EBRI
EMPLOYEE BENEFIT RESEARCH INSTITUTE®

NOTES

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Executive Summary:

The Employment-Based Pension System: Evolution or Revolution?

- ***Pension trend conference—***The Employee Benefit Research Institute (EBRI) and AARP held a day-long conference May 15, 2006, in Washington, DC, on the topic: "The Employment-Based Pension System: Evolution or Revolution?" Several speakers predicted that the evolution currently under way will lead to radical change and the ultimate demise of private-sector defined benefit pension plans.
- ***Pension coverage—***Traditional defined benefit pension plans covered 23 million individuals, about half of all private-sector workers in the United States, in 1960. But in the final years of the 20th century the trend reversed, and by 2006 the change was dramatic, with many employers either freezing or dropping their "traditional" defined benefit pension plans. About half of all American private-sector workers are still offered a retirement plan at work, but among those who are, the "defined contribution" 401(k)-type of individual-account plan is now dominant.
- ***Key points*** from the conference:
  - *Global competition:* Corporate America finds itself locked in global competition and has decided it can no longer afford, for competitive and cost reasons, to offer employees the same kind of retirement plans that many workers enjoyed in the past.
  - *Government pensions feeling private-sector pressure:* Although traditional defined benefit pensions remain common in the public sector, federal, state, and local governments are gradually realizing that they face the same financial pressures from pension costs, and their workers are likely to experience the same trends in the years ahead as new accounting standards take hold from the Governmental Accounting Standards Board (GASB).
  - *401(k)-type plans need to evolve:* Employers have sponsored defined contribution plans since the early 1900s, but only with the creation and growth of the 401(k) plan in the 1980s have defined contribution plans become dominant. Many advocates see the need for design changes in 401(k) plans as the financing of retirement in America continues to evolve—especially making participation automatic rather than requiring individuals to make a positive decision to sign up.
  - *A fading "social compact":* The decline of traditional pensions and the rise of the 401(k) plan have left many workers wrestling with the realization that they have personal responsibility for their health and retirement planning and expenses. This shift, some said, is a move away from a long-standing "social compact" among workers, their employers, and the government. Others argued the change is the best result for most workers in a highly mobile work force, where relatively few workers stay at any one job long enough to qualify for traditional pensions.

The Employment-Based Pension System: Evolution or Revolution?

by John A. MacDonald, EBRI

The year was 1875, the eve of America's centennial.

Ulysses S. Grant was in the second of two undistinguished terms as president. Aristides won the first running of the Kentucky Derby. The notorious New York City politician William Marcy "Boss" Tweed escaped from jail and fled to Cuba. And the American Express Company put into effect the first private-sector employer-provided defined benefit plan in the United States.

Many more companies followed American Express in the following decades—railroads, banks, public utilities, and new manufacturing firms—so that by 1960, pension plans covered 23 million individuals, about half of all private-sector workers in the United States. But in the final years of the 20th century the trend reversed, and by 2006 the change was dramatic, with many employers either freezing or dropping their "traditional" defined benefit pension plans. About half of all American private-sector workers are still offered a retirement plan at work, but among those who are, the "defined contribution" 401(k)-type of individual-account plan is now dominant.

Where are retirement plans headed, and why? The Employee Benefit Research Institute (EBRI) and AARP (formerly known as the American Association of Retired Persons), held a day-long conference May 15 in Washington, DC, to examine those questions. Several speakers at the conference, formally titled "The Employment-Based Pension System: Evolution or Revolution?" predicted that the evolution currently under way will lead to radical change and the ultimate demise of private-sector defined benefit pension plans. The next day, many Public Broadcasting Service (PBS) stations aired a Frontline program entitled "Can You Afford to Retire?" which highlighted these issues, and raised many other questions about Americans' preparations for retirement. PBS Frontline producer and reporter Hedrick Smith previewed the program at the conference.

