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Notes

Chilean Social Security Reform as a Prototype for Other Nations

Introduction

Chile has privatized its social security system more extensively than any other country to date (Sigma, 1997). Because few dispute that social security privatization has been accompanied by a revived economy and widespread public support, interest in Chilean social security reform has spread to other Latin American countries; to transition economies in Eurasia; and to developed nations, including the United States. Since 1993, Peru, Columbia, Argentina, Uruguay, and Mexico have implemented privatized social security reforms that resemble Chile's system (Baretto and Mitchell, 1997; Sigma, 1997). One analyst predicts that "80 percent of central America will have Chilean-style reform in five years." (See table 1.)

This article briefly describes the evolution of the reformed Chilean social security system and some of its advantages and disadvantages. In addition, the article analyzes some of the system's more ambiguous characteristics, the merits of which depend on one's viewpoint and/or conflicting data reports. Finally, it explores the circumstances that could potentially prevent nations with different political and economic characteristics from adopting Chilean-type reform and suggests possible reasons to

withhold judgment on the Chilean system's success until the system has matured further.

Background

From 1924–1981, Chile had a defined benefit social security system that eventually became inefficient, exacted payroll taxes of over 25 percent, and lost public confidence. The old system also lacked widespread public support at least in part because benefit provisions were designed to vary significantly among occupational groups, which led to public perception of unfairness. In May 1981, Chile's dictatorship replaced the old system with a two-tiered system coupling a base, means-tested benefit with a defined contribution account.

The dictatorship successfully facilitated the transition to the new system in a number of ways. First, to help workers make contributions to the new defined contribution accounts equal to at least 10 percent of earnings, the dictatorship mandated that employers raise wages by 18 percent for existing workers and new labor force entrants (Myers, 1992). In addition, the dictatorship issued government recognition bonds to workers who had accrued benefits under the old system. Finally, it gave workers the option of remaining with the old system or participating in the new one until 1985, by which time 98 percent of workers

had already joined the new system (Huber, 1997). Having secured popular participation, support, and confidence, the privatized social security system survived the transition to Chile's subsequent new democracy.

The base Chilean social security tier is a minimum, welfare-oriented benefit (funded from general revenues) that guarantees retirement benefits worth the higher of 75 percent of poverty or 25 percent of a worker's average pay over the 10 years prior to retirement. A worker will receive the first-tier benefit as a retiree only if his or her defined contribution account is too small to generate equivalent income (i.e., to provide annual benefits greater than 75 percent of poverty or 25 percent of the worker's average pay). In such cases, the worker's defined contribution account is taxed 100 percent to help pay for the first-tier benefit. In other words, no Chilean receives payouts from both of the system's tiers. If workers do not accumulate enough in their defined contribution accounts, they must forfeit their balance and receive the minimum benefit.

Chile's defined contribution tier requires annual additions equal to 10 percent of wages, but workers are allowed to contribute up to 20 percent at their discretion. These funds are managed by one of approximately 20 *Asociacion de Fondes de Pensiones* (AFPs), which also provide survivor and disability insurance. Instead of a centralized tax system, each AFP visits individual work places to collect

contributions. While workers must pay a commission fee to the AFPs in addition to the 10 percent mandatory account contributions, the government caps these fees.

AFPs also are regulated substantially in other ways; for example, they must meet annual minimum return requirements. If a fund's performance is lower than required, the AFP must make up the difference from its own reserve; if an AFP's performance is higher than allowed, "excess" returns must be paid to the AFP's reserve fund. In addition, the government has set limits on AFP investments, and requires posting minimum capital requirements to enter the AFP market (Mitchell, 1996).

Pros of the Chilean Social Security System

Chilean economic growth has surged since the inception of social security privatization. While some analysts attribute Chile's decade-long, 7 percent average annual domestic growth rates directly to social security privatization (Pinera, 1995), others argue that Chile's economy has improved because of economic reforms accompanying privatization that enhanced the appeal of Chilean capital markets (Mitchell, 1996) and improved their efficiency (Diamond and Valdes-Prieto, 1993).

