortgage. The credit union's team may also join employees during wellness screening events, giving employees an opportunity to ask questions or talk through financial concerns one-on-one.

"It's all these different topics," Elliott shares. "They present short, 30-minute conversations with our employees to give them financial education." That gradual approach matters. Financial wellness does not have to mean a one-time seminar or a complicated financial planning session. Sometimes it is simply giving bits of information employees need at the moment they need it.

For employers, the lesson is important: financial wellness is part of the broader wellness conversation. Helping employees

continued...

+20%

JOB SATISFACTION FROM WELLNESS INITIATIVES

better understand how to control their finances may reduce stress and give them greater confidence in managing the challenges that come with everyday life.

ROOM TO TALK

The third side of the wellness triangle is mental health. Innovative Ag provides employees with access to an EAP, including counseling visits at no cost, educational webinars and resources covering a range of personal and professional challenges. Topics can include grief, financial concerns, workplace issues and other situations where employees may benefit from support or coaching.

For an agricultural workforce, where employees may be accustomed to handling problems on their own, making those resources visible and normalizing their use is an important part of the strategy. The same philosophy applies to the wellness program as a whole: the resource is only valuable if employees know about it and feel comfortable using it.

KEEP IT SIMPLE

Even the best wellness program will not work if employees cannot figure out how to participate. Innovative Ag has learned that one of the most effective ways to increase engagement is surprisingly simple: help employees get started.

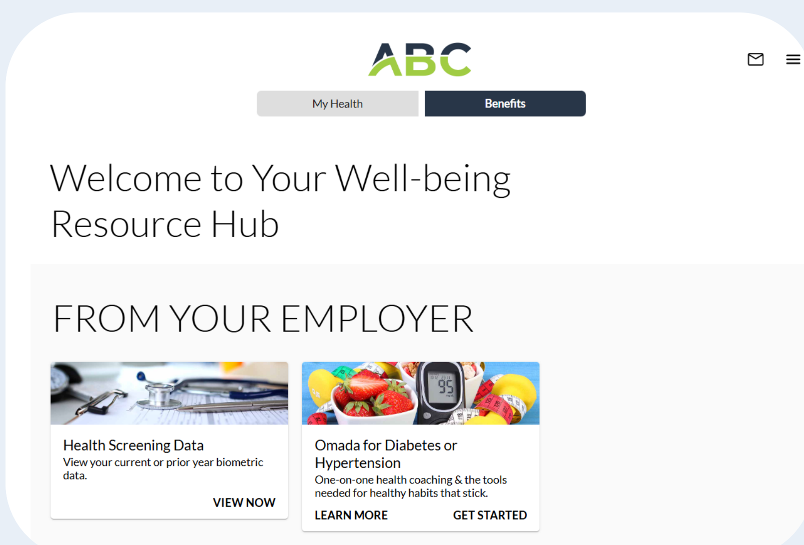
"If someone comes to us frustrated, 'Hey, I want to do this, but I'm not tech savvy,' we will sit and help them," Elliott shares. Instead of leaving those employees behind, her HR team works with them directly.

That hands-on support is part of a larger communication strategy. Innovative Ag communicates wellness opportunities through multiple channels, including email, posters, internal communications and managers. Employees may hear about an opportunity more than once, with reminders as a deadline approaches.

Elliott believes that consistency and repetition are critical.

"You also have to believe in what you're doing," she emphasizes. "You can put a program in place, but if you don't actively promote it and work to get employees engaged, it's not going to work."

The cooperative also has a designated wellness coordinator who helps manage the wellness programs, coordinates screening events, communicates with locations and works with Wellmark on quarterly communications. Elliott and the wellness coordinator join together on communications, with leaders throughout the organization helping reinforce the



From health screenings to quarterly challenges, employees can earn incentives for making wellness part of their everyday routine.

You also have to believe in what you're doing. You can put a program in place, but if you don't actively promote it and work to get employees engaged, it's not going to work.

message. That structure helps turn wellness into part of the culture.

A RETENTION TOOL

Wellness is more than a benefit. It's part of how the cooperative shows employees they matter.

"This is a retention tool," Elliott states. "Not all companies are offering these kinds of programs, so we're getting in front of the employee and explaining the benefit of it. It lets them know they matter to us."

The incentive Innovative Ag offers is one tangible benefit. Employees who participate can earn additional money in their paychecks throughout the year. But the broader benefit is access to resources that can help employees make healthier choices, manage stress, improve financial knowledge and address concerns before they become bigger problems.

MEASURING PROGRESS

Like any effective business strategy, wellness needs to be evaluated. Innovative Ag has enough experience with its program to see the longer-term results. The cooperative is seeing employees move into higher wellness tiers in the Wellmark program and improve their overall health. At the population level, Elliott says the cooperative has also seen improvements in areas such as cholesterol and diabetes management.

However, the program is not without challenges. With multiple locations and competing priorities, it can be difficult to maintain consistent participation and enthusiasm. Wellness is not a "set it and forget it" benefit. Programs need new challenges, fresh communication and continued leadership support to remain relevant.

For Carla, the success of Innovative Ag's wellness program also points to a larger opportunity within the cooperative community. Because cooperatives participating in the same ABC health plan ultimately contribute to the same larger pool, the health of the entire group matters.

"We all move the needle together," Elliott states.

That's the philosophy at the heart of the cooperative model. When organizations work together, they can share resources, learn from one another and create stronger outcomes.

Innovative Ag is one example of what that can look like in practice: a wellness program that reaches beyond physical health to address the financial and mental well-being of employees, supported by leadership, reinforced by managers and designed to make participation as easy as possible.

For cooperatives considering how to strengthen their own wellness strategy, the lesson may be the same one Innovative Ag learned over time: start somewhere, make it easy to participate, keep the conversation going and remember that a healthier workforce is good for employees and the organization alike. ✓

Carla Elliott
Vice President of Human Resources
Innovative Ag Services

Beyond the Basics

Strengthen your benefits strategy with voluntary benefits.

Employee benefits have evolved significantly over the past decade. While health insurance and retirement plans remain the foundation of a competitive benefits package, today's workforce is looking for more flexibility and personalization than ever before. Employees want benefits that reflect their stage of life, financial priorities and individual needs—not just a one-size-fits-all package. That's where voluntary benefits come in.

