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Notes

Social Security: Not All Reform Approaches Are Equal

by Craig Copeland, EBRI

Introduction

President Bush advocated the creation of individual accounts within the Social Security program during his presidential campaign, and in his recent State of the Union message he announced that he would appoint a Social Security Reform Commission to work on the issue, again noting his interest in these accounts. This follows bipartisan legislation introduced in previous sessions of Congress by Sens. Judd Gregg (R-NH) and John Breaux (D-LA) and Reps. Jim Kolbe (R-AZ) and Charles Stenholm (D-TX), to create individual accounts in Social Security. In the last Congress, Reps. Bill Archer (R-TX) and Clay Shaw (R-FL) also released a plan that included individual accounts, although it was never introduced as legislation. Clearly, the concept of individual Social Security accounts is receiving significant and growing attention as a public policy issue.

The pros and cons of Social Security reforms with individual accounts have been debated frequently.[1] An important consideration in the debate is that the reliance of individual accounts on the stock market adds a new element of uncertainty to already uncertain projections of the Social Security program's future benefits and actuarial balance.[2] For proposals such as those of Gregg/Breaux and Kolbe/Stenholm, this increased uncertainty relates to future individual account benefits. For a proposal like that of Archer/Shaw, which guarantees current-law benefits, it affects the program's actuarial balance.

A previous EBRI analysis[3] evaluated the Archer/Shaw Social Security proposal (Social Security Guarantee Plan) in terms of its actuarial balance under different assumptions of equity market returns and administrative costs, allowing for critical assumptions affecting the program (including the equity return) to vary over the 75-year standard valuation period for the Social Security program's soundness. Under the most favorable assumptions on equity returns and administrative costs, the EBRI analysis found that the Archer/Shaw proposal had a 60 percent probability of achieving actuarial balance or better. In comparison, under the least favorable assumptions used, the probability of the proposal achieving actuarial balance or better fell to 13 percent. While these numbers are useful for evaluating this proposal, they do not show how it compares with other, more traditional, reform options such as raising taxes and cutting benefits.

This article compares the actuarial balance of traditional reform possibilities with that of an Archer/Shaw-type of proposal when allowing for random outcomes from a distribution of likely outcomes over the 75-year valuation period. This illustrates the impact of both equity returns and administrative costs on the various reform proposals using individual accounts, relative to the uncertainties surrounding traditional reforms. This article also reinforces the importance of stochastic projections (using random assumptions) versus those using deterministic (fixed) assumptions to account for the variability that occurs in real-life economic situations, especially when equity investments are involved.

Model and Assumptions

As in previous reports on this topic, the SSASIM policy simulation model is used to derive the estimates of actuarial balance for the various Social Security reform options. The model is based on 13 basic assumptions about the economy and beneficiary demographics.[4] It can closely replicate the results from the model used by the Social Security's Office of the Actuary to evaluate the soundness of the program. In addition to being run in a deterministic mode[5] to replicate the Office of the Actuary's model, SSASIM can be run stochastically. In this mode, values are drawn randomly from a distribution of possible outcomes and vary year-to-year, with a mean of the deterministic assumption value. This process can be repeated several times to provide outcomes using numerous different scenarios where all of the assumption variables have a mean of their deterministic value.

The basic assumptions used in this analysis match those of the intermediate assumptions found in the *2000 Annual Report of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds*. As shown in chart 1, when run deterministically, the model estimates the current-law actuarial balance of the program at –1.89 percent of taxable payroll, which equals the value reported in the 2000 Trustees' report (meaning that over the next 75 years, without changes, the Social Security payroll tax will be almost 2 percentage points less than what is needed to cover projected costs). Under the stochastic assumptions, the mean values are equal to the report's intermediate assumptions, with the distribution having a 95 percent confidence interval of being between the report's low-cost and high-cost assumptions. In addition, 5,000 simulation scenarios were run to assess the probability of achieving actuarial balance under these assumptions.

