



PEHP[®] Fact Sheet and Investment Options

Type of plan

- Employee benefit plan
- Internal Revenue Code Section 501(c)(9)

Assets held

Tax-exempt VEBA (Voluntary Employee Beneficiary Association) trusts under Internal Revenue Code Section 501(c)(9)

Tax advantages

- Employer pays no FICA taxes on plan contributions
- Employees pay no FICA or federal income taxes on:
 - Contributions made on their behalf
 - Investment earnings
 - Benefits paid from the plan

Plan contributions

Employer contributions only; employee contributions, including salary reduction, are not permitted

Plan benefits

Tax-free accumulation and reimbursements for qualified post-employment medical expenses as defined by the Internal Revenue Code Section 213(d); examples include:

- Health insurance premiums
- Medicare Part B premiums
- Medicare supplemental insurance premiums
- Qualified long-term care premiums
- Out-of-pocket qualified medical expenses, such as prescription drugs, eyeglasses, doctor co-pays, etc.

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.

Note: For your claim to be paid, you must attach receipts and/or an Explanation of Benefits (EOB) of paid medical expenses.

Funding

Health reimbursement arrangement

- Funded ongoing with equal-dollar employer contributions per employee, per submission
- Minimum annual ongoing contribution for City of Phoenix employees is \$150 per employee
- Reimbursements may be made for any qualified out-of-pocket medical expense with required documentation; examples include health insurance premiums, prescription drugs, eyeglasses, hearing aids and doctor co-pays

Investment options

There are 18 investment options available for employees.

- For PEHP[®] (Post-Employment Health Plan)-eligible employees hired August 16, 2019, or later, the default investment option for employer contributions to your PEHP account is the American Funds Target Date Fund closest to age 65

You can change how your PEHP account assets are invested by accessing your online account at phoenixdcp.com or by calling a local Nationwide Representative at 602-266-2733 or Nationwide's Customer Solutions Center at 1-800-891-4749.

Plan fees

- Employer — No fee
- Employee — A \$6 fee per participant and 0.30% asset fee on variable investments annually; no charge for claims reimbursements

Death of participant

Money is immediately made available to the surviving spouse and/or qualified dependents (as defined by IRC Section 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 City of Phoenix group for their qualified medical expenses.

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www.phoenixdcp.com

602-266-2733 or 1-800-891-4749

Target date	
<p>The American Funds Target Date Funds can be selected based on your anticipated year of retirement. The portfolios automatically adjust the mix of stocks, bonds and cash equivalents over time and gradually get more conservative until the target date is reached.</p> <p>Target date funds invest in a wide variety of underlying funds to help reduce investment risk. So, in addition to the expenses of the target date funds, you pay a proportionate share of the expenses of the underlying funds. Like other funds, target date funds are subject to market risk and loss. Loss of principal can occur at any time, including before, at or after the target date. There is no guarantee that target date funds will provide enough income for retirement.</p>	American Funds 2010 Target Date Retirement Fund R6
	American Funds 2015 Target Date Retirement Fund R6
	American Funds 2020 Target Date Retirement Fund R6
	American Funds 2025 Target Date Retirement Fund R6
	American Funds 2030 Target Date Retirement Fund R6
	American Funds 2035 Target Date Retirement Fund R6
	American Funds 2040 Target Date Retirement Fund R6
	American Funds 2045 Target Date Retirement Fund R6
	American Funds 2050 Target Date Retirement Fund R6
	American Funds 2055 Target Date Retirement Fund R6
American Funds 2060 Target Date Retirement Fund R6	
Small-cap stock funds	
<p>Small-cap is an abbreviation of the term "small market capitalization," i.e., a company whose market capitalization is small or newer. A small-cap stock fund is made primarily of investments in companies that are considered small or newer companies. Small company funds involve increased risk and volatility.</p>	Vanguard Small-Cap Index Fund (Admiral shares)
Mid-cap stock funds	
<p>Mid-cap is an abbreviation of the term "middle market capitalization," i.e., a company whose market capitalization is midrange. A mid-cap stock fund is made primarily of investments in companies that are considered midrange or midsize companies.</p>	Vanguard Mid-Cap Index Fund (Admiral shares)
Large-cap stock funds	
<p>Large-cap is an abbreviation of the term "large market capitalization," i.e., a company whose market capitalization is very large. A large-cap stock fund is made primarily of investments in companies that are considered big corporations.</p>	Vanguard Institutional Index Fund Plus
International stock funds	
<p>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.</p>	Vanguard Total International Stock Index Fund (Instl)
Bond funds	
<p>A fund invested primarily in bonds, which could be a range of government, corporate, municipal or convertible bonds.</p>	Vanguard Total Bond Market Index Fund (Admiral shares)
Fixed income/cash equivalents	
<p>Fixed income options are designed to protect principal 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.</p>	Vanguard Federal Money Market Fund
	Nationwide Fixed Account

Underlying fund prospectuses can be obtained by calling 1-800-891-4749 or by visiting Phoenixdcp.com. Before investing, carefully consider the fund's investment objectives, risks, charges and expenses. Read the prospectuses carefully before investing.

Separate trusts are available for collectively bargained employee groups and noncollectively bargained employee groups. Nationwide and its representatives do not give legal or tax advice. An attorney or tax advisor should be consulted for answers to specific questions. Local Plan Service Representatives are registered representatives of Nationwide Investment Services Corporation (NISC), member FINRA, Columbus, Ohio. Nationwide, the Nationwide N and Eagle and PEHP are service marks of Nationwide Mutual Insurance Company. © 2021 Nationwide. The PEHP unregistered group variable annuity is issued by Nationwide Life Insurance Company, contract number APO-3350. NRM-3322AZ-PX.7 (04/21)