Intermountain Health

5245 South College Drive
Murray, UT 84123

Re: 2024 Funding Notice – Intermountain Pension Plan

Dear Caregiver,

Enclosed you will find the **2024 Annual Funding Notice** for the Intermountain Health Pension Plan. Please review.

This notice is strictly informational, no action is required on your part. This notice is provided annually.

We are sending this notice because as an Intermountain or SelectHealth caregiver, retiree or beneficiary, you may have a vested benefit in the plan. These notices are a routine plan communication federally required by the U.S. Department of Labor and is meant to inform you of the current status of the plan.

Our goal is to keep participants in the plan well-informed. You have the right to request and obtain a paper version of the Annual Funding Notice or the Notice of Change in Plan Benefits 204(h), free of charge. If you have questions about the notice or the Intermountain Health Pension Plan, or would like to request a paper copy, please contact the AskHR team by phone at 801-442-7547 or 833-442-7547.

Sincerely,

Intermountain Health Retirement

Enclosed

ANNUAL FUNDING NOTICE

For

Intermountain Healthcare Pension Plan

Introduction

This notice includes important information about the funding status of your single employer pension plan (“the Plan”). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation (“PBGC”), a federal insurance agency. All traditional pension plans (called “defined benefit pension plans”) must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is required by federal law. This notice is for the plan year beginning January 1, 2024 and ending December 31, 2024 (“Plan Year”).

How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded. The chart below shows the end of year assets and liabilities for the Plan Year and each of the two preceding plan years.

All monetary amounts shown in US Dollars

Plan year beginning in	2024	2023	2022
1. Measurement Date	12/31/2024	12/31/2023	12/31/2022
2. Plan Assets	3,020,928,378	3,075,008,877	2,891,351,833
3. Plan Liabilities	2,794,044,205	2,772,566,956	2,671,132,967
4. Percentage of Plan Liabilities Funded = (2)/(3)	108.12%	110.91%	108.24%

Plan Assets

Plan Assets in line 2 of the chart above are estimates of the fair market value of the Plan’s assets on the Measurement Date.

Plan Liabilities

Plan Liabilities in line 3 of the chart above are estimates of the amount of assets the Plan needs on the Measurement Date to pay for promised benefits under the Plan using interest rates mandated by ERISA 4006(a)(3)(E)(iv). If the Plan were to actually terminate, the PBGC’s calculation of plan liabilities may be greater (see “Summary of Rules Governing Termination of Single-Employer Plans” and “Benefit Payments Guaranteed by the PBGC” below for more details).

Participant Information

The total number of participants and beneficiaries covered by the Plan on the last day of the plan year for the three most recent Valuation Dates is shown in the table below.

Plan year beginning in	2024	2023	2022
1. Current Employees	24,366	26,724	28,140
2. No Longer Working for the Employer and Have a Right to Future Benefits	7,121	7,185	7,034
3. Retired and Receiving Benefits	8,106	8,002	7,940
4. Total Participants[1]	39,593	41,911	43,114

Funding & Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The plan sponsor's funding policy of the Plan is to review the Plan's minimum funding requirement no less frequently than annually. Intermountain Health will make contributions to the plan each year in an amount that is at least equal to the minimum contributions required by ERISA and the Internal Revenue Code, which may be satisfied by cash contributions or application of funding balances. The sponsor may deviate from this policy based on cash, tax or other considerations.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The investment policy of the Plan is to invest the Plan's assets in a prudent fashion, so as to generate a reasonable return without subjecting the Plan to undue investment risk. Intermountain Health engages professional financial consultants to help shape and implement the Plan's investment policy. Intermountain Health reviews the Plan's investment performance quarterly and makes changes to the Plan's investment policy and its consultants as appropriate.

Under the investment policy, the Plan's assets were allocated among the following categories of investments as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations	**Percentage**
1. Public equity	47.57%
2. Private equity	12.43%
3. Investment grade debt and interest rate hedging assets	18.66%
4. High-yield debt	0.00%
5. Real assets	3.88%
6. Cash or cash equivalents	2.12%
7. Other	15.33%

The percentages may not add to 100% due to rounding.

