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Executive Summary:

Measuring Retirement Income Adequacy, Part One: Traditional Replacement Ratios and Results for Workers at Large Companies

- This article is the first of a two-part series intended to sort through some of the issues and variations in determining whether the post-World War II baby boom generation is likely to achieve an “acceptable” standard of living in retirement.
- The Aon Consulting/Georgia State University study on benchmarking retirement income needs has provided periodic updates of this type of calculation for various levels of preretirement income since 1988.
- Under their baseline calculation (assuming a family situation where there is one wage earner who retires at age 65 with a spouse age 62), the replacement ratios peak at 89 percent for those in the lowest income group (\$20,000 annually) and then gradually reduce to 75 percent for those earning \$60,000 annually before increasing back to 88 percent for those in the high-income categories (\$250,000).
- A recent study by Hewitt Associates shows that the typical 401(k) participant is well-positioned to replace 85–95 percent of preretirement income when current Social Security, existing profit-sharing, and defined benefit plans are taken into account. The study examined the projected preretirement income replacement levels across 62 large companies of the 960,000 employees who were actively participating in their 401(k) plans as of Jan. 1, 2003.
- The overall average replacement ratio for the Hewitt analysis drops from 95 percent under the high medical coverage assumption to 83 percent under the medium assumption and 80 percent under the low medical coverage assumption. This is true for employees retiring at a “normal” retirement age of 65, and who are relying primarily on Medicare for their health care benefits. Employees retiring at an earlier age will experience an even larger financial setback.

■ Measuring Retirement Income Adequacy, Part One: Traditional Replacement Ratios and Results for Workers at Large Companies

by Jack VanDerhei, Temple University and EBRI Fellow

Introduction

The approaching retirement of the post-World War II baby boom generation has increased public scrutiny of whether this cohort is likely to achieve an “acceptable” standard of living in retirement. Unfortunately, there have been several answers to this question, depending on the type of model adopted, income threshold used, sample analyzed, and assumptions chosen. This article is the first of a two-part series intended to sort through some of these variations and assist the reader in formulating an opinion on this important public policy issue.

Before deciding on which assumptions should be used in making this determination, it is important to decide which definition of “retirement income adequacy” is most likely to meet the analyst’s objectives. One possible definition would be to provide the employee and/or family unit with a total retirement income that provides the full maintenance of the standard of living experienced immediately prior to retirement. This does not imply that gross income needs to be the same for the two periods, for at least four reasons:

- First, most workers will be able to replace a portion of their preretirement income through Social Security. Although the financial status of this system makes it quite unlikely that current statutory benefits can be sustained indefinitely without some type of tax increase, benefit adjustment, and/or systematic change to the system,¹ those close to Social Security normal retirement age would likely be grandfathered under the existing system if any changes were enacted by Congress.
- Second, preretirement savings will, by definition, no longer be needed at retirement age.
- Third, there may be a reduction in age- and work-related expenses at retirement.
- Fourth, taxes will likely decrease upon retirement for one or more of the following reasons:²
 - Retired employees typically will not have to pay Social Security tax (unless they are in receipt of earned income).
 - Social Security benefits are either partially or fully tax-free for many retirees.
 - Extra deductions are available for people over age 65.
 - Income from private retirement plans may be exempt from state and local taxes in many jurisdictions.
 - In many cases, retirees will be in a lower tax bracket.

Traditional Replacement Ratios

A traditional way of taking all these factors into account in a relatively easy-to-understand number is the *replacement ratio*.³ This attempts to quantify the gross retirement income that must be received as a percentage of the employee’s gross income prior to retirement in order to provide the same after-tax income, after adjusting for differences in savings and age and work-related expenditures in the two periods.

The Aon Consulting/Georgia State University study on benchmarking retirement income needs has provided periodic updates of this type of calculation for various levels of preretirement income since 1988. Figure 1 provides the updated data for 2004.⁴ Under their baseline calculation (assuming a family situation where there is one wage earner who retires at age 65 with a spouse age 62), the replacement ratios peak at 89 percent for those in the lowest income group (\$20,000 annually) and then gradually decline to 75 percent for those earning \$60,000 annually before rising back to 88 percent for those in the high income categories (\$250,000). Figure 1 demonstrates the well-known fact that Social Security replaces a much larger portion of preretirement income for lower-paid individuals,

all other factors remaining the same. For example, those earning \$20,000 are assumed to have a baseline replacement ratio of 65 percent from Social Security (including the spousal benefit), whereas the same percentage falls to 12 percent for those earning \$250,000. Given the relative constant range of replacement ratios over the preretirement income levels, this obviously translates into a situation where other sources (including private retirement plans and other savings) must account for a much larger percentage of the replacement ratio (76 percent for those earning \$250,000 versus only 24 percent for those earning \$20,000).

While the traditional replacement ratio approach no doubt made the retirement planning process much easier to understand for employees during the time that private retirement plans were predominantly of the defined benefit form, the continuing evolution of the U.S. retirement system toward defined contribution plans has introduced an additional complication to this process. Instead of looking at benefit accruals expressed as *dollars per month* for the remainder of their lives starting at normal retirement age, defined contribution participants (as well as many cash balance participants) will instead be provided with information on a *lump-sum account balance*. The process of converting the baseline replacement ratio needed (net of the inflation-indexed annuity assumed to be paid by Social Security) into an equivalent lump sum may be undertaken by one of two methods. First, the participant could estimate the price of a deferred or immediate annuity under which the annual amount would increase at some pre-specified amount. This would provide the benefit of ensuring that individuals will not outlive this portion of their retirement income, as well as (in many cases) shift the post-retirement investment risk from the individual to the insurance company.⁵ Alternatively, workers could assume some type of gender-specific life expectancy (perhaps with some type of “cushion” built in to the assumption)⁶ as well as a rate of return and inflation assumption. Figure 2 provides equivalent lump sums required (as a multiple of final pay) to supplement Social Security assuming a 3 percent inflation rate. Using \$60,000 preretirement income as an illustration, one can see how the amount needed will vary by gender⁷ and the assumed rate of return. In each case, the female’s longer life expectancy would require a larger lump sum multiple (e.g., 4.3 versus 3.8 assuming a 7 percent rate of return), while a larger return assumption will decrease the lump-sum multiple (e.g., for a male the multiple is 4.5, assuming a 5 percent rate of return, and 3.2 assuming a 9 percent rate of return).

While a 3 percent postretirement inflation rate may appear reasonable given recent experience, it is important to note that this assumption makes a huge difference on the target replacement ratios. Figure 3 provides information showing the importance of this assumption by both preretirement income levels and assumed postretirement inflation rates (against a baseline assumption of zero inflation). For example, a preretirement inflation rate of zero produces a 75 percent replacement rate at \$60,000, whereas a 3 percent assumption increases it to 84 percent (an increase of 12 percent). The impact obviously will increase as the assumed inflation rate increases, and also increases with the preretirement income. At a 5 percent inflation rate, the impact varies from 15 percent at \$20,000 to 33 percent at \$90,000. Lower-wage workers are more immune to changes in the inflation rate because a larger portion of their retirement income is likely to come from Social Security, which is already indexed for changes in inflation.