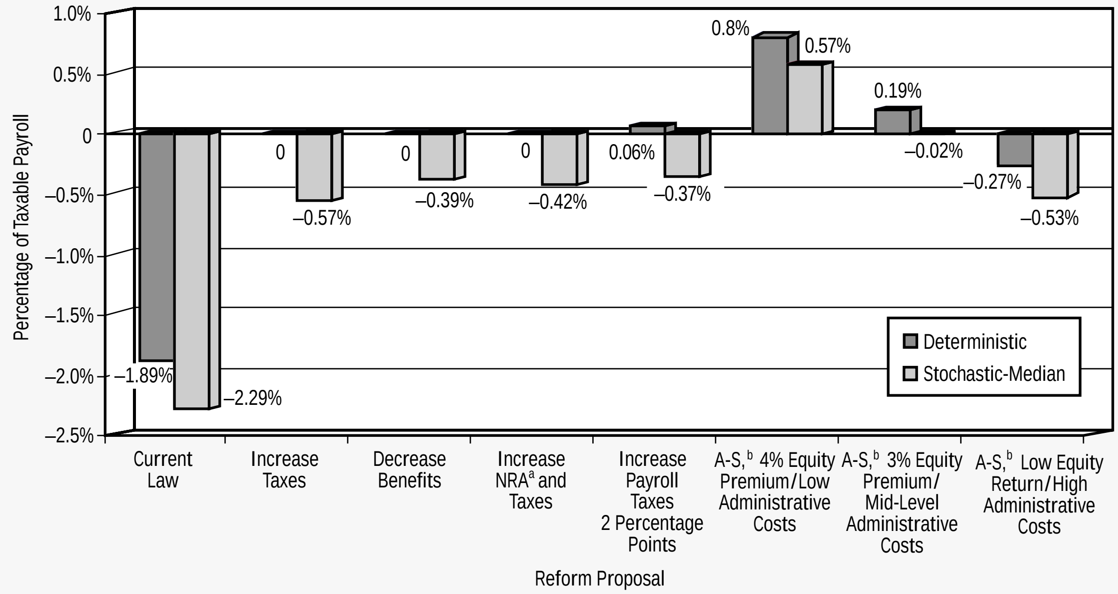
Since the Archer/Shaw plan involves the addition of individual accounts, two more assumptions are made in addition to those made in the Trustees' report: an equity rate of return and an administrative cost for operating the individual accounts. Furthermore, because there is no consensus on what these assumptions should be, this report uses three different sets of assumptions: (1) an equity rate of return with a 4 percent equity premium and low administrative costs (25 basis points), (2) a 3 percent equity premium and mid-level administrative costs (62.5 basis points), and (3) the equity return rate that maintains a constant price-to-earnings ratio given the assumed growth in the economy over the period of evaluation (an equity premium of approximately 1.75 percent) and high administrative costs (100 basis points).[6] (For comparison, the average operating expense ratio for equity mutual funds in 1998 ranged from 70 basis points for large funds (with $5 billion or more in assets), compared with an average of 139 basis points for small funds (with assets of $250 million or less), according to the Investment Company Institute.[7])

Reform Options

The Archer/Shaw-type proposal used here for comparison includes the establishment of mandatory individual accounts for each eligible worker, funded by tax credits from general revenues equal to 2 percent of the worker's Old-Age Survivors and Disability Insurance (OASDI) taxable earnings starting in 2001. Sixty percent of the account balances would be invested in stock index funds, with the remaining 40 percent invested in corporate bonds. The current-law benefit would be provided, with all proceeds from the individual account being used (or "clawbacked") to offset benefits coming from the OASDI tax revenue when the benefits begin.[8]

This reform option is compared with four other possible

Chart 1
Comparison of Actuarial Balances of Various Reform Possibilities by Run Type



Source: Employee Benefit Research Institute estimates using SSASIM.
[a]Normal retirement age.
[b]Archer/Shaw-type proposal.

reforms that include traditional changes to Social Security (e.g., tax increases and benefit cuts):

- The first of these reforms increases taxes only to maintain current-law benefits. Under this option, the OASI tax rate would increase from the current 10.60 percent of taxable wages to 12.90 percent in 2025, to 14.10 percent in 2030, to 14.70 in 2050, and to 15.30 percent in 2060.[9]
- The second reform option involves cutting OASI benefits in order to allow current-law taxes to completely fund the new (lower) benefits. This option would require cutting the benefits of those starting to receive retirement and survivors benefits in 2010 by 10 percent of current-law benefits, of those starting to receive retirement and survivor benefits in 2016 by 15 percent of current-law benefits, and of those starting to receive retirement and survivor benefits in 2022 by 22 percent of current-law benefits.
- The third prospect is a mix of benefit cuts and tax increases. The normal retirement age would continue to increase from 65 to 67 for those turning 62 in 2011, after which the normal retirement age would be indexed to longevity (currently assumed to be one month every two years). The OASI tax rate would increase from 10.6 percent to 12.35 percent in 2030 and to 13.50 percent in 2050.
- The last option is an immediate (2001) increase in the OASI payroll tax rate by 2 percentage points. This is the same tax rate increase as the general revenue transfer rate called for under the Archer/Shaw-type proposal.[10]

