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NOTE TO EDITORS: Early Retiree Reinsurance Program

The White House will announce today that almost 2,000 employers and unions will be eligible to submit retirees' medical bills for reimbursement by a \$5 billion federal fund, indicating a significant number of claims will be made against the fund.

The nonpartisan Employee Benefit Research Institute (EBRI) published a detailed analysis of this fund three months ago, and found that if the subsidy were drawn down for all early retirees and their dependents, \$2.5 billion of the \$5 billion available would be exhausted in the first year of the program. The \$5 billion would last no more than two years and would not be available in 2012 or 2013.

Background on the subsidy program and full results of the EBRI analysis, "The Early Retiree Reinsurance Program: \$5 Billion Will Last About Two Years," are in the July 2010 *EBRI Notes*, online at <http://tinyurl.com/2cahkdc>

The EBRI press release on the report is online at <http://tinyurl.com/2cwp654>

For perspective or comment on this program, the author of the EBRI report, Paul Fronstin, is available at the contacts above.

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