Less controversial advantages of the Chilean system include projected benefit levels that are 40 percent to 50 percent higher than those paid under the old system (Pinera, 1995) and lower financing demands than

projected under the old system (Myers, 1992). In addition, Chile's sizable first-tier benefit costs less than the minimum social security pensions provided by nations such as Australia and New Zealand (Diamond and Valdes-Prieto, 1993). Finally, Chile's social security system has gained newfound public support and confidence at least in part because of the economic growth and higher projected benefits associated with it and because of its consistent treatment of all workers (Diamond and Valdes-Prieto, 1993; Hardy, 1996; Passell, 1997).

Ambiguous Characteristics of Chilean Reform

Other aspects of Chile's social security system are controversial; their merits depend on one's viewpoint. For example, withdrawal from the work force is not related to the receipt of social security benefits, as pension collection is a function of reaching retirement age and/or having accumulated adequate pension assets. Some might argue that this arrangement serves society best by reducing market inefficiencies that may result from work disincentives such as the U.S. Social Security program's retirement earnings test. Conversely, others might argue that retirement funds serve the greatest social good when allocated most heavily to older persons under a specific level of employment-based earnings.

The Chilean system's high administrative costs, relative to those incurred by well-run, unified,

Table 1
CHILEAN-STYLE SOCIAL SECURITY REFORM IN LATIN AMERICA

	Chile	Peru	Columbia	Argentina	Uruguay	Mexico
Date Introduced	May 1981	June 1993	May 1994	June 1994	April 1996	June 1997
Public Defined Benefit	Public DB ^a	Public DB ^a	Public DB ^a	Public DB ^a	Public DB ^a	Public DB ^a
Second Pillar	Private DC ^b	Private DC ^b or public DB ^a option	Private DC ^b or public DB ^a option	Private DC ^b or public DB ^a option	Private DC ^b or public DB ^a option	Private DC ^b
Employee Payroll Tax	10%	10% for private option; 11% for public option	2.5% for private option and 3.5% on public option	11% on both public and private options	0%–7.5% on private; n/a on public option	6.5%
Employer Payroll Tax	0%	0%	7.5% if employee selects private option/ 10% if public	0%	0% on private option; not available on public	0%
General Revenues?	Yes	Yes	Yes	Yes	Yes	Yes
Transition Costs as Percentage of Gross Domestic Product	80%–100%	27%	87%	Not available	Not available	80%
Federal Debt to Fund Transition?	Yes	Yes	Yes	Yes	Yes	Yes
First Pillar Payout	Annuity equal to 25% of average pay	Not available	Annuity equal to 55% of average pay	Annuity equal to 28% of average pay	Not available	Annuity equal to 40% of average pay
Second Pillar Payout	Lump-sum distribution (LSD), gradual withdrawal, or annuity	Gradual withdrawal or annuity	Gradual withdrawal or annuity	Gradual withdrawal or annuity	Annuity	Gradual withdrawal or annuity
Recent Rates of Return	12.5% (1982–1995)	15.5% (1996)	15.5% (1996)	19.9% (1995–1996)	Not available	Not available
Are Investments Regulated by a Commission?	Yes	No	Not available	No	No	No
Minimum Rate of Return?	Yes	Yes	Yes	No	No	No

Source: F. A. Barreto and O.S. Mitchell, "Privatizing Latin American Retirement Systems," *Benefits Quarterly* (forthcoming, 1997); and Swiss Reinsurance Company, "The Insurance Industry in Latin America: A Growing Market in a Competitive Environment," *Sigma*, No. 2 (1997).

^aDefined benefit.

^bDefined contribution.

government systems, present another ambiguous feature. For example, the U.S. Social Security Administration reports an administrative cost of \$18.70 annually per person, compared with Chile's cost of \$89.10 (Diamond, 1994). While some predict that administrative fees as a percentage of contributions will decline as the program's start-up administrative costs fall and account balances grow, one could argue that

even if they did not, the benefits of a privatized system outweigh its higher administrative costs.

