



Contact: Jake Pringle
Milliman, Inc.
Tel: +1 713 202 0819
jake.pringle@milliman.com

FOR IMMEDIATE RELEASE

Press Release

Milliman analysis: Competitive pension risk transfer cost ticks up to 101.6% in January

Competitive bidding process saves about 2.7% of buyout costs as of January 31

SEATTLE – FEBRUARY 24, 2025 – [Milliman, Inc.](#), a premier global consulting and actuarial firm, today announced the latest results of its Milliman Pension Buyout Index (MPBI). During January, the estimated cost to transfer retiree pension risk to an insurer in a competitive bidding process increased from 101.4% to 101.6% of a plan’s accounting liabilities (accumulated benefit obligation, or ABO). That means the estimated retiree PRT cost is now 101.6% of a plan’s ABO.

During the same time period, the average annuity purchase cost across all insurers in our index also increased, from 104.0% to 104.3%. The competitive bidding process is estimated to save plan sponsors about 2.7% of PRT costs as of January 31.

“The PRT market is off to a hot start in 2025,” said Jake Pringle, Milliman principal and co-author of the MPBI. “In fact, so far this year we’ve seen some hyper-competitive transactions where the bidding process results in a buyout cost that is even lower than our competitive MPBI rate.”

The MPBI uses the FTSE Above Median AA Curve, along with annuity purchase composite interest rates from nine insurers, to estimate the competitive and average costs of a PRT annuity de-risking strategy. Individual plan annuity buyouts can vary based on plan size, complexity, and competitive landscape.

View the complete [Milliman Pension Buyout Index](#). To receive regular updates with Milliman’s pension buyout analysis, contact us at pensionbuyout@milliman.com.

About Milliman

Milliman leverages deep expertise, actuarial rigor, and advanced technology to develop solutions for a world at risk. We help clients in the public and private sectors navigate urgent, complex challenges—from extreme weather and market volatility to financial insecurity and rising health costs—so they can meet their business, financial, and social objectives. Our solutions encompass insurance, financial services, healthcare, life sciences, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe. Visit us at milliman.com.

###