Another important concept to factor into retirement income adequacy is the treatment of post-retirement medical expenses. Fronstin and Salisbury examine the impact of Medicare Part D on savings needed for insurance premiums to supplement Medicare, Medicare Part B and D premiums, and out-of-pocket expenses in retirement, and examine the viability of using health savings accounts (HSAs) to save for these expenses.⁸ They present a wide range of estimates based on various ages at the time of death, because longevity risk is a major threat to retirement income security. This range of estimates also varies with alternative assumptions regarding health insurance premium inflation rates and out-of-pocket expenses. Figure 4 presents a more stylized example to illustrate how these types of expenses may affect the traditional replacement ratios. In this case, it is assumed that the average cost for a Medigap policy and the cost of the Medicare Part B premium equals \$3,550 annually. The impact of this fixed cost obviously will have a larger impact on replacement ratios for individuals with smaller

preretirement incomes. The values vary from an increase of 13 percent at \$20,000 to 4 percent at \$90,000.

Will Today's Workers Have Sufficient Retirement Income?

A Look at Large Companies

A recent study by Hewitt Associates⁹ shows that the typical 401(k) participant is well positioned to replace 85–95 percent of preretirement income when current Social Security and existing profit-sharing and defined benefit plans are taken into account. The study examined the projected preretirement income replacement levels across 62 large employers of the 960,000 employees who were actively participating in their 401(k) plans as of Jan. 1, 2003. In the study, actual defined contribution balances were used, along with actual employee and employer contribution rates, profit-sharing benefits, and projected Social Security and defined benefit income.¹⁰

Figure 5 shows the average baseline replacement ratios for each cell in this sample by age and service levels (younger workers have higher ratios since they have longer to accrue benefits). While there are some cells for employees age 45 and older that have averages below 80 percent, it is important to note that only those retirement income assets covered by the plan maintained by the participants' current employers were considered. Thus employees' benefits from previous employers were not reflected in the study, unless rolled over into the current employer plan. This would result in a potential understatement of retirement income for low-tenure, late-career hires, and should be taken into account when analyzing the results.¹¹

One concern often voiced regarding the private retirement system is that employers will create plans that disproportionately favor highly paid employees. While this may be true to a limited extent through the integrated defined benefit plans taking advantage of the permitted disparity provisions under Sec. 401(l) of the Internal Revenue Code (IRC), or those still electing to utilize the primary insurance account (PIA) offset approach, it is less likely to apply to defined contribution plans, particularly 401(k) plans. Another concern that is often mentioned is that higher-paid individuals exhibit a higher propensity to save and therefore may take advantage of these programs to a much larger extent than their lower-paid counterparts. However, this will tend to be mitigated by limits on elective deferrals imposed by Sec. 402(g) of the IRC, dollar limits imposed on total contributions via Sec. 415(c), and plan-specific constraints that may apply to highly compensated employees via the actual deferral percentage (ADP) and/or actual contribution percentage (ACP) nondiscrimination requirements. Indeed, Holden and VanDerhei¹² show that for any given age and tenure combination, the ratio of account balance to salary varies slightly with salary. For example, among participants in their 20s, the ratio tends to increase slightly with salary for low-to-moderate salary groups. However, at high salary levels the ratio tends to decline somewhat. A similar pattern occurs among participants in their 60s. When combined with Social Security benefits projected under the current statutory provisions, Holden and VanDerhei also show that workers in lower income quartiles are actually likely to produce larger replacement ratios.¹³ Figure 6 shows that when defined benefit, defined contribution, and Social Security are all combined, there appears to be only a minor impact of salary on total replacement ratios. Employees with salaries under \$45,000 have replacement ratios that average 7–16 percentage points less than those making between \$45,000 and \$90,000.

Hewitt analyzed the impact of retiree medical costs on retirement income adequacy by taking into account the projected employee costs that would occur under three typical employer plan designs: high employer subsidy (Figure 7)—an employer plan that covers 75 percent of retiree health claims cost; moderate employer subsidy (Figure 8)—an employer plan that covers 50 percent of such costs, but with the employer subsidy increasing at a rate of 3 percent per year; and retiree-pay-all/access only (Figure 9)—with no employer subsidy. It was assumed that medical inflation would be 15 percent in 2004, decreasing 1 percent per year for 10 years, with an ultimate annual medical inflation rate of 5 percent. Hewitt subtracted retiree medical costs net of subsidies from retirement income levels to determine a “net” replacement income ratio, reflecting the percentage of preretirement income available to meet all needs other than medical.

The overall average replacement ratio for the Hewitt analysis drops from 95 percent under the high medical coverage assumption to 83 percent under the medium assumption and 80 percent under the low medical coverage assumption. This is true for employees retiring at a “normal” retirement age of 65, and who are relying primarily on Medicare for their health care benefits. Employees retiring at an earlier age will experience an even larger financial setback.¹⁴ Unfortunately, this is not likely to be a rare occurrence, as only 31 percent of retirees providing a retirement age to the 2004 Retirement Confidence Survey indicated that they retired at age 65 or later.¹⁵

Another obvious determinant of whether replacement ratios will exceed a threshold value of adequacy is the participant’s eligibility for a defined benefit pension plan. However, this feature has become less likely to be part of an employee’s retirement portfolio, even among large corporations. Between 1975 (when the Employee Retirement Income Security Act, or ERISA, became effective) and 2003, the number of private defined benefit pension plans, as reported by the Pension Benefit Guaranty Corporation (PBGC), declined from more than 100,000 to fewer than 31,000. PBGC has announced many plan terminations thus far in 2004, and several consulting firm surveys have reported a high number of employer decisions to freeze their defined benefit plans so that added benefits are not earned under the plans. These surveys also indicate other actions that close plans to new entrants, change benefit formulas, or otherwise reduce the scope, coverage, and cost of the plans. There has recently been considerable concern that the large-plan market may be susceptible to a number of external changes that threaten to seriously further diminish the number of future retirees who will have private-sector defined benefit promises.¹⁶

The average replacement ratios for the Hewitt sample are significantly greater for those participants fortunate enough to be covered by *both* defined benefit pension and defined contribution retirement plans. Participants in both programs are projected to replace an average of 108 percent of their income, while participants in defined contribution plans exclusively are projected to replace an average of 80 percent. However, it is important to note that a significant portion of this differential is due to demographic characteristics. For example, Steinberg and Lucas note that the average pay for the former group is \$74,000 a year, compared with \$55,000 for the latter group; however, the differentials remain after categorizing employees into low-, medium-, and high-paid groups.¹⁷

As mentioned previously, another important demographic in any type of analysis that does not take outside assets into account is the tenure with the current employer.¹⁸ Figure 10 shows replacement ratios by age and tenure for participants in *both* defined benefit and defined contribution plans, while Figure 11 provides the same information for those *only* in defined contribution plans. Focusing on participants with 30 or more years of tenure allows one to minimize the impact of other assets that may have been rolled over into an IRA or left with a previous employer. Comparing the line in the top right hand corner for these two figures shows that the inclusion of a defined benefit plan increases average replacement ratios between 21 percent and 24 percent.