A similar argument can be made with respect to the regulation of AFPs and the high cost of private market annuities available for purchase on retirement with defined contribution account assets. As mentioned above, Chilean social security fund managers are regulated heavily with respect to capital

requirements to enter the system, investment limitations, annual return requirements, and management fee limitations. However, some may justify these stringent rules by privatization's benefits. Similarly, the private annuities that can be purchased with defined contribution balances are more expensive than those provided by more traditional defined benefit social security systems, such as that of the United

States', yet this shortcoming also may be perceived as outweighed by privatization's benefits.

Other ambiguities include privatization's effect on national savings and the burdens imposed by costs associated with transition to the new system. Analysts disagree on whether national savings rates have grown under the privatized system and on the magnitude of Chile's transition costs. Mitchell (1996) argues that the Chilean system has seen little net national savings, as increased pension saving has been offset by reductions in nonpension private saving and by government dissaving. Mitchell also states that, although benefits under the old system were reduced and government surpluses were used to finance the transition, the transitional costs from the old Chilean system equal approximately 80 percent of Chile's Gross Domestic Product (GDP) (Barreto and Mitchell, 1997; Mitchell, 1996). However, Pinera (1995) states that Chile's saving rate has grown dramatically—to 26 percent of GDP—since privatization, and that the transition cost equals just 3 percent of the nation's GDP.

Another ambiguous aspect of the Chilean system arises from the means-tested nature of its first-tier benefit. Once workers, especially low-wage earners, contribute the lowest amount to qualify for the minimum social security benefit, they have an incentive to evade contributions by underreporting income (i.e., working "off the books") (Mitchell, 1996). If a worker's

defined contribution account is inadequate, the account balance is taxed 100 percent and the worker receives only the minimum pension benefit. As a result, workers who believe their defined contribution accounts will never accumulate enough assets to provide the required level of retirement income (e.g., low-wage earners, seasonal or part-time workers, etc.) have no financial incentive to continue adding to an account they expect to forfeit to the government on retirement.

Recent evidence suggests that workers may in fact be evading social security defined contribution payments, as just 52 percent of the Chilean system's more than 5 million workers currently contribute to their accounts on a regular basis (Huber, 1997). However, it is uncertain what percentage of these nonactive participants are simply workers who have dropped out of the labor force (e.g., taken time off to raise children, returned to school, become unemployed, etc.). For example, Chamaro (1992) found that about 95 percent of workers failing to make regular contributions to their accounts are accounted for by labor force withdrawal. However, while Chamaro's results suggest that only 5 percent of the eligible Chilean population is evading social security payments, others consider noncompliance a more significant problem (Diamond and Valdes Prieto, 1993 and Myers, 1992).

Cons of the Chilean System

The only indisputable disadvantage

of the Chilean system derives from private market competition among AFPs to attract participants. Passell (1997) states, "[j]ust as American banks used to give away toasters to attract new accounts, AFPs employ armies of salesmen and pour on extraneous services." As a result of marketing enticements to switch AFPs, annual membership turnover rates exceed 30 percent, and customers pay for related administrative costs. In addition, the advertising and extraneous services used in AFP marketing battles are arguably not contributing to Chile's GDP to the greatest extent possible. While some might argue that some resources "lost" to marketing expenditures are justified by privatization's benefits, it is doubtful that many of privatization's proponents condone the extent to which Chilean resources are currently used for AFP marketing. However, the amount of resources used for this purpose may decrease as the system matures.

Chilean Reform as a Prototype for Other Nations

The advantages of Chile's social security system may not be importable to the United States or other nations for three reasons. First, Chilean social security reform was enacted at a time when the government was running a surplus (Diamond, 1994), which was used to help finance the transition to privatization. Such fiscal surpluses do not exist in the United States or in many Latin American countries that are considering the adoption of

a Chilean-like system (Mitchell, 1996). As a result, these countries might have more difficulty paying for the transition costs inherent in a move to privatized social security.