The conference produced three key conclusions:

- Corporate America finds itself locked in global competition and has decided it can no longer afford, for competitive and cost reasons, to offer employees the same kind of retirement plans that many workers enjoyed in the past. Although traditional defined benefit pensions remain common in the public sector, federal, state, and local governments face the same financial pressures from pension and retiree health costs, and their workers are likely to continue to experience program change as new accounting standards take hold from the Governmental Accounting Standards Board (GASB). The federal government reduced its defined benefit plan and introduced a 401(k)-type plan more than 20 years ago.
- Employers have sponsored defined contribution plans since the early 1900s, but only with the creation and growth of the 401(k) plan, which first took root in the 1980s, have defined contribution plans grown to the point that they have become dominant. However, many advocates see the need to make a number of design changes in 401(k) plans as the financing of retirement in America continues to evolve—perhaps chief among them making participation automatic rather than requiring individuals to make a positive decision to sign up.
- The decline of traditional pensions and the rise of the 401(k) plan have left many workers in need of assistance as they wrestle with the realization that they have personal responsibility for their health and retirement planning and expenses. This shift, some said, is a move away from a long-standing "social compact" among workers, their employers, and the government. Others argued the change is the best result for most workers in a highly mobile work force, where relatively few workers ever stayed at any one job long enough to qualify for meaningful benefits from traditional pensions.

Looking at the cumulative impact of all three developments, some experts at the EBRI-AARP conference said a crisis looms.

Glossary of Terms

Private-sector employers are not legally required to offer any retirement or health benefits to their workers, and do so on voluntarily. When they are offered, the major types are:

Defined benefit pension plan—*A defined benefit (DB) plan* is the so-called "traditional" work-place pension, historically paid in the form of an annuity. The benefit is based on a formula, typically involving salary and length of service. Private-sector pensions typically are financed entirely by the employer and are not "portable" from job to job.

Defined contribution plan—By comparison, a *defined contribution (DC) plan* does not guarantee a definite level for the ultimate benefit at all. Rather, it is financed with contributions from the worker and/or the employer. The worker generally controls how at least a portion of the contributions are invested (within a limited range of options), which gives him or her more control over the funds, but also more risk (they have that risk whether or not they direct the investments in a defined contribution plan). These benefits can be "rolled over" upon leaving a job. There are various types of DC plans, the most common and well-known being the 401(k) plan.

401(k) plan—The most common type of defined contribution retirement plan, named for the section of the federal tax code that authorized them. Also known as a *salary reduction plan,* 401(k)s allow an employee to contribute pretax earnings to an individual account, which is invested in stocks, bonds, or money market instruments. Similar type plans exist for public-sector workers (known as Sec. 457 plans) and nonprofit workers (Sec. 403(b) plans).

Retirement "Shock Waves"

The decline of traditional pensions in favor of 401(k) plans has "sent shock waves across Main Street America," said William D. Novelli, AARP chief executive officer. "These decisions are fundamentally changing the nation's pension system. One major result is that more Americans will face financial insecurity."

William Novelli, AARP

This point was not new to those who follow employee benefits closely. In May 2004, EBRI researchers reported "a long-term trend away from defined (traditional) benefit plans" had already taken place and could be traced to the early 1980s. The result, the EBRI researchers reported, was that fewer retirees would have benefits from traditional pension plans.

Still, as Novelli noted, there had been an important new development—the decision by financially healthy companies such as IBM, Verizon, Motorola, Alcoa, and others in 2005 and early 2006 to freeze their traditional pension plans. This came on top of plan terminations by a number of bankrupt steel companies and airlines and amounted to a knockdown punch for thousands of workers covered by private pension plans. These trends explain the statistics that show by 2005, 21 percent of private-industry workers were participating in a traditional pension plan, down from 32 percent in 1992–93, according to Labor Department figures.

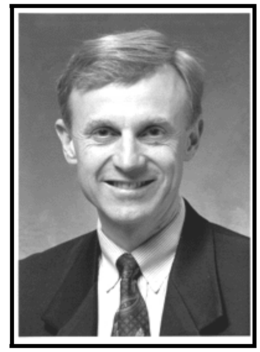
Corporate America and the Future of Defined Benefit Pensions

Across America, corporate executives at the largest firms are taking steps to reshape their benefits programs and their "deal" with employees, said Clyde D. Beers, a principal at Towers Perrin, a human resource consulting firm. Beers has worked with some of the nation's largest companies on benefits issues and sees a definite shift away from traditional defined benefit pension plans.