Alternative Measures of Income Adequacy

While the techniques reviewed in this article appear to be the most common approach to targeting retirement income needs, there have been recent attempts to conceptually redefine retirement income adequacy.¹⁹ Moreover, there have been a number of academic and government studies in the last few years that have attempted to introduce additional complexities into the modeling efforts and to evaluate how certain portions of the preretirement population fare against these thresholds.²⁰

EBRI has recently completed a simulation model (the EBRI/ERF Retirement Projection Security Model) that projects defined benefit accruals, defined contribution, cash balance, and individual retirement account (IRA) balances, Social Security income, and net housing equity for Americans born between 1936 and 1965, inclusive. At retirement age, the model simulates 1,000 alternative life paths for each family unit to assess whether the retirement accumulations will be sufficient to pay both basic (deterministic) and health-related (stochastic) expenditures for the simulated life-path or whether additional outside savings would be required to prevent deficits in retirement. The relative advantages and limitations of each of these approaches will be explored in detail in the second of this two-part *EBRI Notes* article.

Endnotes

- ¹ Craig Copeland, Jack L. VanDerhei and Dallas L. Salisbury, "Social Security Reform: Evaluating Current Proposals: Latest Results of the EBRI-SSASIM2 Policy Simulation Model" *EBRI Issue Brief* no. 210 (Employee Benefit Research Institute, June 1999).
- ² Everett T. Allen, Jr., Joseph J. Melone, Jerry S. Rosenbloom and Jack L. VanDerhei, *Pension Planning: Pensions, Profit Sharing, and Other Deferred Compensation Plans, 8th ed.* (Homewood, IL: Richard D. Irwin, Inc., 1997), p. 40.
- ³ A 1981 Report of the President's Commission on Pension Policy determined that 75–80 percent of preretirement income has to be replaced on an annual basis in retirement.
- ⁴ Susan Alford, D. Bryan Farnen, and Mike Schachet, "Light At The End Of The Tunnel: Getting On Track for Affordable Retirement," *Benefits Quarterly* (4th Quarter, 2004).
- ⁵ The exception to this general rule involves variable annuities in which the number of units paid per month to the retiree remains constant for the duration of their lifetime; however, the price of a unit will fluctuate according to the underlying market value of the portfolio selected.
- ⁶ It is important to note that this type of assumption implies that employees would outlive this portion of their retirement income roughly 50 percent of the time. Another way of dealing with this issue is to provide stochastic simulations of the longevity risk. This concept is explained in more detail in the second part of this series.
- ⁷ For simplicity, it is assumed that the workers' life expectancy is used. For the stylized example illustrated, some type of joint-and-survivor contingency may be desired.
- ⁸ Paul Fronstin and Dallas Salisbury, "Health Care Expenses in Retirement and the Use of Health Savings Accounts." *EBRI Issue Brief* no. 271 (Employee Benefit Research Institute, July 2004).
- ⁹ Allen Steinberg and Lori Lucas, "Shifting Responsibility: The Future of Retirement Adequacy In America," *Benefits Quarterly*, 4th Quarter, 2004.
- ¹⁰ The analysis started with the actual defined contribution account balances, as of Jan. 1, 2003, for each of the 960,000 employees in Hewitt's database. These balances were 1) increased by 18 percent to reflect market returns for calendar year 2003; and 2) then projected to retirement age assuming a 7 percent annual rate of return. These account balances were then converted to a single life annuity amount at retirement age, with an annual rate of return of 6 percent. The defined benefit amount that would be provided at retirement under the current defined benefit plan—if any—maintained by the employer was also included in the projection. Forty-four of the 62 companies (71 percent) sponsored an ongoing defined benefit plan.
- ¹¹ For an example of the impact of this on the 401(k) universe, see Sarah Holden and Jack L. VanDerhei, "401(k) Plan Asset Allocation, Account Balances, and Loan Activity in 2003," *EBRI Issue Brief* no. 272 (Employee Benefit Research Institute, August 2004) and *ICI Perspective* (Investment Company Institute, August 2004).
- ¹² Ibid.
- ¹³ Sarah Holden and Jack L. VanDerhei, "Can 401(k) Accumulations Generate Significant Income for Future Retirees?" *EBRI Issue Brief* no. 251 (Employee Benefit Research Institute, November 2002) and *ICI Perspective* (Investment Company Institute, November 2002).
- ¹⁴ Paul Fronstin and Dallas Salisbury, "Retiree Health Benefits: Savings Needed to Fund Health Care in Retirement," *EBRI Issue Brief* no. 254 (Employee Benefit Research Institute, February 2003).
- ¹⁵ Ruth Helman and Variny Paladino, "Will Americans Ever Become Savers? The 14th Retirement Confidence Survey, 2004," *EBRI Issue Brief* no. 268 (Employee Benefit Research Institute, April 2004).
- ¹⁶ For more detail, see Jack L. VanDerhei and Craig Copeland, "ERISA At 30: The Decline of Private-Sector Defined Benefit Promises and Annuity Payments? What Will It Mean?" *EBRI Issue Brief* no. 269 (Employee Benefit Research Institute, May 2004).
- ¹⁷ Steinberg and Lucas, op. cit.
- ¹⁸ The Hewitt study finds that that DC-only employers reflect a work force with far less tenure—63 percent of the employees at DC-only companies have less than 10 years of service, and 80 percent have less than 15 years of

service. In contrast, in the DB+DC group, 50 percent of employees have fewer than 10 years of service and 64 percent have fewer than 15 years of service.

¹⁹ Sylvester J. Schieber, “Conceptual and Measurement Problems in Contemporary Measures of Income Needs in Retirement,” *Benefits Quarterly*, Vol. 12, no. 2 (Second Quarter 1996): 56–68; and Sylvester J. Schieber, “Deriving Preretirement Income Replacement Rate Targets and the Savings Rates Needed to Meet Them,” *Benefits Quarterly*, Vol. 14, no. 2 (Second Quarter 1998): 53–69.

²⁰ Robert Shackleton, *Baby Boomers’ Retirement Prospects: An Overview* (Washington, DC: Congressional Budget Office, 2003).