Voluntary benefits allow employees to customize their benefits package by selecting optional coverages and services for life's unexpected obstacles, such as accident or critical illness insurance. Rather than paying for benefits they may never use, employees have the opportunity to add protection where it matters most—often at group rates that are more affordable than purchasing similar coverage on their own.

For employers, voluntary benefits have become much more than a nice addition. They are increasingly viewed as an important component of a comprehensive benefits strategy that supports recruitment, retention and employee well-being.

THE VALUE OF CHOICE

Employees' needs evolve over time. The benefits that matter most at age 25 are often very different from those that become important at 45 or 60. Voluntary benefits give employees the flexibility to adjust their coverage as life changes.

Research supports this growing demand for choice. According to MetLife's 2025 Employee Benefit Trends Study, nearly three out of four employees (73%) say having a wider range of benefit options helps them feel more cared for by their employer, and employees who are satisfied with their benefits are significantly more likely to feel engaged at work and loyal to their organization.

When employees can build a benefits package that reflects their personal circumstances, they often place greater value on the overall benefits program.

PEACE OF MIND

Many voluntary benefits focus on helping employees prepare for life's unexpected events. An accident, serious illness or disability can create financial strain even for employees who have good health insurance. Deductibles, out-of-pocket expenses, lost income, travel costs for medical care and other unexpected expenses can quickly add up.

Benefits such as accident insurance, critical illness coverage and disability insurance help provide an additional layer of financial protection when employees need it most. Rather than replacing traditional health insurance, these benefits complement existing coverage and help reduce the financial impact of unforeseen events. For many employees, knowing they have an added layer of protection provides valuable peace of mind.

THE COST ADVANTAGE

One of the greatest advantages of voluntary benefits is affordability. Because these benefits are offered through an employer-sponsored plan, employees can often purchase coverage at group rates that are lower than they would find on the individual market. In many cases, payroll deduction also makes enrollment simple and budgeting easier.

Employees appreciate having access to affordable options that allow them to strengthen their financial protection without making significant changes to their monthly budget. Even selecting one or two additional benefits can provide meaningful support during life's unexpected moments.

ATTRACTING & RETAINING TALENT

According to the Society for Human Resource Management, benefits remain one of the top factors job seekers consider when evaluating employment opportunities. Increasingly, candidates are looking beyond salary and asking what resources are available to support their health, financial well-being and work-life balance.

Voluntary benefits help employers stand out by offering flexibility and choice. They allow organizations to enhance their overall benefits package without dramatically increasing employer costs, while giving employees the opportunity to select the coverages and services that matter most to them.

BENEFITS THAT FIT

The value of a voluntary benefit often becomes clear when life changes. The coverage that made sense a few years ago may not be the coverage that makes the most sense today.

That's why benefits communication shouldn't be limited to open enrollment. Highlighting different benefits throughout the year and sharing real-life examples can help employees see where they fit into their own lives. When employees understand not just what a benefit costs, but why they might want it, they're more likely to appreciate its value when they need it most.

No two employees have the same priorities, and that's exactly where voluntary benefits shine. Offering that choice sends a clear message: we know life doesn't come with a one-size-fits-all plan, and neither should your benefits. ✓

EXTRA PROTECTION WHEN IT MATTERS

Health insurance helps cover medical care, but employees can still face unexpected expenses when an illness or injury occurs. Supplemental benefits such as hospital indemnity, critical illness and accident insurance can provide additional financial support when employees need it most. These benefits can help fill some of the gaps between what a health plan covers and the real-world costs employees may face when something unexpected happens.

Hospital indemnity insurance can provide a set payment when an employee is hospitalized. Benefits may help with expenses such as deductibles, transportation, meals or other costs that can add up during a hospital stay. Depending on the plan, payments may be available for the admission, length of stay or certain types of hospital care.

Critical illness insurance provides a lump-sum benefit following the diagnosis of a covered serious illness, such as cancer, a heart attack or stroke. Employees can use the money where they need it most, whether that's medical expenses, household bills, childcare, travel for treatment or other costs that may arise while they focus on recovery.

Accident insurance can help offset expenses resulting from a covered accidental injury. Depending on the plan, benefits may apply to things such as emergency room visits, fractures, ambulance services, follow-up care or physical therapy. Even an accident that seems relatively minor can create unexpected expenses, making this additional coverage valuable.

The Doctor Will See You Now

Telehealth makes healthcare more convenient and connected.

From a distance, healthcare seems to have come full circle. There was a time when doctors made house calls, traveling to patients and caring for them from the comfort of their own homes. Then came the more modern model: patients traveled to clinics, doctors saw as many patients as possible and healthcare became centered around the provider's office. Today, in some ways, we're back where we started, talking with doctors from home, only now through a phone, tablet or computer. This time, the shift wasn't about convenience. It was about necessity.

Nearly 30 years ago, telehealth began making its way into homes and rural communities across the Midwest because there simply weren't enough doctors to go around. The gap was particularly evident in mental health, where provider shortages left many rural residents facing long waits, long drives or no access to care at all. Telehealth offered a new way forward.

Instead of asking patients to travel hours to find a provider, technology could bring the provider to them. What began as a practical response to a shortage of healthcare professionals has evolved into one of the most important tools in modern healthcare, changing not only where care happens, but how patients and providers connect.

HISTORY OF HEALTH

The Midwest has long faced healthcare access challenges tied to geography and workforce shortages. Rural communities often have fewer physicians, specialists and mental health professionals, leaving patients with fewer choices and longer drives to receive care.

> *"By connecting patients and providers electronically, healthcare could begin to move beyond the limitations of geography."*

Mental health is a particularly clear example. According to the Health Resources and Services Administration, as of April 2026, only 19.8% of the need for mental health practitioners was being met in Iowa's designated mental health shortage areas, with 83 additional practitioners needed to remove those shortage designations. Across HRSA's Region 7, which includes Iowa, Kansas, Missouri and Nebraska, just 21.6% of identified mental health needs were being met. Those numbers help explain why access to care has been an ongoing concern throughout the Midwest. A patient shouldn't have to choose between driving several hours for an appointment, waiting months to see a specialist or going without care altogether, and telehealth offered another possibility.

