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New Research from EBRI:

Employee Benefits: Today, Tomorrow, and Yesterday

WASHINGTON—While much has changed with health and retirement benefits during the past three decades—the first generation of the main federal law governing private-sector benefits, the Employee Retirement Income Security Act (ERISA)—many of the issues that were present at the founding of the nonpartisan Employee Benefit Research Institute (EBRI) remain with us today.

But even if certain core issues endure, employee benefits have changed dramatically in the past 30 years, and are certain to continue to evolve in the future. To examine the impact of these changes, EBRI recently conducted its 73rd policy forum in Washington, DC, where panels of industry experts and thought leaders provided insights to a diverse audience of more than 150 employers, regulators, policymakers, and employee benefit providers. The symposium offered insights on not only the workplace and work force of the past, but the challenges of today’s multi-generational workplace, and the opportunities that lie ahead.

Among observations shared at the policy forum, and expanded on in a new EBRI report are:

- Relative to the starting point of 1975, the year after enactment of ERISA, total coverage and active participation of the employment-based benefits system has grown significantly—but that the mix has changed dramatically.
- There has been a “massive change” taking place over the last 30 years or so in terms of the types of health benefits offered by employers.
- Nursing home and home health care costs are “the most important risk in terms of looking at families that seem to have enough money and end up running short of money in retirement.”
- “Short-termism” dominates the thinking of many employers today, out of necessity.
- Employers want cost control, and voluntary platforms and defined contribution-type programs allow them to have more cost control.
- The increasing political focus on tax expenditures (revenue foregone to the federal government from tax preferences for private-sector health and retirement benefits) “is probably the most negative thing that has happened [in benefits] in 35 years.”
- The prolonged recession has, among other things, masked a “profound transformation of the economy; “other” sourcing: the transfer of jobs from human beings to non-human entities, such as robots, software programs, algorithms.
- Women are in the work force now in almost equal numbers to men, and dual-earner couples have become the norm.
- For Millennials, benefits are not just of increasing importance in the workplace, but benefits of a certain kind: benefits that come with advice, counseling, recommendations.

The full report is published in the July 2014 *EBRI Issue Brief*, “Employee Benefits: Today, Tomorrow, and Yesterday.” More information on this, and previous EBRI policy forums, including presentation materials, agendas, and links to webcast recordings are available online at www.ebri.org/programs/policyforums/

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