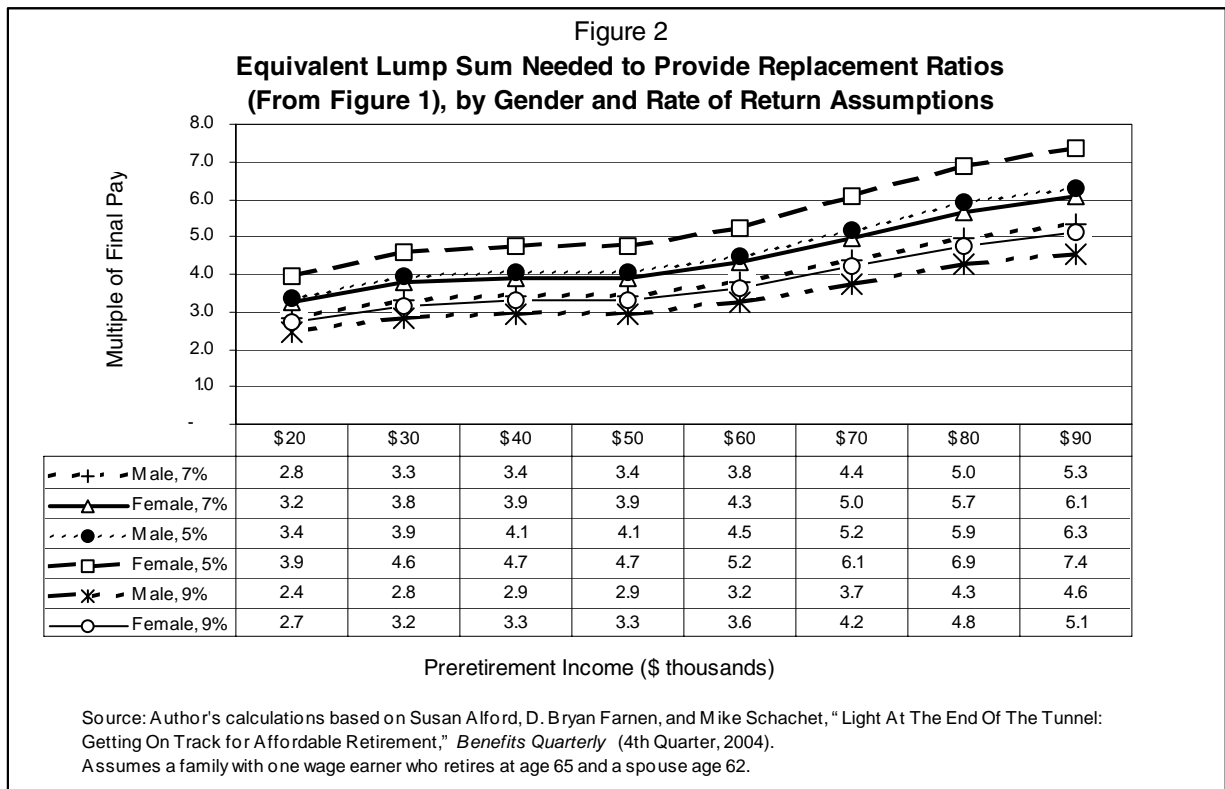
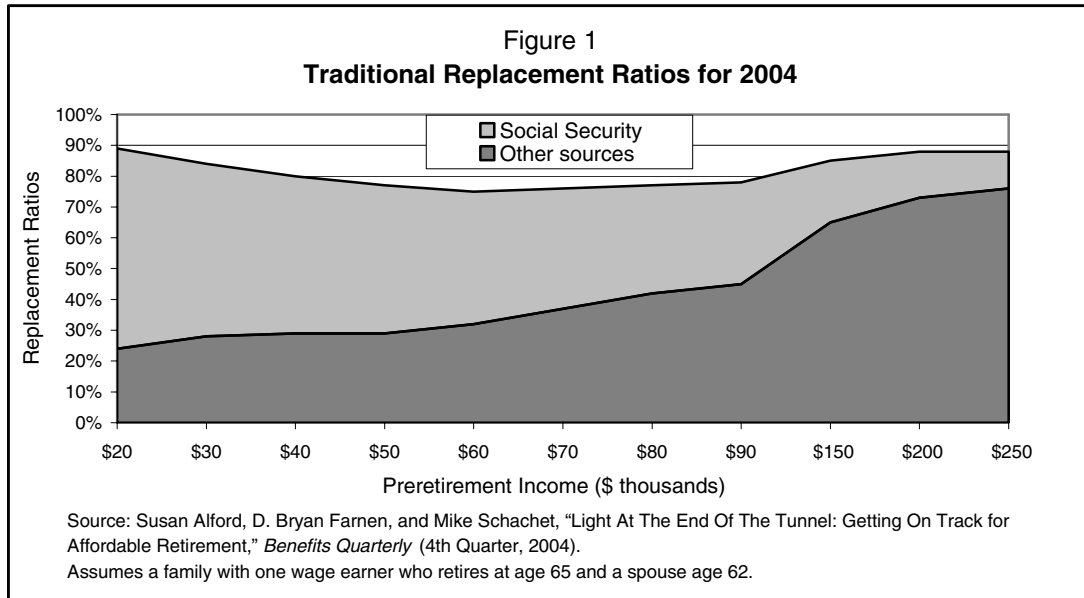
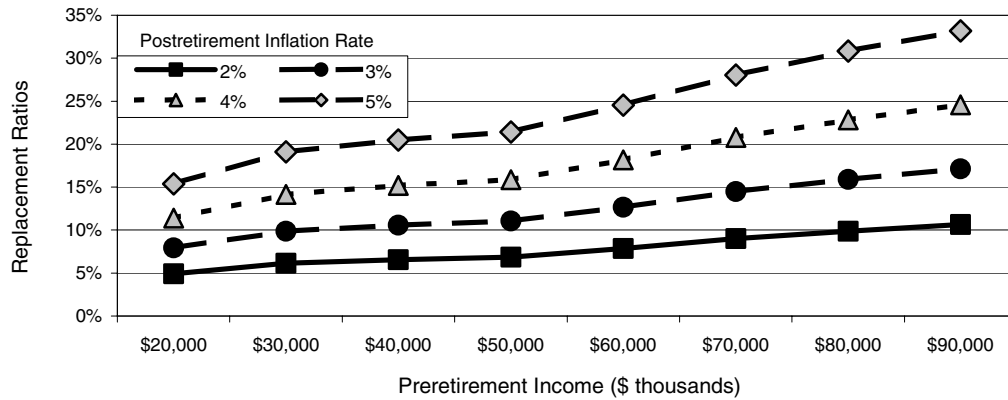
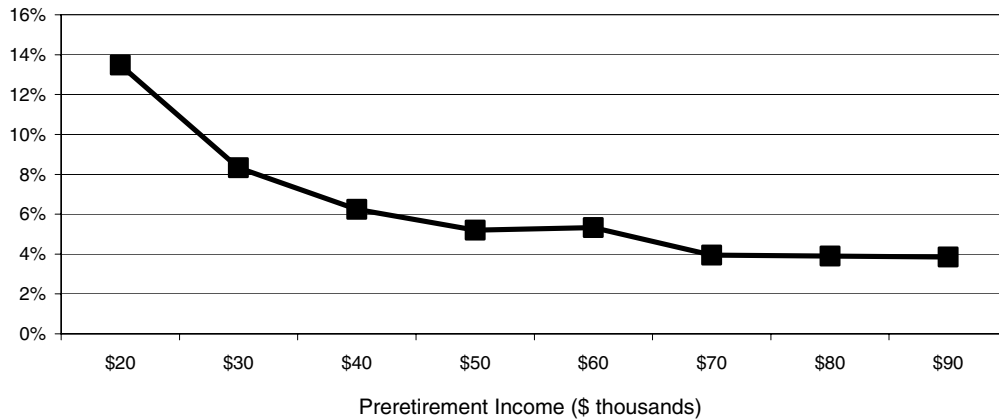


