

457 Plans Continue to Grow, p. 1

National Health Expenditures Slow, p. 4

EBRI in Focus, p. 6

New Publications, p. 7

EBRI
EMPLOYEE
BENEFIT
RESEARCH
INSTITUTE®

Notes

Growth in State and Local 457 Plan Popularity Continues Through 1995

Introduction

Fifty state and 58 local government 457 plans had assets totaling over \$28.5 billion in 1995, according to the National Association of Government Deferred Compensation Administrators' (NAGDCA) most recent semi-annual, voluntary survey of state and local 457 plan sponsors. The majority of 457 plans were established in the 1970s, and these plans currently provide retirement benefits to a number of state and local government employees in all 50 states.¹ This discussion provides an overview of recent major legislative changes in 457 plans, compares 457 plans to 401(k) plans, and analyzes the results of NAGDCA's *Survey of 457 Plans* for 1993 and 1995.

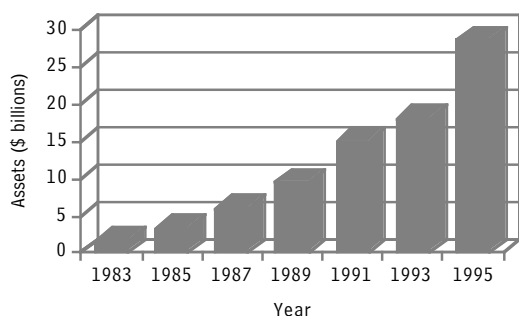
Recent Legislation and Policy Initiatives

To protect the assets of 457 plan participants against the claims of the plan sponsor's creditors in the event of bankruptcy or hardship, sec. 1448 of the Small Business Job Protection Act of 1996 requires all amounts deferred under a sec. 457 plan maintained by a state or local government employer to be held in

a trust (or custodial account or annuity contract) for the exclusive benefit of the employees. Contributions and investment earnings for such trusts are tax exempt until distribution. Newly created plans must immediately comply with this requirement, but existing plans have until 1999 to comply. No doubt (in part) intended to preclude pension losses like those experienced by Orange County's 457 plan participants (discussed later), this legislation accords the same type of trust protection to 457 plan assets as currently exists for assets in other qualified pension plans such as 401(k) plans. Another portion of the Small Business Job Protection Act provides for cost-of-living index adjustments to the 457 plan maximum contribution level of \$7,500 annually, in accord with the requirements of Internal Revenue Code sec. 415(d).

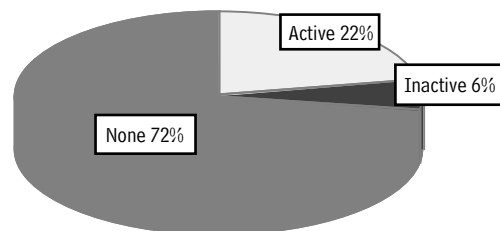
Legislative interest in 457 plans is relatively new, compared with interest in 401(k) plan legislation. (For example, the maximum elective contribution amount for 401(k) plans, \$9,500, has been indexed since passage of the Tax Reform Act of 1986.) Possible reasons for this lack of legislative interest are that 457 plans are a relatively small market; they are sponsored by state and local employers not subject to the requirements of the Employee Retirement Income Security Act of 1974; and they tend to be offered as supplemental, not primary, plans. Nevertheless, no doubt in part because of the press received by

Chart 1
GROWTH IN 457 ASSETS, 1983-1995



Source: National Association of Government Deferred Compensation Administrators, *1995 Survey of 457 Plans* (Lexington, KY: National Association of Government Deferred Compensation Administrators, 1996).

Chart 2
457 PLAN PARTICIPATION, AS A PERCENTAGE OF ELIGIBLE WORKERS, 1995



Source: National Association of Government Deferred Compensation Administrators, *1995 Survey of 457 Plans* (Lexington, KY: National Association of Government Deferred Compensation Administrators, 1996).

Orange County's 457 plan participants and because of the 1990 Omnibus Budget Reconciliation Act's effects on promoting the use of 457 plans for state and local employees,² it is clear that policymakers are realizing the importance that 457 plans may play in retirement income and are taking initiatives to improve this growing retirement savings vehicle.