"What employers are really saying is: We need to be more cost-efficient to compete globally," Beers told the EBRI-AARP conference. Beyond a basic level, he said, large employers believe that benefits matter less than in the past in retaining and motivating workers. As Beers assessed the current situation, employers believe they "need less expensive and less risky benefit schemes and more cost- and responsibility-sharing with employees." Employers' search for ways to cut costs comes as expenses for health care and retirement plans have increased, in part, because retirees are living longer.

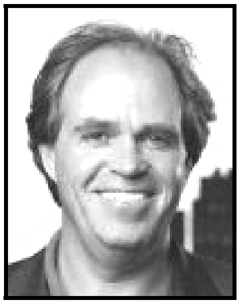
So far, the companies that have taken action have tended to be those whose pension plans were large relative to the size of their business operations. But the pressure to cut costs is intense and comes from corporate boards in the United States and around the world, Beers said.

Several other conference speakers agreed. Ron Gebhardtsbauer, senior pension fellow at the American Academy of Actuaries, suggested two additional reasons that have prompted the decline of defined benefit plans—a loss of some tax advantages for pensions and increased regulatory compliance costs. "The rules have become very difficult," Gebhardtsbauer said.



Ron Gebhardtsbauer, AAA

James S. Phalen, executive vice president of State Street, a financial services provider, said he has seen gradual change for the past 15 years, adding, "I suspect that will continue."



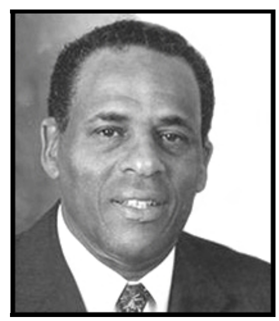
Charles Ruffel, Asset Intl.

Charles A. Ruffel, chief executive officer of Asset International Inc., offered a frank prediction: Additional changes will play out over the next five to 10 years, he said, as the United States witnesses the end of private-sector defined benefit pensions. This is a trend that will not be reversed, he said: "It's no use to cry over spilt milk."

Up-to-date numbers are hard to find, but the Pension Benefit Guaranty Corporation (PBGC), the federal agency which insures private pensions, reported in December 2005 that 9.4 percent of private-sector defined benefit plans had halted participants' benefit accruals as of 2003, the most recent year for which complete data were available. According to PBGC analysis, more than 2,700 of the 29,000 private-sector defined benefit pension plans for which data are available were already hard-frozen in 2003. Between 1975 and 2004, more than 3,400 terminations of underfunded single-employer plans had taken place, as well as termination of least 165,000 adequately funded plans. Many of these plans may well have been frozen at some point prior to termination.

Also, a survey of more than 220 large U.S. companies released by Hewitt Associates in January 2006 said that a total of 26 percent of surveyed large employers were thinking about closing participation in their defined benefit plans to new employees, freezing accruals, or making other changes in plan design.

Public-sector workers are likely to be next, said H. Carl McCall, a principal at Convent Capital, and former head of the New York State Retirement System, the second-largest public-sector pension system in the nation. He reported great pressure to convert public workers' defined benefit pensions into 401(k)-style defined contribution plans.



H. Carl McCall, Convent Capital

The pressure comes as the result of several "myths" about public-sector pensions, McCall said. Two of those "myths" are that public employees enjoy lavish plans and that those plans are seriously underfunded. Both are not true, McCall said. Still, he ticked off a litany of states that have looked at switching from defined benefit to defined contribution plans. Heading the list was Alaska, where state employees hired after July 1, 2006, will have only a 401(k)-style option. After a battle, California turned aside a proposal last year by Gov. Arnold Schwarzenegger to convert state employees to a 401(k)-style plan. Other states that are considering their options, McCall said, include Michigan, Montana, Illinois, and Kentucky.

Gerald M. Shea, AFL-CIO

Gerald M. Shea, assistant to the president for external affairs at the AFL-CIO, called public-sector pensions the "sharp edge" of the fight over the future of defined benefit plans. "This is where the fight is actually taking place," Shea said. Gerald W. McEntee, president of the American Federation of State, County, and Municipal Employees, has called the state actions "an attack on labor," and has said his union will defend the pensions of public employees.