Figure 3
Percentage Increase in Traditional Replacement Ratios Required to Account for Postretirement Inflation, by Preretirement Income

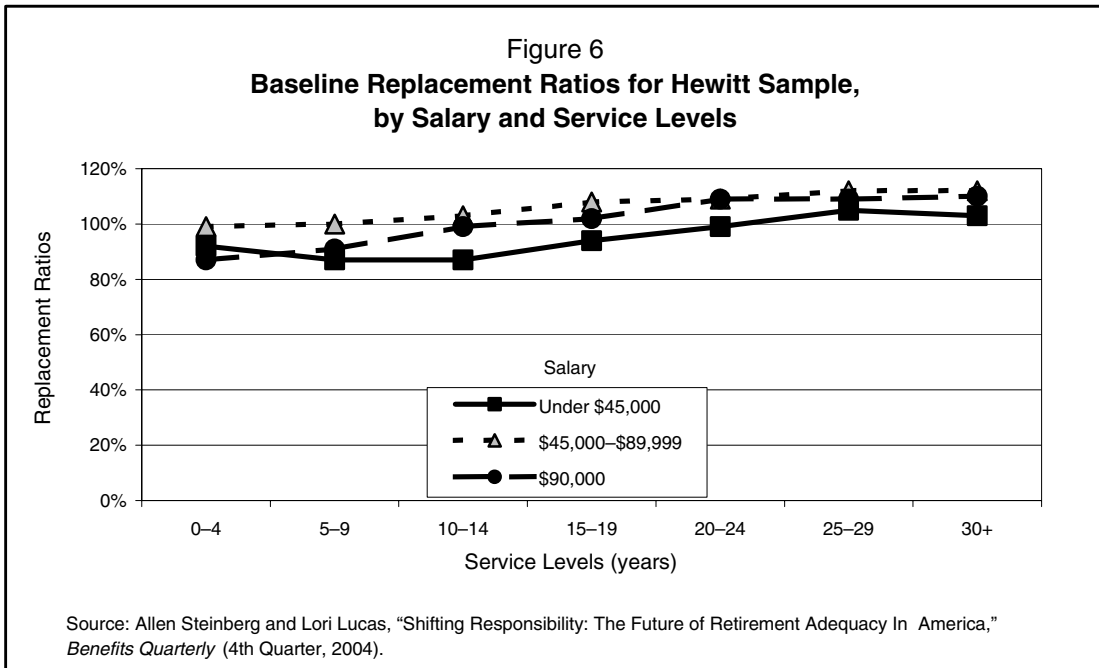
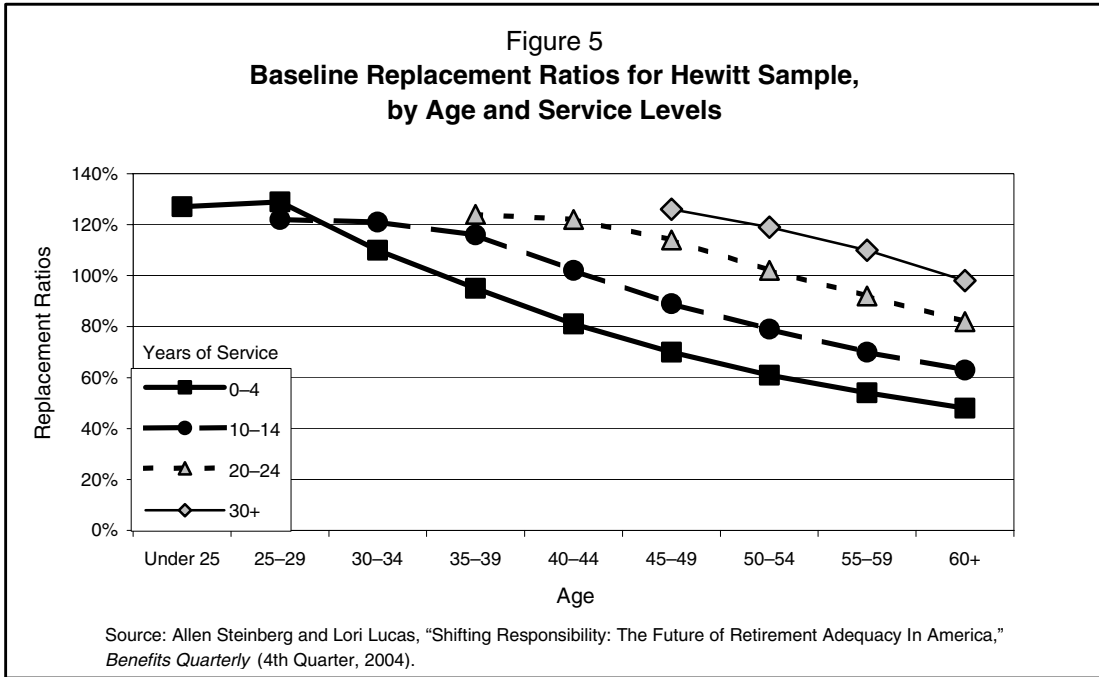


