

Attitudes on Social Security, *p. 1*
Personality Types and Retirement, *p. 4*
Washington Update, *p. 7*
EBRI in Focus, *p. 9*
New Publications & Internet Sites, *p. 11*

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Notes

Public Attitudes on Social Security: The UFO Fallacy
by Dallas L. Salisbury, EBRI

Introduction

Surveys conducted by the Employee Benefit Research Institute (EBRI) and the Gallup Organization, Inc., from February 1990 to March 1995 examined public attitudes on Social Security.¹ Then, in 1997, EBRI and Mathew Greenwald & Associates (MGA) explored a narrower topic—does the public really have greater faith in UFOs than confidence in Social Security? We undertook this survey effort in response to a stream of media and policymaker inquiries that occurred after Third Millennium released a survey on this issue.

Social Security, UFOs, and Aliens

The recently completed EBRI/MG survey, which looks at Social Security, UFOs, and aliens, produced the following findings.

First, 58 percent of the public believe that they will receive some benefits from Social Security. This ranges from 83 percent of those about to retire down to 44 percent of those younger than the baby boomers.

Second, we asked survey respondents what they thought a UFO was:

- 77 percent said an “object in the sky that cannot be identified,” and

- 19 percent said a “spacecraft that is piloted by an alien.”

Third, we asked people whether they had greater confidence that they would receive Social Security benefits or that alien life exists in outer space.

- 71 percent said they had greater confidence in receiving Social Security benefits, while
- 26 percent said that they had greater confidence that alien life exists in outer space.

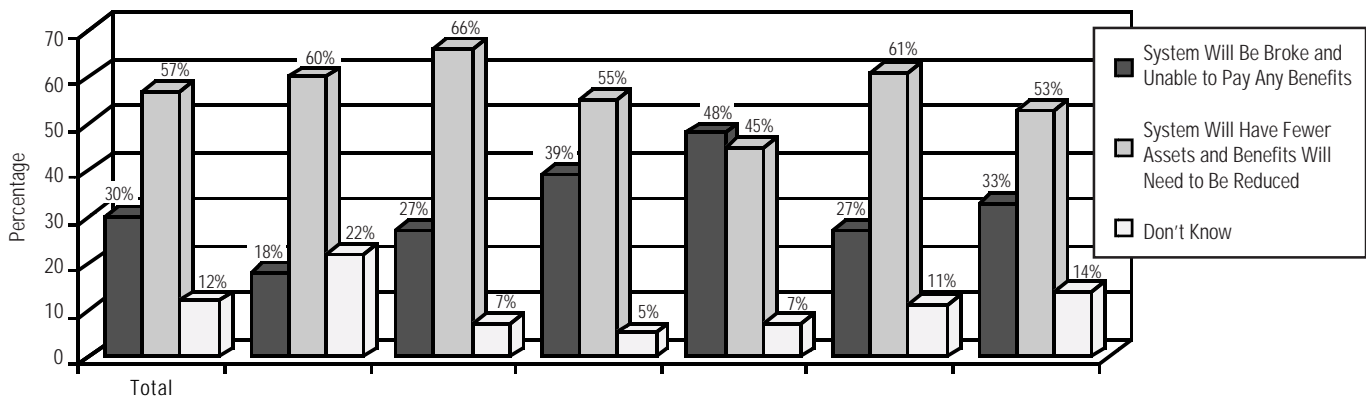
For generation X’ers (individuals ages 33 and younger), these percentages went to 63 percent and 33 percent, respectively.

Surveys undertaken since the 1950s by the Gallup organization have found that a consistent 40 plus percent of the population thinks that UFOs exist. The 1995 Third Millennium survey found that 46 percent of those ages 18–34 held this belief.

The Current System

In the early 1990s, Americans were evenly split in their beliefs about the likelihood that the Social Security system will be able to pay benefits to them when they retire. In 1990 and 1991, 49 percent believed they would receive benefits; by 1995, 82 percent agreed or strongly agreed with the statement that working Americans are beginning to lose faith in the availability of Social Security benefits when they retire.

Chart 1
Meaning of "Trust Fund Exhaustion" to Americans



Source: 1997 Retirement Confidence Survey.

Social Security Finances

It is apparent that many Americans do not understand the debate over Social Security's long-term financial condition. Thirty-six percent of respondents to the 1997 Retirement Confidence Survey (RCS)² reported that they are not confident that they have a good understanding of how the Social Security system works. While this number is at its lowest point since the question was first asked in 1992, it is still only slightly below the 38 percent figure reported that year. Respondents were asked what they believe the term *trust fund exhaustion* means and were given two choices—(1) the system will be completely broke and unable to pay any benefits or (2) the system will have fewer assets and will have to pay out benefits at a reduced level. Thirty percent incorrectly believe that it means the system will be completely broke and unable to pay any benefits (in addition, 12 percent responded that they do not know) (chart 1). The younger the individual, the more likely this response. Nearly one-half (48 percent) of generation X'ers believe trust fund exhaustion means the system will be broke and unable to pay benefits, compared with 18 percent of pre-boomers (individuals ages 53 and

older). This is not surprising, given that 52 percent of generation X'ers are not confident in their understanding of how the system works, compared with 23 percent of pre-boomers.