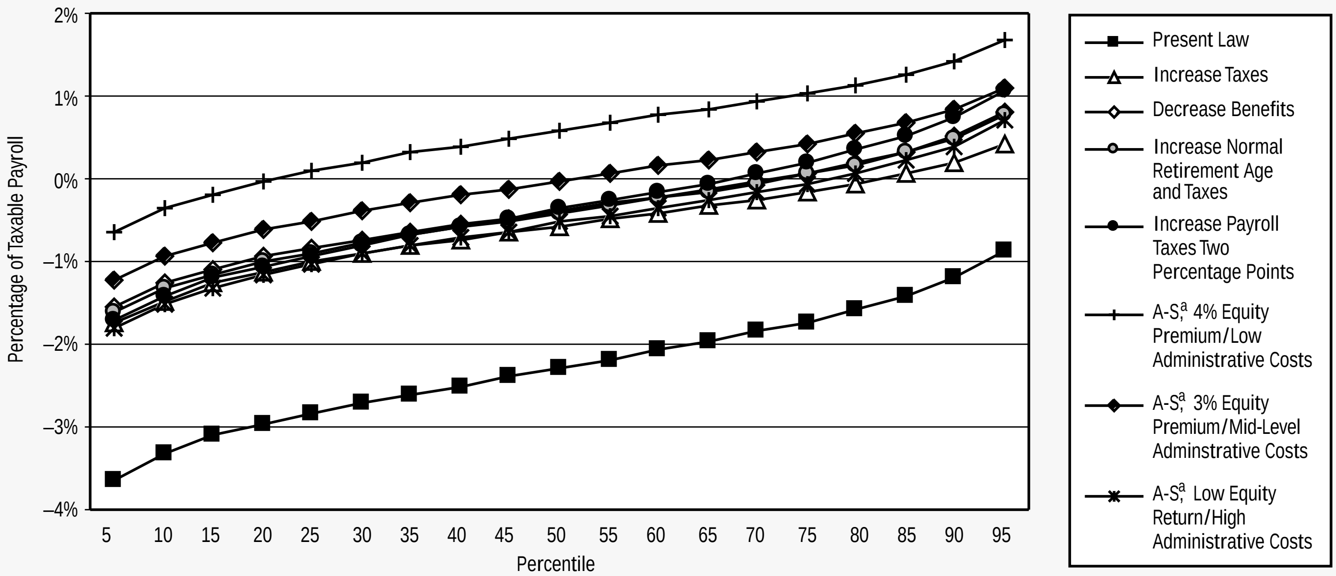
Results

Chart 1 shows both the deterministic actuarial balance and the median stochastic actuarial balance of the 5,000 scenarios.[11] The Archer/Shaw-type reform achieves a higher actuarial balance under the two most favorable assumptions on equity market returns and administrative costs used, while under the least favorable assumptions its chances of achieving actuarial balance are lower than for all other options except the option to increase taxes to maintain present-law benefits.

The comparison with the option of immediately increasing the OASI tax rate by 2 percentage points is particularly interesting, as this possibility has the same tax rate increase as the general revenue transfer specified under the Archer/Shaw-type reform. Consequently, as long as equity returns can continue at near their historical rate and administrative costs can be held low, the Archer/Shaw-type option is more likely to achieve a better actuarial balance level than a comparable immediate 2 percentage point increase in the OASI tax rate.

In chart 2, the actuarial balance at each percentile of the 5,000 scenarios is given for each type

Chart 2
Actuarial Balance Comparison of Various Reform Possibilities



Source: Employee Benefit Research Institute estimates using SSASIM.
[a] Archer/Shaw-type proposal.

of reform. The probability of achieving actuarial balance for the Archer/Shaw-type reform is 79 percent under the most favorable assumptions on equity returns and administrative costs, 49 percent under the mid-level assumptions, and 23 percent under the least favorable assumptions (chart 3). The Archer/Shaw-type reform with the least favorable assumptions has a probability of achieving actuarial balance that is similar to that of all the other reform proposals.

Conclusion

With historical equity returns and low administrative costs, an Archer/Shaw-type reform produces superior results in terms of actuarial balance levels and in the probability of achieving a zero or greater actuarial balance. However, this type of reform would introduce two new uncertainties into projections of the Social Security program's soundness. While administrative costs can be controlled to a certain extent by program design, market forces determine the equity rate of return. This is the crux of the huge rift between those who support privatization and those who are against it—the faith in the ability of private markets to sustain (or not sustain) relatively stable growth over an extended period of time.

