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**Press Release**

## **Milliman Estimates PFAS Liability for Water District Remediation at \$120-175 Billion**

SEATTLE – July 29, 2024 – Milliman, Inc., a premier global consulting and actuarial firm, has released a groundbreaking estimate of the economic liability associated with the remediation of perfluoroalkyl and polyfluoroalkyl substances (PFAS) in U.S. water districts. Using a proprietary stochastic modeling approach, Milliman projects that the total expected cost for remediating drinking water systems contaminated with PFAS will range between \$120 billion and \$175 billion.

PFAS, often referred to as "forever chemicals" due to their persistence in the environment, have been linked to various health issues, including cancer, liver damage, and endocrine disruption. The Environmental Protection Agency (EPA) has recently established maximum contaminant levels (MCLs) for various PFAS compounds in drinking water, prompting water districts nationwide to test and remediate their systems.

"Milliman's comprehensive modeling provides a robust framework for understanding the significant financial implications of PFAS contamination," said Travis Grulkowski, Principal and Consulting Actuary at Milliman. Milliman's model incorporates a range of variables, including geospatial, regulatory, and industry data, to produce individualized estimates for over 140,000 U.S. water districts. The estimates account for the presence of approximately 30 different PFAS compounds and consider the unique risks and remediation needs of each district.

"Our approach not only estimates the potential costs but provides insurers and corporations with the tools to navigate this complex landscape," said Drew Groth, Associate Actuary at Milliman. "The granularity of the model coupled with probabilistic outcomes allows the user to integrate the estimates into various analyses, including enterprise risk management, underwriting, pricing, and reserving."

The findings highlight the financial challenges that water districts face in meeting regulatory standards and underscore the urgent need for potentially liable parties to understand their possible share of remediation costs. While federal and state funding will assist, the projected costs far exceed currently available resources, necessitating alternative funding mechanisms and/or litigation to recoup costs.

For more information on Milliman's PFAS liability estimates and to access the full whitepaper, please visit [Milliman PFAS liability estimate, pt. 1: Water district remediation](#).

### **About Milliman**

Milliman is among the world's largest providers of actuarial, risk management, and technology solutions. Our consulting and advanced analytics capabilities encompass healthcare, property & casualty insurance, life insurance and financial services, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe. Visit us at [Milliman.com](http://Milliman.com).

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