The average return on assets for the year ending December 31, 2024 was 4.94%, calculated based on actual cash flow during the year, assuming that benefit payments are made in the middle of the year, and net of administrative expenses.

[1] Participant counts are as of 12/31/2023 and 12/31/2022 and estimated as of 12/31/2024.

Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the "Form 5500." These reports contain financial and other information. You may obtain an electronic copy of your Plan's annual report by going to www.efast.dol.gov and using the search tool. Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1515, Washington, DC 20210, or by calling 202.693.8673. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator. Annual reports do not contain personal information, such as the amount of your accrued benefits. You may contact your plan administrator if you want information about your accrued benefits. Your plan administrator is identified below under "Where To Get More Information."

Summary of Rules Governing Termination of Single-Employer Plans

If a plan terminates, there are specific termination rules that must be followed under federal law. A summary of these rules follows.

There are two ways an employer can terminate its pension plan. First, the employer can end a plan in a "standard termination" but only after showing the PBGC that such plan has enough money to pay all benefits owed to participants. Under a standard termination, a plan must either purchase an annuity from an insurance company (which will provide you with periodic retirement benefits, such as monthly for life or, if you elect, for a set period of time when you retire) or, if the plan allows and you elect, issue one lump-sum payment that covers your entire benefit. Your plan administrator must give you advance notice that identifies the insurance company (or companies) selected to provide the annuity. The PBGC's guarantee ends upon the purchase of an annuity or payment of the lump-sum. If the plan purchases an annuity for you from an insurance company and that company becomes unable to pay, the applicable state guaranty association guarantees the annuity to the extent authorized by that state's law.

Second, if the plan is not fully-funded, the employer may apply for a distress termination. To do so, however, the employer must be in financial distress and prove to a bankruptcy court or to the PBGC that the employer cannot remain in business unless the plan is terminated. If the application is granted, the PBGC will take over the plan as trustee and pay plan benefits, up to the legal limits, using plan assets and PBGC guarantee funds.

Under certain circumstances, the PBGC may take action on its own to end a pension plan. Most terminations initiated by the PBGC occur when the PBGC determines that plan termination is needed to protect the interests of plan participants or of the PBGC insurance program. The PBGC can do so if, for example, a plan does not have enough money to pay benefits currently due.

Benefit Payments Guaranteed by the PBGC

When the PBGC takes over a plan, it pays pension benefits through its insurance program. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. Most participants and beneficiaries receive all of the pension benefits they would have received under their plan, but some people may lose certain benefits that are not guaranteed.

The amount of benefits that PBGC guarantees is determined as of the plan termination date. However, if a plan terminates during a plan sponsor's bankruptcy, then the amount guaranteed is determined as of the date the sponsor entered bankruptcy.

The PBGC maximum benefit guarantee is set by law and is updated each calendar year. For a plan with a termination date or sponsor bankruptcy date, as applicable, in 2025 the maximum guarantee is $7,432 per month, or $89,182 per year, for a benefit paid to a 65-year-old retiree with no survivor benefit. If a plan terminates during a plan sponsor's bankruptcy, the maximum guarantee is fixed as of the calendar year in which the sponsor entered bankruptcy. The maximum guarantee is lower for an individual who begins receiving benefits from PBGC before age 65 reflecting the fact that younger retirees are expected to receive more monthly pension checks over their lifetimes. Similarly, the maximum guarantee is higher for an individual who starts receiving benefits from PBGC after age 65. The maximum guarantee by age can be found on PBGC's website, www.pbgc.gov. The guaranteed amount is also reduced if a benefit will be provided to a survivor of the plan participant.

The PBGC guarantees "basic benefits" earned before a plan is terminated, which include:

- pension benefits at normal retirement age;
- most early retirement benefits;
- annuity benefits for survivors of plan participants; and
- disability benefits for a disability that occurred before the date the plan terminated or the date the sponsor entered bankruptcy, as applicable.

