Assessing Social Security Reform Alternatives: EBRI’s December 4, 1996, Policy Forum

Introduction

Leading experts on Social Security took a first “look under the hood” at the Employee Benefit Research Institute (EBRI) model for assessing reform alternatives—and said they were eager to see what it can do on the open road.

Participants in EBRI’s Dec. 4, 1996, policy forum on assessing Social Security reform alternatives generally agreed that the model, known as EBRI-SSASIM2, could fill an important need in the coming debate over the future of Social Security. In a discussion that ranged from exploring the intricacies of mathematical modeling to previewing the policy discussions that lie ahead, the group praised EBRI for its bold effort but reminded model makers that any project so complicated involves considerable uncertainty and guesswork. Beyond that, many participants said, some of the biggest challenges will arise after the model is fully developed, when its results will have to be interpreted for a public that has barely started to focus on the tough choices that lie ahead.

“This will be of inestimable value for policy development and for the political debate,” said Robert Shapiro, founder and vice president of the Progressive Policy Institute.

EBRI President Dallas L. Salisbury said EBRI decided to develop the model in order to fill a certain void in policymaking. We can’t continue, as we have in the past, to rely exclusively on either qualitative analysis or the work of the “extremely small” staff in the office of the actuary of the Social Security Administration, he argued. Noting that advocates of various reform alternatives employ tremendously different assumptions and methodologies, he described the modeling exercise as “an effort to create an analytic capability that is able to do quantitative, apples-to-apples comparisons across proposals.”

EBRI unveiled the model about a month before the 1994-1996 Advisory Council on Social Security presented three profoundly different options for moving the retirement program past the tremendous strains expected when the baby boom generation begins to retire around 2010. The panel’s inability to agree on a single blueprint, combined with the fact any of the options adopted by its different factions would represent the most substantial departure in Social Security’s 61-year history, underscored the need for new and better analytical tools.

“The complexity of the proposals undoubtedly outstrips our ability to carefully analyze them at this point, and that’s the genesis of a model of this sort,” said Marilyn Moon, a Social Security trustee and senior fellow at the Urban Institute.
Pitfalls and Possibilities

Moon added a note of caution, however, pointing out many pitfalls in modeling: the uncertainty of predicting future trends, the chances that policies will be modified after they have been adopted, rendering earlier assumptions moot, and the unpredictable interplay among different variables. “This is an interesting and important exercise, but it is an exercise,” she said. “We all know, those of us who engage in this, that we’re going to be wrong. We just don’t know how we’re going to be wrong.”

Other participants pointed out that models can be helpful even if they can’t tell us with certainty what will happen under different circumstances. For instance, William Beeman, vice president and director of economic studies for the Committee for Economic Development, argued that models help force us to think more systematically. “There is a great deal of very loose thinking” about Social Security right now, he said, pointing out, for instance, that some reform advocates completely ignore the potentially sizable transition costs their proposals would entail.

Martin Holmer, who is president of Policy Simulation Group, EBRI’s contractor in developing the Social Security simulation model, suggested that one of the greatest values of models can be to show us not what the future will bring but rather where the greatest risk of unanticipated or unwanted outcomes lies. The EBRI model employs “stochastic,” or “Monte Carlo,” techniques, which enable analysts to develop not a single projection—or “low,” “high” and “intermediate” projections as the Social Security Administration does—but rather a whole range of possible outcomes. Using probability theory, the model then shows the chances of various outcomes actually occurring. This is an improvement over traditional methods, most participants agreed, because it shows the odds that things will turn out worse, or better, than projected.

With this information, policymakers can design reforms that “hedge” against the biggest risks, said Holmer, who gave participants what he described as the “look under the hood” at how the new model works.

Participants spent considerable time debating one basic, but highly uncertain, variable on which any projection of future Social Security costs depends heavily: the future mortality rate. Different estimates show there could be anywhere from 9.6 million to 48.7 million individuals over age 85 in 2050, according to Jack VanDerhei, associate professor at Temple University and research director for EBRI’s Fellows Program. The actual cost of Social Security in the future will depend heavily on which figure is correct. Just switching from the Social Security Trustees’ “intermediate” estimate of 14.6 million to the Census Bureau’s middle estimate of 18.2 million boosts the projected 2070 Social Security deficit to 7.05 percent of taxable payroll, compared with 5.52 percent, VanDerhei said.