Comparison with 401(k) Plans

As voluntary deferred compensation plans, or cash or deferred arrangements (CODAs), both 457 and 401(k) plans allow participants to defer taxation on salary contributions and investment returns until receipt of retirement benefits. In addition, 457 plans resemble 401(k) plans in that participants in both plan types are allowed to invest up to a certain percentage of their income in the plan, choosing among a number of investment options for asset allocation. Given these choices, many participants tend to defer less than the maximum rates allowed.³

Despite similarities, 457 plans differ from 401(k) plans in important ways. Perhaps most distinguishing is that, until the recent passage of the Small Business Job Protection Act, 457 plan assets were not accorded protected employee trust accounts

like 401(k) plan assets, and as a result were considered unfunded. Essentially, although employees are the sole contributors to 457 plans because of the lack of an employer match, plan assets were technically owned by plan sponsors and commingled with sponsor accounts, thereby subject to use by the plan sponsors as well as to liability claims against these sponsors.

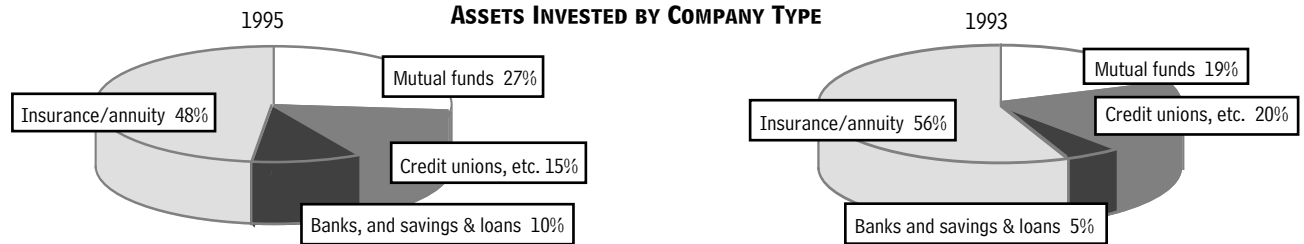
Several differences between 457 and 401(k) plans persist. As mentioned, unlike 401(k) plans, 457 plans do not offer an employer match. In addition, 457 plans are nonqualified plans available only to state and local government employees as well as to certain highly compensated employees of tax-exempt nongovernment organizations. In contrast, 401(k) plans are qualified plans that may cover workers in other sectors of the economy.⁴ Also, most 401(k) plans offered are primary, while most 457 plans offered are supplemental.⁵ Distribution features also differ in that, although 457 plan regulations vary by state, most 457 distributions are made in the form of annuities, whereas most 401(k) plan benefits are distributed in lump sums. Finally, the maximum annual contribution to 401(k) plans is \$2,000 higher than 457 plans' \$7,500 limit in 1996.

Orange County

Despite some drawbacks to 457 plans, such as lower contribution limits; no employer match; and, until recently, no separate employee trusts; NAGDCA's data from its first 457 state and local plan sponsor survey in 1983 through its latest survey in 1995 show that 457 plans have gained popularity over the years, growing in total assets (chart 1) as well as rates of sponsorship and participation. However, because of Orange County's well-publicized experience, some expected a decrease in the growth of 457 plan assets, participation rates, and contribution rates in 1995.

In December 1994, Orange County, CA, declared the largest municipal bankruptcy in history after losing more than \$2 billion in its general investment fund. Orange County supervisors, faced with a resultant \$127 million budget shortfall, voted to reduce sec. 457 plan bookkeeping accounts for all participants by 10 percent. Although these account balances in Orange County's sec. 457 plan came from employee salary reduction, the nature of 457 plans at that time was such that plan accounts were managed by the county and were technically county property. The county supervisors' decision to arbitrarily reduce employee obliga-

Chart 3
ASSETS INVESTED BY COMPANY TYPE



Source: National Association of Government Deferred Compensation Administrators, *1995 Survey of 457 Plans* and *1993 Survey of 457 Plans* (Lexington, KY: National Association of Government Deferred Compensation Administrators, 1996 and 1994).

tions by 10 percent no doubt played a part in most Orange County sec. 457 plan participants' decision to cease further contributions and in the Orange County Employee Association's lawsuit for \$10.4 million against the county. Nationwide, speculation emerged as to whether sec. 457 plan participants and beneficiaries in other states and municipalities were at risk of a similar fate and whether this risk would translate into a decline in size, participation, and contribution levels among 457 plans across the United States. However, data from NAGDCA's 1993 and 1995 *Survey of 457 Plans* do not support these expectations.