The PBGC does not guarantee certain types of benefits:

- The PBGC does not guarantee benefits for which you do not have a vested right, usually because you have not worked enough years for the company.
- The PBGC does not guarantee benefits for which you have not met all age, service, or other requirements.
- Benefit increases and new benefits that have been in place for less than one year are not guaranteed. Those that have been in place for less than five years are only partly guaranteed.
- Early retirement payments that are greater than payments at normal retirement age may not be guaranteed. For example, a supplemental benefit that stops when you become eligible for Social Security may not be guaranteed.
- Benefits other than pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay, are not guaranteed.
- The PBGC generally does not pay lump sums exceeding $7,000.

Liabilities of the Plan may be higher than shown above in the "How Well Funded Is Your Plan" on actual Plan termination. This is because the PBGC generally uses different assumptions to measure Plan liabilities on an actual Plan termination. In some circumstances, participants and beneficiaries still may receive some benefits that are not guaranteed. This depends on how much money the terminated plan has and how much the PBGC recovers from employers for plan underfunding.

For additional general information about the PBGC and the pension insurance program guarantees, go to the "General FAQs about PBGC" on PBGC's website at www.pbgc.gov/generalfaqs. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See "Where to Get More Information" below.

Where to Get More Information

For more information about this notice, you may contact the Intermountain Retirement Program; 5245 South College Drive, Murray, UT 84123; Telephone number: 1-801-442-7547 or 1-833-442-7547; Email: AskHR@imail.org. For identification purposes, the official plan number is 001 and the plan sponsor's name and employer identification number or "EIN" are Intermountain Health Care, Inc. and 87-0269232.

Supplement to Annual Funding Notice

of Intermountain Healthcare Pension Plan for

Plan Year beginning January 1, 2024 and ending December 31, 2024 (“Plan Year”)

This is a temporary supplement to your annual funding notice. It is required by the Moving Ahead for Progress in the 21st Century Act (MAP-21), the Highway and Transportation Funding Act of 2014 (HATFA), the Bipartisan Budget Act of 2015 (BBA15) and the American Rescue Plan Act of 2021 (ARPA). These federal laws changed how pension plans calculate their liabilities. The purpose of this supplement is to show you the effect of these changes. Prior to 2012, pension plans determined their liabilities using a two-year average of interest rates. Now pension plans also must take into account a 25-year average of interest rates. This means that interest rates likely will be higher and plan liabilities lower than they were under prior law. As a result, your employer may contribute less money to the plan at a time when market interest rates are at or near historical lows.

The “Information Table” compares the effect of using interest rates based on the 25-year average (the “adjusted interest rates”) and interest rates based on a two-year average on the Plan’s: (1) Funding Target Attainment Percentage, (2) Funding Shortfall, and (3) Minimum Required Contribution. The funding target attainment percentage of a plan is a measure of how well the plan is funded on a particular date. The funding shortfall is the amount by which liabilities exceed net plan assets. The minimum required contribution is the amount of money an employer is required by law to contribute to a plan for a given year. The following table shows this information determined with and without the adjusted interest rates. The information is provided for the Plan Year and for each of the two preceding plan years, if applicable.

All monetary amounts shown in US Dollars

INFORMATION TABLE						
	2024		**2023**		**2022**	
	With Adjusted Interest Rates	**Without Adjusted Interest Rates**	**With Adjusted Interest Rates**	**Without Adjusted Interest Rates**	**With Adjusted Interest Rates**	**Without Adjusted Interest Rates**
Funding Target Attainment Percentage	89.48%	83.47%	91.22%	72.54%	92.76%	69.48%
Funding Shortfall	290,419,728	489,398,354	230,177,860	906,220,681	180,042,755	1,013,486,097
Minimum Required Contribution	187,032,250	215,275,973	172,473,761	265,211,443	154,178,022	265,396,119

The liability measures included under the Section “How Well Funded Is Your Plan” are based on the interest rates as of December of each year without taking into account the two-year average or 25-year average and is not used for determining Minimum Required Contributions. The net assets used in the table above also include two-year smoothing of investment returns and have funding balances subtracted. The assets included under the Section “How Well Funded Is Your Plan” do not reflect smoothing of investment returns or the subtraction of funding balances from prior contributions that exceeded the Minimum Required Contribution.

March 2025