
Fin-wellness offerings grow at Prudential, MassMutual

By Editorial Staff Fri, Apr 19, 2019

Prudential has enhanced its Prudential Pathways offering and MassMutual has added health care savings accounts to its MapMyFinances platform.

Prudential Financial is adding new features to its financial wellness service, such as helping plan participants manage student loan debt, navigate job changes, access financial coaching and “develop a personalized financial roadmap,” according to a release this week.

Prudential’s existing digital financial wellness platform is available to more than seven million individuals across more than 3,000 organizations. Prudential Pathways, the company’s on-site financial education program, has been adopted by nearly 600 plan sponsors who use Prudential retirement and insurance services.

Prudential is introducing the following new solutions in the workplace:

LINK by Prudential. Employees can use LINK to create an online personal profile and establish goals like building an emergency fund, insuring loved ones, saving for retirement or purchasing a home. AI technology allows employees to integrate their existing Prudential retirement accounts and non-Prudential financial accounts. Participants can self-provision, work with an advisor via video chat or phone or meet in person with a Prudential Advisor.

Coaching. Prudential is also expanding its financial wellness engagement capabilities to include a financial coaching service, available via phone and one-way screen share. This coaching service is designed to help individuals learn about and adopt healthier financial behaviors, such as developing and sticking to a budget. The service is being piloted with selected employers.

Student loan assistance. In addition to the emergency savings and budgeting solutions it already offers, Prudential is launching Student Loan Assistance, an online resource that offers loan consolidation and repayment options, and allows employers to make repayment contributions. Vault, an Austin, Texas-based student loan technology benefits firm, will provide this service for Prudential.

PruPassages and beneficiary services. As part of this outplacement service, a Prudential Advisor talks to employees about continuing life insurance coverage. Prudential is also providing new beneficiary services for individuals, with an easier claim process and services

such as digital submission of claim forms, text and email status alerts, and funeral planning.

MassMutual adds HSAs to its retirement platform

Massachusetts Mutual Life Insurance Co. (MassMutual) is making Health Savings Accounts (HSAs) available on its MapMyFinances financial wellness tool for retirement plan participants.

The HSAs, a service of WEX Health Inc., will enable workers who are covered by high-deductible healthcare plans to save on a tax-favored basis for eligible healthcare expenses during their working years and retirement. Contributions to the account may be made by The employee, the employer, or both may contribute. The employee owns the account.

Contributions to HSAs carry over year-to-year, can be invested and earn interest for greater savings potential, and can be used tax free for eligible medical expenses in retirement. However, no additional contributions can be made once the employee who owns the account enrolls in Medicare.

While HRAs and FSAs require eligible expenses to be validated by a third party, the Internal Revenue Service does not require such validation for HSAs. However, it is required that consumers keep all of their medical receipts for eligible expenses in the event of a tax audit.

MapMyFinances, introduced by MassMutual earlier this year, is a financial and benefits planning tool. It is available automatically at no cost through employers that sponsor MassMutual's 401(k) or other defined contribution retirement plans, voluntary insurance benefits or both.

Based on the data provided, the tool sets priorities based on the user's personal financial needs, such as health care, retirement savings; life, disability, accident and critical insurance coverage; college savings; debt reduction; budgeting and others.

A new report from Cerulli and the SPARK Institute, a trade group for defined contribution plan recordkeepers, provides feedback on financial wellness plans from 26 recordkeepers representing \$5.9 trillion in DC plan assets, 443,000 plans, and more than 80 million participants.

"There is increased awareness among retirement industry stakeholders that plan participants do not save for retirement in a vacuum," said Dan Cook, a research analyst at Cerulli, in a release. "The average participant has several competing financial priorities."

Mass-market (less than \$100,000 in investable assets) and middle-market (\$100,000 to \$500,000 in investable assets) participants are less likely than their more affluent peers to name financial advisors as their main source of retirement advice, the report said. These participants are likely to have no other source of advice than their plan providers.

Most (71%) of DC recordkeepers measure effectiveness of their financial wellness programs by participation in education sessions; 67% use website activity (e.g., click rates, interactions per website per website visit).

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