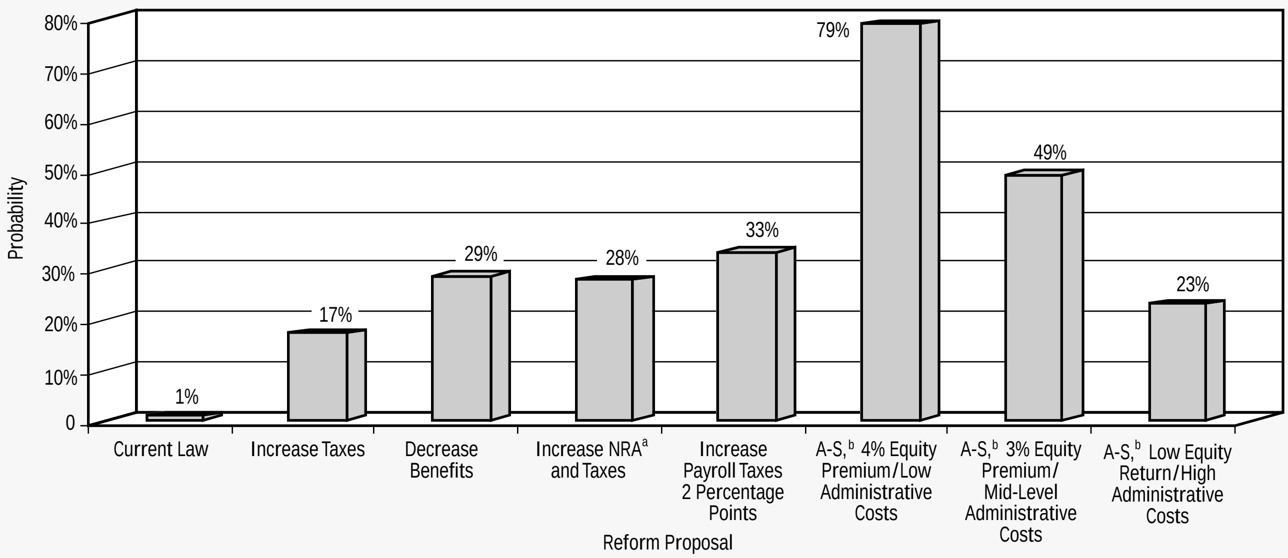
One significant finding of this report concerns the "traditional" types of Social Security reform (raising taxes or cutting benefits). While the traditional reforms described in this article achieve actuarial balance when analyzed in a *deterministic* mode, they have a relatively low probability of achieving actuarial balance when examined *stochastically* over the current valuation period.[12] This demonstrates the importance of stochastic projections, as even raising taxes or cutting benefits are unlikely to achieve actuarial balance when random events are factored into the calculations, compared with using fixed projections. Moreover, these reforms are unlikely to achieve actuarial balance in the future because the years added to future evaluation periods are projected to experience significantly higher costs than revenues.[13]

In summary, an Archer/Shaw-type reform potentially has a high probability of achieving actuarial balance as long as equity returns sustain their historical rate and administrative costs are low. Traditional reforms as described in this article appear to have a relatively low probability of "solving" the program's projected actuarial imbalance in the near term or in the long term.

Endnotes

[1] *For example, see Daniel J. Mitchell, "Why Critics of Social Security Personal Retirement Accounts Are Wrong,"* The Heritage Foundation Backgrounder *(Heritage Foundation, Feb. 4, 2000) available at www.heritage.org/library/backgrounder/pdf/bg_1344.pdf; and Economic Policy Institute, "The Problems With Privatization,"* EPI Policy Brief *(December 2000) available at epinet.org/Issueguides/socialsecurity/policybriefs/privatization.pdf*

Chart 3
Probability That Various Reform Possibilities Will Achieve Actuarial Balance



Source: Employee Benefit Research Institute estimates using SSASIM.
[a]Normal retirement age.
[b]Archer/Shaw-type proposal.

[2] *The measuring of actuarial balance compares the difference between the summarized* income *rate (present value of all projected future revenues as a percentage of taxable payroll) and the summarized* cost *rate (present value of all projected program costs as a percentage of taxable payroll) over a given valuation period. The valuation period established for the Social Security program is 75 years.*

[3] *See Craig Copeland, "Evaluating the Archer/Shaw Social Security Proposal,"* EBRI Notes, *no.6 (Employee Benefit Research Institute, June 2000): 1–5.*

[4] *See Martin R. Holmer,* Introductory Guide to SSASIM *(Washington, DC: Policy Simulation Group, January 2001) available at www.radix.net/~holmer/guide.pdf for more information on the model.*

[5] *In a deterministic model, all values are predetermined before the simulation is conducted. These assumption values are either the same over the entire period of analysis or they follow a specified path to an ultimate value, which remains the same thereafter during the valuation period.*

[6] *See Craig Copeland, op. cit, for a further discussion on the choice of equity rates of return and the outcomes of more combinations of these assumptions.*

