



Mayo Pension Plan

A Pension Plan is rare. Mayo Clinic offers an employer sponsored defined benefit pension plan that very few organizations offer. Contributions to these plans are made by Mayo Clinic, not you. Your pension payment can be predicted because it is determined by a formula rather than by investment results.

In addition Mayo Clinic offers the Supplemental Retirement Plan (SRP). Staff members are eligible to receive a non-qualified retirement plan that provides benefits beyond the Mayo Pension Plan when salary is greater than the IRS annual compensation limit. This plan provides an annual cash payment on the earnings over the limit.

GETTING TO KNOW THE PENSION PLAN

- The Mayo Pension Plan is an employer sponsored Defined Benefit Plan.
- The plan uses a formula to determine your benefit. Accruals are based on your annual service (hours worked) and salary not exceeding the limit.
- There is a “Your Pension Estimator” tool to calculate your pension estimates.
- Payment options offer you a variety of monthly annuity payments or lump sum option at retirement.
- It is federally insured through the Pension Benefit Guaranty Corp (PBGC).
- You must be vested to receive a pension benefit. Staff members are usually vested after 3 years of benefit service or 5 years of training and some benefit service.

PENSION EXAMPLE FOR FULL TIME STAFF

Each year you will accrue a lump sum benefit amount based on 18% of your earnings up to the IRS limit (Base Benefit) and an additional 8% of earnings that are over the Social Security Wage Base but still under the IRS annual earnings limit

(Supplement Benefit). The benefit accrual is calculated as a one-time lump sum payable at age 65. Below is an example for a staff member who earns \$460,000 per year in 2026 with the 2026 government limits defined.

AN EXAMPLE – STABLE LUMP SUM BENEFIT – FULL-TIME EMPLOYEE (FTE 1.0)

ANNUAL COMPENSATION Up to Annual 401(a)17 Limit (\$360,000 for 2026)	BASE BENEFIT 18% of Annual Compensation	SUPPLEMENT BENEFIT 8% of Annual Compensation over the Social Security Wage Base (\$184,500 in 2026)	BENEFIT PAYABLE AT RETIREMENT (Unreduced at age 65)
\$360,000	$\$360,000 \times 0.18 = \$64,800$	+ \$14,040	= \$78,840

SUPPLEMENTAL RETIREMENT PLAN

The Supplemental Retirement Plan (SRP) provides a benefit on earnings above the IRS annual compensation limit. Payment percentages are based on a point system equal to a combination of your age and years of pension benefit service. A cash distribution is made each February.

SRP EXAMPLE

If the portion of your salary above the annual compensation limit equals \$100,000 and your combined points are less than 50, you would receive 5% on the excess income (\$100,000) or \$5,000 annually.

SRP PAYMENT AMOUNT DETERMINATION

POINTS (AGE PLUS YEARS OF SERVICE)	PAYMENT PERCENTAGE
Under 50	5%
50–59	10%
60–69	15%
70 or more	20%

Legal Summary

This is a high-level summary of certain Mayo Clinic benefits. The summary may or may not be applicable to union employees. It is intended for general information purposes only and should not be considered legal, investment or other benefits advice. This guide is not a legal Summary Plan Description or plan document. If there is a conflict with this information and an official plan document, the official plan document is controlling. Mayo Clinic reserves the right to terminate or amend the Plans at any time, in whole or in part, for any reason. Any such amendment or termination may apply to current and future participants, current and future retirees, covered spouses, beneficiaries and dependents. Please refer to the Summary Plan Description for eligibility requirements for each plan as certain employment categories may or may not be included in coverage.