Sixty-eight percent of Americans are not confident that Social Security will continue to provide benefits of equal value to the benefits received by retirees today. This figure is down from its peak of 73 percent in 1995, but is still higher than the 65 percent first reported in 1992. Among workers, only 12 percent expect Social Security to be their most important source of retirement income, while 22 percent do not expect it to be an income source at all in retirement.

Conclusion

Public misunderstanding of Social Security is not surprising. For example, consider the recent State of the Union address and the GOP response. President Clinton said we should "Save Social Security First" with any surplus. But, the only reason for any surplus is the current positive cash flow of payroll tax revenue. Then consider that Senate Majority Leader Trent Lott (R-MS) commented that surplus assets should go to pay down federal debt

but failed to mention Social Security. But, any surplus that allows payment of debt will be the result of "excess" payroll tax revenue. Confused yet?

Chart 2, which follows, provides a picture of the survey results. They confirm that the public has a high level of concern about the future of Social Security.

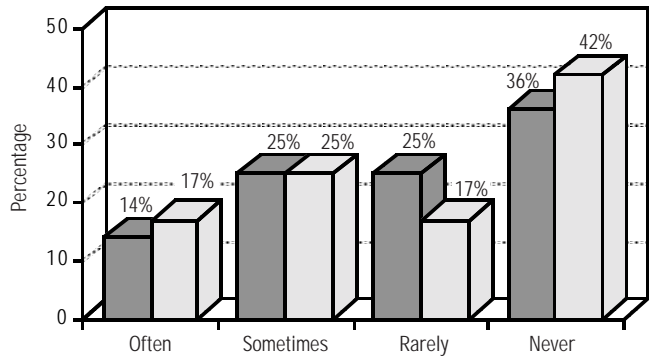
Endnotes

¹ See *Employee Benefit Research Institute/The Gallup Organization, Inc., "Public Attitudes on Social Security, 1990,"* EBRI Report G-7 (Washington, DC: Employee Benefit Research Institute, 1990); *"Public Attitudes on Social Security Benefits, 1991,"* EBRI Report G-23 (Washington, DC: Employee Benefit Research Institute, 1991); *"Public Attitudes on Social Security, Part I,"* EBRI Report G-56 (Washington, DC: Employee Benefit Research Institute, 1993); *"Public Attitudes on Social Security, Part II,"* EBRI Report G-57 (Washington, DC: Employee Benefit Research Institute, 1994); and *"Public Attitudes on Social Security, 1995,"* EBRI Report G-62 (Washington, DC: Employee Benefit Research Institute, 1995).

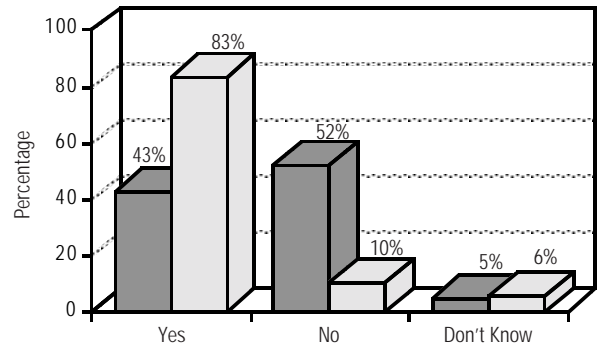
² *The annual Retirement Confidence Survey, co-organized by the Employee Benefit Research Institute, Mathew Greenwald & Associates, and the American Savings Education Council, focuses on American workers' retirement planning and saving behavior, their confidence regarding various aspects of retirement, and their views on policy issues such as Social Security and Medicare reform. It also explores current retirees' attitudes and experiences.*

Chart 2
Social Security, UFOs, and Aliens

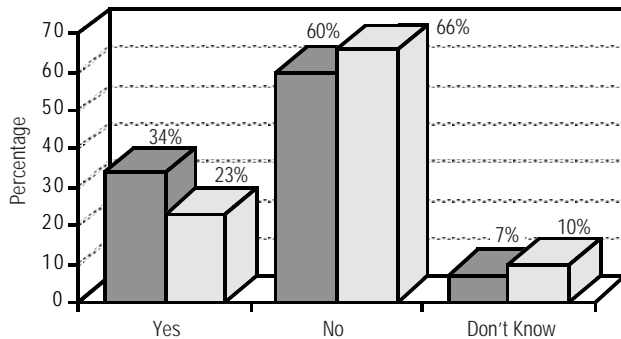
How often does the future of Social Security keep people up at night?



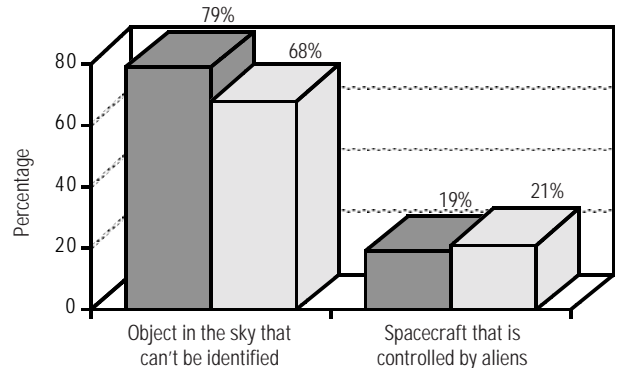
Do you believe you will receive any Social Security benefits after you reach retirement age?