To hedge against the possibility of larger-than-anticipated gains in life expectancy, Holmer noted, the government of Switzerland has been exploring the idea of indexing benefits to age expectancy for different cohorts of the population. A less precise variation of this strategy, of course, would be simply to increase the normal age of retirement for Social Security purposes as life expectancy increases. Robert Myers, who spent 23 years as chief actuary for the Social Security Commission, recommended just that. Raising the retirement age to 70 by the year 2037 shouldn’t even be considered a cut in benefits, he argued, since by then a person who retires at that age will have the same life expectancy as someone who retires at age 65 today.

Rates of Return and What’s Fair

The current debate over Social Security revolves, in part, around arguments that the system doesn’t provide individuals a “rate of return” comparable with what they could earn if they were free to invest their tax money for themselves. That raises a fundamental question, according to Robert Friedland, director of the National Academy on Aging. “Is fairness determined by the market rate of return or by assuring an adequate minimum benefit to those with a history of low wages?” he asked.

No model can answer that question, but one might be able to describe the dimensions of the issue. At the time of the December policy forum, the EBRI model was still in a fairly early stage of development, but
a few simulations that were complete confirmed that the rate of return to at least one group of Social Security recipients, people born in 1976, would probably be higher on average under a partial privatization arrangement than under “non-structural reforms” that would cut benefits or raise taxes to balance the program.

But the model also showed that returns under the privatization scheme would vary far more. For critics of privatization, that was a crucial observation. “How about all the people who aren’t going to get average returns and may even lose?” asked Robert Ball, former Commissioner of Social Security under Presidents Kennedy, Johnson, and Nixon and a critic of privatization. “I think we need to look at the range of possible outcomes from these investments—particularly for low-income people—and worry about whether they’re tolerable.”

Girard Miller, president and chief executive officer of ICMA Retirement Corp., echoed that concern and added another: Will the Social Security “safety net” have to be extended to people who happen to retire during a bear market and hence have to cash in or annuitize their savings when their value is low? The possibility of such “cohort-specific” market losses concerns a number of baby boomers, in particular. Some analysts believe at least part of the run-up in stock prices in recent years is driven by the baby boom generation’s growing demand for equity investments to help finance retirement. If so, some worry that their retirement, and the resulting sell-off of their stock portfolios, could bring a long bear market.

“It’s been one of my constant worries that when I come to retire and sell my 401(k) plan, I’m not sure who I’m going to be selling it to,” said William Cheney, chief economist for John Hancock Mutual Life Insurance Co.

Macroeconomic Effects

EBRI launched its modeling exercise in part in the belief that Social Security has become too big for its impact on the overall economy to be ignored. Privatization advocates, in particular, contend that their proposals would increase savings and thereby produce higher investment, stronger productivity gains and faster economic growth. That, in turn, would make it easier for future generations to pay for Social Security and other retirement savings, they contend.

The National Taxpayers Union, for instance, asserts that its plan to replace the existing Social Security system gradually with a “national thrift plan” in which taxpayers would be required to set aside an amount equal to 5 percent of their wages in “personal thrift accounts” would quintuple national savings to 5.9 percent of Gross Domestic Product by 2065 and raise average wages by as much as 26 percent—all without new government debt, new taxes, or unrelated reductions in government spending.

“The savings-productivity-real wages link is absolutely essential,” argued Neil Howe, a consultant and advocate of the group’s plan. “It’s this link that keeps Social Security reform from turning into something close to a zero-sum game.”

Eugene Steuerle, a senior fellow at the Urban Institute, questioned whether there could be enough capital investment to give the nation a painless solution to Social Security’s financial problems. According to Steuerle, the retirement of the baby boom generation will result in a drop in “human capital” equal to a 20 percent or 25 percent rise in unemployment. “I don’t think you can build enough steel mills to solve this problem,” he said.

