



SUCCESS STORY

OBJECTIVE: Streamline and simplify St. Luke's Cornwall Hospital's monthly recurring benefits payment process.

The Company

St. Luke's Cornwall Hospital

Website

stlukescornwallhospital.org

Client Type

Defined Benefit Plan Sponsor

Contact

Adele D'Alessandro
Employee Benefits Manager

COMPANY SITUATION

St. Luke's Cornwall Hospital is a nonprofit hospital dedicated to serving the health care needs of residents in the Hudson Valley area of New York.

The hospital sponsors a **frozen pension** and **403(b) plans** for its employees. With nearly **700 participants** in active pay status, processing the monthly pension distributions was a time consuming and inefficient task that distracted Employee Benefits Manager Adele D'Alessandro from other important benefits issues.

As the plan continued to add more participants to active pay status, it was clear that making monthly distributions would become more complex.

THE PENCHECKS SOLUTION

After meeting with PenChecks Trust's Eastern Regional Director, D'Alessandro elected to sign up for our **Recurring Payment Processing Service**, a flexible program specifically designed to meet the needs of plan sponsors and providers who process large numbers of recurring payments. Each month, she provides information on plan participants entering pay status to PenChecks Trust. We enter the data into our PenChecks Pay Portal (P3) and add the pay status participants to the database of recurring payments. We then process all pension distributions according to the preference of each participant (check, wire or ACH).

Our Recurring Benefit Payments System does more than just make recurring pension payments in a timely manner. We withhold all federal and state taxes for St. Luke's plan participants. We remit the taxes to the proper taxing authorities, and we file all necessary tax information returns, including 1099-R, 945 and 1096. We also perform daily death audits to minimize undesirable overpayments and provide an annual participant tax withholding summary record.

PenChecks Trust also monitors and resolves all returned or uncashed disbursements for St. Luke's by performing supplementary address searches on all returned mail and reissues disbursements accordingly. Additionally, PenChecks also handles the update process for any payees who need to make changes to their distribution details.

This includes receiving, verifying and balancing the funds from St. Luke's, processing the participant's benefit election form, and sending the funds directly to the participant. When participants can't be located, we transfer their payments to an Automatic Rollover IRA account in accordance with Department of Labor Safe Harbor guidelines.



RESULT

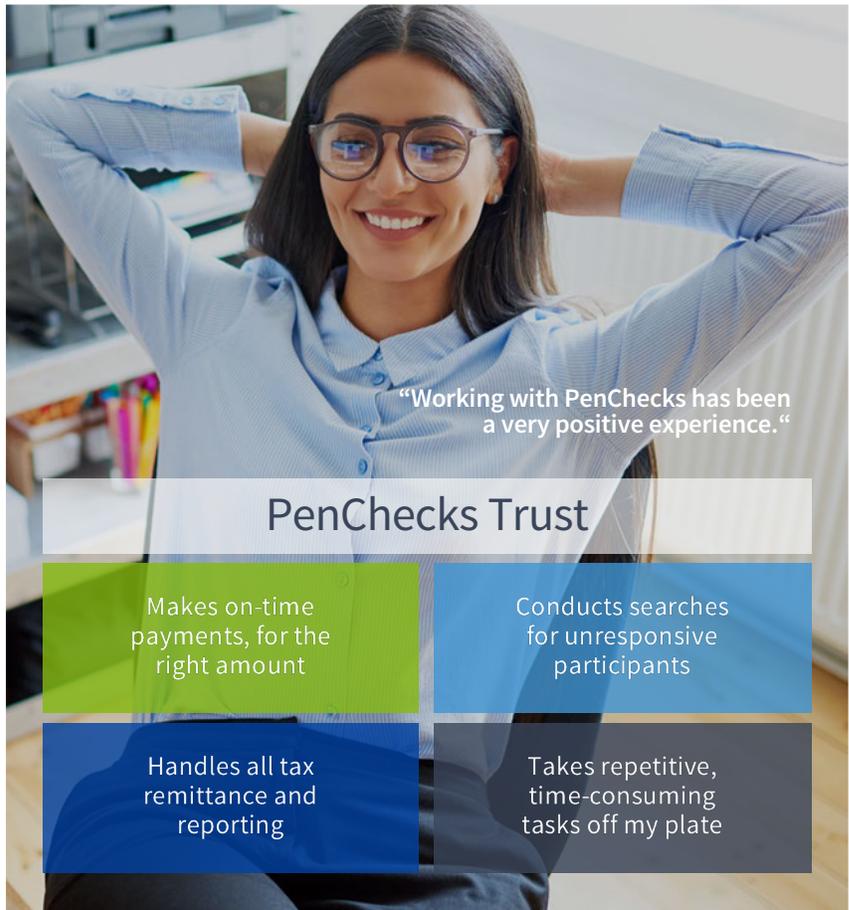
The result is a **turnkey recurring payment system** that saves D'Alessandro a lot of **time** and St. Luke's a significant amount of **money**.

D'Alessandro performs a minimal amount of data transfer each month and PenChecks does the rest. She no longer has to perform the quarterly death audits because we do them for her every day. Moreover, having up-to-date death audits has eliminated the problem of sending payments after someone has passed.

This prevents overpayment and the tedious and sometimes difficult task of recouping erroneously paid funds.

"PenChecks Recurring Payment Service has been invaluable to me, allowing me to focus on more strategic benefits issues."

- Adele D'Alessandro



"Working with PenChecks has been a very positive experience."

PenChecks Trust

Makes on-time payments, for the right amount

Conducts searches for unresponsive participants

Handles all tax remittance and reporting

Takes repetitive, time-consuming tasks off my plate

ABOUT US



PenChecks Trust Company of America (PenChecks Trust) is a state-chartered, non-depository trust company and the largest independent provider of outsourced benefit distribution services and Default/Missing Participant IRAs in the country.

With over 20 years in business, PenChecks Trust is an expert and industry-leading provider of unique and comprehensive solutions for a myriad of trust resolution issues.

Services include automated and branded solutions for benefit payment processing, uncashed/stale dated checks, Abandoned Plan/QTA services and Taxable Savings Accounts. Customers include financial institutions, third party administrators, plan advisors, and plan sponsors.

Contact us or visit our website for more information.

Info@PenChecks.com | 800.541.3938

PENCHECKS.com