[7] *See John D. Rea, Brian K. Reid, and Kimberlee W. Millar, "Operating Expense Ratios, Assets, and Economies of Scale in Equity Mutual Funds,"* ICI Perspective, *Vol. 5, no. 5 (December 1999).*

[8] *For a complete description of the Archer/Shaw proposal, see Stephen C. Goss, "Long-Range OASDI Financial Effects of the Social Security Guarantee Plan—Information," SSA Memorandum, April 29, 1999. The two main differences in this report from the complete proposal are no future payroll tax cut and no possibility of receiving benefits larger than the current-law benefits if the proceeds from the individual account are able to finance such benefits. However, the likelihood an account being able to do so is very small.*

[9] *The Disability Insurance (DI) tax rate would remain the same, and the surplus OASI tax revenue would cover the deficits in the DI program. Essentially, it does not matter which tax rate is changed as long as the surplus revenues go to pay the deficits in the other program to achieve overall actuarial balance in the OASDI program.*

[10] *The dollars raised and transferred are likely not to be equal over the entire valuation period, as these two types of taxes are likely to have different effects on the economy and therefore on the revenue raised. In addition, the incidence of the revenue increase would affect different workers, as an increase in the OASI tax rate would have a larger negative impact on low-income workers than the general revenue transfer would have under the Archer/Shaw-type reform.*

[11] *The Archer/Shaw deterministic outcomes are different from those in Copeland, op. cit., and Goss, op. cit., because this article uses the 2000 Trustees' assumptions while those publications used the 1999 assumptions. See Copeland, op. cit., for a comparison of SSASIM with the Social Security's Office of the Actuary results on the Archer/Shaw proposal.*

[12] *The reform options described that lower the program's future liabilities (benefits) had a higher relative probability of achieving actuarial balance than those that just raised taxes.*

[13] *In 2075, the cost rate is projected to be 19.53 percent of taxable payroll under the Trustees' 2000 intermediate assumptions, compared with an income rate of 13.34 percent, while the cost rate in 2000 was projected to be 10.34 percent, compared with an income rate of 12.65 percent.*

Washington Update
by Teresa Turyn, EBRI

Privacy Rules Going Into Effect

President Bush last month decided to accept the sweeping medical-records privacy rules proposed by former President Clinton, and the regulations took effect on April 14. Bush did say, however, that the rules could later be revised or clarified to address “legitimate concerns” of the health care industry.

Although the Bush administration had considered delaying the rules to consider objections from the health care industry, Mr. Bush decided that the rules would take effect on schedule. He asked Health and Human Services Secretary Tommy Thompson to suggest “appropriate modifications” to make the regulations more workable. The regulations are the first at the federal level designed to protect the confidentiality of personal medical records, and will impose strict requirements on how health plans, hospitals, and others can use medical information. Health care providers and insurers have two years to come into compliance. The rules have been under attack by hospitals, health maintenance organizations, pharmaceutical companies, and drugstore chains, which have argued that the rules are too complicated and costly, while consumer and privacy advocates have strongly defended the rules, saying the industry is exaggerating the cost.

Grassley, Baucus Introduce Pension Bill

Senate Finance Committee Chairman Charles Grassley (R-IA) and ranking Democrat Max Baucus (MT) April 6 introduced a pension reform bill (S. 742) that is virtually identical to legislation passed unanimously by the committee last year and largely similar to the Portman-Cardin pension bill in the House of Representatives. However, in sponsoring the bill, Grassley noted that if Congress enacts tax cuts in the range of $1.2 trillion over 10 years (somewhat less than President Bush is seeking), budget constraints could preclude the Senate from considering his pension bill this year.

The legislation, with 15 Senate cosponsors, is similar to pension reform legislation (H.R. 10) introduced in the House March 14 by Reps. Rob Portman (R-OH) and Ben Cardin (D-MD); the major difference is a package of retirement plan tax credits for low-income workers and small businesses that was included in the Senate bill but absent in the House version. The Senate bill would provide a nonrefundable income tax credit of up to 50 percent (or up to $2,000 annually) in contributions to a qualified retirement plan made by married couples with annual income of up to $30,000, or single individuals with annual income of up to $15,000. The bill also would provide a tax credit of up to 50 percent of contributions that employers with fewer than 50 employees make to qualified retirement plans on behalf of non-highly compensated employees, up to a maximum of 3 percent of compensation. The credit would apply for the first three years of a newly established retirement plan, and the plan would have to provide accelerated vesting and require a 1 percent nonelective employee contribution. Employers with fewer than 100 employees could receive a maximum $500 annual tax credit toward the administrative costs of establishing a retirement plan, for up to three years.