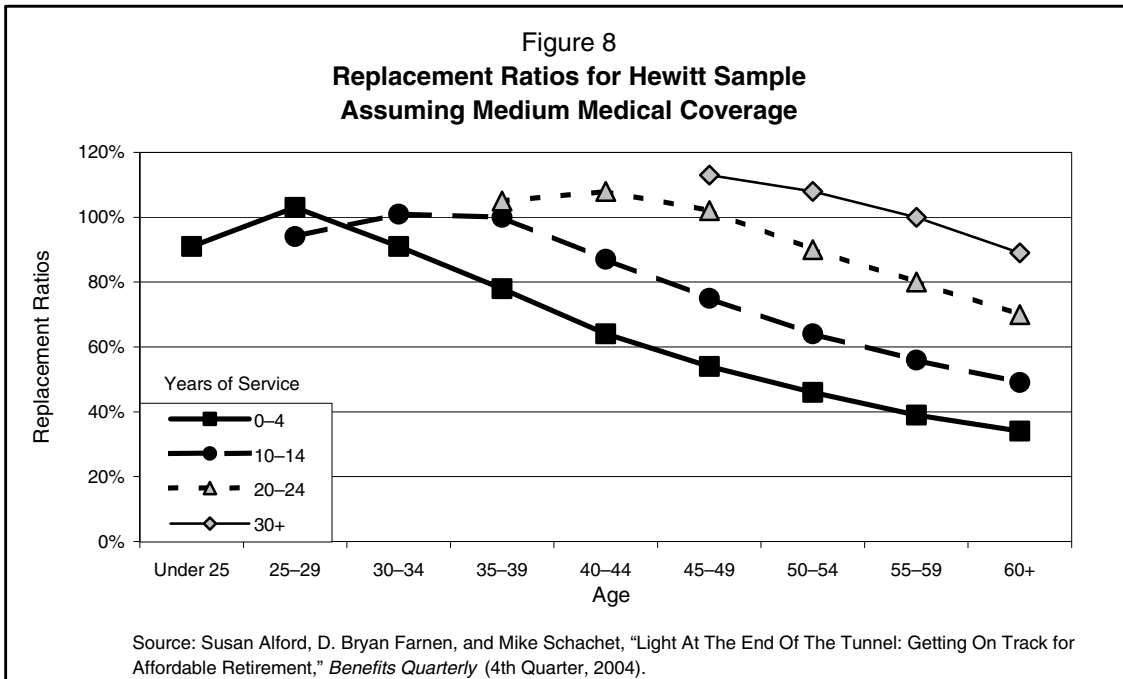
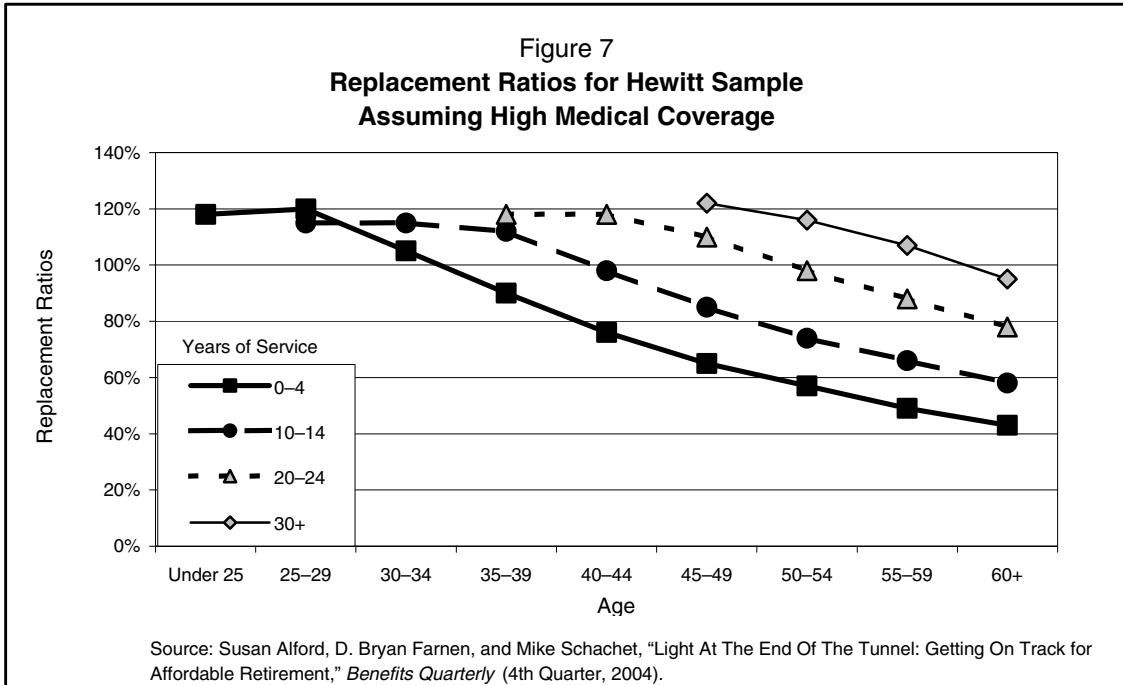
Source: Allen Steinberg and Lori Lucas, "Shifting Responsibility: The Future of Retirement Adequacy In America," *Benefits Quarterly* (4th Quarter, 2004).
 Assumes a family situation with one wage earner who retires at age 65 and a spouse age 62.

Figure 4
Increase in Traditional Replacement Ratios to Reflect Postretirement Changes in Medical Benefits



Source: Allen Steinberg and Lori Lucas, "Shifting Responsibility: The Future of Retirement Adequacy In America," *Benefits Quarterly* (4th Quarter, 2004).
 Assumes a family situation with one wage earner who retires at age 65 and a spouse age 62, and that the cost for an average Social Security supplemental benefit and the cost of the Medicare Part B premium equals \$3,550 annually per person.