Second, Chile's transition to a privatized system was enforced by a military dictatorship, which may have facilitated overall implementation as well as the reduction in benefits to workers covered under the old system. It is unknown whether a democracy could obtain the public consensus necessary to pass a major reform of this type and/or to reduce traditional social security benefits under a new privatized system. (Unless benefit obligations from the old system are reduced, transitional costs for a new system are high.) Similarly, it is difficult to envision the U.S. government mandating employers to increase workers' pay by 18 percent, as Chile's government did, to help workers participate in a new defined contribution system.

Finally, economic considerations may render privatization less favorable for other nations. For example, because Chile's economy is less developed, its growth potential exceeds that of more developed nations, including the United States. A great deal of debate surrounds the extent to which the U.S. economy could grow under a privatized social security system (Conte, 1997).

Is Chilean Social Security Reform a Success?

Although Chile has recently experienced increased economic prosperity,

with positive real rates of return averaging 12 percent for most of the privatized program's history (Barreto and Mitchell, 1997), recent AFP returns are negative (real return of -2.5 percent in 1995). If this trend continues, the support and confidence that privatized social security has enjoyed may wane in tandem with real rates of return. Because the Chilean economy has not experienced a prolonged market downturn, public reaction under such a scenario is unknown.

In addition, most current beneficiaries of the Chilean system are survivors or disabled; very few have actually *retired* under privatized social security (Mitchell, 1996). Therefore, because the Chilean social security system has not yet matured to the point where it must support large numbers of retirees, the system's ultimate adequacy and viability are unknown. There is no doubt that Chile's social security privatization initiative has gained popular support and is correlated with the country's subsequent economic growth. However, inasmuch as the privatized system is just 16 years old and Chile differs politically and economically from other nations, there may be reason to reserve judgment about the system's ultimate success and its applicability as a prototype for other nations.

References

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Diamond, P. "Privatization of Social Security: Lessons from Chile." *Revista de Analisis Economico* (June 1994): 21-33.

Diamond, P., and Valdes-Prieto, S. "Social Security Reforms," in Barry P. Bostworth, Rudiger Dornbusch, and Raul Laban, eds., *The Chilean Economy: Policy Lessons and Challenges* (Washington, DC: The Brookings Institution 1993).

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Mitchell, O.S. "Exporting Chilean Social Security Reform." Paper presented at the Council on Foreign Relations Conference on "The Coming Global Pension Crisis." Washington, DC, November 5, 1996.

Passell, P. "How Chile Farms Out Nest Eggs: Can Its Private Pension Plan Offer Lessons to the US?" *The New York Times*, March 3, 1997, C1 and C4.

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NY: Swiss Re).

Endnotes

¹ A truly privatized social security system would be operated by the private sector and could be defined benefit or defined contribution in nature. Although technically incorrect, “privatization” has become the shorthand term to describe the investment of social security funds in private markets, usually referring to investment via individual accounts. This article uses “privatization” in this specialized context.

² Estelle James, discussant, “The World’s Retirement Program Transition,” EBRI policy forum, *Retirement Prospects in a Defined Contribution World*, Washington, DC, April 30, 1997.

³ “The new Chilean system requires that pension managers’ rate of return on investments fall within ± 2 percent of the all-AFP average” (Barreto and Mitchell, 1997).

⁴ “Investments are controlled with caps set on specific asset classes; for instance, the maximum allowable domestic equity holding is 30 percent of a fund’s portfolio, while the foreign equities cap has only recently been lifted to 20 percent; government bonds may constitute no more than 45 percent of the AFP portfolio” (Barreto and Mitchell, 1997).

⁵ Estelle James, discussant, “The World’s Retirement Program Transition,” EBRI policy forum, *Retirement Prospects in a Defined Contribution World*, April 30, 1997.

