

WEST VIRGINIA
MEDICAL **INSURANCE** AGENCY
“Meeting the insurance needs of physicians”

**A Partnership
in Prosperity**

**The West Virginia Medical Insurance Agency
Selects The Hartford as a Preferred Provider
of Retirement Plans**



The West Virginia Medical Insurance Agency (Agency), a wholly owned subsidiary of the state's largest physician membership and advocacy organization, the West Virginia State Medical Association (WVSMA), has selected The Hartford as a preferred provider of retirement plans. This builds on the strong relationship the Agency has with The Hartford as a provider of property-and-casualty insurance. The editor of Perspectives interviewed Steve Brown, agency manager, Evan Jenkins, WVSMA executive director, and Mike Shamburger, senior vice president of The Hartford, about what the relationship means for the Agency's clients and WVSMA members.

Q. Steve, why did the Agency select The Hartford as its retirement plans preferred provider?

Brown: We have been looking for a provider to help our clients establish effective retirement plans and The Hartford has a track record of helping small businesses and professional firms accomplish retirement goals. The Agency has enjoyed an established relationship with The Hartford for property-and-casualty insurance and we are pleased with the high level of service the company can offer.

Q. Are there any special challenges for professionals such as physicians in preparing for retirement?

Brown: Physicians are devoted to their practices and often reinvest much of their earnings in

them. Many physicians begin to seriously plan for retirement later in their professional lives and it becomes imperative that they have the right plan and the right guidance to help accomplish their goals. We're looking to help our clients get the plan they need when they need it.

Shamburger: At The Hartford, we know that professionals and small-business owners sometimes struggle to save for retirement. Their experience tends to mirror the general population, which our own research tells us is very concerned about being able to retire. Four in five people (79.3 percent) say they are less than confident that all of their sources of income combined will be sufficient in retirement. Our work with the MIT AgeLab, which studies issues affecting older Americans, has reaffirmed that people today are viewing retirement much differently and that many of us will enter retirement in stages. We see that as being true for many physicians who often gear down their practices, consult or provide services to charitable organizations in "retirement."

Q. Are their special solutions The Hartford offers to help physicians plan for retirement?

Shamburger: We can help physicians establish the right retirement plan design and then make the most of it. For instance, many professionals are unaware that they can contribute as much as \$49,000 a year in deferrals, matching contributions and discretionary contributions, plus another \$5,500 for those age 50 and older, to their 401(k) plan. In addition, there are advanced plan designs that can help them direct significantly

more assets to their own retirement account while still providing a meaningful benefit to their employees. We also know that many physicians would like to increase their savings above the limits available through a 401(k) plan, especially if they are closer to retirement age, and we offer cash balance plans to help them accomplish that as well.

country, many of which are professional practices. We have a long track record of serving the needs of physicians for a wide range of products, including property-and-casualty insurance, disability income insurance and retirement plans. Some of our businesses have special units dedicated to the needs of physicians.

Q. Mike, what do you think The Hartford brings to the table in this relationship?

Shamburger: With \$56 billion in retirement plan assets under management and more than 30,000 plan sponsors, The Hartford is a leading provider of retirement plans in general. In particular, we have extensive experience helping small-business owners and professionals establish effective retirement plans. We're well-known for serving this niche of the market and given the current economy and volatile markets, we know it's never been more difficult for medical professionals to prepare for retirement. Layer on the likelihood of rising taxes, increasing business costs and healthcare reform, and you can see the challenge. The Hartford can bring solutions to the table to help overcome these obstacles and, because of the association's support, deliver those solutions more economically.

Q. What experience does The Hartford have in meeting the financial needs of physicians?

Shamburger: The Hartford has relationships with more than one million businesses around the

Q. What should association members be thinking about in terms of their retirement planning?

Jenkins: It's never too early to start planning for retirement. The WVSMA established the Agency over seven years ago to assist all West Virginia physicians with their insurance buying decisions. While it initially focused on placing medical professional liability insurance, its product offerings and insurance coverage assistance has grown significantly. Today, the Agency is truly a full service organization exclusively representing physicians to meet their insurance needs. The preferred provider relationship our Agency now has with The Hartford can help physicians get started on their retirement planning today.

Shamburger: I concur that the sooner you start planning for retirement, the better. Speak with a trusted financial professional and work with a provider, like The Hartford, that understands retirement planning challenges and opportunities – some of which are unique to professionals. Doing something is better than nothing. As your practice grows, you will be able to contribute more to your retirement plan and, ultimately, your family's financial security. The Hartford also works with a network of third party administrators with the

expertise to consult on which retirement plan designs may be the best fit for a particular practice.

Jenkins: Because of our relationship with The Hartford, physician clients of the Agency who are WVSMA members can avail themselves of the expertise and service from a local TPA firm at a 15 percent discount. It's part of the value of being a client of our Agency and a WVSMA member.

Q. Steve, how should members get started in planning for retirement?

Brown: They should start by contacting me at the Agency by calling 1-800- 257-4747 ext. 22 (locally at 304-925-0342), by cell at 304-542-0257 or email at steve@wvsma.com. We will arrange a meeting with our Agency and The Hartford's local representative. We'll get the ball rolling for you.

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Cash Balance plan designs are complex and require the assistance of legal and tax advisors and third party administrators. For a complete picture of Cash Balance plans, please contact the appropriate advisor.

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