Dueling Tax Cut Bills in House and Senate

The Senate April 6 approved a Fiscal Year 2002 budget plan (H. Con. Res. 83) that includes a 10-year tax cut of about $1.2 trillion beginning in FY 2002, plus an additional $85 billion immediate tax rate reduction or rebate to help stimulate the faltering economy this year. President Bush continues to push for a $1.6 trillion tax cut. The vote came shortly after the Senate had voted 51-to-50, with Vice President Dick Cheney casting his first tie-breaking vote, to block a Democratic alternative for a $158 billion tax cut over the next 10 years.

The Senate budget plan will have to be melded with the House-passed version, which calls for the larger tax cuts sought by Bush. Once Congress agrees to an overall budget “resolution” for the coming fiscal year, lawmakers will proceed

Keeping on Track

ERISA Advisory Council Working Groups—The ERISA Advisory Council working groups in the Labor Department's Pension and Welfare Benefits Administration met April 9 and 10 to begin discussion of their topics and goals for the year. The three working groups are focused on increasing pension coverage, participation, and benefits; preparing for retirement; and the employment-based health care system. EBRI staff appeared before two of the panels: Dallas Salisbury, president and CEO, testified April 9 before the working group on preparing for retirement, focusing on what information individuals should have prior to making the decision to retire. Paul Fronstin, senior research associate at EBRI, testified April 10 before the health care working group on challenges facing the employment-based health care system. Their testimony can be viewed at www.ebri.org/testimony/EBRI_Testimony.html Handouts from the working groups are available at the Public Disclosure Room, Pension and Welfare Benefits Administration, U.S. Department of Labor, Room N1513, 200 Constitution Avenue, NW, Washington, DC 20210, (202) 219-8771.

IRS Announces Forthcoming Guidance for the Year—The Internal Revenue Service (IRS) expects to issue new regulations later this year on Internal Revenue Code (IRC) Secs. 401(k) and 401(m) that will fold some previous notices on those sections into restated regulations that will include new "wrinkles and positions." On October 6, 2000, IRS proposed regulations (Reg-114697-00) prescribing conditions that new comparability plans must satisfy if they are to use the cross-testing method to determine compliance with nondiscrimination requirements (65 Fed. Reg. 59,774, 10/6/00; 27 BPR 2483, 10/10/00).

Other guidance expected from the IRS this year includes:

- Final regulations relating to required minimum distributions under IRC Sec. 401(a)(9).
- Regulations on how to apply employment and income taxes to IRC Secs. 422(b) and 423(b) stock options sometime during the two-year moratorium on imposing taxes on certain stock plan transactions.
- Expansion of the proposed regulations on split-dollar life insurance, taking the diverse comments IRS has received on the matter into consideration.
- A revision of Revenue Procedure 71-19 regarding nonqualified deferred compensation, which requires that elections to deferments and payouts be made before the period of service begins.
- Guidance intended to discourage employers from terminating plans during mergers and acquisitions and improve compliance in master and prototype plans, by providing more "front-end" guidance to help plans prevent problems in addition to fixing them.

Comments Sought on Form 990 Comp Disclosure—The IRS is seeking public comments on disclosure by tax-exempt organizations of compensation paid to officers, directors, and key employees through management services companies, which is currently required to be provided on Form 990. The Announcement (2001-33) comes as some tax-exempts have expressed concern that the reporting rules require them to obtain too much detailed information from third-party contractors.

to work on individual tax and spending bills that are supposed to stay within the overall budget plan.

Based on the size of the House and Senate tax-cut proposals, it is considered unlikely that any of the pension reform provisions in the Portman-Cardin or Grassley-Baucus bills will be included in this year's tax legislation.

Recent Court Cases

Supreme Court Denies Review of Erie County Case—The U.S. Supreme Court has chosen not to review *Erie County Retirees Association v. County of Erie*, in which the U.S. Third Circuit Court of Appeals held that an employer might violate the Age Discrimination in Employment Act (ADEA) by offering different health benefits to Medicare-eligible retirees, as compared with pre-Medicare retirees. The Supreme Court's refusal to intervene and establish a uniform, national rule leaves many employers wondering how to manage the ADEA risks in retiree health plans. The Erie County case now returns to the district court, where the employer will have a chance to prove (i) that it's providing equal benefits to Medicare-eligible and pre-Medicare retirees or (ii) that it's paying the same for the benefits of Medicare-eligible and pre-Medicare retirees (these are known as the "equal benefits" and "equal cost" safe harbor protections under ADEA). In applying the equal cost safe harbor, the Third Circuit ruled that the employer may include only those costs it incurs itself (i.e., Medicare expenditures may not be taken into account)—a threshold that many believe will be hard to meet. The Third Circuit covers Delaware, New Jersey, and Pennsylvania.