Even the assumption that the reform proposals would increase savings needs to be tested, Steuerle added. If the government encourages or requires more savings through Social Security, he suggested, people might simply reduce their savings outside the system by a comparable amount.

While voicing doubts that Social Security reforms will have much impact on economic growth, Steuerle joined most forum participants in urging EBRI to press ahead in its study of the issue. James Smith, senior economist at the RAND Corporation, argued that making no change in the program could have economic consequences just as significant as various reform proposals. The tax rate to pay for Social Security, Medicare, and other age-related transfers could climb to 40 percent during the next century if current trends continue, Smith said.
That would lead to tremendous pressures to cut other categories of government spending and could even choke off economic growth altogether.

“We have to be talking about encouraging savings and growth,” he concluded. He proposed imposing a progressive consumption tax.

Robert Myers, however, dissented from the general sentiment that reform proposals should be judged partly by their effect on the overall economy. “Social Security does not have the purpose of solving all national problems,” he said, adding that economic growth, in particular, is “not Social Security’s responsibility.” The real purpose of the retirement system, he said, is to ensure all retirees a basic “floor of protection.”

The importance of that floor was underscored by Friedland, who noted that 61 percent of today’s elderly—72 percent of those over age 75—derive at least one-half of their income from Social Security. Similarly, RAND economist Smith noted that one-half of all retirees over age 70 have financial assets totaling $10,500 or less. For those aged 51–61, the situation isn’t much better; the median level of financial assets for that group is $17,300.

**The Perception Gap**

While trying to untangle all these analytical questions might seem to be challenging enough, several forum participants suggested that EBRI’s job won’t be finished even after its model is built. “Ultimately, what we want to do is try to find ways to understand the implications of various options and then to be able to explain them to people in ways that are meaningful,” Moon said. “There’s a translation that going to need to be made here.”

Susan Dentzer, chief economics correspondent for *U.S. News and World Report*, buttressed Moon’s warning. “There is a very large potential perception gap between many of us who work on these very abstruse levels…and the way these things are likely to be perceived by the public,” she said. In particular, Dentzer questioned whether many Americans understand financial matters sufficiently to invest their own Social Security funds. She also suggested that the “linchpin” of privatization, the assumption that an “appropriate” annuities market will develop and be capable not only of having reliable returns but of securing investments once people retire, is far from assured. She warned that there is a great potential for “perceived social injustice for different classes of individuals” under various reform proposals.

In any event, the public is eager to be educated and is less susceptible to partisan efforts to exploit fears about Social Security or other entitlements than it has been in the past, according to political analyst and commentator Charles Cook. “They understand that we have some very serious problems with our entitlement programs,” he said. In a review of the 1996 elections, Cook argued that the Democrats succeeded for a time in charging that Republicans would cut too deeply into Medicare and other entitlement programs, but the issue “evaporated” toward the end of the campaign. In the final analysis, he said, Democratic claims didn’t change the outcome of any congressional race in the country. And, he said, people will require proof before they allow themselves to be frightened by such claims in the future.

**Reform Alternatives**

The forum concluded with a preview of the coming Social Security debate, as members of the advisory council and others described some of the reform alternatives EBRI’s model may be called on to analyze. Myers, who argued that Social Security isn’t “broke” and shouldn’t be “thrown away,” recommended raising the normal retirement age for Social Security to 70 by the year 2037, and increasing the payroll tax by 1.2 percentage points for both employers and employees between 2015 and 2035. He suggested normal economic growth should increase incomes enough that people could easily afford such a tax hike. “But even if they didn’t rise, do Americans have to be so unaltruistic” as to oppose such an increase, he asked. “Do they have to be so concerned that they always have rising incomes and have five cars in every garage and three television sets in every room?”

Robert Ball said the system should be overhauled in part to restore the younger generation’s confidence in it. “We have to do something about the perception of
younger people that they’re not getting a good deal under Social Security,” said Ball. He was a member of the advisory council faction that suggested the government should invest some proceeds from the Social Security tax in the stock market in order to increase returns. While much of the system’s financial gap could be closed in “quite traditional ways,” he said, equity investment would be the only means to completely fix the problem without cutting benefits or raising taxes.