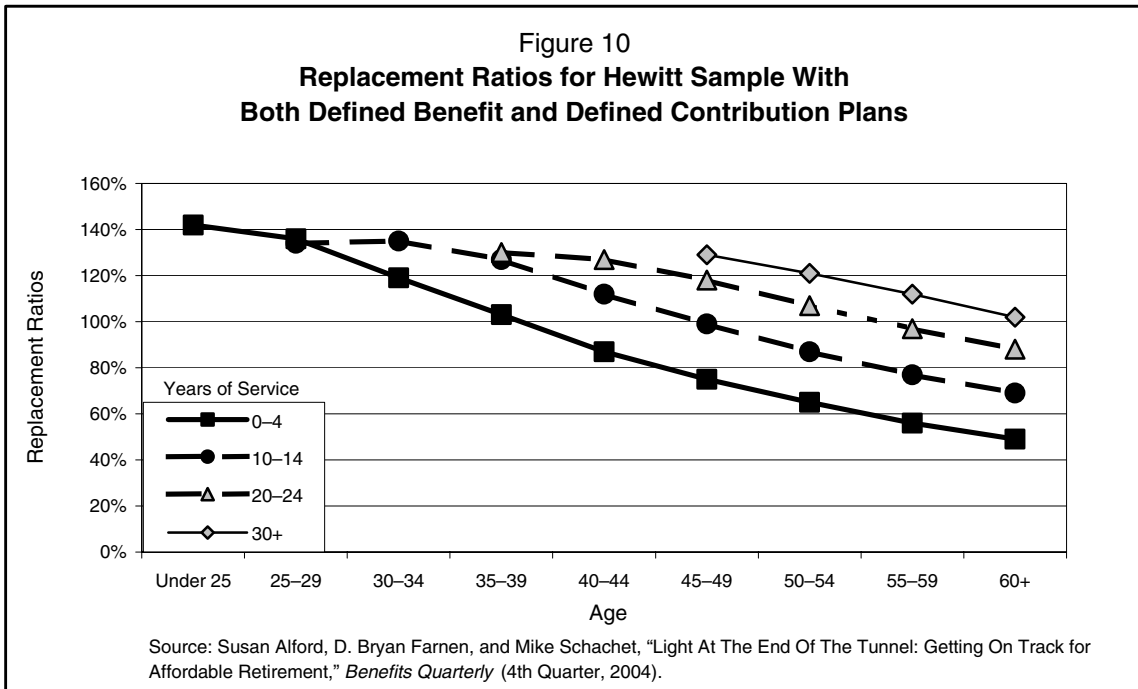
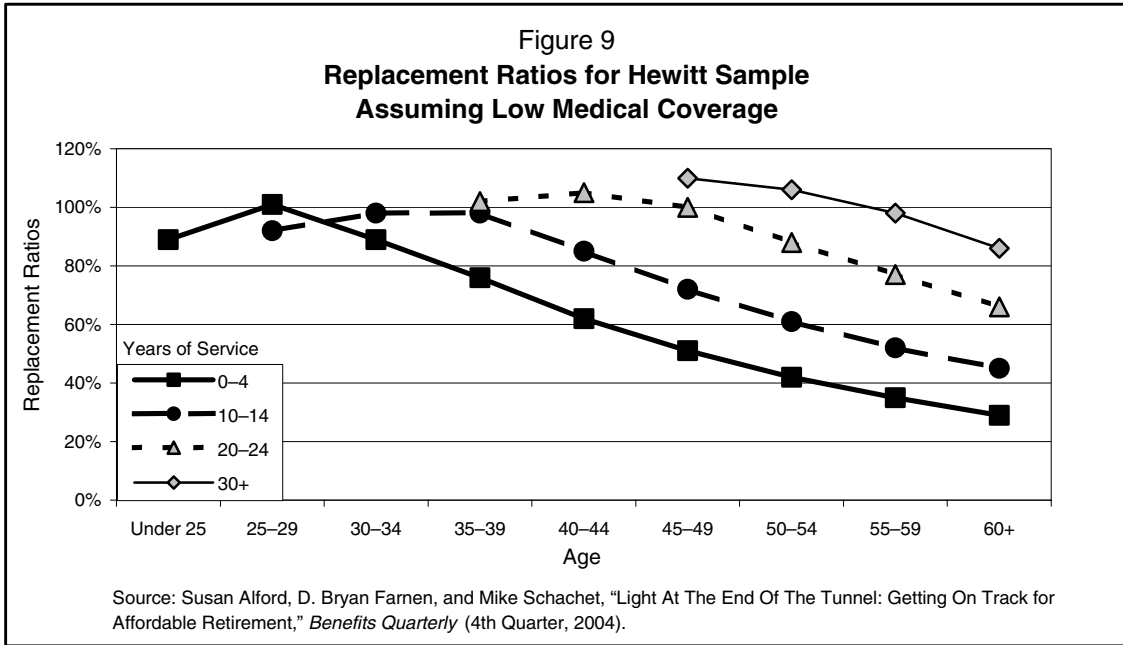
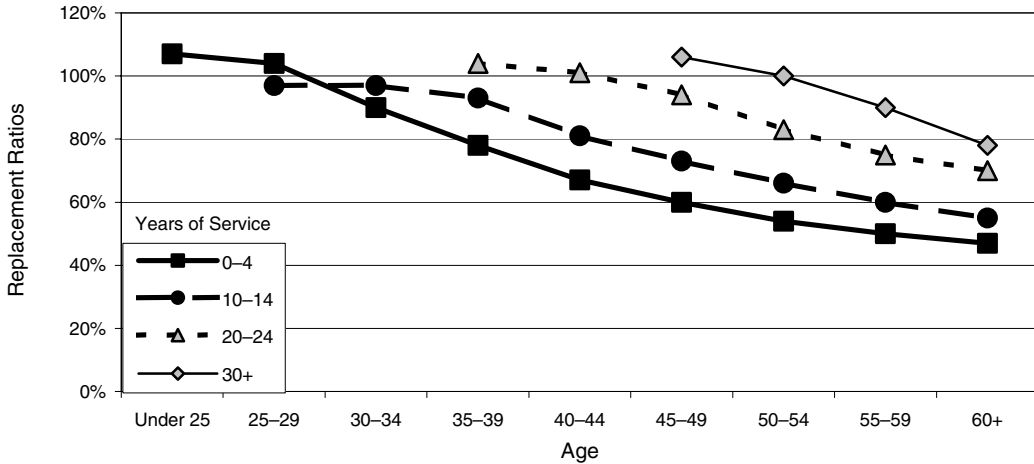


Figure 11
**Replacement Ratios for Hewitt Sample,
 With Defined Contribution Plans Only**



Source: Susan Alford, D. Bryan Farnen, and Mike Schachet, "Light At The End Of The Tunnel: Getting On Track for Affordable Retirement," *Benefits Quarterly* (4th Quarter, 2004).

FACTS from EBRI

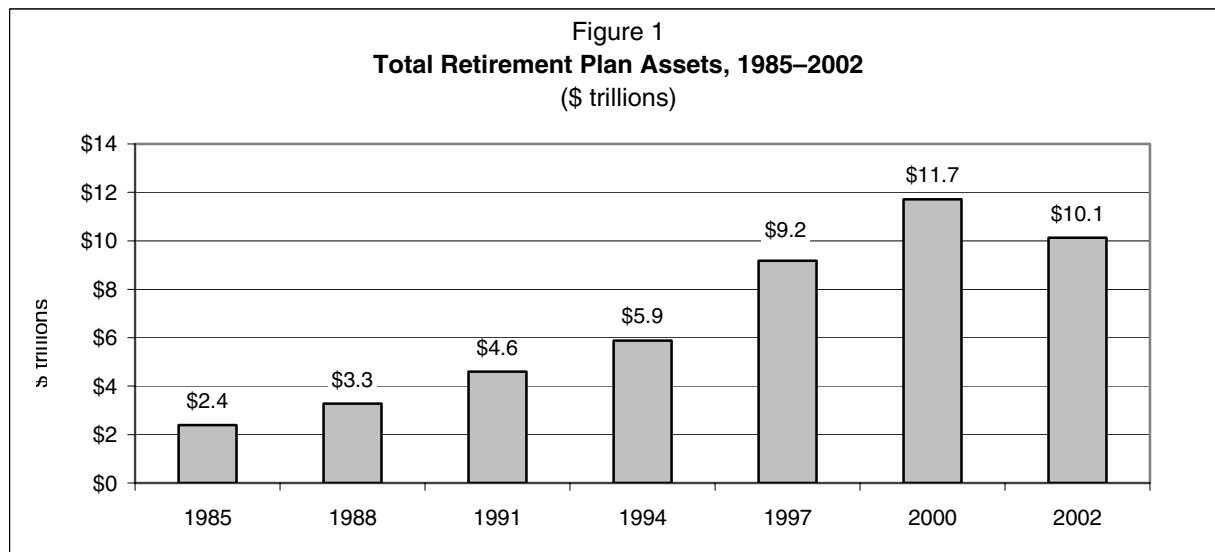
Employee Benefit Research Institute ■ 2121 K Street, NW, Suite 600 ■ Washington, DC ■ 20037