EBRI in Focus

Parents, Youth & Money Survey Released

EBRI and ASEC released the 2001 Parents, Youth & Money Survey April 12 at a well-reported event at the National Press Club in Washington, DC. The survey follows up on the 1999 Youth & Money Survey, and looks at how parents interact with their children on financial issues. The survey finds that parents overestimate how much they know about finances and underestimate the role they can play in teaching their children about money management.

The 2001 Parents, Youth & Money Survey was underwritten by the TIAA-CREF Institute, and was conducted by Mathew Greenwald & Associates.

One new and effective addition to the April 12 press conference was the inclusion of a panel of three parents and three children, who discussed how their families handle the teaching of money and financial responsibility. The panel also included a public school teacher, who discussed how she teaches money and savings issues in the classroom. The panel was moderated by WTOP radio personality Bob Madigan (also the official "voice" of the Choose to Save® media program in the Washington, DC, metropolitan media market). Also appearing on the panel was Janet Bodnar, editor and author of the "Dr. Tightwad" column at *Kiplinger's Magazine*.

For more information on the 2001 Parents, Youth & Money Survey, go to the EBRI or ASEC Web pages (www.ebri.org or www.asec.org), or for highlights of the survey visit www.asec.org/2001pym/highlite.htm

EBRI Testifies on Several Fronts

EBRI staff testified on several fronts during April, including:

- April 14 before the House Ways and Means Subcommittee on Health. Paul Fronstin, senior research associate at EBRI, discussed recent trends in health insurance coverage, the uninsured, and the outlook for coverage.
- April 9 before the ERISA Advisory Council working group on preparing for retirement in the Labor Department's Pension and Welfare Benefits Administration (PWBA). Dallas Salisbury, president and CEO, testified April 9 before the working group on preparing for retirement, focusing on what information individuals should have prior to making the decision to retire.
- April 10 before a PWBA working group on health care. Fronstin testified on challenges facing the employment-based health care system.

Their testimony can be viewed at www.ebri.org/testimony/EBRI_Testimony.html Handouts from the working groups are available at the Public Disclosure Room, Pension and Welfare Benefits Administration, U.S. Department of

Labor, Room N1513, 200 Constitution Avenue, NW, Washington, DC 20210, (202) 219-8771.

In addition, Salisbury participated in the first meeting of the General Accounting Office (GAO) Advisory Committee, held April 3. The GAO is the investigative arm of Congress.

ASEC Partners Meet

ASEC held its Spring 2001 Policy Board and Partners' meeting on April 18 and 19, respectively, to review ASEC activities and programs, and highlight upcoming events. Some agenda items included: the Choose to Save® national education program; the 2001 White House/Congressional National Summit on Retirement Savings; the *2001 Parents, Youth & Money Survey*; the national "Save for Your Future" education campaign; and the RetireMint Conference. ASEC and the North American Securities Administrators Association (NASAA) also hosted a panel discussion to explore how Hispanic-Americans prepare for retirement.

Savings Game Special Airs

The prime time special airing of "The Savings Game" aired April 20th in the Washington, DC, media market. The 30-minute program was the fourth installment of the Choose to Save® television specials. This show featured an interview with Peter Lynch of Fidelity Investments and a segment on kids and money. The second half-hour CTS special program is scheduled for a September 2001 airing.

EBRI Committees Meet to Review and Plan

Several EBRI committees held their semi-annual meetings April 4 to review EBRI activities and programs and to provide guidance and planning for future events. These included the Program Committee, the Finance and Audit Committee, and the Executive Committee. The full EBRI Board of Trustees met in Washington, DC, on May 2. For further information, contact Dallas Salisbury at (202) 775-6322 or salisbury@ebri.org

EBRI-ERF Policy Forum: DC Health

The EBRI-ERF spring policy forum was held May 3, in Washington, DC, and focused on the topic of defined contribution health plans, an emerging issue for health policy and benefits managers. For background on the issue, see the March 2001 *EBRI Issue Brief*. The meeting agenda is available at www.ebri.org/policyforums/may2001pf/may2001pf-home.html

For more information, contact Paul Fronstin at (202) 775-6352 or fronstin@ebri.org

New Publications & Internet Sites

[Note: To order publications from the U.S. Government Printing Office (GPO), call (202) 512-1800; to order congressional publications published by GPO, call (202) 512-1808. To order U.S. General Accounting Office (GAO) publications, call (202) 512-6000; to order from the Congressional Budget Office (CBO), call (202) 226-2809.]

Compensation

Hewitt Associates. Survey Findings: Salary Increases 2000 and 2001 U.S. Version. $125. Hewitt Associates LLC, Attn: Publications Desk, 100 Half Day Rd., Lincolnshire, IL 60069, (847) 295-5000.