⁶ For a discussion of Chilean social security reform’s effect on national saving rates, also see Bob Meyers, “Chile’s Social Security Reform, After Ten Years,” *Benefits Quarterly* (Third Quarter 1992): 41–55.

⁷ Recognition bonds for past contributions to the old system were paid, but those paid to middle-aged workers did not equal the benefits promised to them under the old system (Mitchell, 1996).

EBRI in Focus

1997 Retirement Confidence Survey (RCS)

At this writing, Mathew Greenwald & Associates is fielding the 1997 RCS. Fielding will end on Aug. 11, and the results will be announced to the public on Oct. 16, 1997, at the National Press Club in Washington, DC. On July 8, EBRI/ASEC Public Relations Associate Maureen Richmond and Karen Lubieniecki (KAL/PR) met with (AARP) representatives to discuss ways the Association can help to increase awareness of the survey results among its approximately 33 million members. For a list of survey sponsors and status updates, visit the RCS Web site at www.ebri.org.

EBRI Briefings

On July 25, EBRI Senior Research Associate Paul Yakoboski presented an educational briefing on “Lump-Sum Distributions: Implications for Retirement Income Adequacy” to a group of congressional and federal agency staffers, reporters, and Washington representatives of EBRI’s Member organizations. The briefing was based on EBRI’s *August Issue Brief*. EBRI’s educational briefings are generally held at 9:30 a.m. on the last Friday of each month in room B-369 of the Rayburn House Office Building in Washington, DC. The September briefing will be held on Friday the 26th. The topic will be

announced at a later date. For more information, please contact Bill Pierron at (202) 775-6353.

EBRI Presentations

EBRI President Dallas Salisbury spoke at a General Accounting Office (GAO) seminar on the future role of pensions on July 15 in Washington, DC. GAO currently has a number of studies under way for congressional members on Social Security and pension issues. Dallas and other EBRI staff members have been resources on all of these issues.

On July 25, Dallas moderated “Preparing for the Baby Boomer’s Retirement: The Role of Employment,” a forum sponsored by the U.S. Senate Special Committee on Aging. Among forum participants were John Rother of the American Association of Retired Persons (AARP) and Professor Joe Quinn of Boston College, an EBRI Fellow. In his introductory remarks, Dallas outlined the issues surrounding the retirement of the baby boomers, including the trend toward workers assuming responsibility for funding their own retirement, the possibility of dramatically longer life expectancy, and the challenges facing the Social Security system. At the request of co-hosts Senators John Breaux (D-LA) and Charles Grassley (R-IA), Dallas also moderated the two panel discussions that followed the presentations.

The U.S. Securities and Ex-

change Commission, an American Savings Education Council (ASEC) Partner institution, will hold the next of the Commission's series of Investors' Town Meetings on Monday, Aug. 4, in Tulsa, OK, from 4:00–8:30 p.m. ASEC and the VALIC Center for Retirement Education (an ASEC Charter Partner) will present *Save Now! Secure Your Future* as one of the seminars at the Town Meeting. The Tulsa Investors' Town Meeting is the 20th town meeting held by SEC Chairman Arthur Levitt since these meetings began in October 1994, as part of the Commission's new investor education and protection initiatives. The purpose of the meetings is to convey basic tips to investors on how they can make informed investment decisions, monitor their current investments, and avoid fraud. Each of the meetings held in 1995 and 1996 attracted about 1,000 citizens. Over 16,950 investors have been reached directly (total town meeting attendance), and an estimated 7.5 million more indirectly through newspapers, television broadcasts, and videotape distributions of the town meetings.

Dallas traveled to Boston for a session on Aug. 5 and 6 on "Social Security Reform," hosted by Professor Martin Feldstein at Harvard University. Dallas discussed EBRI-SSASIM2, the Social Security evaluation model EBRI has recently completed.

On Aug. 8, EBRI Research Associate Paul Fronstin will speak before the National Conference of

State Legislators in Philadelphia, PA, on the trends in health insurance and the uninsured.

