



# Post Employment Health Plan (PEHP®) Fact Sheet and Investment Options

# PEHP® Fact Sheet and Investment Options

Type of plan	<ul style="list-style-type: none"> <li>• Employee benefit plan</li> <li>• Health Reimbursement Arrangement (HRA)</li> <li>• Internal Revenue Code Section 501(c)(9)</li> </ul>
Assets held	<ul style="list-style-type: none"> <li>• Tax exempt multiple-employer VEBA (Voluntary Employee Beneficiary Association) trusts</li> </ul>
Tax advantages	<ul style="list-style-type: none"> <li>• Employer pays no FICA taxes on plan contributions.</li> <li>• Employees pay no FICA or federal income taxes on:             <ul style="list-style-type: none"> <li>- Contributions made on their behalf</li> <li>- Investment earnings</li> <li>- Benefits paid from the plan</li> </ul> </li> </ul>
Plan contributions	Employer, mandatory employee, and/or contributions on behalf of retirees are permitted.
Plan benefits	<p>Tax-free accumulation and reimbursements for qualified post employment medical expenses as defined by the Internal Revenue Code Section 213(d). Examples include:</p> <ul style="list-style-type: none"> <li>- Health insurance premiums</li> <li>- Medicare Part B premiums</li> <li>- Medicare supplemental insurance premiums</li> <li>- Qualified long-term care premiums</li> <li>- Out-of-pocket qualified medical expenses including prescription drugs, eye glasses and doctor co-pays.</li> </ul>
Benefit flexibility	Upon the employee separating from service or retiring, requests may be made for the reimbursement of qualified medical expenses and/or medical insurance premiums. Plan-to-plan transfers are also available among accounts with the same employer for plans administered by Nationwide.
Funding options	<ul style="list-style-type: none"> <li>• Universal Reimbursement Account (105)             <ul style="list-style-type: none"> <li>- Funded ongoing with equal dollar contributions per employee, per submission.</li> <li>- Minimum annual ongoing contribution is \$120 per employee.</li> <li>- Reimbursements may be made for any qualified out-of-pocket medical expense. Examples include: health insurance premiums, prescription drugs, eye glasses, hearing aids and doctor co-pays.</li> </ul> </li> <li>• Insurance Premium Reimbursement Account (106)             <ul style="list-style-type: none"> <li>- Can be funded solely with accrued sick and/or vacation leave (must be required by employer of all eligible plan participants).</li> <li>- May also be funded with a percentage of salary.</li> <li>- Minimum annual ongoing contribution is .5% of salary per employee.</li> <li>- Reimbursements may only be used for qualified health insurance premium expenses. Examples include: health insurance premiums, dental premiums, Medicare Part B premiums and Medicare supplements.</li> </ul> </li> <li>• Contribution details must be submitted separately for the Universal Reimbursement Account (105) &amp; Insurance Premium Reimbursement Account (106).</li> </ul>
Investment options	There are 19 investment options available for employees.
Plan fees	<ul style="list-style-type: none"> <li>• Employer—Patient-Centered Outcome Research Institute (PCORI)<sup>1</sup></li> <li>• Employee—0.50% asset management fee plus \$30 administrative fee per year</li> </ul> <p>Note: No charge for claims reimbursements</p>
Death of participant	Money is immediately made available to the surviving spouse and/or qualified dependents (as defined by IRC§152(a)) to use for health care expenses. If no surviving spouse or qualified dependents remain to request reimbursement, the account balance is reallocated to the accounts of the remaining members of the immediate employer group for their qualified medical expenses.

<sup>1</sup> The PCORI fee results from Affordable Care Act requirements and is payable to the IRS by July 31 each calendar year.