Participation Rates and Average Contributions⁶

In 1995, the year after Orange County's bankruptcy, the 457 plan participation rate among eligible workers grew by 4 percent, with a total of 22 percent of eligible workers making active deferrals and 6 percent maintaining inactive accounts (chart 2). In 1993, overall active participation in 457 plans among eligible workers averaged 18 percent, with 5 percent of eligible workers maintaining inactive accounts.

Participation rates vary significantly from state to state and among localities. In 1995, state participation rates among eligible workers ranged from 3 percent to 94 percent,

and local rates ranged from 1 percent to 49 percent. Similarly, in 1993, active state participation rates ranged from 4 percent to 61 percent of those eligible, and active local rates ranged from 0.5 percent to 100 percent of eligible workers.

Average contribution amounts also vary significantly among plans. The average contribution in 1995 rose to \$2,842, with a range from \$764 to \$5,500. In 1993, the average was \$2,220, with a range of \$116 to \$5,000. These data indicate that reported 457 plan participation and contributions grew in 1995, despite fears about Orange County's possible implications for other state and municipal 457 plans.

Availability of Other Plans

In 1995, 70 percent of responding state and local governmental 457 plan sponsors offered a defined benefit retirement plan to 457 participants, compared with 65 in 1993. Also in 1995, 18 percent of participating state and local 457 plan sponsors also offered a defined contribution plan, 32 percent offered a 403(b) plan, 22 percent offered a 401(k) plan, and only 6 percent offered no other retirement plan to 457 plan participants. By comparison, in 1993, 19 percent of responding sponsors offered a defined contribution plan; 43 percent offered a 403(b) retirement plan; and 23 percent reported the availability of a 401(k) plan to 457 plan partici-

pants. Fewer than 18 percent of state and local governments offered 457 plans as their sole retirement benefit option in 1993.

Asset Growth and Management

Reported 457 plan assets grew from 1993 to 1995. In the *1995 Survey of 457 Plans*, all 50 states and 56 local governments responded, with a total of over \$28.5 billion in plan assets. The *1993 Survey of 457 Plan Sponsors* included 41 state and 38 local government plans, holding almost \$18 billion in total assets.

Asset management choices show a trend toward decreasing investment in insurance and annuity companies juxtaposed to an increasing proportion of asset allocation into mutual funds (chart 3). Insurance and annuity companies accounted for 62 percent of 457 plan asset allocations in 1991, 56 percent in 1993, and 48 percent in 1995. Mutual fund investments from 457 plan assets grew from 11 percent in 1991, to 19 percent in 1993, to 27 percent in 1995. From 1993 to 1995, credit union investments decreased by 5 percent, while bank and savings and loan investments increased by 5 percent.

Endnotes

¹ Certain highly compensated employees of nongovernment tax-exempt organizations are also eligible for 457 plans. However, no aggregate data are available on them, and therefore this discussion focuses solely on

457 plans sponsored by state and local governments.

² The Omnibus Budget Reconciliation Act of 1990 requires states and local governments to pay a FICA tax to provide Social Security for those employees not covered by a retirement plan. The Treasury Department included 457 plans as a retirement plan option. In 1991, a National Association of Government Deferred Compensation Administrators' survey of 55 state and local governments found that 24 percent were offering a 457 plan instead of paying a FICA tax.

³ Paul Yakoboski and Jack VanDerhei, "Contribution Rates and Plan Features: An Analysis of Large 401(k) Plan Data," EBRI Issue Brief no.176 (Employee Benefit Research Institute, August 1996).