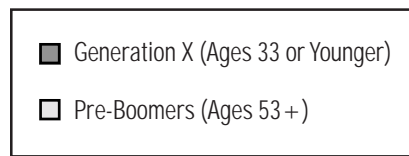
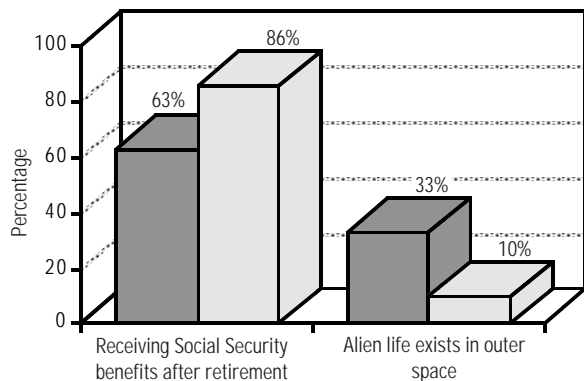
Do you believe that living beings from other planets have piloted space craft to or near the planet Earth, which have been seen by human beings?



Which comes closer to your definition of the term UFO:



Which do you have greater confidence in:



Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, October 1997.

Preparing for Retirement: An Analysis of Personality Types

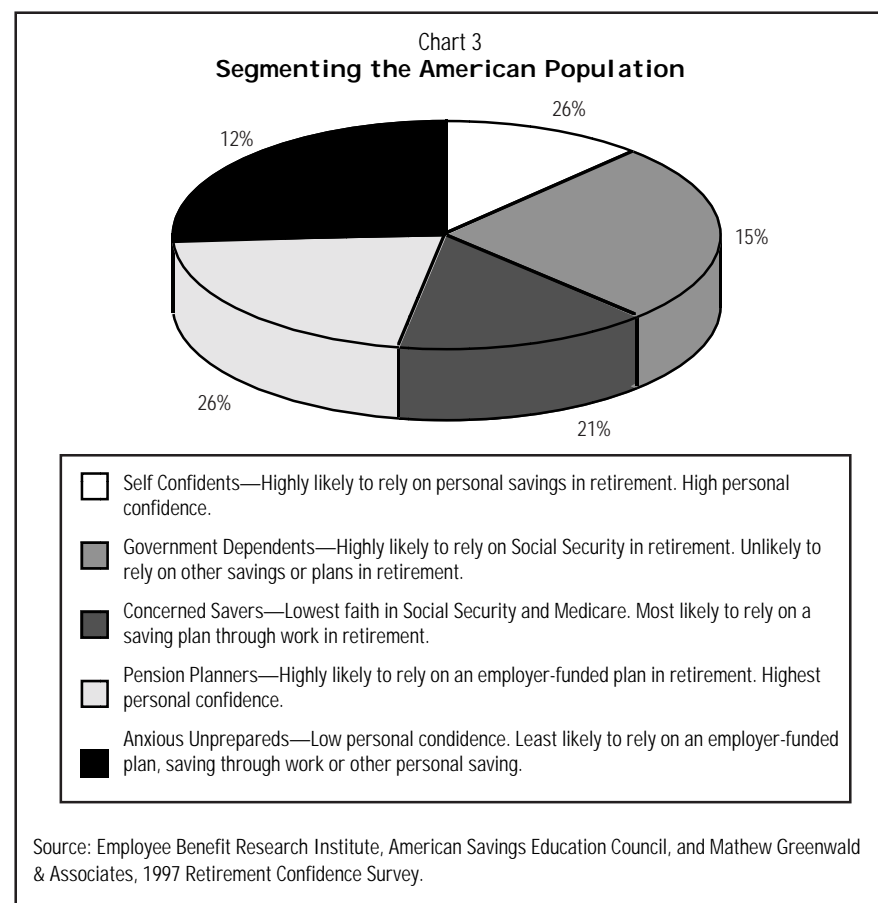
by Paul Yakoboski, EBRI and Jennifer Hicks, MGA

Introduction

Using the 1997 Retirement Confidence Survey (RCS),¹ the American population can be broken into five personality types with regard to retirement saving and planning — Concerned Savers, Pension Planners, Anxious Unprepareds, Self-Confident, and Government Dependents.² The 1997 RCS classifies 26 percent of the population (both workers and retirees) as “Self Confident,” 15 percent as “Government Dependents,” 21 percent as “Concerned Savers,” 26 percent as “Pension Planners,” and 12 percent as “Anxious Unprepareds” (chart 3).

Personality Type Characteristics

Concerned Savers are middle-of-the-road in terms of confidence on nearly all aspects of retirement, and are particularly worried about having enough money for medical expenses in retirement. They are the least likely to believe that Social Security and Medicare will continue to pay benefits of equal value to those received by retirees today. Instead, they are the most likely to rely on money they save through an



employment-based retirement plan. This group has a high proportion of women, minorities, and people with large families. Most are employed full time, and the average age is 44. Large proportions have household incomes between \$25,000 and \$50,000.