September 2004

Assets in Qualified Retirement Plans, 1985–2002: Revised

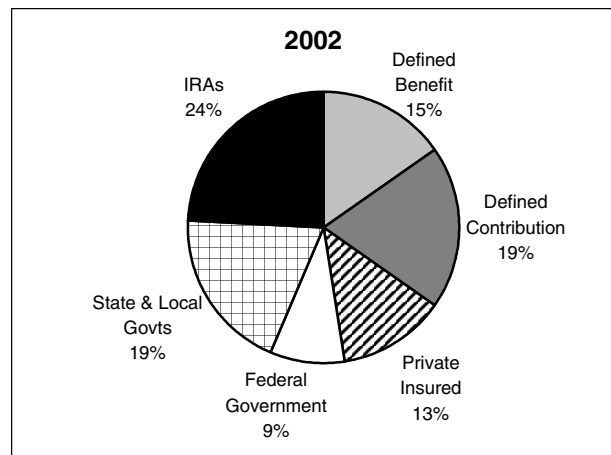
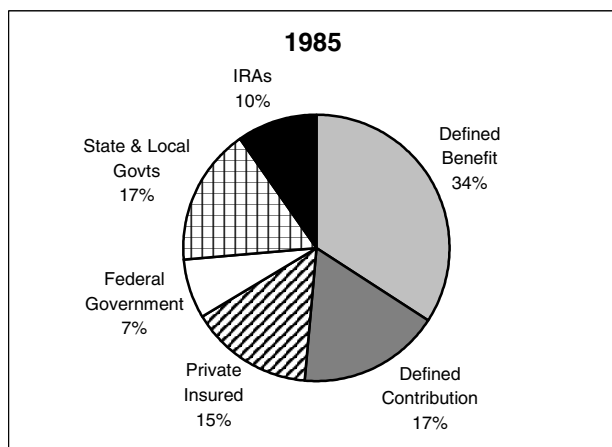
(This Fact Sheet updates previous year-end 2002 data with new information released by the Federal Reserve in June 2004.)

- As of year-end 2002, total assets in qualified U.S. retirement income plans was \$10.129 trillion. This is down 13.5 percent from \$11.711 trillion at year-end 2000 (Figure 1).



- As of year-end 2002, assets held in individual retirement accounts (IRAs) were the largest component of total retirement assets in the United States. IRAs accounted for \$2.445 trillion or 24.1 percent of total retirement plan assets. This is a significant increase from 1985, when IRAs accounted for 10 percent of total retirement plan assets (Figure 2).

Figure 2
Retirement Plan Assets, 1985 and 2002



- Private trustee defined benefit plans have experienced a significant decline as a percentage of assets in the U.S. retirement income system. In 1985, private trustee defined benefit plans accounted for 34.0 percent of all retirement plan assets; by 2002, that percentage had declined to 15.2 percent (Figure 3).

Figure 3
Total Retirement Plan Assets in the United States: 1985–2002
(\$ in billions)

	Total	Private Trustee		Private Insured	Federal Government Retirement	State and Local Government	IRA & Keogh
		Defined Benefit	Defined Contribution				
1985	\$ 2,392	\$ 814	\$ 417	\$ 355	\$172	\$ 399	\$ 235
1988	3,285	883	549	525	268	609	451
1991	4,594	1,048	829	691	382	868	776
1994	5,883	1,276	1,158	794	512	1,088	1,056
1997	9,181	1,747	1,943	1,288	659	1,817	1,728
2000	11,711	1,958	2,465	1,571	799	2,290	2,629
2002	10,129	1,542	1,971	1,310	897	1,964	2,445

For more information, contact EBRI at (202) 659-0670, or see EBRI's Web site at www.ebri.org.
Source: *EBRI Pension Investment Report: First Quarter 2003*, and Federal Reserve Board, *Flow of Funds Accounts: First Quarter 2004*.

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■ New Publications and Internet Sites

Compensation

Watson Wyatt Worldwide. *2003/2004 Survey of Strategic Rewards and Pay Practices: Maximizing the Return on Your Reward Investment*. \$45. Watson Wyatt Worldwide, 1717 H St., NW, Suite 800, Washington, DC 20006, (202) 715-7000.

Employee Benefits

Mercer Human Resource Consulting. *Survey of Employers' Time-Off and Disability Programs 2003*. \$250. Mercer Human Resource Consulting, 1166 Ave. of the Americas, 28th Fl., New York, NY 10036, (212) 345-2451.

Health Care

Collins, Sara R., et al. *Job-Based Health Insurance in the Balance: Employer Views of Coverage in the Workplace*. Free. The Commonwealth Fund, One E. 75th St., New York, NY 10021-2692, (888) 777-2744, www.cmf.org.

Human Resource Management

The Conference Board. *HR Outsourcing: Benefits, Challenges, and Trends*. \$140; Conference Board associates, \$35. The Conference Board, 845 Third Ave., New York, NY 10022, (212) 339-0345.

Towers Perrin. *Is It Time to Take the "Spin" Out of Employee Communication?* Free. Towers Perrin, 100 Summit Lake Dr., Valhalla, NY 10595, (800) 525-6741, fax: (914) 745-4199, www.towersperrin.com.

HR Issues & HR Outsourcing Sites

American Payroll Association
www.americanpayroll.org/

American Society for Training & Development

www.astd.org/

American Staffing Association

www.staffingtoday.net/

Employee Relocation Council

www.erc.org/

Human Resources Outsourcing Association

www.hroassociation.org/

HRO Today Magazine Online

www.hrotoday.com/

Outsourcing Institute

www.outsourcing.com/

Society for Human Resource Management

www.shrm.org/

U.S. Department of Labor

www.dol.gov/

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Who we are

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