⁴ The Small Business Job Protection Act of 1996, recently signed into law, allows nonprofit organizations to sponsor new 401(k) plans. The Tax Reform Act of 1986 prohibited state and local government and private nonprofit employers from sponsoring new 401(k) plans, allowing 401(k) plans already established by these employers to continue through a "grandfather" clause.

⁵ Emily S. Andrews, "The Growth and Distribution of 401(k) Plans" in John A. Turner and Daniel J. Beller, eds., *Trends in Pensions* (Washington, DC: Government Printing Office, 1992).

⁶ All quantitative data in this article were obtained from the National Association of Government Deferred Compensation Administrators' Survey of 457 Plans for 1993 and 1995 (Lexington, KY: National Association of Government Deferred Compensation Administrators, 1994, 1996).

—Kelly Olsen, EBRI

National Health Expenditure Growth Rate Decelerates in 1994

Introduction

In 1994, national health expenditures (NHE) climbed from \$892.3 billion to \$949.4 billion, or 13.7 percent of gross domestic product (GDP), according to data recently released by the Health Care Financing Administration (HCFA) (table 1). This amounts to a 6.4 percent increase in aggregate spending and a 4.0 percent increase in real NHE over 1993. The 6.4 percent growth in aggregate spending is the slowest growth rate in more than three decades (chart 4), while the 4.0 percent increase in real NHE matches the slowest real growth rates for health care spending recorded in the past 30 years (chart 4).

Expenditure Differentials

Public expenditures in 1994 increased from 43.4 percent of total NHE to 44.3 percent, the highest level ever recorded. This shift in share resulted from greater Medicare and Medicaid spending increases relative to spending increases in private health insurance. In 1994, Medicare spending amounted to \$166.1 billion, an increase of 11.8 percent over the \$148.6 billion spent in 1993 (table 1). Federal and state Medicaid spending amounted to

\$122.9 billion in 1994, reflecting a 7.7 percent increase over the \$114.1 billion spent in 1993 (table 1). Meanwhile, private health insurance premiums in 1994 totaled \$313.3 billion, reflecting a 5.7 percent increase from the \$296.5 billion of 1993 (table 1).

Benefits Differentials

Aggregate NHE figures for 1994 indicate significant differential growth between Medicare and private health insurance benefits. (Benefits are listed as total health care expenditures for each payer, minus all administrative costs, out-of-pocket deductibles, and copayments made by enrollees.) Medicare benefits increased 11.8 percent, while private health insurance benefits increased by 4.0 percent. However, the disparity in Medicare and private health insurance benefits diminishes when the growth rates are adjusted in light of the following factors: enrollment growth, differential coverage, and, in the case of Medicare, the effects of the Medicare volume performance standard (MVPS).¹

Of the aggregate increase in Medicare benefits between 1993 and 1994, enrollment growth accounted for 13 percent. Services not traditionally covered by private insurance accounted for another 29 percent. Lastly, MVPS bonuses for 1992 and the 1994 penalty to be imposed in 1996 accounted for 10 percent of the Medicare benefits increase. Adjusting for these three factors, which

Table 1
NATIONAL HEALTH EXPENDITURES BY SOURCE OF FUNDS AND PERCENTAGE COMPOSITION OF TOTAL EXPENDITURE BY SOURCE, SELECTED YEARS, 1960-1994