Pension Planners have the highest levels of overall confidence in having enough money for a comfortable retirement, covering basic expenses and having enough for recreation, entertainment, and travel. Along with Government Dependents, they are the most confident that Social Security and Medicare will continue to provide benefits of equal value to today’s benefits. They tend to rely on employer-funded plans for their retirement income. This group has a high proportion of men, Caucasians, married people, and those

without children for whom they are financially responsible. The average age is 53, and most are employed full time or are retired. They are more likely than others to have graduate-level education. They tend to have household incomes between \$50,000 and \$100,000.

Anxious Unprepareds are not confident about any aspect of retirement. They do have some confidence that Social Security and Medicare will continue to provide benefits of equal value to today’s, but in some sense they have to because a majority of them are depending on Social Security for retirement income. The average age of Anxious Unprepareds is 50, and they are more likely to be women. This group also contains a larger proportion of unmarried persons than the other groups. They are less likely to be employed full time and

Table 1
Preparing for Retirement

	Personality Types				
	Concerned Savers	Pension Planners	Anxious Unprepareds	Self-Confidents	Government Dependents
Great Deal of Thought Given to Retirement	53%	66%	42%	75%	39%
Very Confident in Retirement Income Prospects	4	60	0	40	11
Very Confident Regarding Medical Expenses	3	57	2	38	16
Saved/Have Begun Saving for Retirement	64	82	22	81	50
Tried to Calculate Retirement Saving Needs	20	40	19	51	16
Very Confident in Continuation of Current Social Security Benefit Levels	<1	17	3	1	14
Very Confident in Continuation of Current Medicare Benefit Levels	0	10	5	<1	8
Most Important Sources of Retirement Income	Personal Savings	Employer Funds	Social Security	Personal Savings	Social Security

Source: Employee Benefit Research Institute/American Savings Education Council/Mathew Greenwald and Associates, 1997 Retirement Confidence Survey.

tend to have lower levels of education (60 percent have a high school degree or less). Anxious Unprepareds tend to have low household incomes (57 percent earn less than \$25,000 a year).

Self-Confidents, like Pension Planners, have high levels of confidence about most aspects of retirement, although they are considerably less likely to have faith that Social Security and Medicare will continue to provide benefits of equal value. Self-Confidents are relying on personal saving, both through employment-based plans and outside such plans, for their retirement income. Fifty-three percent are men, and the average age is 42. They also tend to be white. Large proportions are self-employed or full-time workers. Relatively high proportions have never been married. They tend to be college graduates and have higher levels of education. Self-Confidents are found spread across income groups, but they are more likely than other groups to have higher income levels.

Government Dependents are middle-of-the-road confident on nearly all aspects of retirement.

They have the highest levels of faith that Social Security and Medicare will continue to pay benefits, and they are by far the most likely to rely on Social Security for retirement income.

Government Dependents tend to be women, with a large proportion of widows. They also tend to be white, and the average age is 62. Members of this group in general have lower levels of educational attainment and have low incomes.

Retirement Preparation

Sizeable fractions of each group have given a great deal of thought to their retirement, ranging from 39 percent of Government Dependents to 75 percent of Self-Confidents (table 1). Pension Planners, however, are the only group of which over one-half the members (60 percent) are very confident that they will have enough money to live comfortably throughout their retirement. Forty percent of Self-Confidents feel this way, but very few members of the other three groups do. It is interesting to note the high correlation between overall retirement income

confidence and confidence in having enough money to pay for medical expenses in retirement (table 1). This is one of the primary areas of financial concern for both current workers and current retirees.

Over 80 percent of Self-Confidents and Pension Planners have saved or begun to save for their retirement (table 1). This compares with two-thirds of Concerned Savers, 50 percent of Government Dependents, and only 22 percent of Anxious Unprepareds. When it comes to planning for retirement, very few individuals have ever tried to determine how much they need to save by the time they retire (table 1). Self-Confidents are the only personality group in which one-half (51 percent) have even tried such a calculation. The comparable figure for Pension Planners is 40 percent, and it is 20 percent or less for Concerned Savers, Anxious Unprepareds, and Government Dependents. This further highlights one of the key findings from the 1997 RCS—even where there is saving, it is typically not saving based on a goal and a plan to reach that goal.

Social Security and Medicare

Pension Planners and Government Dependents report the highest levels of confidence in understanding the Social Security and Medicare systems. When it comes to the two programs' future benefit levels, however, very few individuals in any personality group are very confident that the programs will continue to provide equal benefits to those received by retirees today (table 1). Seventeen percent of Pension Planners and 14 percent of Government Dependents are very confident that Social Security benefit levels will be maintained, while near zero percent in the other groups feel that way. The findings for Medicare are similar, with 10 percent of Pension Planners and 8 percent of Government Dependents feeling that Medicare benefit levels will remain unchanged.