Demographics

Muller, Charlotte, and Marjorie Honig. Charting the Productivity and Independence of Older Persons: A Study of Six Industrialized Nations. Free. International Longevity Center USA Ltd., Attn: Communications, 60 E. 86th St., New York, NY 10028, (212) 288-1468, fax: (212) 288-3132.

Zinke, William K., and Susan Tattershall. Working Through Demographic Change: How Older Americans Can Sustain the Nation's Prosperity. $10.95. Human Resource Services, Inc., 4770 Baseline Road-Suite 210, Boulder, CO 80303, (303) 499-3939, fax: (303) 499-2220, wzinke@hrshrs.com.

Employment

Neumark, David. On the Job: Is Long-Term Employment a Thing of the Past? $59.95. Russell Sage Foundation, 112 East 64th St., New York, NY 10021, (800) 524-6401.

U.S. Congress. Senate Special Committee on Aging. Hearing on Now Hiring: The Rising Demand for Older Workers. Order from GPO.

General Reference

Columbia Books. National Trade and Professional Associations of the United States 2001. $129 + $10 shipping. Columbia Books, Inc., 1212 New York Ave., NW, Suite 330, Washington, DC 20005, (888) 265-0600, fax: (202) 898-0775, http://www.d-net.com/columbia.

U.S. Bureau of the Census. Statistical Abstract of the United States, 2000. $39. Order from GPO.

Health Care

AARP. Reforming the Health Care System: State Profiles 2000. Free. AARP, 601 E St., NW, Washington, DC 20049, (202) 434-2277.

Health Policy Tracking Service. Major Health Care Policies: Fifty State Profiles, 2000. $165. Health Policy Tracking Service, 444 N. Capitol St., NW, Suite 515, Washington, DC 20001, (202) 624-3567, fax: (202) 737-1069.

Institute of Medicine. Informing the Future: Critical Issues in Health. Free. http://books.nap.edu/catalog/10059.html

Isaacs, Stephen L., and James R. Knickman. To Improve Health and Health Care 2001: The Robert Wood Johnson Foundation Anthology. $24.95. Jossey-Bass Publishers, 350 Sansome St., Fifth Floor, San Francisco, CA 94104, (800) 956-7739.

Milio, Nancy. Public Health in the Market: Facing Managed Care, Lean Government, and Health Disparities. $44.50. University of Michigan Press, P.O. Box 1104, Ann Arbor, MI 48106, (734) 764-4392, fax: (734) 936-0456.

Miller, Joel E. Deja Vu All Over Again: The Soaring Cost of Private Health Insurance and Its Impact on Consumers and Employers. $2.10. National Coalition on Health Care, 1200 G St., NW, Suite 750, Washington, DC 20005, (202) 638-7151.

Rettenmaier, Andrew J., and Thomas R. Saving. The Economics of Medicare Reform. $34. W.E. Upjohn Institute for Employment Research, 300 S. Westnedge Ave., Kalamazoo, MI 49007-4686, (616) 343-5541.

Towers Perrin. 2001 Towers Perrin Health Care Cost Survey. Free. Towers Perrin, 100 Summit Lake Dr., Valhalla, NY 10595, (800) 525-6741, fax: (914) 745-4199.

Pension Plans/Retirement

Hawley, James P., and Andrew T. Williams. The Rise of Fiduciary Capitalism: How Institutional Investors Can Make Corporate America More Democratic. $47.50. University of Pennsylvania Press, P.O. Box 4836, Hampden Station, Baltimore, MD 21211, (800) 445-9880, fax: (410) 516-6998.

Hinden, Stan. How to Retire Happy: Everything You Need to Know About the 12 Most Important Decisions You Must Make Before You Retire. $14.95. McGraw-Hill Inc., 1221 Avenue of the Americas, New York, NY 10020, (212) 512-2000, (800) 422-9685.

Investment Company Institute. Defined Contribution Plan Distribution Choices at Retirement: A Survey of Employees Retiring Between 1995 and 2000. $25. Investment Company Institute, 1401 H St., NW, Suite 1200, Washington, DC 20005-2148, (202) 326-5913.

Moore, Cynthia L. Is Your Pension Protected? A Compilation of Constitutional Pension Protections for Public Educators. Free. AARP, 601 E St., NW, Washington, DC 20049, (202) 434-2277.

Organisation for Economic Co-operation and Development. Private Pension Systems and Policy Issues: No. 1. $78. OECD Washington Center, 2001 L St., NW, Suite 650, Washington, DC 20036-4922, (800) 456-6323.

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Social Security

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