



THE REAL VALUE OF A TPA

(And why we think you should consider working with one.)

Third-party administrators (TPAs) have been integral to the growth of T. Rowe Price's recordkeeping business. Are you working with TPAs yet? If you're not, it might be time to reexamine your growth strategy.

MORE THAN JUST AN ADMINISTRATOR.

A TPA brings expertise to the relationship—and that can benefit plans and financial professionals.

FOR PLANS:

- Plan compliance knowledge
- Reduced risk for plan corrections
- Plan design guidance
- In-depth familiarity with plan rules

FOR CONSULTANTS/FINANCIAL PROFESSIONALS:

- Increased efficiency
- Higher close rates
- Recurring revenue stream
- Plan compliance knowledge

SUCCESS IS IN THE NUMBERS

TPA plans accounted for **89% of sales** for the 2021/2022 sales season at T. Rowe Price with \$0-\$50M AUA. That's meant:

57%

of new sales in the \$5M-\$10M segment were TPA plans

↑48%

from prior year

40%

of new sales in the \$10M+ segment were TPA plans

↑29%

from prior year

100%

of our territories had TPA sales percentages exceed 80% (while over 50% exceeded 90%)¹

MAKING THE MOVE: BUNDLED TO UNBUNDLED.

Bundled plans are a viable option for many employers. But as companies grow, merge, and evolve, unbundled options with a TPA could provide a higher level of service and expertise that a busy plan sponsor needs:

- Day-to-day administration
- Guidance on plan design
- Form 5500 preparation
- Compliance testing and audit support
- 3(16) plan administration services
- Conversion support
- Plan document support

CONSIDERATIONS FOR WORKING WITH A TPA.

As is often the case with finding a recordkeeping provider, choosing a TPA means asking a lot of questions:

- Does the TPA's offer fit what the plan sponsor is looking for?
- Does the TPA offer services that the client needs?
- What partnerships (e.g., auditor) does the TPA bring to the table?
- Can the TPA run an initial plan design that works with my clients' needs?
- How much experience does the TPA have? What is the TPA's reputation?
- Does the TPA have a strong cybersecurity policy?
- Will the TPA's service model adapt to my clients' current and future needs?

LET'S TALK ABOUT HOW WE ALL CAN WORK TOGETHER.

We're bringing plan sponsor clients better experiences through strategic business relationships. For more information, call your T. Rowe Price representative at **1.800.831.1370** or click [here](#).

¹T. Rowe Price Core Market Sales Report, April 2022.

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