When forced to express a preference for changes in the Social Security system, Self-Confidents are the most likely group (44 percent) to choose benefit level reductions as opposed to payroll tax increases. When forced to choose among changes to the Medicare system, Government Dependents appear to prefer raising the eligibility age as opposed to increasing taxes or making Medicare function like a health maintenance organization (HMO). Self-Confidents, Anxious Unprepareds, and Concerned Savers would prefer to see Medicare changed to resemble an HMO.

Conclusion

The Anxious Unprepareds are not on a path to financial security when they retire, and they know it. Government Dependents are the group least focused on retirement and most trustful of the federal government to take care of their retirement through Social Security and Medicare, but even members of this group are not very confident that benefits will remain at today's levels. It is interesting that among Concerned Savers, the group most likely to rely on money they will save through an employment-based retirement plan, one-third have not yet begun to save and only 20 percent have ever tried to determine how much they need to save. Even among Pension Planners and Self-Confidents, groups we might expect to be well on their way to a financially secure retirement, 50 percent or less have ever tried to determine how much they need to save for retirement. Therefore, can they really be sure that they are on track?

What these findings highlight is the ongoing need for education of the American population regarding retirement, retirement saving, and retirement planning. Much is being done in this area. But the need for more is obvious. The average monthly Social Security benefit is \$745—would most individuals want to live on that alone? Less than one-half of workers know that a man retiring today at age 65 can

expect to live to age 80—will they be financially ready for a retirement that could easily exceed 20 years? Four percent inflation will cut the purchasing power of today's dollars in half every 18 years—are individuals investing to beat inflation? While most are saving, Americans need to do a better job of planning for their retirement.

Endnotes

¹ *The 1997 Retirement Confidence Survey was sponsored by the Employee Benefit Research Institute (EBRI), the American Savings Education Council (ASEC), and Mathew Greenwald & Associates (MGA) and funded by grants from the following organizations: AARP, AT&T, American Council of Life Insurance, American Express Financial Advisors, Aon Consulting, Barclays Global Investors, Citibank N.A., Fidelity Institutional Retirement Services Co., Investment Company Institute, John Hancock Mutual Life Insurance Co., ManuLife Financial, Massachusetts Mutual Life Insurance Co., Milliman & Robertson, Inc., PaineWebber Retirement Plans, The Principal Financial Group, The Prudential, Society for Human Resource Management, State Street Global Advisors, TIAA-CREF, T. Rowe Price Associates, The Vanguard Group, and Zurich Kemper Investments, Inc.*

² *Survey respondents were segmented into the five groups based on their answers to 13 questions regarding personal confidence in retirement, confidence in the Social Security and Medicare systems continuing to provide benefits of equal value to those provided today, and the importance of various sources of retirement income.*

Washington Update

by Bill Pierron, EBRI

Social Security Reform

Since the President's State of the Union message calling on policymakers to "save Social Security first," members of Congress on both sides of the aisle are focusing on the Social Security system and its long-term financial issues.

Reps. Jim Kolbe (R-AZ) and Charles Stenholm (D-TX), co-chairs of the Public Pension Reform Caucus, are introducing legislation calling for the creation of a "super committee" charged with developing a bipartisan legislative consensus on Social Security reform. The committee would be composed of 14 House members and 14 senators, evenly divided between Republicans and Democrats. The committee would introduce legislation to be reported and considered during 1999. House Speaker Newt Gingrich (R-GA) has called for a bipartisan commission on retirement made up equally of representatives of the baby boom, pre-baby boom, and post-baby boom generations. The Speaker has also made reference to House Ways and Means Committee Chairman Bill Archer's (R-TX) proposal (H.R. 3095) for a bipartisan panel to study Social Security reform.

In late January, Federal Reserve Chairman Alan Greenspan indicated in congressional testimony that policymakers are "behind the ball" on the issue of Social Security reform. Greenspan suggested that privatizing a "part" of the Social Security system would be a worthwhile goal, but that investing trust

fund assets in the stock market would be a "zero sum" game that would cause investors to turn away from the equity markets, effectively lowering their return.

Outlook: Hearings on the future of Social Security have continued in the House Ways and Means Social Security Subcommittee and the Senate Special Committee on Aging. The creation of a commission stands a good chance of happening this year, given election year interest in the subject. However, the views of the Clinton administration and congressional Republicans regarding Social Security reform remain at opposite ends of the spectrum. President Clinton appears to favor maintaining the defined benefit/redistributive nature of the current system, while Republicans tend to favor individual accounts. This makes a commission an ideal way to educate the public on the issue.

ERISA and Health Plans

The Patient Access to Responsible Care Act (PARCA) (H.R. 1415), introduced in 1997 and subject to hearings before two House committees, has generated considerable interest among policymakers on both sides of the aisle as well as concern among plan sponsors and health plans. Among its various provisions, PARCA would amend the Employee Retirement Income Security Act of 1974 (ERISA) to allow plan participants to sue health benefit plan administrators ("any person who provides insurance or administrative services" according to the bill) for medical malpractice or wrongful death. (For a detailed discussion of

the issues and PARCA, see *EBRI Issue Brief* No. 193, "Implications of ERISA for Health Benefits and the Number of Self-Funded ERISA Plans," Jan. 1998.)