An EBRI study published in April 2005 showed that in September 2004, state and local government employers spent $2.23 per hour per worker on retirement and savings, compared with 85 cents per hour per worker by private-

Keith Brainard, NASRA

sector employers. But the study noted one of the primary reasons for the disparity was the dissimilar composition the two work forces. A large percentage of state and local employees were concentrated in service occupations such as teachers, police, and firefighters, which require higher levels of education or training or involve greater physical risk and therefore tend to be more highly paid. By comparison, the largest percentages of private-sector workers were among the sales and office occupations.

In March 2006, Keith Brainard, research director for the National Association of State Retirement Administrators, commented on the funding status of state and local pension plans. As a result of the decline in domestic equity markets from 2000 to 2002, "public-plan funded ratios fell, on average, from a little over 100 percent to about 88 percent now," Brainard said.

Dramatic Rise of 401(k) Plan Likely to Continue

In the last quarter century, 401(k)-type plans have grown dramatically to become the dominant retirement savings vehicle for millions of American workers. Added by Congress in 1978 as Sec. 401(k) of the Internal Revenue Code—where the plans get their name—they now have 47 million participants, more than four times as many as two decades ago. At the end of 2005, 401(k) plans held assets worth more than $2.4 trillion.

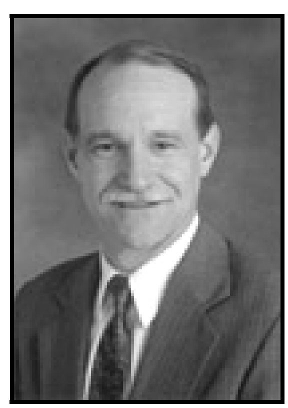
Dallas Salisbury, EBRI

EBRI President Dallas Salisbury noted that 31 percent of all families include at least one worker with a defined contribution 401(k)-type plan, compared with 19 percent of families who have at least one worker with a traditional pension plan. In addition, Salisbury pointed out that while 76 percent of those who could participate in a 401(k)-type plan do so, a significant number (24 percent) do not.

Jack VanDerhei, Temple University, EBRI Fellow

Jack VanDerhei, Temple University and EBRI Fellow, summarized contribution risk research using simulation models developed from the EBRI/ICI 401(k) database and retirement income adequacy using the EBRI Retirement Income Security Projection Model. One of the key results of the latter has shown that annuitizing savings assets can, in many cases, significantly reduce the amount of additional savings needed to achieve retirement income security. At the EBRI-AARP conference, most speakers agreed that 401(k)-style plans are here to stay and represent the wave of the future. Beers, the Towers Perrin official, said 401(k) plans fit in with a new way of corporate thinking about benefits that involves more employer-employee risk and cost sharing and a greater emphasis on individual account options.

Phalen, the State Street executive vice president, noted that 401(k) plans were originally designed to supplement other retirement savings plans, not replace them. Now that 401(k)s have evolved into their dominant role, he said, they will face pressure to perform differently in at least two areas—enrolling more participants and providing independent investment advice to participants.



David Wray, PSCA

David L. Wray, president of the Profit Sharing/401(k) Council of America (PSCA), a trade group, also saw changes ahead for 401(k) plans but said most change needs to start with employers. "Employers make it happen," he said, referring to saving for retirement, "and very little else does."

Wray and others have an agenda for changing 401(k)s that begins with automatic enrollment. About 77 percent of eligible workers participate in 401(k) plans now, but the number could be increased substantially, experts argue, if employers had the ability to automatically enroll new workers unless they specifically ask to opt out. Currently, workers have to volunteer to participate, or "opt in."

Looking ahead, Ruffel, the Asset International official, said he sees "an opt-out world," which will require workers to decline to participate in 401(k) plans where they are offered. He predicted that in the next five years employers will become comfortable with automatic enrollment and other automatic features, such as automatic asset allocation linked to a worker's age. "'Auto' is taking off in an accelerated way," agreed J. Mark Iwry, nonresident senior fellow at the Brookings Institution. He said he could see the day when automatic rollovers and annuities also could be part of the 401(k) lexicon.

Still, several speakers said that employers want assurances from Congress, the Bush administration, or both that they will have protection from lawsuits before they move into the automatic world in a big way. But it was far from clear how much investment advice employers will ever feel comfortable providing their employees, especially in the post-Enron era.