By connecting patients and providers electronically, healthcare could begin to move beyond the limitations of geography. A patient in a rural Iowa community could potentially meet with a mental health professional in another part of the state. A primary care provider could consult with a specialist without requiring the patient to travel. Follow-up appointments that once required a trip to the clinic could sometimes be handled from home.

Prior to the COVID-19 pandemic, healthcare organizations had been experimenting with telemedicine for decades, particularly as a way to connect rural patients with specialists who weren't available locally. This was especially seen in rural areas and was already growing rapidly. According to the Rural Health Information Hub, telemedicine visits among rural Medicare beneficiaries increased at an annual rate of 28% between 2004 and 2013. Nearly 80% of those rural telehealth visits were for mental health.

Long before virtual visits became a familiar part of everyday healthcare, telehealth was already helping address one of the most persistent barriers in rural America: access to mental health professionals. Then the COVID-19 pandemic multiplied the effect. When in-person healthcare became more difficult and, in some cases, impossible, telehealth moved quickly from a specialized service to a mainstream option. Patients who had never considered a virtual appointment suddenly found themselves meeting with doctors, therapists and other providers from their living rooms.

Telehealth experienced significant growth during and after the COVID-19 pandemic, as technology and changes in policy made it easier for providers to deliver care remotely. The pandemic may have accelerated the adoption of telehealth, but the benefits didn't disappear when offices reopened.

CURRENT CONDITIONS

Today, telehealth is no longer simply an alternative for times when patients can't make it into the office. It has become an important part of the healthcare system. Convenience is a major advantage, eliminating the drive to a provider's office, reducing time in the waiting room and making it easier to fit care into a busy work or family schedule. Employees in rural communities, where a trip to the nearest provider can take hours, the time saved can be even more significant.

A patient who once needed to take half a day off work for a 20-minute follow-up may now be able to schedule that appointment during a lunch break. Someone who is recovering from an illness or has mobility challenges may be able to receive care without arranging transportation. Parents may be able to attend an appointment without finding childcare for an entire afternoon. These may sound like small conveniences, but together they can make a meaningful difference in whether patients actually receive the care they need.

Telehealth has also made it possible for employees to connect with specialists who may be outside their immediate community, expanding their options when local providers are limited. This is especially valuable in behavioral health, where finding a provider can be particularly challenging in rural areas.

Virtual care can also remove some of the barriers that keep them from seeking help in the first place. Talking with a therapist from home may feel less intimidating than walking into a mental health clinic, and eliminating the drive to an appointment can make it easier to fit care into a busy workday or family schedule.

That makes telehealth a natural complement to the employee assistance programs (EAPs) offered through ABC. An EAP can connect employees with resources and support, while telehealth can make accessing that care more convenient and approachable. Together, they can help remove barriers between employees and the care they need, whether they're dealing with stress, anxiety, a personal crisis or another mental health concern.

Telehealth has also changed what healthcare can look like between appointments. Secure messaging, virtual follow-ups and remote monitoring can help employees stay connected with their care team without scheduling another trip to the doctor's office. Depending on the condition and technology available, employees may be able to track blood pressure, blood sugar, weight or other health information and share it directly with their provider. Programs such as Omada, which helps ABC cooperative employees monitor and manage conditions like high blood pressure and diabetes, can further support that ongoing connection.

Managing a chronic condition is easier when patients can stay connected with their care team. Ongoing communication makes it easier to ask questions, review test results, manage medications and address changes before they become bigger concerns. It can also mean fewer appointments that require employees to take time away from work or rearrange family responsibilities.

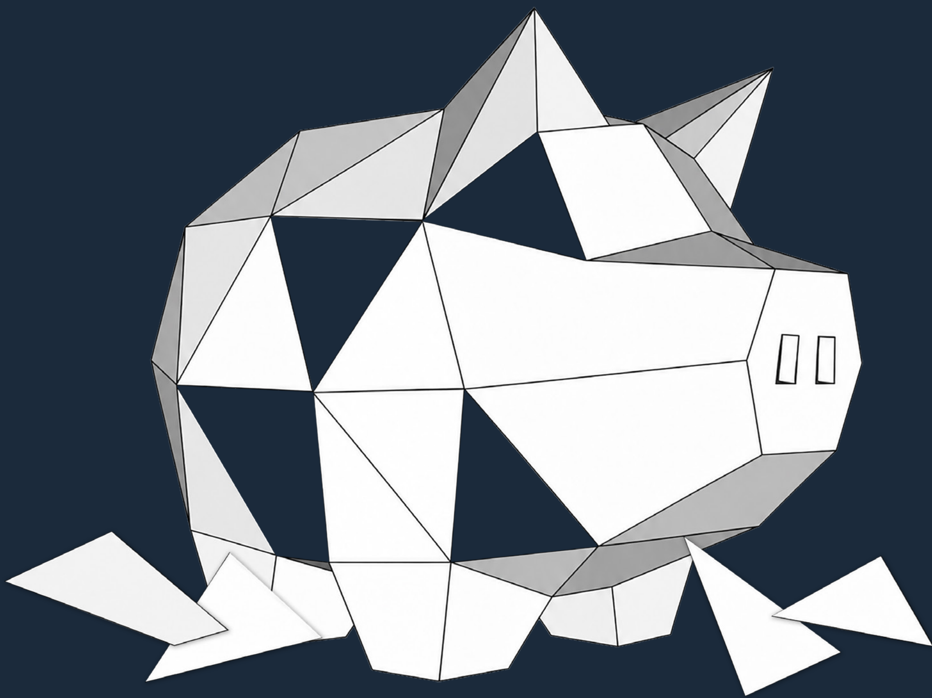
That's an important part of the value. The easier it is for employees to access and stay engaged with their healthcare, the more likely they are to use the benefits available to them. Telehealth helps turn healthcare from something employees have to squeeze into their schedules into something that can fit more naturally into their lives.

A MORE CONNECTED APPROACH

The future of healthcare isn't about choosing between in-person and virtual care. It's about having the flexibility to use both when they make the most sense. An employee might see a doctor in person for an annual physical meet virtually with a mental health professional, or use remote monitoring to manage a chronic condition. Each option serves a purpose, but together they create a more connected approach.

