Spinwheel. Better Debt

Case Study

Workplace Benefits Providers.

Betterment

401K

Betterment at Work is a leading provider of financial wellness solutions – including 401k plans – to small to medium-sized businesses.

Products Used

- Comprehensive Data + Insights
- Precision Payments

The Problem

Student loans are a primary reason why Americans don't save enough for retirement. Moreover, student debt is a top contributor toward financial stress and employee turnover. Betterment sought to address these critical issues and needed a solution that could reliably sync student loan data, including monthly payments, repayment plans, and loan types. They needed to integrate complicated and confusing student loans into their intuitive user experience that simplifies financial understanding and decisions.

Additionally, given the CARES Act and pending Secure 2.0 legislation, Betterment wanted their solution to help employers take advantage of the tax benefits associated with both.

The Solution

Betterment used Spinwheel's best-in-class data and unique precision pay solutions with their roboadvising platform to put employer and employee student loan contributions on auto pilot – all tied to Betterment's 401k platform. Benefits to Betterment's customers include:

- Employers can now offer this sought-after employee benefit, along with having the option to take advantage of pre-tax treatment on student loan contributions that comply with section 127 of the IRS code
- Employers can also make contributions to an employee's 401k without a matching contribution when they can verify that they are paying student loans
- Employees can easily sign up and enroll in this benefit, increasing employee participation
- Employees can create a plan to get out of debt years earlier and save thousands of dollars of debt, empowering them with the information they need to increase retirement savings and take control of their financial future

Transform how your business and your customers see, understand, and act on debt in as little as an afternoon with our industry-leading debt APIs or low code drop-in modules.

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