The popularity of 401(k) plans comes at a point when long-term tenure with a single employer—a key factor in obtaining significant retirement benefits under a traditional pension plan—has become a relic of the distant past. Traditional pensions, which provide monthly payments after retirement, typically reward those who spend at least 20 years with a single employer that maintains a consistent benefits policy, said Stephen P. Utkus, a principal the Vanguard Center for Retirement Research.

But figures compiled by EBRI show that the median (half above, half below) job tenure in 2004 for all wage and salary workers was 4.1 years—meaning that the typical worker spends barely four years with an employer. Even among older male workers (ages 55–64), median tenure was only 10 years. That means that a minority of workers were likely to receive a significant benefit from a defined benefit pension, EBRI reported in March 2005.

The job tenure figures raise a question about the relevance of defined benefit pensions to younger workers starting off in changed working and retirement environments, even if newer 401(k) plans require those younger workers to take on more responsibility for saving for their older years. Utkus said that to maximize their 401(k) accounts, workers need to begin saving in their late 20s or early 30s, save consistently through their careers, and roll over—rather than spend—lump-sum distributions they receive along the way.

Where will that leave them? Research published by EBRI and the Investment Company Institute in July 2005 showed that lifetime 401(k) participation by a worker could produce a median replacement of 51 percent to 67 percent of his or her preretirement income at age 65. The rate was affected, among other things, by a worker's salary, how many years the worker participated in a 401(k), and how the worker invested his or her contributions.

Anxiety Levels Rise As Consumers Ponder Retirement

Consumers' anxiety levels are increasing as they consider changing retirement prospects, said Joanna Rotenberg, an associate principal at McKinsey & Company, a management consulting firm. Her comment was based on the results of a McKinsey survey this year of 3,000 preretirees and retirees. The 2006 survey followed retirement focus groups that McKinsey has conducted since 2004.

Joanna Rotenberg, McKinsey & Co.

Even if they do not see fire, "consumers are smelling smoke," Rotenberg said. Meanwhile, baby boomers hold some serious misconceptions about the financial realities of retirement, she added. Boomers need more comprehensive retirement advice, but most are not getting it. That means that financial institutions must redefine their offerings to meet consumers' changing needs.

Among the top reasons for consumers' anxiety, according to the McKinsey survey: rising inflation or taxes (cited by 61 percent, up 8 percentage points from 2004–2006); poor investment returns (cited by 60 percent, up 3 percentage points); insufficient guaranteed income (cited by 53 percent, up 25 percentage points); rising health expenses (cited by 49 percent, up 5 percentage points); and interest rate changes (cited by 49 percent, up 13 percentage points).

Another problem revealed in the survey: Average pre-retirees expect to work until age 67, but the average actual age of retirees was 59. Some 40 percent of retirees were forced to stop work earlier than planned because of health reasons, job loss, or downsizing, or to care for a spouse or family member. Rotenberg said the survey showed that less affluent consumers are far more likely to be forced to retire sooner than expected. For example, 49 percent of those earning less than $50,000 a year had to retire early, compared with 26 percent of those earning $1 million or more. Of those earning less than $50,000 a year, 60 percent did so for health reasons, while 69 percent of those earning $1 million or more cited job-related reasons.

The survey also showed that fewer that one-third of consumers age 55 and older have received specific information about retirement from the financial institution with which they deal. To meet the needs of their customers, Rotenberg said, financial institutions will need to focus more on lifecycle funds, reverse mortgages, disability insurance, long-term care insurance, and long-term care, among other things.

The McKinsey findings coincided with those reported in the 2006 EBRI Retirement Confidence Survey, which suggested, among other things, that workers are not ready to undertake the task of financial planning for retirement; that more than half of workers have accumulated only modest savings; and that many workers are counting on employer-provided benefits in retirement that are increasingly unavailable.

Rotenberg was one of several conference speakers to flag health care costs as an emerging concern for future retirees. Many companies have eliminated or scaled back retiree health benefits already. A survey released in September 2005 showed that the number of large firms (those with 200 or more workers) offering retiree health insurance dropped from 66 percent in 1988 to 33 percent last year. The survey was conducted by the Kaiser Family Foundation and the Health Research and Educational Trust.