EBRI in the News

EBRI Research Associate Paul Fronstin has been interviewed on several radio and television programs on current health care issues and trends. On June 9, National Public Radio's (NPR) Vicky Quay interviewed Paul on children's health insurance issues. On June 20, NPR interviewed Paul on trends in wellness programs. On June 30, Paul was interviewed by CBS radio on the Health Insurance Portability and Accountability Act of 1996 (HIPPA). On July 1, he did another spot on NPR on HIPPA. Paul appeared on Nightly Business Report on July 10 to discuss proposals to raise the Medicare eligibility age from 65 to 67.

EBRI receives over 200 news media calls per month, resulting in print and electronic coverage at the local and national levels as well as in trade publications. The following citations are representative of recent EBRI coverage:

- Dallas Salisbury was quoted extensively in *Business Week's* July 21 "Annual Retirement Guide—How To Retire Successfully."
- A July 8 *Palm Beach Post* article on workers' investments in 401(k) plans.
- A July 8 story in *The Buffalo Times* on investing in Treasury bonds.
- A July 7 *Washington Times* article on 401(k) retirement accounts and the increase in defined contribution plans since 1975.
- The July/August issue of *ACA News* featured an EBRI factoid on the decline in the percentage of nonelderly with employment-based health insurance.
- A July 2 *USA Today* cover story on recent health care proposals featuring an EBRI table on uninsured Americans.
- A July 1 *Philadelphia Inquirer* article on raising the Medicare eligibility age.
- A June 26 *New York Times* article on health insurance for people in the arts.
- A June 23 *Los Angeles Times* article on female workers' lower propensity to job hop.

ASEC's introduction of the *Ballpark Estimate* worksheet was mentioned in the *Philadelphia Inquirer*, the *San Francisco Chronicle*, the *Charlotte Observer*, the *Miami Herald*, the *Washington Times*, the *Buffalo News*, the *St. Petersburg Times*, the *BNA Pension & Benefits Reporter*, Dow Jones Money Management AletNET, and Kiplinger Online, among other notable news sources.

ASEC President Don Blandin was featured in the July 5 edition of the *Richmond Times-Dispatch* and in the July 8 edition of *Rocky Mountain News* on the four different types of people when it comes to saving money—impulsives, deniers,

strugglers, and savers. Don emphasized that ASEC is geared to help people of all savings levels.

ASEC's Interactive Ballpark Estimate Worksheet

Last month we reported that ASEC had just released its new savings tool—the *Ballpark Estimate* worksheet. Now you can get a ballpark estimate of how much you will need to save today to retire comfortably tomorrow on the Web by completing ASEC's new **interactive Ballpark Estimate** worksheet, which can be accessed on ASEC's Web site at www.asec.org

EBRI Membership and Development

During the month of August, Deborah Milne, EBRI director of member relations and special projects, will visit EBRI Members in Philadelphia, Pittsburgh, Columbus, Dayton, Cincinnati, and Midland, MI. Deborah and Pam Ostuw, member relations and research assistant, will also be visiting several Members in Washington, DC, and surrounding areas in August and early September. Sept. 9–11, Deborah and Pam will present an EBRI exhibit at the Benefits Management Forum and Expo '97 in Atlanta, GA. EBRI President and ASEC Chairman Dallas Salisbury will present the opening keynote address at the conference. Along with the exhibit, EBRI will host a discussion and

luncheon for its Members and prospective Members in the Atlanta area at the offices of Bell South, during which Dallas Salisbury will discuss EBRI and give a benefits issues update.

EBRI's Summer Intern Program

EBRI's progress has been augmented this summer by a group of able interns: Michael Breland, Valencia Community College (Technical Film Production, spring 1998); Mona Kahn, Villanova University (B.S., computer science, May 1999); Chris Johnson, William and Mary University (B.A., economics, December 1997); Chris Motta, Franklin Pierce Law Center (JD, 1999), John Schwarz, Cornell University (PhD, political science); and Heath Weiner, George Washington University (B.A., international affairs, December 1997). We wish to thank each of them for their contributions this summer and wish them luck as the new school year begins.