Lawrence Thompson, principal deputy commissioner of the Social Security Administration, presented the arguments of a second advisory council faction that proposed establishing “individualized accounts” within the Social Security system. Thompson said some combination of higher taxes and reduced benefits is inevitable, and that the individualized accounts proposal would “split the difference” between those two approaches by trimming benefits to a level that could be supported by existing payroll taxes and then requiring individuals to set aside an additional 1.6 percent of their payroll earnings in the new accounts.

Thompson said the plan would satisfy public demand for greater “individualization,” but would help limit risk by requiring that the individual accounts be managed centrally, by limiting individuals to approved investment options, and requiring that individuals annuitize their savings upon retirement. Limiting the potential for large losses in the new accounts would be especially important, Thompson argued, since the growing preference of private employers for defined contribution retirement plans over defined benefit ones has increased risk in the private sector. “If the private sector is getting riskier, we should be very cautious about transferring a whole lot more risk onto individual workers by significantly shrinking the public system,” he said.

Ann Combs, a principal with William M. Mercer, Inc., and a member of the advisory council, made it clear that a desire for less government underlies privatization proposals. Combs was part of the advisory council faction that developed the so-called “personal savings account” proposal. It would allow workers effectively to put 5 percent of their payroll earnings into these personal accounts, which they would be free to manage and wouldn’t have to annuitize when they retire. The remaining 7.4 percentage points of the payroll tax would be used to pay a flat benefit to all retirees, initially $410 per month. In addition, a tax equal to 1.52 percent of payroll would be imposed to help finance the transition from the current system to the new one.

Combs said the plan would guarantee retirees an income equal to two-thirds of the poverty level and would eliminate some of the complexity of the current benefit formula while creating a “very direct link” between taxes paid and benefits received. The personal savings accounts, meanwhile, would lead to increased financial literacy and possibly would encourage more saving, she said.

And while Ball and Thompson warned against imposing more financial risk on retirees, Combs argued that the new financial market risk imposed on workers and retirees would be no greater than the “political risk” that they currently face—namely that the government will change the rules of the game by raising taxes or changing benefits.

What’s Next?

Stanford Ross, a senior partner in the law firm of Arnold and Porter and a former commissioner of Social Security, proposed a cautious, pragmatic approach to reform that illustrates how we might evolve gradually toward a new Social Security arrangement.

The program should be brought into financial balance, Ross said, partly to calm the “sky is falling rhetoric” about the system. He also agreed that there should be a “personal account element” because younger people are “less accepting of government paternalism.” But rather than setting out to solve the problem all at once, he said, we should first adopt various incremental changes that traditionalists have proposed and then let people set aside additional funds in individual accounts on a voluntary basis.

“One advantage of a voluntary approach is it would give you valuable experience about how the people who would be affected really feel about putting away more for their
retirement as opposed to consumption or other purposes,” he argued. “You would get valuable information.”

Ross’s recommendations, less comprehensive than other proposals, would leave many questions about the future of Social Security unanswered. But in a sense, they summed up the current state of policy analysis and policymaking, including both our lack of information and the need for greater understanding between the public and experts. Without these, consensus may remain elusive.

“Any changes are going to have to be broadly bipartisan and based on a great deal of public education,” Ross said. “Different people make different calls on the economics and the politics and how they think people react to things.”

—Chris Conte, EBRI Fellow

Editor’s Note
This article, based on the December 4, 1996, EBRI-ERF Policy Forum, was written by EBRI Fellow Chris Conte. A former reporter with the Wall Street Journal, Conte has been an EBRI Fellow since 1995 and has written summaries of the EBRI-ERF Policy Forums and other articles on policy issues. Any views expressed in this article are those of the author and should not be ascribed to the officers, trustees, members, or other sponsors of EBRI, EBRI-ERF, or their staffs. Neither EBRI nor EBRI-ERF lobbies or takes positions on specific policy proposals. EBRI invites comment on all research.