The bill has been facing strong criticism from the Republican leadership, but leaders in the House and the Senate are busy working on their own managed care "quality" proposals to try to avoid the political consequences of being viewed as opposed to consumer rights. On the Senate side, Sen. Don Nickles (R-OK) is heading up a task force that includes Senate Finance Committee Chairman William Roth (R-DE) and Sen. Bill Frist (R-TN), the only physician in the Senate. EBRI staff briefed this task force on Feb. 12. On the House side, Rep. Dennis Hastert (R-IL) is heading a "working group" on health care quality that includes Reps. Michael Bilirakis (R-FL), Bill Thomas (R-CA), and Harris Fawell (R-IL). In addition, a bipartisan, bicameral "quality task force" is also meeting, under the leadership of Reps. Nancy Johnson (R-CT) and Ben Cardin (D-MD) and Sens. John Chafee (R-RI) and Joe Lieberman (D-CT). EBRI has also briefed this group.

Outlook: Although PARCA has lost a few GOP cosponsors, political momentum for passage of consumer rights/quality legislation continues. This month the President's Advisory Commission on Consumer Protection and Quality in the Health Care Industry is scheduled to release its final report. EBRI has issued research reports and conducted educational sessions to help ensure that balanced, reliable information

Keeping on Track

The following items are listed to keep you up-to-date on issues that were not specifically addressed in *Washington Update*.

Finance Committee Approves Education IRA Expansion—In mid-February, the Senate Finance Committee approved a bill (S. 1133) that would broaden “education IRAs.” The bill would expand coverage to elementary and secondary school expenses and would raise the annual contribution limit from \$500 to \$2,000 for the years 1999–2002. In subsequent years, the annual contribution limit would revert to \$500, as established by the Taxpayer Relief Act of 1997.

Boxer Bill Would Exempt Multiemployer Plans from Sec. 415 Limits—Sen. Barbara Boxer (D-CA) recently introduced a bill (S. 1600) to exempt multiemployer plans from Internal Revenue Code (IRC) sec. 415 limits. According to Boxer, the sec. 415 requirement that the average of the three highest consecutive years of an individual’s compensation be used to determine his or her pension benefit can harm participants in multiemployer plans because plan participants frequently do not experience steady increases in compensation, nor are their highest earning years always consecutive. Rep. Peter Visclosky (D-IN) introduced a similar bill (H.R. 1320) in the House last year.

PWBA to Delay 5500 Implementation—The revised Form 5500 for reporting data on employee benefit plans will not be implemented until the 1999 plan year, according to the Department of Labor’s (DOL) Pension and Welfare Benefits Administration. DOL, the Treasury Department, and PBGC jointly developed the revised forms and solicited public comment last year. According to DOL, comments indicated that many employers need more time to make adjustments to their record-keeping and information systems in order to accommodate the new forms.

Reps. Archer, Burton Offer MSA Bill—House Ways and Means Committee Chairman Bill Archer (R-TX) and Rep. Dan Burton (R-IN) introduced a bill on Feb. 5. (H.R. 3166) that would make medical savings accounts (MSAs) available to federal employees. The dollar limits parallel current-law MSAs that are available to private-sector workers at small firms.

Pro-PARCA, Anti-ERISA TV Ads—A coalition of 70 health care providers and patients’ rights groups, including the Center for Patient Advocacy, has begun a television ad campaign similar to the “Harry and Louise” ads that were used during the 1993–1994 health care debate. The ads support the Patient Access to Responsible Care Act (see related story in *Washington Update*). They will run in the Washington, DC, market and several targeted markets throughout the nation, and feature a couple discussing the “special interest ERISA loophole” that allows health plans to deny needed care and avoid liability for injurious decisions. The ads have been mounted in response to an anti-PARCA campaign begun by the Health Benefits Coalition for Affordable Choice and Quality, a group of businesses, insurers, and health plans.

Domenici Suggests Tobacco Settlement Monies for Medicare—Sen. Pete Domenici (R-NM) has proposed that any new tax revenues from a tobacco settlement be used to strengthen Medicare. Domenici cited the \$65 billion that could be generated over five years if Congress approves legislation releasing the tobacco industry from liability. “I believe we should save Medicare first,” said Domenici at a February meeting in Washington.

Archer Proposes Ending Capital Gains Holding Period—House Ways and Means Committee Chairman Bill Archer (R-TX) has called for the elimination of the 18-month holding period to get a preferential capital gains tax rate. The Taxpayer Relief Act of 1997 (TRA '97) set several different rates for capital gains:

- Assets held less than 12 months are taxed at ordinary income rates.
- Assets held between 12 and 18 months are taxed at 28 percent.
- Assets held more than 18 months and sold after July 28, 1997, are taxed at 20 percent for individuals in higher brackets and 10 percent for individuals in lower tax brackets.

Archer proposes to allow any asset held more than 12 months to be taxed at the preferential rates. At this point, the Clinton administration has not commented on the proposal.

For updates, visit EBRI online at <http://www.ebri.org>.

about ERISA preemption is available.

The Federal Budget

A number of benefits-related provisions are included in the President's budget proposal, which was presented to Congress on Feb. 2.