Source of Funds	1960	1980	1990	1992	1993	1994	1960	1980	1990	1992	1993	1994
	(\$ billions)						(as a percentage of total national health expenditures)					
Total Health Expenditures	\$26.9	\$247.2	\$697.5	\$833.6	\$892.3	\$949.4	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Private	20.2	142.5	413.1	477.0	505.1	528.6	75.1	57.6	59.2	57.2	56.6	55.7
consumer	18.9	130.3	380.8	441.0	465.8	488.1	70.3	52.7	54.6	52.9	52.2	51.4
direct payments	13.1	60.3	148.4	164.4	169.4	174.9	48.7	24.4	21.3	19.7	19.0	18.4
private insurance	5.9	69.7	232.4	276.6	296.5	313.3	21.9	28.2	33.3	33.1	33.2	33.0
other private	1.3	12.5	32.3	36.0	39.2	40.4	4.8	5.1	4.6	4.3	4.4	4.3
Government	6.6	104.8	284.3	356.5	387.2	420.8	24.5	42.4	40.8	43.8	43.4	44.3
federal	2.9	72.0	195.8	254.8	278.5	303.6	10.8	29.1	28.1	30.6	31.2	32.0
state and local	3.7	32.8	88.5	101.8	108.6	117.2	13.8	13.3	12.7	12.2	12.2	12.3
Personal expenditures ^a	23.6	217.0	614.7	739.8	786.5	831.7	87.7	87.8	88.1	88.7	88.1	87.6
Medicare ^b	d	36.4	109.6	135.9	148.6	166.1	d	14.7	15.7	16.3	16.7	17.5
Medicaid ^c	d	24.8	71.7	102.5	114.1	122.9	d	10.0	10.3	12.3	12.8	12.9
Total Health Expenditures as Percentage of Gross Domestic Product							5.1%	8.9%	12.1%	13.3%	13.6%	13.7%

Source: Katharine R. Levit et al., "National Health Expenditures, 1994," *Health Care Financing Review* (Spring 1996): 205-242.

^aPersonal health care expenditures exclude spending for goods and services not received directly by patients, such as medical research and construction of facilities.

^bData for the Medicare programs are subset of federal funds. Data for the Medicare program are for personal health care expenses only.

^cData for the Medicaid program are subsets of both federal and state and local government funds. Data shown for the Medicaid program are for personal health care expenses only.

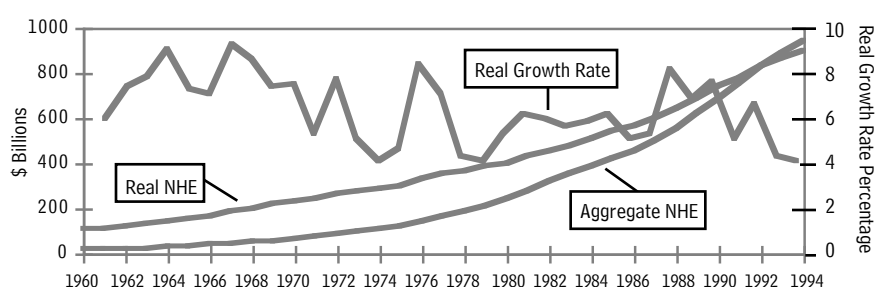
^dThe Medicare and Medicaid programs were enacted in 1965.

accounted for 52 percent of Medicare's increase (chart 5), reduces the 1994 Medicare growth rate to 5.6 percent per enrollee. Adjusting the private insurance growth rate in light of enrollment growth and differential coverage reduces the 1994 private insurance growth rate to 3.6 percent per enrollee.

Implications

In 1993, the Congressional Budget Office projected that NHE would amount to 14.3 percent of the 1993 GDP and 15.4 percent of the 1995 GDP, while the actual 1994 NHE amounted to only 13.7 percent of the 1994 GDP. Although precise estimates of NHE are difficult to project, we can expect continued NHE growth as the baby boom generation reaches retirement age. In addition, provider service networks will influence NHE as physicians attempt to reassert control over medical fees.²

Chart 4
AGGREGATE VERSUS REAL NATIONAL HEALTH EXPENDITURES (NHE), 1960-1994



Source: Katharine R. Levit, Health Care Financing Administration, Office of the Actuary, June 1996.

Note: Real national health expenditures are determined according to real 1992 dollars.

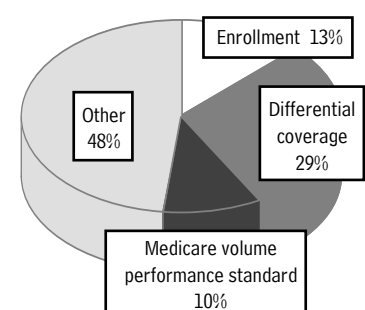
Endnotes

¹ The Medicare volume performance standard (MVPS) regulations were designed to control growth in the volume of Medicare physician and other professional services. The MVPS penalizes physicians and other professionals for increases in volume services above a predetermined target. A penalty for overshooting this target is imposed by way of reduced fee increases two years later. Conversely, when increases in volume services fall short of targeted levels, bonuses are paid through fee increases in a subsequent year.