Benefits in Small Private Establishments

Introduction

From 1992 to 1994, employee participation in a majority of benefit programs decreased for full-time employees in small private establishments, while participation for part-time employees saw little, if any, change according to a recent survey conducted by the Bureau of Labor Statistics (BLS). Participation decreased for full-time employees in the two major employee benefit programs; medical care and retirement. In 1994, 66 percent of full-time employees participated in an employment-based medical plan (down 5 percentage points from 1992), while 42 percent participated in an employment-based retirement plan (down 3 percentage points from 1992) (table 1).

Among part-time employees in small-private establishments, the participation rate in employment-based medical plans increased to 7 percent in 1994 (up 2 percentage points from 1992). However, the participation rate in employment-based retirement plans for part-time employees fell from 12 percent to 10 percent in 1994 (table 1).

The small private establishments survey is one of three BLS surveys on participation in employee benefits. These are surveys of establishments, not employers. An establishment may be a smaller component of a large firm or may be an entity in itself. For example, a General Motors’ parts assembly plant that employs 75 people would be included in the small private establishment survey even though the plant is part of a larger entity. It must be noted that the data reported in these surveys represent participation in benefit programs, not benefits offered by employers.

Full-Time Employees

Employment-based medical and retirement plans are not the only benefit programs that saw participation rates fall for full-time employees in small private establishments. Paid sick leave, long-term disability insurance, dental care, and life-insurance programs all saw decreased participation rates in 1994. Fifty percent of employees participated in paid sick leave programs in 1994 (down from 53 percent in 1992), participation in long-term disability insurance programs dropped from 23 percent to 20 percent, participation in employment-based dental care programs fell from 33 percent to 28 percent, and participation rates in life-insurance programs dropped 3 percentage points to 61 percent in 1994 (table 1).

Even though the overall participation rates for all employment-based retirement plans, including defined benefit plans, fell in 1994, participation rates in defined contribution plans increased slightly. Thirty-four
Table 1

PERCENTAGE OF FULL-TIME AND PART-TIME EMPLOYEES PARTICIPATING in

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\(^a\)Participants are workers covered by a paid time off, insurance, retirement, or capital accumulation plan. Employees subject to a minimum service requirement before they are eligible for benefit coverage are counted as participants even if they have not met the requirement at the time of the survey.  
\(^b\)If employees are required to pay part of the cost of a benefit, only those who elect the coverage and pay their share are counted as participants. Benefits for which the employee must pay the full premium are outside the scope of the survey. Only current employees are counted as participants; retirees are excluded.  
(continued)
were much lower among part-time employees in small private establishments, compared with full-time employees. Only 7 percent of part-time employees participated in an employment-based medical plan in 1994, compared with 66 percent of full-time employees (table 1). This gap was not quite as large with employment-based retirement plans, but there was still quite a disparity. Ten percent of part-time employees participated in an employment-based retirement plan in 1994, compared with 42 percent of full-time employees, while only 6 percent participated in defined contribution plans (down from 9 percent in 1992), compared with 34 percent of full-time employees (table 1).

Part-time employees also saw the effects of the Family and Medical Leave Act of 1993. Participation in unpaid family leave benefits jumped to 28 percent in 1994 (table 1), and 22 percent of part-time employees participated in elder-care benefits (up from 1 percent in 1992) (table 2). With the exception of nonproduction bonuses benefits and job-related education assistance, part-time employees’ participation rates for most other benefit programs remained fairly constant. In 1994, 22 percent of part-time employees participated in nonproduction bonuses benefits (down from 33 percent in 1992) (table 2), and 15 percent participated in job-related education assistance (up from 9 percent in 1992) (table 2).

For further details on plan design, participation rates, and cost, see the third edition of the *EBRI* Notes.
Databook on Employee Benefits.
—David Garlick, EBRI

Endnotes
1 Small private establishments are defined as establishments with fewer than 100 employees in all private nonfarm industries.

