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FOR IMMEDIATE RELEASE

**Press Release**

## **Milliman analysis: Multiemployer pension plans performed well in 2013 but many remain stuck in the mud**

**Milliman's Inaugural Multiemployer Pension Funding Study measures pension funded status of all U.S. multiemployer plans, indicates many plans have yet to fully recover from the financial crisis**

Seattle –October 10, 2014, – Milliman, Inc., a premier global consulting and actuarial firm, today released the results of its inaugural Multiemployer Pension Funding Study (MPFS), which analyzes the cumulative funded status of all U.S. multiemployer pension plans. In 2013, these pensions were buoyed by strong investment performance—a \$45 billion reduction in the funding deficit, which represents a 9% improvement in funded status.

On an aggregate basis, 2013's strong market performance helped these plans return to funding levels similar to what they saw ahead of the global financial crisis. For plans in need of financial recovery, achieving full funded status will require returns in excess of assumed rates of return. More than half of all plans will need to earn an average of 8% or more per year over the next 10 years to reach 100% funding.

"Not all of these multiemployer plans are suffering the same degree of underfunding," said Kevin Campe, co-author of the MPFS. "Our analysis found that 22% of these plans are better than 100% funded at the end of 2013. At the other end of the spectrum, 15% of these plans are less than 65% funded."

Plan maturity is a major contributor to these plans' ability to respond to poor funded status, and the level of maturity can be measured by the ratio of active-to-total participants. Between 2002 and 2012, the overall percentage of active participants in these plans fell from 48% to 37%.

To view the complete study, go to <http://www.milliman.com/mpfs/>.

### **About Milliman**

Milliman is among the world's largest providers of actuarial and related products and services. The firm has consulting practices in 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. For further information, visit [www.milliman.com](http://www.milliman.com)

### **About the Milliman Multiemployer Pension Funding Study**

This study aims to provide a current and comprehensive examination of all of the nearly 1,300 multiemployer plans in the country. The results are based on estimates derived from publicly available Form 5500 data through May 2014.

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