² Bernice Caldwell, "Employer Alliances, Direct Contracting, Physician Networks: New Forces in Managed Care," *Employee Benefit Plan Review* (February 1996): 20-21.

—Chen-Sen Wu, *EBRI*

Chart 5
SOURCES OF MEDICARE BENEFITS GROWTH, 1994



Source: Katharine R. Levit et al., "National Health Expenditures, 1994," *Health Care Financing Review* (Spring 1996): 205-242.

EBRI in Focus

EBRI Presentations

September and October have been busy months for EBRI President Dallas Salisbury. On Sept. 5, he participated in a Social Security Reform Roundtable; he presented the results of the EBRI defined contribution analysis of participant contribution and investment behavior at the Visionary Roundtable of Investors Press on Sept. 9; on Sept. 16, he represented EBRI at the Kaiser Foundation Seminar, speaking on "Health Care Quality in a Time of Transition"; Sept. 19, he addressed the Middle Atlantic Actuarial Club on "Current and Emerging Federal Issues"; and he keynoted the Security Industry Association conference with a presentation on retirement issues on Sept. 26.

October brought with it expanded educational outreach as Salisbury keynoted Vision 96 (the Vanguard client conference) with a summary of the results of the 1996 Retirement Confidence Survey on the Oct. 3. He keynoted the Mid-Sized Pension Management Conference in Chicago on Oct. 7 with a talk on "The Coming Retirement Crisis—Fact or Myth?"; he also kicked off the Southern Employee Benefits Conference annual seminar on Oct. 10 with a presentation on "Retirement Security in a Lump-Sum World."

Later in the month, Salisbury will brief employees of Strong Capital Management on "Public

Policy and the Future of Defined Contribution Plans" on Oct. 22; update the annual conference of the National Coordinating Committee on Multiemployer Plans on "Retirement in the New Millennium" on Oct. 23; brief participants in the Human Resources Policy Institute on "The Prospects for Retirement Security in a Non-Paternalistic World" on Oct. 24; join participants in a Fidelity Investments Roundtable on Oct. 25 and make a presentation on "Benefit Trends for the Millennium"; and give the keynote address at the annual Stable Value Association conference on Oct. 30 on "The 96 Election and Employee Benefit Futures."

EBRI Research Associate Paul Yakoboski visited EBRI members Alexander & Alexander Consulting Group and The Coca-Cola Company in Atlanta on Aug. 19 and 20. Yakoboski also spoke at the Institutional Investor Corporate Financial Executive Roundtable Sept. 9 in Washington on the topic "Pension Investing in 2006—And a Look Back at the 90s."

Retirement Confidence Survey

The findings from the 1996 Retirement Confidence Survey were released at a press conference held Oct. 1 at the National Press Club in Washington. Speaking at the event were Dallas Salisbury; Don Blandin, executive director of the American Savings Education Council; and Mathew Greenwald, president of Mathew Greenwald and Associates, the firm that conducted the poll.

The sponsors of the 1996 Retirement Confidence Survey received an advance briefing on survey results Sept. 12. A detailed analysis of the poll results will soon be published as an *Issue Brief*.

Any organizations interested in sponsoring next year's survey should contact Paul Yakoboski at (202) 775-6329 or Deborah Milne at (202) 775-6361. Sponsors automatically become members of the survey's steering committee and will have the opportunity to discuss the survey results in detail prior to public release and receive a copy of the full tabulations for their own use.

Program Committee Develops EBRI Agenda

EBRI's Program Committee met in Washington on Oct. 8 to review results of the 1996 Sponsor Survey and to develop research and education goals for 1997. The committee also reviewed progress on major research projects on individuals' contribution and investment behavior, Social Security reform, and ongoing projects that will produce topics for *Issue Briefs* in the months ahead. The committee also finalized the agenda for the Dec. 4, 1996, Policy Forum, "Assessing Social Security Reform Alternatives."