# PEHP® Investment Options

## PEHP Variable Annuity, A Group Variable Annuity Contract issued by Nationwide Life Insurance Company

Asset allocation		Category
The Nationwide NMF Investor Destinations Funds can be selected based on your personal objectives and risk tolerance and are designed to provide asset allocation across several types of investments and asset classes, primarily by investing in underlying funds. Principal value of the fund(s) is not guaranteed at any time, including at the target date. Therefore, in addition to the expenses of the Investor Destination Funds, you are indirectly paying a proportionate share of the applicable fees and expenses of the underlying funds.	Nationwide NMF Investor Destinations Aggressive Fund (Svc Class)	Large Growth
	Nationwide NMF Investor Destinations Moderately Aggressive Fund (Svc Class)	Large Growth
	Nationwide NMF Investor Destinations Moderate Fund (Svc Class)	Moderate Allocation
	Nationwide NMF Investor Destinations Moderately Conservative Fund (Svc Class)	Moderate Allocation
	Nationwide NMF Investor Destinations Conservative Fund (Svc Class)	Conservative Allocation
<b>Small-cap stock funds</b>		
Small-cap is an abbreviation of the term "small market capitalization," it's a company whose market capitalization is small or newer. A small-cap stock fund is made up primarily of investments in companies that are considered small or newer companies. Small company funds involve increased risk and volatility.	Fidelity Advisor Small Cap Fund (Class A)	Small Growth
	Nationwide Small Cap Index Fund (Class A)*	Small Blend
	Nationwide Small Cap Index Fund (Inst Class)**	Small Blend
<b>Mid-cap stock funds</b>		
Mid-cap is an abbreviation of the term "middle market capitalization," a company whose market capitalization is mid-range. A mid-cap stock fund is made up primarily of investments in companies that are considered mid-range or mid-size companies.	AMG TimesSquare Mid Cap Growth Fund (Inst Class)**	Mid-Cap Growth
	CRM Small Cap Value (Inv Class)**	Small Value
	American Century Heritage (Inv Class)*	Mid-Cap Growth
	Nationwide Mid Cap Market Index Fund (Class A)*	Mid-Cap Blend
	Nationwide Mid Cap Market Index Fund (Inst Class)**	Mid-Cap Blend
	Goldman Sachs Mid Cap Value Fund (Class A)	Mid-Cap Value
<b>Large-cap stock funds</b>		
Large-cap is an abbreviation of the term "large market capitalization," and that's a company whose market capitalization is very large. A large-cap stock fund is made up primarily of investments in companies that are considered large-cap, big corporations.	American Century Ultra® Fund (Inv Class)*	Large Growth
	American Funds Growth Fund of America (Class R4)**	Large Growth
	Nationwide S&P 500 Index Fund (Instl Svc Class)*	Large Blend
	Nationwide S&P 500 Index Fund (Instl Class)**	Large Blend
	Nationwide Fund Institutional Service Class*	Large Blend
	American Funds Investment Company of America (Class R4)**	Large Blend
	Invesco Growth & Income Fund (Class A)	Large Value
<b>International Stock funds</b>		
A mutual fund that invests primarily in companies located anywhere outside of its investors' country of residence. International investing involves additional risks; including currency fluctuations, political instability, differences in accounting standards and foreign regulations.	JP Morgan International Equity Fund (Class A)*	Foreign Large Blend
	JP Morgan International Equity Fund (Class S)**	Foreign Large Blend
	Oppenheimer Global Fund (Class A)	World Stock
<b>Bond funds</b>		
A fund invested primarily in bonds, which could be a range of government, corporate, municipal or convertible bonds.	PIMCO Total Return Fund (Class A)*	Immediate-Term Bond
	Metropolitan West Total Return Bond Fund (Class M)**	Immediate-Term Bond
<b>Fixed Income/Cash</b>		
Fixed income options are designed to protect principle and may not keep pace with inflation. They are designed to have lower risks than alternative options but are not insured or guaranteed by the FDIC or any other government agency.	Nationwide Money Market Fund (Prime Shares) Comprised of bonds that might be short or intermediate term with longer maturities than other choices, such as money market funds. An investment in a money market underlying fund is not insured or guaranteed by the FDIC or any other government agency. Although money market funds seek to preserve the value of an investment at \$1.00 per share, it is possible to lose money by investing in the money market.	Money Market
	Nationwide Fixed Account. Guarantees are subject to the claims paying ability of the Nationwide Life Insurance Company.	Fixed Account

\*Fund is available within your plan except if you are a Non-Collectively Bargained plan in NV, AZ and CA.

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**The underlying fund prospectuses can be obtained by calling 1-877-677-3678. Before investing, carefully consider the fund's investment objectives, risks, and charges and expenses. The underlying fund prospectus contain this and other important information. Read the prospectuses carefully before investing.**

*Retirement Specialists are registered representatives of Nationwide Investment Services Corporation, Member FINRA. In Michigan only: Nationwide Investment Svcs. Corporation*

*Neither the Company nor its representatives give legal or tax advice. You should consult your attorney or tax advisor for answers to your specific questions.*

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*For more complete information, including all charges and expenses, please consult your Nationwide representative or call 1-877-677-3678.*

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The PEHP unregistered group variable annuity is issued by Nationwide Life Insurance Company, contract number APO-3350.

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