Several conference speakers said decisions by companies to switch from defined benefit to defined contribution retirement plans and to scale back or eliminate retiree health benefits were continuing signs of the decline of corporate paternalism, and at least two speakers saw the trend potentially spreading to the federal government. Both Shea, of the AFL-CIO, and McCall, the former New York State Retirement System head, lamented an Energy Department policy announced in April that would discourage contractors from offering traditional defined benefit pensions to their workers. Since the announcement, several members of Congress have introduced bills to overturn the policy.

McCall said the federal government should support, not undercut, defined benefit pensions. He called the action part of "a political and ideological debate" over the future of defined benefit pensions. Shea added, "I am appalled by this. What kind of society are we building?"

The PBS Frontline Broadcast

The day after the EBRI-AARP conference, on May 16, the Public Broadcasting Service's Frontline program broadcast the one-hour program, "Can You Afford to Retire?" by Hedrick Smith, the keynote speaker at the conference. The full program, interviews, transcripts, and links to other resources are available online at the PBS Web site, www.pbs.org/wgbh/pages/frontline/retirement/

Hedrick Smith, Frontline

Smith told the EBRI-AARP conference he began his work on the program without any preconceptions and that his reporting took him "through a voyage of discovery." He also said he wanted to tell a story that ordinary individuals could understand. Thus, he offered a blend of the stories of "real people" who had been affected by the pension system and the commentary of retirement experts on the larger meaning of the stories.

The first half of the program focused on United Airlines as an example of how some corporations have been able to use bankruptcy laws to transfer their pension obligations to the federal PBGC. The second half of the program looked at the problems of workers grappling with the complexities of 401(k) plans as they tried to build retirement wealth.

Robin Gilinger, a 42-year-old United flight attendant, was featured in the first segment of the broadcast. She told Smith she expects to work five to 10 years longer than planned because her United pension has been cut by 30 percent and other benefits have been reduced. "I feel very uneasy about where I'm going to be in 20 years," Gilinger said. "I'm afraid that I'm going to end up having to work my golden years doing things I didn't necessarily want to be doing."

The program interviewed Harvard professor Elizabeth Warren, a bankruptcy law specialist, who said federal bankruptcy law offers companies "a formal way to take legal promises [and] just slice them off." From 1975–2005, the PBGC assumed responsibility for about 3,600 pension plans, mostly because of bankruptcy.

Winston Crabb, a National Semiconductor retiree, was Smith's prime example of an individual trying to use a 401(k) plan to save for retirement. But through a combination of stock market reverses, lack of knowledge, and bad decisions, Crabb saw his 401(k) shrink from $120,000 to $26,000. As a result, Crabb said he had to sell his cherished gun collection and take a job far from his home to make ends meet.

Jack VanDerhei, Temple University and EBRI Fellow, told Smith in an interview that many Americans are not saving enough for retirement. Some experts told Frontline that Americans need to save 15–18 percent of their salary every year for 30 years to maintain their standard of living in retirement; however, VanDerhei said when one looks at what those on the verge of retirement today have saved in their 401(k) plans alone, the typical employee will not have sufficient money when combined with Social Security to replace 80 percent of their preretirement income. Offsetting this problem for many near-retirees is the existence of already accrued defined benefit plan benefits, he noted, and younger workers are expected to have significantly higher overall retirement wealth due to 401(k) plan participation, since they will have had a chance to participate for a larger percentage of their working careers. However, an 80 percent replacement ratio may not be an adequate target, given longevity risk and the rising cost of uncovered health-related expenses and nursing home costs. "I would say, unless you're fortunate to be in the upper-income quartiles, that you're probably going to be in for a very rough ride," VanDerhei told Smith. His interview is online at www.pbs.org/wgbh/pages/frontline/retirement/interviews/vanderhei.html

Smith's broadcast also contained an echo of conference speakers' remarks about the decline of corporate paternalism. Citing Labor Department figures, the program noted that the past quarter-century has seen a massive shift in the responsibility for retirement saving from employers to workers: In 1978, workers had made only 11 percent of total retirement savings contributions, compared with 89 percent by corporations; by 2000, the employee share had jumped to 51 percent, compared with 49 percent for employers.