2 Employees were classified as either full-time or part-time in accordance with the practices of the surveyed establishments. Part-time workers typically work fewer hours per week than full-time workers working in the same field. Part-time workers frequently worked between 15 and 30 hours a week.


EBRI In Focus
Retirement Confidence Survey
Sponsors are being recruited for the 1997 Retirement Confidence Survey. In addition to the recognition that comes with supporting a project that is widely cited by the popular and trade media (findings from the 1996 survey were featured by USA Today, CNN, NBC radio, UPI radio, as well as syndicated print outlets such as Knight Ridder, Scripps Howard, and Bloomberg) and that is used in retirement income security policy circles, sponsors benefit in direct, tangible ways. Past sponsors have used the survey results for communication regarding the need to plan and save for retirement. Sponsors receive detailed sets of the survey results' tabulations. Survey tabulations are provided for the U.S. population at large and the working and retired populations separately. Responses are further broken down by individual demographic characteristics such as age, gender, income levels, educational attainment, and marital status. Consequently, the results serve as a rich source to be mined for short opinion pieces or more detailed analysis that can be used in newsletters and other communications.

Sponsors of the RCS constitute the survey’s steering committee. The committee meets early in the process to discuss the survey instrument. In addition, the committee is briefed in detail on the survey results before their public release.

If you have any questions about the survey or would like to discuss sponsorship, please contact Paul Yakoboski (phone: (202) 775-6329, e-mail: yakoboski@ebri.org).

EBRI Presentations
During January, Dallas Salisbury was busy giving presentations around the country to employee benefit groups and EBRI members. The winter storms once again interfered in 1997, however, as the Jan. 9 storm in Washington and Detroit caused cancelation of flights as well as a dinner presentation to the Detroit chapter of the Midwest Pension and Benefits Conference. The weather cleared, and on Jan. 14, first in Orange County, and then in Los Angeles, Salisbury spoke to chapters of the Western Pension and Benefits Conference about results of the Retirement Confidence Survey; implications of the 1996 election for benefits policy, plan sponsors, and plan participants; and proposals for Social Security, pension, and health reform in the 105th Congress.

Traveling to St. Louis, Salisbury was the keynote speaker, for the 11th consecutive year, at the St. Louis Employee Benefits Association on the 16th. He presented his annual update on “the state of employee benefits and prospects for the coming year.” January 21 took him to Cleveland as featured speaker for the Midwest Pension & Benefits Conference.

Salisbury presented the keynote address on Jan. 28 in New York at the 1997 P&I Defined Contribution Conference, reporting on the results of EBRI research on plan participant
education and behavior. On Jan. 31, Salisbury was in Orlando keynoting IIRC’s Conference on the future of public pension systems with a presentation on EBRI’s extensive work on “changes in the pension system: implications for retirement security.”

In addition, Salisbury participated in an online forum about the tax treatment of employee benefits hosted by the Tax News Network (TNN) Jan. 16 to 17.

EBRI Research Associate Paul Yakoboski spoke Jan. 23 at the annual seminar sponsored by the United Food and Commercial Workers International Union’s Multiemployer Pension Fund on legislative developments in the area of retirement income security.

Briefings
EBRI, the Catholic Health Association, the Commonwealth Fund, and the Alliance for Health Reform cosponsored a seminar for congressional health care staff on Jan. 13–14. More than 100 staff members from both sides of the aisle attended the event, which covered upcoming issues in managed care, Medicare, and health care reform generally. Representing EBRI as participants were Paul Fronstin, Bill Pierron, Pam Ostuw, and Kelly Olsen. They made presentations and shared EBRI information with participants. The agenda, at the insistence of EBRI, represented a spectrum of all views.

EBRI Research Associate Paul Yakoboski conducted a briefing for congressional staff, media, and EBRI members Jan. 31 on key findings from the 1996 Retirement Confidence Survey and their implications (published as the January EBRI Issue Brief no. 181).