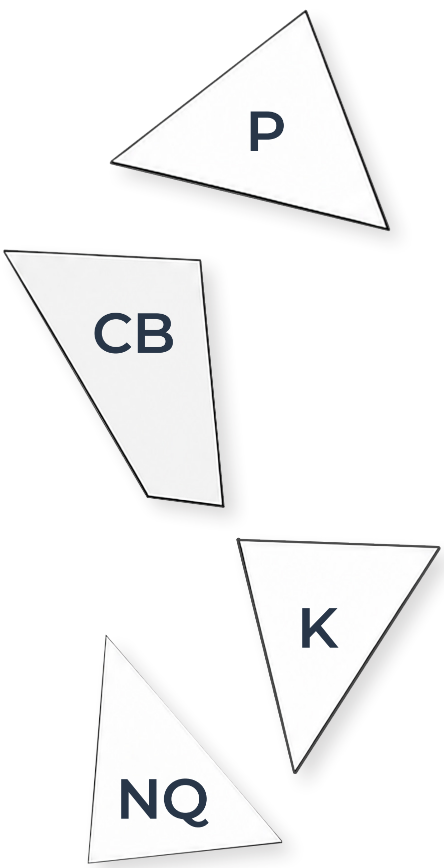
That flexibility can make it easier for employees to access and use the benefits available to them. By removing barriers such as distance, time, cost or difficulty finding the right provider, telehealth can help employees get care sooner and stay connected to it over time. That can mean addressing concerns before they become bigger and helping employees get more value from the benefits their employers provide.

Healthcare may have come full circle, bringing us back to the idea of receiving care from home. But this time, we're not waiting for the doctor to make a house call. We're using technology to bring care to us, connecting employees with the providers and resources they need, wherever they are. ✓



Putting the Pieces Together

Building a retirement program that fits your cooperative.



When it comes to employee benefits, there's no one-size-fits-all retirement plan. Every cooperative has different goals, workforce demographics and financial considerations. Some are focused on attracting younger talent entering the workforce, while others are looking for ways to reward long-tenured employees or strengthen leadership retention. Many are trying to balance all of those priorities while remaining fiscally responsible.

The current job market adds pressure on employers as the demand for agricultural workers grows and the current workforce continues to age. The U.S. Census reports that workers ages 55 or older made up 24% of the U.S. workforce in 2022, up from 10% in 1994. Additionally, that age group has been the fastest-growing age group in the labor force for more than two decades. This means more and more workers are heading toward retirement, which leaves quite the gap in skills, experience and institutional knowledge that comes with long-term employment at the same cooperative. Recruiting and retaining a workforce to fill that gap is a challenge for cooperatives, but a competitive benefits package can help.

That's why we offer multiple retirement plan options, each designed with Midwest cooperatives in mind. Our plans mix traditional cooperative values with modern, forward-looking concepts, and they balance employer funding with employee-led contributions and growth. ABC is here to help you put these pieces together to build a custom benefits package that supports your cooperative's employees and long-term goals.

START WITH YOUR WORKFORCE

The first step in evaluating retirement benefits is understanding your employees. A cooperative with a younger workforce may benefit from emphasizing retirement savings and portability. Organizations with many long-term employees may place greater value on predictable retirement income. Cooperatives with highly competitive hiring markets may also need enhanced benefits to recruit specialized talent. As your workforce changes, your retirement strategy may need to evolve alongside it.

First, we'll break down each of ABC's retirement plan offerings. Then, we'll explore how to put them together into a comprehensive benefits package tailored to your cooperative.

P DEFINED BENEFIT PENSION

REWARDING LONG-TERM COMMITMENT

Defined benefit pension plans have been a cornerstone of cooperative retirement benefits for decades. These plans provide employees with a predictable retirement benefit based on a defined formula, offering peace of mind and encouraging long-term employment. For cooperatives that value employee loyalty and stability, pensions remain a powerful benefit.

ABC's Contributory and Noncontributory Retirement Plans for Cooperatives have served cooperative employees since the 1950s, and they continue to evolve to meet today's workforce needs. Participants also have access to RetirementFocus, allowing them to monitor benefits, model retirement scenarios and better prepare for retirement.

CB MARKET RATE CASH BALANCE

MODERNIZED PENSION

For employers seeking the advantages of a traditional pension, but with additional flexibility, the Market Rate Cash Balance Plan offers another option. Funded entirely by the employer, the plan provides employees with a notional account that grows through employer contributions and market-based interest credits. Employees can easily see the value of their benefit while still enjoying the security of an employer-funded retirement plan.

The plan offers flexibility at retirement through either a lump-sum distribution or guaranteed lifetime income, making it an attractive option for employees with varying retirement goals. For cooperatives looking to offer a modern retirement benefit while helping manage funding volatility, this plan can be an excellent fit.

K 401(K) THRIFT PLAN

GIVING EMPLOYEES CONTROL

While pensions focus on employer-provided retirement income, 401(k) plans empower employees to build retirement savings throughout their careers. ABC's 401(k) Thrift Plan for Cooperatives brings together nearly 100 cooperatives, allowing participants to benefit from institutional-quality investment options and competitive costs that may not be available to individual employers. Because employees direct their own contributions and investment choices, a 401(k) complements employer-funded retirement benefits while giving individuals greater flexibility in how they save for retirement. The Thrift Plan for Cooperatives provides two loan options for participants who need access to their 401(k) money without the tax implications.

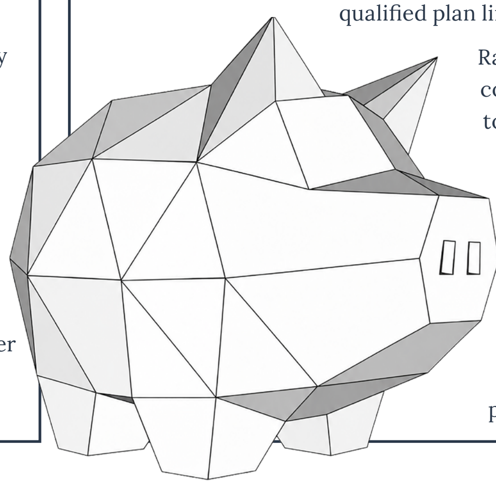
NQ NON-QUALIFIED

SUPPORTING KEY TALENT

Some employees have retirement planning needs that extend beyond qualified plan limits. Non-qualified retirement plans allow cooperatives to provide additional retirement benefits for executives and other key employees through supplemental pension plans or deferred compensation arrangements. These plans can be valuable recruiting and retention tools while allowing employers to tailor benefits to individual leadership positions. For leaders with a long history at their cooperative, non-qualified plans offer a way to show appreciation for that commitment.