EBRI Prepares for 20th Anniversary Celebration

EBRI will celebrate its 20th anniversary on Monday, Sept. 14, 1998, with a black-tie gala to be held in New York City. The 10th and 15th anniversary celebrations were huge successes, so please plan to join us for this exciting event. For more information, contact Patsy D'Amelio at (202) 775-6323, e-mail: damelio@ebri.org or

Deborah Milne at (202) 775-6361, e-mail: milne@ebri.org.

Surf EBRI on the Web

If you haven't already visited our sites, both EBRI and ASEC are on the World Wide Web! We can be found at ebri.org and asec.org.

EBRI Members, don't forget the last three years of *Issue Briefs* and *Notes* are available in full text on the publications page. Stay up-to-date by reading EBRI press releases, congressional testimony, and our new "What's New" section highlighting recent activities and events. Beginning this month, *FACTS from EBRI* will be posted on EBRI's Web site.

Notes New Pubs/ Internet Docs list

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].

Allen, Everett T., Joseph J. Melone, Jerry S. Rosenbloom, and Jack L. VanDerhei. **Pension Planning: Pension, Profit-Sharing, and other Deferred Compensation Plans.** Eighth edition. \$64.28. McGraw-Hill Companies, P.O. Box 182604, Columbus, OH 43272-303143004, (800) 262-4729.

Blau, David M., and Donna B. Gilleskie. **Retiree Health Insurance and the Labor Force Behavior of Older Men in the 1990s.** Working Paper no. 5948. \$5. National Bureau of Economic Research, Publications Department, 1050 Massachusetts Avenue, Cambridge, MA 02138, (617) 868-3900.

Cerulli Associates, Inc. and Lipper Analytical Services, Inc. **The Cerulli-Lipper Analytical Report: the State of the Defined Contribution/401(k) Market—1996.** \$4,000. Lipper Analytical Services, 47 Maple Street, Summit, NJ 07901, (908) 598-2220.

Citro, Constance F., and Eric A. Hanushek. **Assessing Policies**

for Retirement Income: Needs for Data, Research, and Models. \$49. National Academy Press, 2101 Constitution Avenue, NW, Box 285, Washington, DC 20055, (800) 624-6242 or (202) 334-3313.

Health Insurance Association of America. **Source Book of Health Insurance Data.** \$25. Health Insurance Association of America, 555 13th Street, NW, Suite 600 East, Washington, D.C. 20004-1109, (800) 828-0111.

Hewitt Associates. **Salaried Employee Benefits Provided by Major U.S. Employers in 1996.** \$150. Hewitt Associates, 100 Half Day Road, Lincolnshire, IL 60069, (847) 295-5000.

Hewitt Associates. **Work and Family Benefits Provided by Major U.S. Employers in 1996.** \$50. Hewitt Associates, 100 Half Day Road, Lincolnshire, IL 60060, (847) 295-5000.

Kaiser Commission on the Future of Medicaid. **Medicaid Expenditures and Beneficiaries: National and State Profiles and Trends, 1988–1994.** Free. Kaiser Commission on the Future of Medicaid, 1450 G Street, NW, Suite 250, Washington, DC 20005, (800) 656-4533.

Kimpan, Kate. **Workers' Compensation Medical Care: Effective Measurement of Outcomes.** Members, free; nonmembers, \$50. Workers Compensation Research Institute, 101 Main Street, Cambridge, MA 02142, (617) 494-1240, Fax (617) 494-5240.

Korczyk, Sophie M., Tabitha A.

Doescher, and Patrick McKeithan. **Advising Clients on Retirement Plans: 1997 Update.** \$95. Clark Boardman Callaghan. Order from West Publishing, 620 Opperman Drive, P.O. Box 64779, St. Paul, MN 55964, (800) 336-6365.