One of the budget's sources of new revenue is a tax on interfund transactions (changes in asset allocations) in variable life insurance and annuity contracts. Such contracts may feature a selection of mutual fund-type investments, and the funds are currently tax-deferred until the payout begins. The White House estimates that total revenues from this provision (1999–2003) would amount to \$927 million. In response to criticism from the insurance industry, the Clinton administration has tried to emphasize that the proposal grandfathers existing variable annuities and allows a one-time tax-free exchange that could be made at any time. Among the other retirement-related provisions:

- Encouraging payroll deduction individual retirement accounts (IRAs) by allowing deductions to be excluded from income.
- Providing a tax credit for administrative expenses involved in starting new plans. Any small business that sponsors any type of retirement plan would be eligible. The maximum credit available would be \$1,000 in the first year of the plan, and \$500 per year for the next two years.
- A new simplified small business pension plan, basically a type of cash balance plan, with the same

eligibility requirements as SIMPLE plans. Although similar to the Secure Assets for Employees (SAFE) proposal sponsored by Reps. Nancy Johnson (R-CT), Earl Pomeroy (D-ND), and Harris Fawell (R-IL), the administration's plan would be subject to Pension Benefit Guaranty Corporation (PBGC) premiums.

- Three-year vesting for employer contributions in all qualified plans.
- Mandatory explanations of survivors' benefits for spouses of plan participants.
- Various "simplifications" dealing with portability, notification of plan changes, benefits for non-highly compensated individuals, the definition of highly compensated individuals, and the rules governing multiemployer plans.

In addition, the budget contains provisions related to child care, including a tax credit for businesses that provide day care services to their employees. The credit would equal up to 25 percent of the cost of employer-provided care, on site or off, up to a maximum of \$150,000 per year. Businesses could use the credit to build or acquire child care facilities.

Outlook: Congressional Republicans have been working to develop a coordinated strategy for the budget process. The process is just getting under way, and all of the proposals outlined above, as well as any GOP proposals, should be viewed as a starting point toward a budget agreement.

EBRI in FOCUS

First Annual Health Confidence Survey (HCS)

At this writing, the first annual Health Confidence Survey (HCS) is in the field. Survey sponsors EBRI and Mathew Greenwald & Associates expect to have preliminary results this month. After analyzing the results, they will host an underwriter's meeting in April and release the results to the public at a press briefing at the National Press Club in Washington, DC, in mid May. The 1998 HCS is being underwritten by 17 organizations. For more information on the HCS and a list of current underwriters, visit EBRI online at <http://www.ebri.org/hcs/>, or contact EBRI Research Associate Paul Fronstin at (202) 775-6352, e-mail: fronstin@ebri.org.

1998 Retirement Confidence Survey (RCS)

The Retirement Confidence Survey went into the field early this month. In addition to the standard RCS questionnaire, this year's project also includes a survey of small businesses. We are also oversampling minority groups and will be publishing a minority special report. Results will be released in the spring shortly before the National Summit on Retirement Income Saving is convened at the White House.

It is not too late to become an underwriter of the 1998 RCS

project. Given the unique nature of this year's effort, there are three levels of financial commitment. The cost of underwriting the base RCS for 1998 remains \$5,000 per organization. An additional contribution of \$2,500 will help underwrite the RCS Minority Special Report. For \$12,500, your organization can participate in the Small Business Retirement Survey (in addition to the RCS and the Minority Special Report).

If you are interested in funding the 1998 RCS or would like more information, visit EBRI online at http://www.ebri.org/rcs/rcs_introduction.htm, or contact EBRI Senior Research Associate Paul Yakoboski at (202) 775-6329, e-mail: yakoboski@ebri.org.

EBRI/ASEC Community Education Campaign—"Choose to Save"

To see and hear the latest news segments on retirement planning and saving issues and tips and tools on how to start the process as part of the EBRI/ASEC "Choose to Save" campaign, tune in WJLA-TV Channel 7 in the Washington metro market on Wednesday evenings at 5:00 p.m. and "Good Morning Washington" on Sunday mornings. Washington's Radio News Station WTOP's (1500 AM/94.3 FM) "Opening Bell at 7:55 a.m. Monday-Friday is also featuring segments focused on elements of retirement savings. As reported last month, EBRI, ASEC, and the stations are sponsoring the campaign, with underwriting from Fidelity Investments. For more details, visit the partners online at www.ebri.org and

www.asec.org (this site includes a schedule of airing times), and www.abc.dc7.com.

Planning is Under Way for Spring Policy Forum

EBRI-ERF will hold its spring policy forum, entitled "The Future of Medical Benefits," on Wednesday, May 6. The rate of change in the health care industry has been confusing for both casual observers of the industry and those directly involved in the industry. While the last few years have seen modest health care cost increases and subsequent increases in employment-based health insurance coverage, the re-emergence of cost pressures is resulting in both higher health care cost inflation and benefit package redesigns. Additional topics to be addressed include: trends in employment-based health benefits, managed care, consolidation, and long-term policy implications. The agenda is available on the EBRI Web site (www.ebri.org). The policy forum is open to EBRI Members and invited guests. For more information about the forum or attending, please contact Pam Ostuw, (202) 775-6315, ostuw@ebri.org, or Paul Fronstin, (202) 775-6352, fronstin@ebri.org.