EBRI Preparers for 20th Anniversary Gala
EBRI will celebrate its 20th anniversary in 1998. Please help us share in the excitement of this black-tie gala, which will be held in New York City, in early October, 1998. Contributions are $10,000 for a table for 10. All proceeds directly fund the EBRI Fellows Program. The 10th and 15th anniversary celebrations were huge successes, with over 600 at each, so plan to attend and order your tables now. For more information, contact Patsy D’Amelio at (202) 775-6323 or Deborah Milne at (202) 775-6361.

Lillywhite Award Nominations Sought for 1997
Nominations for the 1997 EBRI Lillywhite Award are now being accepted. This award recognizes “lifetime contributions to Americans’ economic security.” The deadline for submitting nominations is March 31, 1997. Visit EBRI Online at www.ebri.org or contact Pam Ostuw at (202) 775-6315 for more information about the award or Lois Cuozzo at (202) 775-6300 to receive a nomination form.

EBRI and the Media
EBRI continues to work with the media, responding to requests from many reporters each day. In spite of a policy of open information provision without a request for citation, EBRI continues to be cited in national newspapers, trade publications, and on the electronic media. A Dialog search of 53 major U.S. newspapers for the period Dec 1–31, 1996, yielded 17 EBRI mentions and 2 ASEC mentions. Highlights of the recent mentions include:

- A Dec. 3 Wall Street Journal article about Wall Street promoting an overhaul of Social Security included a reference to the Dec. 4 EBRI-ERF policy forum on Social Security reform.
- The Dec. 16 issue of Newsweek featured an article about retirement planning that included insights from EBRI research.
- During December CNN interviewed Dallas Salisbury on the prevalence of broad-based, employer-provided stock options and Bill Pierron on employer vacation and holiday policies.
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].


Canan, Michael J. Qualified Retirement and Other Employee Benefit Plans. $79. West Publishing Co., 620 Opperman Drive, St. Paul, MN. 55164, (800) 328-9352.


Detwiler, Susan M. Detwiler’s Directory of Health and Medical Sources. $195. The Hatherleigh Company LTD, 1114 First Avenue, Suite 500, New York, NY 10021-8325, (800) 367-2550 ext. 223.


Hoechst Marion Roussel, Inc. Integrated Health Systems Digest. $9.95 S&H chg. Hoechst Marion Roussel, P.O. Box 9627, Kansas City, MO 64134-0627, (800) 529-9615.


InterStudy. The InterStudy Value Report. $390. InterStudy Publications, P.O. Box 4366, St. Paul, MN 55104, (800) 844-3351.


Pension Benefit Guaranty Corporation. Divorce Orders & PBGC. Free. PBGC QDRO Coordinator, P.O. Box 19153, Washington, DC 20036-0153, (800) 400-PBGC.


U.S. Congress. House Committee on Commerce. Contract Issues and Quality Standards for Managed Care. Order from GPO.

U.S. Congress. House Committee on Ways and Means. Green book: Background Material and Data on Programs Within the Jurisdiction of the Committee on Ways and Means. Order from GPO.


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.

The American Savings Education Council (ASEC) is a part of EBRI-ERF. ASEC is a coalition of over 200 private- and public-sector institutions. ASEC’s goal is to make saving and retirement planning a vital concern of Americans and in the economic interests of employers. Partnership is open to any organization that shares this goal. Inquiries regarding ASEC should be directed Don Blandin, (202) 775-9130; email to: blandin@asec.org; or on the World Wide Web at www.asec.org.

**EBRI Issue Briefs** are monthly topical periodicals providing expert evaluations of employee benefit issues and trends, including critical analyses of employee benefit policies and proposals. Each issue, ranging in length from 16–28 pages, thoroughly explores one topic. Subscriptions to **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 Notes** is a monthly periodical providing up-to-date information on a variety of employee benefit topics. **EBRI’s Washington Bulletin**, provides sponsors with short, timely updates on major developments in Washington in employee benefits. **EBRI Fundamentals of Employee Benefit Programs** offers a straightforward, basic explanation of employee benefit programs in the private and public sectors. **EBRI Databook on Employee Benefits** is a statistical reference volume providing tables and charts on private and public employee benefit programs and work force related issues.

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**
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**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.

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