BRINGING IT TOGETHER

The best retirement plan for a cooperative might not be one plan at all. Many of our cooperative customers find that the strongest retirement program combines multiple plan types. A defined benefit pension paired with a 401(k) offers employees both guaranteed retirement income and personal retirement savings. A market rate cash balance plan combined with a 401(k) provides employer-funded retirement benefits alongside employee-directed investing. A non-qualified plan can supplement either approach for key employees whose retirement needs exceed qualified plan limits.



Rather than viewing these plans as competing options, they can work together to create a comprehensive retirement program that supports employees at every career stage. For more than 70 years, ABC has helped cooperatives evaluate these retirement plan options, adapt to changing workforce needs and administer retirement programs that serve both employers and employees. We're proud to be your partner in retirement benefits. ✓

FAMILY ACRES

When LIFE Walks Into Work

An Employee Assistance Program can help employees find the next step.

START

As much as we try to keep our chins up and leave life's challenges at the door when we come to work, sometimes that's simply easier said than done. Grief can become too heavy to navigate alone. Financial pressures can feel overwhelming. Caring for an aging parent can demand more time and energy than expected. An addiction that once seemed under control may resurface. Life happens, and sometimes the weight of it becomes too much to carry on our own.

It's in these moments that employers can come alongside their teams and offer a lifeline. The right support can help an employee take the next step, find the right resources and begin to feel that life is manageable again. An employee assistance program, or EAP, gives employees and their families a confidential place to turn when life gets complicated, often at no cost to them.

EAPs are designed to support employees through a wide range of personal and professional challenges. Depending on the program, services may include mental health support, short-term counseling, crisis assistance, substance use resources, financial guidance, legal assistance, caregiving support and help navigating everyday life challenges. The goal isn't to solve every problem an employee may face. It's to provide a starting point and connect people with the right resources before a challenge becomes overwhelming.

FINISH

PENSION PARADISE

A BENEFIT TO KNOW

Despite being offered by many employers, EAPs remain one of the most underused workplace benefits. Society for Human Resource Management reports a median annual utilization rate of just 3.5%. A 2025 SHRM poll also found that 26% of U.S. adults didn't know whether their employer offered mental health benefits, and only 53% knew how to access them.

Low utilization doesn't necessarily mean employees don't need help. More often, it means they don't know the benefit exists, don't understand what it offers or aren't confident it's confidential.

BEYOND A CRISIS

An EAP isn't just for emergencies. Employees may need guidance when caring for an aging parent, navigating a family crisis, facing financial or legal questions, recovering from identity theft or simply feeling overwhelmed by life's demands. Many of these situations aren't crises, but they still affect an employee's well-being and ability to focus at work.

An EAP provides a confidential starting point, connecting employees and their families with counseling, financial guidance, legal resources, caregiving support or referrals to professionals who can help. Sometimes the greatest value isn't having all the answers; it's knowing where to take the next step.

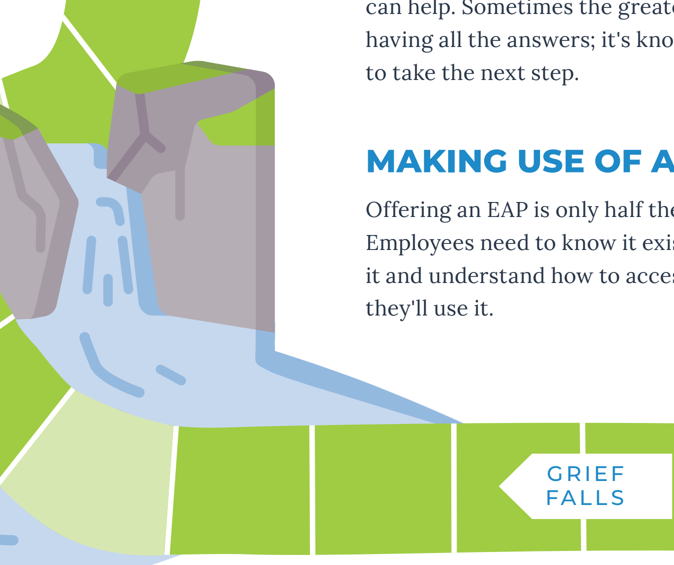
MAKING USE OF AN EAP

Offering an EAP is only half the job. Employees need to know it exists, trust it and understand how to access it before they'll use it.

A few simple steps can make a significant difference:

- **Talk about it year-round.** Don't limit EAP communication to orientation or open enrollment. Feature it in newsletters, safety meetings and employee emails.
- **Emphasize confidentiality.** Employees should clearly understand that using an EAP is private and separate from their employment record.
- **Highlight the full range of services**. Position the EAP as a resource for everyday life challenges, not just mental health crises.
- **Make it easy to find.** Post contact information in break rooms, in restrooms and on the company intranet. Provide wallet cards, magnets or other take-home materials employees can share with family members.
- **Equip supervisors.** Managers don't need to solve employees' personal problems, but they should know when and how to refer someone to the EAP.
- **Include families**. If family members are eligible, make sure employees know they can share it with spouses and dependents.

The goal is to make the EAP feel less like a last resort and more like one of the many tools employees have available. That means creating a culture where asking for support isn't viewed as a weakness, but as a practical step toward finding a solution, because we could all use a little help sometimes. An EAP provides that place to turn, giving employees and their families access to support when they need it and reminding them they don't have to figure everything out on their own. To learn more about ABC's employee assistance program, visit connectionseap.com. ✓



Jeanna Gutierrez

Vice President and Unit Leader at Lockton Companies

LOCKTON®

ABOUT OUR EXPERT:

With over 25 years of consulting experience, Jeanna Gutierrez is a trusted advisor to executive leadership teams on employee benefits, healthcare strategy and financial risk management. She specializes in developing strategic benefit solutions that align organizational goals with workforce needs while driving financial sustainability. Her expertise spans healthcare financing, compliance, legislative strategy, pharmacy and health plan management, and employee experience initiatives. Jeanna is a Certified Leave Management Specialist, holds a Life and Health Insurance License and has served in leadership positions with both national and state benefits industry associations. Known for her strategic perspective and business-focused approach, she helps organizations navigate complex healthcare challenges and make informed decisions that support long-term success.

