
Church-affiliated retirement plan adopts Pacific Life longevity annuity

By Editorial Staff Thu, May 19, 2022

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Pacific Life today announced a new collaboration with Wespath Benefits and Investments and WTW (formerly Willis Towers Watson) to provide the qualifying longevity annuity contract (QLAC) option in Wespath's enhanced [LifeStage Retirement Income program](#).

The program provides participants with a new interactive retirement income modeling tool, an optional Social Security "bridge," and an optional QLAC.

People using the bridge strategy would delay filing for Social Security benefits until age 70 and finance their expenses, if necessary, during the period between their retirement date and age 70 with defined contribution plan savings.

A QLAC is a deferred income annuity that can be purchased with tax-deferred savings, for income starting after age 72, without violating rules governing required minimum distributions. Wespath's Pacific Life QLAC allows a 70% continuation payment for surviving spouses.

"We believe that the unique solution Wespath developed will provide enhanced lifetime income security for participants in retirement," said Paul Hance, senior vice president and head of the Customer Solutions Group for Pacific Life's Institutional Division, in a release.

"The LifeStage Retirement Income program provides features that few, if any, financial services firms offer in a packaged manner," said Martin Bauer, senior managing director, Wespath Benefit Plans. "We're particularly pleased to partner with WTW in the development of the new program features and with Pacific Life in offering the longevity income protection annuity."

The optional longevity income protection feature helps protect participants against the risk of outliving their savings. With Pacific Life's QLAC, participants are guaranteed a retirement income stream starting at age 80, regardless of how long the participant and, if applicable, their spouse lives. In addition, the QLAC will reduce required minimum distributions providing additional tax planning options.

“We are honored to be selected as the provider for the QLAC portion of the LifeStage Retirement Income program,” said Ruth Schau, senior director of Pension Solutions for Pacific Life.

Wespath Benefits and Investments (Wespath) is a not-for-profit agency serving The United Methodist Church (UMC). It administers benefit plans and, with its subsidiaries, including Wespath Institutional Investments, invests over \$29 billion in assets on behalf of over 100,000 participants and over 100 United Methodist-affiliated institutions (as of December 31, 2021).

Wespath invests in a sustainable manner that seeks to achieve positive financial, social, and environmental impact while upholding the values of the UMC. Wespath maintains the largest reporting faith-based pension fund in the world.

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