EBRI on the Hill

Paul Yakoboski has been asked to testify before the Senate Special Committee on Aging Subcommittee on Social Security Reform on "les-

sons from the private sector," Sept. 24.

On Oct. 4, Jack VanDerhei and Paul Yakoboski presented a briefing on 401(k) plan asset allocations before a group of more than 30 congressional staff, EBRI members and reporters. This was the ninth educational briefing EBRI has held this year on Capitol Hill. A post-election event cosponsored with the Alliance for Health Reform is planned for November. This briefing will consider the prospects of various health insurance issues in the 105th Congress.

EBRI in the News

EBRI continues to be cited in the electronic news media as well as in newspapers, magazines, and trade publications. A Dialog search of 53 major U.S. newspapers for the period Aug. 1 thru Aug. 31 yields six EBRI mentions. During August, the EBRI/Alliance for Health Reform congressional briefing on children's health insurance was carried live by C-Span and rebroadcast several times. In addition, Research Associate Paul Fronstin was interviewed by National Public Radio on children's health insurance issues and the outlook for health reform measures in the next session of Congress.

New Publications

[Note: To order publications from the U.S. Government Printing Office (GPO), call (202) 512-1800; to order congressional publications, call (202) 512-2470. 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].

American Institute of Certified Public Accountants and Martin A. Sullivan. **Changing America's Tax System: A Guide to the Debate.** \$45. John Wiley & Sons, Inc., 605 Third Avenue, New York, NY 10157-0228, (800) 879-4539.

Bodie, Zvi, Olivia S. Mitchell, and John A. Turner, eds. **Securing Employer-Based Pensions: An International Perspective.** \$44.95. University of Pennsylvania Press, P.O. Box 4836, Hampden Station, Baltimore, MD 21211, (800) 445-9880.

Diamond, Peter A., David C. Lindeman, and Howard Young, eds. **Social Security: What Role for the Future?** \$19.95. The Brookings Institution, Publications Office, 1775 Massachusetts Avenue, NW, Washington, DC, 20036, (202) 797-6258.

Drug Strategies. **Investing in the Workplace: How Business and Labor Address Substance Abuse.** \$12.95. Drug Strategies, 2445 M Street, NW, Suite 480, Washington, DC 20037, (202) 663-6090.

Hamermash, Daniel S. **Workdays, Workhours, Work Schedules:**

Evidence for the United States and Germany. Cloth, \$24; paper, \$14. W.E. Upjohn Institute for Employment Research, 300 South Westnedge Avenue, Kalamazoo, MI 49007-4686, (616) 343-5541.

InterStudy Publications. **The InterStudy Value Report, Number 1.** \$125. InterStudy Publications, P.O. Box 4366, St. Paul, MN 55104, (800) 844-3351.

Omnigraphics, Inc. **The National Directory of Addresses and Telephone Numbers, 1996.** \$125. Omnigraphics, Inc., Penobscot Building, Detroit, MI, 48226, (800) 234-1340.

Potter, Edward E. **A Workplace Economic Growth and Wage Strategy.** \$5. Employment Policy Foundation, 1015 15th Street, NW, Suite 1200, Washington, DC 20005, (202) 789-8685.

Reynaud, Emmanuel, et al. **International Perspectives on Supplementary Pensions: Actors and Issues.** \$75. Greenwood Publishing Group, Inc., 88 Post Road West, P.O. Box 5007, Westport, CT 06881-5007, (800) 225-5800.

U.S. Department of Labor. Bureau of Labor Statistics. (1) **Employee Benefits in State and Local Governments, 1994.** (2) **Occupational Injuries and Illnesses: Counts, Rates, and Characteristics, 1992.** Order from GPO.

U.S. Internal Revenue Service.

EBRI**EMPLOYEE
BENEFIT
RESEARCH
INSTITUTE®****Notes**

© 1996.
Employee
Benefit
Research
Institute-
Education
and
Research
Fund.
All rights
reserved.

Statistics of Income: 1992 Individual Income Tax Returns. Order from GPO. Women's Research & Education Institute.
The American Woman: Women and Work. \$14.95. Women's Research & Education Institute, 1700 18th Street, NW, Suite 400, Washington, DC 20009, (202) 328-7070.