Lesser, Gary S., John Kent Graham, and Gary R. Pitkofsky. **457 Answer Book.** \$118. Panel Publishers, 1185 Avenue of the Americas, 37th Floor, New York, NY 10036, (800) 447-1717.

Mace, Don, and Eric Yoder. **Federal Employees Almanac.** \$9.95. Federal Employees News Digest, 1850 Centennial Park Drive, Suite 520, Reston, VA 22091, (703) 648-9551, Fax (703) 648-0265.

McNeil, Bruce J. **Nonqualified Deferred Compensation Plans.** \$43. West Publishing, 620 Opperman Drive, P.O. Box 64779, St. Paul, MN 55964, (800) 336-6365.

Meltzer, David. **Accounting for Future Costs in Medical Cost-Effectiveness Analysis.** Working Paper no. 5946. \$5. National Bureau of Economic Research, Publications Department, 1050 Massachusetts Avenue, Cambridge, MA 02138, (617) 868-3900.

Miron, Jeffrey A., and David N. Weil. **The Genesis and Evolution of Social Security.** Working Paper no. 5949. \$5. National Bureau of Economic Research, Publications Department, 1050 Massachusetts Avenue, Cambridge, MA 02138, (617) 868-3900.

Organisation for Economic Co-operation and Development. **The Changing Social Benefits in Russian Enterprises.** \$20. OECD Washington Center, 2001 L Street, NW, Suite 650, Washington, DC 20036-4922, (800) 456-6323.

Organisation for Economic Co-operation and Development. **Aging in OECD Countries: A Critical Policy Challenge.** \$21. Organisation for Economic Co-operation and Development, Publications and Information Center, 2001 L Street, NW, Suite 650, Washington, DC 20036-4910, (800) 456-6323.

Pension Benefit Guaranty Corporation. **1996 Annual Report to the Congress.** Order from GPO.

Peterson, Peter G. **Will America Grow Up Before It Grows Old?: How the Coming Social Security Crisis Threatens You, Your Family, and Your Country.** \$21. Mail Sales Department, Dept. #05001, Random House Distribution Center, 400 Hahn Road, Westminister, Maryland 21157, (800) 793-2665.

Reno, Virginia P., Jerry L. Mashaw, and Bill Gradison. **Disability: Challenges for Social Insurance, Health Care Financing, and Labor Market Policy.** \$19.95. Brookings Institution Press, 1775 Massachusetts Avenue, NW, Washington, DC 20036, (800) 275-1447.

Robertson, A. Haeworth. **The Big Lie: What Every Baby Boomer Should Know About Social Security and Medicare.** \$24.95.

RPI Publications, P.O. Box 53446, Washington, D.C. 20009, (800) 247-6553.

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Health Insurance Portability and Accountability Act of 1996
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<http://www.hcfa.gov/regs/hipaacer.htm>

Managed Care Savings for Employers and Households: 1990-2000

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PubMed (National Library of Medicine's MEDLINE search service)

<http://www.ncbi.nlm.nih.gov/PubMed/>

TIAA-CREF Employee Retirement and Insurance Benefits Cost Survey — 1996

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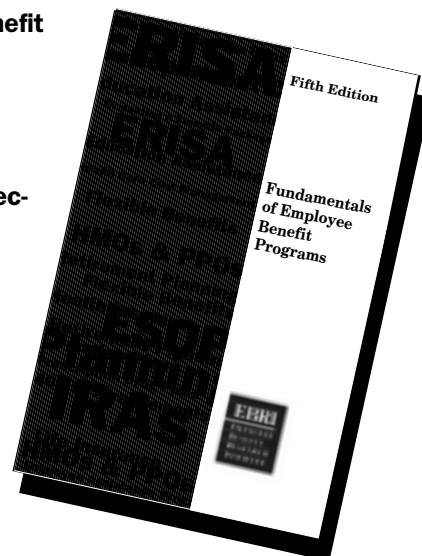
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