

Profit Sharing - Partner MD's

Why does Gastro Health require an annual contribution election?

As we continue to grow, we are looking for ways to streamline our process and better serve our physician partners. In addition to supporting the continued management of this program throughout the year, this process provides physicians with the opportunity to recommend the profit sharing allocation amounts at the beginning of each year without having to make quarterly requests.

Am I able to make changes during the year and if so, what is the process?

Yes. After the initial annual request is submitted, eligible participants (Partner Physicians) will be able to request a change to the amount, at any time during the year, using the Profit Sharing Smartsheet - <https://app.smartsheet.com/b/form/f1645b0f834f4c20a9eccdc34ee7739c>
Once changes are made, we will recalculate your quarterly contribution amount for the rest of the year.

Will deposits into the Profit Sharing plan be made quarterly?

Profit sharing deposits will be quarterly. Partners will be asked to recommend their annual profit sharing allocation amount to be charged against their production by January 15th and will only be required to submit another recommended allocation amount if they wish to change their election at any time during the year.

For 2023, we need you to complete the smartsheet for your Profit Sharing allocation amounts.

Who is eligible for the Gastro Health Profit Sharing Plan?

All Gastro Health Partner Physicians are eligible to participate in the Profit Sharing plan (eligibility requirements: 1 year of service, 1000 hours).

What is the Profit Sharing plan and how does it work?

The Profit Sharing plan is another component of our retirement plan. Under this plan, eligible participants (partners) will be able to recommend the amount of profit sharing allocation charged against their personal compensation/production. The requested amount will be divided and funded quarterly (unless there is not sufficient quarterly compensation to fully fund the quarter's requested amount).

I am a new Partner and have not received information on the profit sharing plan. How do I get details and will there be an information session?

Everyone receives information through our New Hire Orientation program. All new acquisition partners attend the Retirement Plan Education Session with our financial advisor and the Gastro Health team. For future questions, please contact our financial advisor, Rolando Handal, Vice President, Resident Director at 305-442-6292.

Is this pre or post tax dollars?

The profit-sharing plan enables you to save for retirement on a tax-deferred basis.

Is there a contribution maximum for the Plan?

Yes. Eligible partners can contribute up to \$43,500 in 2023. The IRS publishes maximum contribution limits annually.

What happens if I choose not to participate in the Profit Sharing plan?

If elected, the profit sharing contributions will come out of the physician's distribution total compensation. There will not be any profit sharing deferrals if you choose not to participate.

What is the benefit of participating in a Profit Sharing plan?

Similar to a 401(k), a profit-sharing plan enables you to save additional funds for retirement on a tax-deferred basis. The funds that go into your profit sharing plan will grow based on your investment elections. You'll pay income tax when cashing out your profit sharing plan.

Is the Profit Sharing Plan different than the 401K Retirement Plan?

Yes. The 401k plan allows you to contribute up to \$22,500 (an additional \$7500 catch up contribution is allowed for those age 50 or older) in 2023, into a traditional pre-tax and/or Roth Post-tax 401k account. These contribution elections are completed on the John Hancock site and withdrawn from your biweekly payroll. Profit Sharing contributions are not tied to payroll deductions.

Where do these profit sharing contributions go? Do they go to the same 401K account at John Hancock?

Profit Sharing is different than the 401(k) Plan. These are 2 parts of the same Retirement plan. Although they both will go into your John Hancock retirement account, you can see them broken out in your John Hancock account under the following categories:

EE Elective Deferral = 401k contributions

ER Profit Sharing = Profit Sharing contributions

EE Rollover Cont = any rollover funds from a previous employer

We typically get Q4 distributions in the first quarter of the following year. Will these elections be counted for 2023 limits or 2024?

401k contributions cannot be made past 12/31 for the plan year. However, Profit Sharing funding can be made after the year end. The last true-up profit sharing contribution for the 2023 plan year will be made by the end of the 1st quarter of 2024, and will count toward the 2023 limits.