Navigating a Changing Health Insurance Marketplace

How cooperatives can adapt to market trends.

The health insurance marketplace is becoming more complex—and more expensive. Rising medical and pharmacy costs, high-cost claims, changing regulations and new treatments are creating complexities for employers. Unfortunately, many of the forces behind these changes are out of our control, but understanding what's happening in the market can help cooperatives realize what they can control and manage costs while continuing to provide competitive benefits.

First, let's explore some of the areas facing the largest cost increases. Combined medical and pharmacy costs are projected to increase approximately 9% going into 2027, the highest trend in a decade. While utilization is increasing, higher prices are an even larger factor. Provider reimbursement rates, hospital costs, specialty medications and other factors are all contributing to higher costs.

UNDERSTANDING THE INCREASE

Pharmacy is an especially significant area of change. Specialty medications now account for more than half of prescription drug spending nationally, while a small percentage of plan members account for a disproportionate share of pharmacy costs. GLP-1 medications are another major consideration. While these medications can provide important benefits for individuals managing chronic conditions, increasing utilization and new indications are putting additional pressure on pharmacy plans. An anticipated rise in oral formulations could further affect costs in the coming years. At the same time, biosimilars are creating opportunities to reduce costs for certain specialty medications. ABC's current pharmacy strategy includes biosimilar utilization, helping the Cooperative Health Plan take advantage of lower-cost alternatives where appropriate.

The cost of individual claims is also shifting the health insurance landscape. Claims exceeding $1 million are increasingly common, and gene and cell therapies can cost several million dollars for a single treatment. These high-cost claims are contributing to significant pressure in the stop-loss market. Stop-loss carriers are facing higher losses and tighter underwriting, with rate increases of 30% to 35% anticipated for 2027, even for plans that are performing well.

CONTROLLING WHAT WE CAN

The market may dictate many of the challenges facing employer health plans, but employers can take steps to respond strategically. At Lockton, we work with ABC to continually evaluate the Cooperative Health Plan's performance against both its budget and industry benchmarks. Pharmacy contracts are reviewed regularly, including annual market checks and more comprehensive

AVERAGE TOTAL ALLOWED CLAIMS PER EMPLOYEE PER YEAR

Source: 2025 Trend Study; Medical and pharmacy combined allowed claims, per employee, per year.

**Based on Lockton's Info lock BoB national benchmark data using recent 12 months of incurred claims data thru July 2025 (paid thru Sept 2025)*

reviews when appropriate. The goal is to ensure the plan continues to receive competitive pricing and value as the market changes.

We also work with ABC to identify opportunities to manage high-cost claims. This can include evaluating whether members are receiving care in the most appropriate setting and looking for opportunities to move care from higher-cost inpatient settings when clinically appropriate. These strategies help ensure plan dollars are being used as effectively as possible.

In addition, we continue to focus on cost-management initiatives that do not rely solely on contract negotiations. Health and wellness programs can also play an important role in the long-term health of a plan and its employees. Chronic conditions are a significant driver of healthcare utilization and costs. ABC recently introduced Omada to help cooperative employees manage chronic conditions including diabetes and hypertension, giving them access to coaching and resources designed to support healthier behaviors and better management of their conditions. Our goal is to improve outcomes and reduce costs over time with the help of these efforts.

LOOKING AHEAD

The healthcare marketplace will continue to evolve. New medications and treatments can create extraordinary opportunities for patients while also introducing new costs. Technology and artificial intelligence are changing how providers and benefit organizations operate. Regulations continue to shift. Insurers and stop-loss carriers are adjusting to changing claims patterns.

Cooperatives can't control all of these forces, but they can make informed decisions about plan design, pharmacy strategies, stop-loss coverage and employee engagement. By continually measuring plan performance, monitoring the marketplace and evaluating emerging opportunities, Lockton and ABC are helping cooperatives prepare for what's ahead while keeping the current and long-term health of the Cooperative Health Plan in focus. ✓

KEY FACTORS

CHRONIC CONDITIONS

Driving higher utilization of both medical services and pharmacy spend. Plan members with multiple chronic diseases face 8.3x higher costs.

GLP-1S

Rising cost and utilization; employers facing pressure to cover beyond diabetes as more indications are approved. Weight management usage has risen 840% since 2022.

HIGH-COST CLAIMS

Occurrence of 1M+ claims is increasing; emerging rare disease treatments expected to drive additional high-cost claims in the coming years.

MARKET PRESSURES

Inflation, tariffs, provider negotiations and consolidation and more aggressive billing practices are all driving cost increases. Stop-loss rates are up 30 to 35%, mainly due to higher loss ratios, underwriting delays, data demands and more claim denials.

BRAND & SPECIALTY MEDICATIONS

Cost of brand medications have increased significantly each year, alongside utilization increases of specialty medications. Specialty medications drive over half of prescription costs, with a 14% unit cost increase of brand medications in 2024.

Confidence in Retirement Starts With the Right Plan

FAC gives employees the tools and support to plan for their future.

A retirement benefit is about more than choosing a plan. It's about having a program that works for the organization and its employees, while also having the support to keep up with the details. For FAC Cooperative, that's where having a partner like ABC has made a difference. Jessie Eischied, Chief Financial Officer at FAC, has seen the value of that partnership firsthand. "One of the greatest benefits of partnering with ABC is being able to provide a really good benefit plan to our employees, and we don't have to go out and try to find that," Eischied says. "It's basically brought to us."

EXPERTISE MADE EASY

Retirement plans come with plenty of moving parts, from administrative responsibilities to changing regulations. Eischied appreciates that FAC doesn't have to keep up with all of it on its own. ABC handles much of the administration and keeps FAC informed when changes occur, so Eischied and her team can stay focused on running the cooperative rather than tracking every change that comes their way. For someone responsible for the financial side of an entire cooperative, that support provides something valuable: confidence that the details are being handled. "I know they're taking care of it," Eischied says.