EBRI and the SAVER Act Implementation in Process

The Savings Are Vital to Everyone's Retirement (SAVER) Act calls for a National Summit on Retirement Income Savings. Work is under way, and implementation of education provisions of the statute continues as well. EBRI and ASEC

are in a lead role in implementation assistance from the private sector.

EBRI Prepares for 20th Anniversary Celebration

The countdown continues—EBRI's 20th anniversary is less than 167 days away! Have you made plans to join EBRI in celebrating its 20th anniversary on Monday, Sept. 14, 1998, with a black-tie gala to be held in New York City? Tables are going quickly—at this writing, 9 benefactor tables, 2 benefactor seats, 20 patron tables, and 11 patron seats have already been reserved, so make your reservations soon! The 10th and 15th anniversary celebrations were huge successes, so please plan to join us for this exciting event. For more information, contact Patsy D'Amelio at (202) 775-6323, e-mail: damelio@ebri.org or visit EBRI online for more details.

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New Publications

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Aetna/Generali. **Aetna/Generali Network 1997 Country Benefits Manual**. Free. Colleen Paliwoda, Aetna International Group Benefits, 151 Farmington Ave. - M.C. RS 41, Hartford, CT 06156, (860) 273-2147.

Disney, Richard. **Can We Afford to Grow Older? A Perspective on the Economics of Aging**. \$35. The MIT Press, Five Cambridge Center, Suite 4, Attn: Order Dept., Cambridge, MA 02142, (800) 356-0343.

Franz, Steven J. **401(k) Answer Book: 1998 Edition**. \$125. Aspen Publishers, Inc., P.O. Box 990, Frederick, MD 21705, (800) 638-8437.

Gordon, Michael S., Olivia S. Mitchell, and Marc M. Twinney. **Positioning Pensions for the Twenty-First Century**. \$42.50. University of Pennsylvania Press, P.O. Box 4836, Hampden Station, Baltimore, MD 21211, (800) 445-9880, fax (410) 516-6998.

Hewitt Associates. **Trends & Experience in 401(k) Plans**. \$125. Hewitt Associates, Hewitt Publications Desk, 100 Half Day Road, Lincolnshire, IL 60069, (847) 295-5000, fax (847) 883-9019.

Hoechst Marion Roussel, Inc. (1) **Institutional Digest**. (2) **Integrated Health Systems Digest**. (3) **Medical Group Practice Digest**. (4) **HMO-PPO/Medicare-Medicaid Digest**. \$95 each. Hoechst Marion Roussel, Inc., 10236 Marion Park Drive, M.S. K10728, Kansas City, MO 64134-0627, (800) 552-3656.

Institutional Investor. **The Global Guide to Institutional Investing**. \$100. Institutional Investor Newsletters, 477 Madison Avenue, New York, NY 10022, (212) 224-3800, fax (212) 224-3491.

National Policy Association. **The Future of Pension Policy: Individual Responsibility and State Support**. \$9. National Policy Association, 1424 16th St., NW, Suite 700, Washington, D.C. 20036, (202) 884-7631.

Poterba, James M. **Tax Policy and the Economy 11**. \$15. The MIT Press, Five Cambridge Center, Suite 4, Attn: Order Dept., Cambridge, MA 02142, (800) 356-0343.

Runzheimer International. **Survey & Analysis of Employee Relocation Policies and Costs**. \$345. Runzheimer International, Attn: Marcia Klein, Publications, Runzheimer Park, Rochester, WI 53167, (800) 558-1702, ext 2256, fax (414) 767-2476.

U.S. Bureau of the Census. **Statistical Abstract of the United States 1997**. Order from GPO.

U.S. Congress. Senate. Special Committee on Aging. **Short-changed: Pension Miscalculations**. Order from GPO.

U.S. General Accounting Office.

(1) **401(k) Pension Plans: Extent of Plans' Investments in Employer Securities and Real Property**. (2) **Budget Issues: Analysis of Long-Term Fiscal Outlook**. (3) **Employee Benefit Plans: Efforts to Streamline Reporting Requirements and Improve Processing of Annual Plan Data**. (4) **Health Insurance: Coverage Leads to Increased Health Care Access for Children**. (5) **Medical Savings Accounts: Findings from Insurer Survey**. Order from GAO.

Documents Available on the Internet

1997 in Review and the Outlook for 1998: A Summary of Human Resource Legislative and Regulatory Activity
<http://www.hewittassoc.com/news/reprt/hrlegreg/97rv98ol/97revw.htm>

1998 State of the Union Address
<http://www.whitehouse.gov/WH/SOTU98/>

Employee Benefits in Medium and Large Private Establishments, 1995 (tables)
<http://stats.bls.gov/special.requests/ocwc/ebs/ebsml95.htm>

FY 1999 Federal Budget
http://www.access.gpo.gov/su_docs/budget/index.html

Who's Minding Our Preschoolers? Fall 1994 (Update)
<http://www.census.gov/population/www/socdemo/childcare.html>

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