Zelman, Walter A. **The Changing Health Care Marketplace: Private Ventures, Public Interests.** \$34.95. Jossey-Bass Publishers, 350 Sansome Street, San Francisco, CA 94104, (800) 956-7739, ext. 302.

Documents Available on the Internet

THE guide to business resources on the Internet

<http://www.ioma.com/ioma/direct.html>

1995-1996 AAHP HMO and PPO Trends Report

<http://www.aahp.org/L1/RESEARCH/0613rep.htm>

Interactive Retirement Planning Tools

<http://www.icmarc.org/cover.html>

Benefits Trendletter

<http://www.ecommunications.com/trendletter.html>

EBRI offers no endorsement of and assumes no liability for the currency, accuracy, or availability of any information on these sites.

EBRI Notes (ISSN 1085-4452) is published monthly at \$300 per year or is included as part of a membership subscription by the Employee Benefit Research Institute, 2121 K Street, NW, Suite 600, Washington, DC 20037-1896. Periodicals postage paid in Washington, DC. POSTMASTER: Send address changes to: *EBRI Issue Brief*, 2121 K Street, NW, Suite 600, Washington, DC 20037-1896. Copyright 1996 by Employee Benefit Research Institute. All rights reserved, Vol. 17, No. 10

Established in 1978, the Employee Benefit Research Institute (EBRI) is the only private, nonprofit, nonpartisan, organization committed to original public policy research and education on economic security and employee benefits. Through its activities, EBRI is able to advance the public's, the media's, and policy makers' knowledge and understanding of employee benefits and their importance to the nation's economy. EBRI's membership represents a cross section of pension funds; businesses; trade associations; labor unions; health care providers and insurers; government organizations; and service firms.

The Employee Benefit Research Institute Education and Research Fund (EBRI-ERF) performs the charitable, educational, and scientific functions of the Institute. EBRI-ERF is a tax-exempt organization supported by contributions and grants.

EBRI Notes are included as part of EBRI membership or as part of an annual \$224 subscription to *EBRI Notes* and *EBRI Issue Briefs*. Individual copies of *Notes* and *Issue Briefs* are available for \$25 each, prepaid, by calling EBRI.

Other EBRI Publications Include: *EBRI Issue Briefs*, EBRI's *Washington Bulletin*, *Fundamentals of Employee Benefit Programs*, and the *EBRI Databook on Employee Benefits*.

Other activities undertaken by EBRI include educational briefings for EBRI members, congressional and federal agency staff, and the media; public opinion surveys on employee benefits issues; special reports; and policy studies.

Editorial Board: Publisher: Dallas L. Salisbury, Editor: Carolyn P. Pemberton, Lay-out and Distribution: Cindy O'Connor.

Subscriptions/Orders: Direct subscription inquiries to EBRI Publications, (202) 659-0670; fax publication orders to (202) 775-6312. A complete list of EBRI publications and executive summaries of the most recent *EBRI Issue Briefs* and *Notes* are available on the World Wide Web at <http://www.ebri.org>.

Change of Address: EBRI, 2121 K Street, N.W., Suite 600, Washington, DC 20037, (202) 775-6311; fax number, (202) 775-6312; e-mail to PublicationsSubscriptions@ebri.org.

Membership: Inquiries regarding EBRI membership and/or contributions to EBRI-ERF should be directed to EBRI President Dallas Salisbury or Director of Membership Deborah Milne, 2121 K Street, N.W., Suite 600, Washington, DC 20037, (202) 659-0670; e-mail to Dallas_Salisbury@ebri.org or Deborah_Milne@ebri.org

Any views expressed in this publication and those of the authors should not be ascribed to the officers, trustees, members, or other sponsors of the Employee Benefit Research Institute, the EBRI Education and Research Fund, or their staffs. Nothing herein is to be construed as an attempt to aid or hinder the adoption of any pending legislation, regulation, or interpretative rule, or as legal, accounting, actuarial, or other such professional advice.

EBRI Notes is registered in the U.S. Patent and Trademark Office ISSN: 1085-4452 1085-4452/90 \$.50 +.50