That confidence isn't about handing over responsibility and walking away. It's about knowing there is an experienced partner behind the program who understands the details and can help FAC navigate them. When something changes or a question comes up, Eischied knows she doesn't have to figure it out by herself.

A RESOURCE FOR EMPLOYEES, TOO

The value of that partnership extends beyond the employer. Retirement looks different for every employee, and the questions employees have can change depending on where they are in their careers. Some may be comfortable making decisions on their own, while others may need help understanding their options, how their benefits work or what questions they should be asking as retirement gets closer. FAC's human resources and finance teams don't have to be the source of every answer. As employees approach retirement, Eischied directs them to ABC, where they can work through their options and better understand the different considerations that come with retirement. That's important to Eischied because she

> *One of the greatest benefits of partnering with ABC is to be able to provide a really good benefit plan to our employees, and we don't have to go out and try to find that.*

recognizes that retirement decisions are personal.

"It's a lot," she says. "Some people want less risk, and they just want something until they pass away, where others say, 'I'm going to try to figure out how to make this work for me.'" Rather than telling an employee what decision to make, Eischied believes they should have the opportunity to understand all their choices and decide what makes sense for their individual situation. ABC gives FAC a place to send those employees when they need that additional guidance.

Eischied says FAC has received positive feedback from employees who have connected with ABC and had someone walk them through the retirement process and their options. Having someone who can answer questions and explain the different pieces can make a complicated process feel much more manageable, especially when employees are trying to make decisions that will affect the next chapter of their lives.

HELPING EMPLOYEES START EARLY

Retirement planning isn't only important when retirement is right around the corner. FAC offers employees a 401(k) with a company match or a Roth option, giving them an opportunity to start saving for retirement early in their careers. FAC also works to help employees understand those benefits when they join the cooperative. Eischied says new employees come in with varying levels of familiarity with retirement savings. Some already understand the difference between a traditional 401(k) and a Roth option and are ready to participate. Others need more explanation about how the options work and where to begin.

During the hiring process, FAC works with employees to better understand the options available to them, how their retirement savings can be invested and how target-date funds work. Employees also receive information from ABC explaining the 401(k) and Roth options.

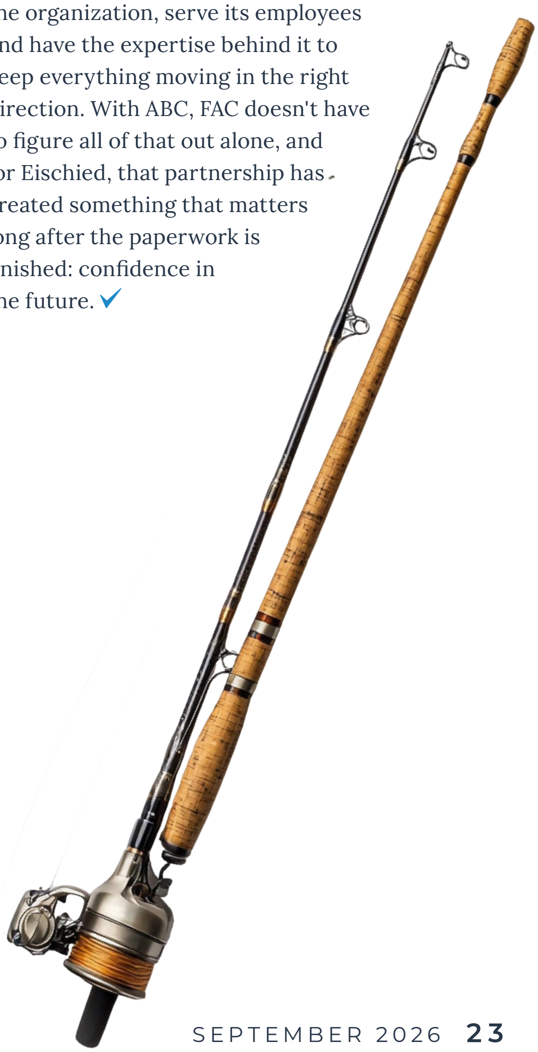
That education matters because employees don't have to know everything about retirement on day one. They need a place to start and access to information that helps them make informed decisions. Eischied estimates that about 90% of FAC's new hires participate in the cooperative's 401(k) and matching program, which she sees as a positive reflection of the value employees place on the benefit. For an employer, having a retirement program is one thing. Helping employees understand it and take advantage of it is another. Having ABC involved helps FAC do both.

A PARTNERSHIP BUILT OVER TIME

FAC has worked with ABC for several decades, and that longevity says something about the relationship. Retirement benefits aren't a one-time decision. They require ongoing administration, communication and attention as regulations, employees and the organization itself change. Knowing ABC is there to help means Eischied doesn't have to be the retirement expert, the compliance expert and the person responsible for answering every employee question. She has someone to call, someone who understands the plan and someone who can help when questions or changes arise.

After more than two decades of working with the cooperative, Eischied has another reason to appreciate having that support. When asked whether she feels confident about her own retirement, she says yes. She credits both her years with FAC and the things that have been put in place over time with giving her confidence that she will be able to retire financially with little stress.

It's a small part of a much larger story, but an important one. A retirement benefit isn't simply something an employer offers. Done well, it can become a resource employees rely on throughout their careers, from the day they are hired to the day they begin thinking seriously about retirement. Retirement programs should be designed to fit the organization, serve its employees and have the expertise behind it to keep everything moving in the right direction. With ABC, FAC doesn't have to figure all of that out alone, and for Eischied, that partnership has created something that matters long after the paperwork is finished: confidence in the future. ✓



Making Medicare Easier

Why education is one of the most valuable benefits you can offer.

For many employees, retirement planning revolves around one number: their retirement savings. They spend years contributing to a 401(k), monitoring investments and thinking about when they'll be financially ready to retire. Yet one of the most important financial decisions they'll make often receives far less attention—choosing the right healthcare coverage when they become eligible for Medicare.

For many, that decision comes with uncertainty. Medicare is one of the most valuable benefits available to older Americans, but it is also one of the most misunderstood. Employees are suddenly faced with unfamiliar terms like Parts A, B, C and D; Medicare Advantage; Medigap and prescription drug plans. It's a lot to absorb, especially when the decision can have lasting financial and healthcare implications.