Smith's program was controversial in some quarters, especially with 401(k) sponsor groups. After the program aired, Wray, the Profit Sharing/401(k) Council president, said in a statement: "Contrary to the program's conclusion, we have not reached the 'end of retirement.' Employer-sponsored defined contribution plans like 401(k)s work for the employers and their employees and will help America's workers retire with the financial security we all desire. Employees should disregard what was presented in 'Can You Afford to Retire?' and, if they have not already done so, join their employer's 401(k) plan." Wray's statement: www.psca.org/PRESS/P2006/may23.html

EBRI's Dallas Salisbury had a very different reaction. He said the program should serve as a wake-up call to baby boomers that they are not saving enough, and he urged as many as possible to view the broadcast and read the materials posted on Frontline's Web site. "While the Frontline special stressed points that I would not have chosen in some cases, and did not include others that I would have," Salisbury said it a statement, "it was a strong message to individuals to pay attention, have a retirement plan, watch fees, save a lot, beware of salesmen offering the next sure thing, and be cautious of anyone who says, 'Trust me—I will take care of everything for you.'" Salisbury statement: www.ebri.org/pdf/PR_738_24May06.pdf

Historical Footnote: The ground-breaking American Express pension, which originally applied only to disabled workers who had reached age 60, survived until 1918, when the firm's express business was transferred to the American Railway Express Company. In 1921, three years after the end of World War I, the American Express Company adopted a new, more extensive plan that continued to evolve over time.

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■ *New Publications and Internet Sites*

Compensation

Clampitt, William H. *Employee Compensation Basics*. WorldatWork members, $17.95; nonmembers, $21.95. A downloadable pdf version is available, list, $15.95; members, $12.95. WorkatWork, Attn: Customer Relations, 14040 N. Northsight Blvd., Scottsdale, AZ 85260, (877) 951-9191, www.worldatwork.org

Health Care

Mercer Human Resource Consulting. *National Survey of Employer-Sponsored Health Plans, 2005*. Report, $500, Report and tables, $1,000 (tables not sold separately). Mercer Health & Benefits, Attn: Tara Lewis, 1166 Avenue of the Americas, 29th floor, New York, NY 10036, (212) 345-2451, e-mail: tara.lewis@mercer.com

Pharmacy Benefit Management Institute, Inc. *Takeda Prescription Drug Benefit Cost and Plan Design Survey Report, 2005 Edition*. Free. Kikaku America International, Attn: Peter Sonnenreich, 2600 Virginia

Ave., NW, Suite 517, Washington, DC 20037, (202) 965-4150, fax: (202) 337-3496, e-mail: kikakua@aol.com

Watson Wyatt Worldwide and National Business Group on Health. *Delivering on Health Care Consumerism: Strategies for Employer Success: 11th Annual National Business Group on Health/Watson Wyatt Survey Report*. $45. Watson Wyatt Worldwide, 901 N. Glebe Rd., Arlington, VA 22203, (703) 258-8000, fax: (703) 258-8585, www.watsonwyatt.com

Pension Plans/Retirement

Hewitt Associates. *Total Retirement Income at Large Companies: The Real Deal*. $350. Hewitt Associates LLC, Attn: Hewitt Information Desk, 100 Half Day Rd., Lincolnshire, IL 60069, (847) 771-2500, e-mail: infodesk@hewitt.com, www.hewitt.com

Reference

Omnigraphics, Inc. *FaxUSA: A Directory of Facsimile Numbers for Businesses and Organizations Nationwide*. 2006 Edition. $170. Omnigraphics Customer Service, PO Box 625, Holmes, PA 19043, (800) 234-1340, fax: (800) 875-1340, www.omnigraphics.com

Social Security Reform

Turner, John. *Individual Accounts for Social Security Reform: International Perspectives on the U.S. Debate*. $18. W.E. Upjohn Institute for Employment Research, Attn: Publications Department, 300 S. Westnedge Ave., Kalamazoo, MI 49007, (888) 227-8569, fax: (269) 343-7310, e-mail: publications@upjohninstitute.org

Mental Health Benefits Sites

Center for Policy Alternatives
www.stateaction.org/issues/issue.cfm/issue/MentalHealthParity.xml

National Conference of State Legislatures
www.ncsl.org/programs/health/mentalben.htm

U.S. Department of Health and Human Services
www.mentalhealth.samhsa.gov/publications/allpubs/insurance/

U.S. Department of Labor
www.dol.gov/dol/topic/health-plans/mental.htm

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