The confusion is more common than many employers realize. According to the Kaiser Family Foundation, nearly seven in ten Medicare beneficiaries (69%) do not compare their Medicare coverage options during annual open enrollment, even though plans, costs, provider networks and prescription drug coverage can change from year to year. Instead, many simply stay with the coverage they already have because reviewing their options feels too overwhelming.

That statistic alone highlights an important opportunity for employers. By helping employees understand Medicare before they reach enrollment, cooperatives can reduce confusion, encourage better decision-making and demonstrate a meaningful commitment to employees' long-term well-being.

7 in 10
MEDICARE BENEFICIARIES
do not compare coverage options during open enrollment

ADDRESSING MISCONCEPTIONS

One of the biggest misconceptions employees have is thinking Medicare is a single health insurance plan. In reality, it's a collection of coverage options that must be pieced together based on an individual's healthcare needs, financial goals and lifestyle.

Employees may need to decide whether to enroll in Original Medicare or a Medicare Advantage plan. They must determine if they need prescription drug coverage, whether supplemental insurance makes sense and how their current doctors fit into various provider networks. If they continue working after age 65, they also need to understand how Medicare coordinates with employer-sponsored health insurance.

The "right" answer is different for every individual. Someone managing multiple prescriptions may prioritize a plan with strong prescription coverage. Someone who travels frequently or spends winters in another state may need broader provider access. Another employee may simply want predictable monthly costs, while someone else is comfortable paying lower premiums in exchange for higher out-of-pocket expenses when care is needed.

These are highly personal decisions, and they are rarely as simple as choosing the lowest monthly premium.

In recent KFF focus groups, Medicare beneficiaries consistently described choosing coverage as "confusing," "difficult" and "overwhelming." Many participants admitted they kept the same coverage simply because they weren't confident they understood the alternatives well enough to make a change.

That uncertainty is understandable. Most people only make Medicare decisions once in their lifetime. Unlike selecting an employer health plan during annual enrollment, Medicare introduces an entirely new system with different rules, timelines and coverage options.

Making the wrong decision can have lasting consequences. Missing an enrollment deadline may result in permanent penalties. Choosing a plan without carefully reviewing prescription coverage could significantly increase out-of-pocket costs. Selecting a plan without understanding provider networks could mean changing physicians or paying more for care. These aren't decisions employees should have to navigate alone.

THE VALUE OF SMARTCONNECT

This is where SmartConnect becomes an invaluable employee benefit.

SmartConnect connects employees with licensed Medicare advisors who take the time to understand each person's unique situation before recommending a path forward. Rather than relying on television commercials, direct mail advertisements, or advice from friends and neighbors, employees receive personalized guidance based on their healthcare needs, prescriptions, travel habits, retirement plans, and financial priorities.

As an independent Medicare insurance agency, SmartConnect provides access to plans from leading national insurance carriers, allowing employees to compare options and make informed decisions with confidence. The goal isn't simply enrolling in a Medicare plan—it's helping employees understand why one option may be a better fit than another.

Employees who continue working beyond age 65 often assume they should simply remain on their employer-sponsored health insurance. Sometimes that's exactly the right choice, and sometimes it isn't. Depending on the cooperative's health plan and employees' healthcare needs, Medicare may provide broader coverage or lower overall costs than staying on the employer plan.

The only way to know is to compare the options. That's another reason SmartConnect is so valuable. Employees receive objective guidance that helps them understand how Medicare works alongside employer coverage and determine which solution best fits their individual circumstances.

START EARLY

One of the biggest mistakes employees make is waiting until just a few weeks before turning 65 to begin learning about Medicare. By then, they're often juggling retirement planning, Social Security decisions, healthcare questions and important enrollment deadlines all at once. Encouraging employees to start the conversation earlier can help reduce stress and lead to more informed decisions.

That's why ABC partners with SmartConnect to proactively reach employees who are approaching or have reached Medicare eligibility. Through targeted direct mail communications, employees receive timely information about Medicare, are introduced to SmartConnect's services and are invited to connect with a licensed advisor before important enrollment deadlines arrive.

Education doesn't stop with mailed resources. SmartConnect also offers monthly Medicare education webinars that give employees—and their spouses—the opportunity to learn about Medicare in a relaxed, no-pressure environment. These sessions cover Medicare basics, enrollment timelines, employer coverage, prescription drug options and the differences between plan types, while giving participants the opportunity to hear directly from experienced professionals and have their questions answered.

Cooperatives can reinforce these efforts by promoting SmartConnect throughout the year in newsletters, open enrollment materials, manager conversations and other benefit communications. Encouraging employees to attend a webinar before they need to make a decision often turns uncertainty into confidence, while those who need additional guidance can schedule a one-on-one consultation with a licensed advisor to receive recommendations tailored to their healthcare needs, budget and retirement goals.

By combining proactive outreach, ongoing education and personalized guidance, ABC and SmartConnect help ensure employees have the information and support they need to confidently navigate one of life's most important healthcare decisions.

MAKING CONFIDENT DECISIONS

Retirement is one of life's biggest transitions, and healthcare is one of its biggest decisions. Employees don't need more marketing messages—they need trusted guidance. SmartConnect provides exactly that. Through independent advisors, personalized support and ongoing educational resources like monthly Medicare webinars, employees gain the knowledge they need to confidently compare their options and choose the coverage that best fits their needs.

Don't wait until employees have questions. Introduce them to SmartConnect before they turn 65, encourage them to attend a monthly webinar and remind them that expert guidance is just a phone call away. A little education today can prevent costly mistakes tomorrow—and help employees move into retirement with greater confidence and peace of mind. ✓

Sources: Kaiser Family Foundation (KFF), Nearly 7 in 10 Medicare Beneficiaries Did Not Compare Plans During Medicare's Open Enrollment Period (2024); Kaiser Family Foundation (KFF), What Do People with Medicare Think About the Role of Marketing, Shopping for Medicare Options and Their Coverage? (2023).

Principal®

Make the most of your retirement plan

Planning for retirement is something we all know we should do. But sometimes it's hard to know what steps to take. One thing to remember is that you're not alone.

We're with you

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FIND THE

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Build a custom retirement benefit package for your cooperative with ABC.