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FOR IMMEDIATE RELEASE

Press Release

Milliman analysis: Competitive pension risk transfer cost climbs to 102.5% in March

Competitive bidding process saves about 2.2% of buyout costs as of March 31

SEATTLE – April 29, 2025 – [Milliman, Inc.](#), a premier global consulting and actuarial firm, today announced the latest results of its Milliman Pension Buyout Index (MPBI). During March, the estimated cost to transfer retiree pension risk to an insurer in a competitive bidding process climbed from 101.7% to 102.5% of a plan’s accounting liabilities (accumulated benefit obligation, or ABO). That means the estimated retiree PRT cost is now 102.5% of a plan’s ABO.

During the same time period, the average annuity purchase cost across all insurers in our index also rose from 104.3% to 104.7%. The competitive bidding process is estimated to save plan sponsors about 2.2% of PRT costs as of March 31, 2025.

“Although interest rates ended the month close to where they started, there was a lot of movement in March largely due to tariff policy shifts and economic volatility. Ultimately, accounting rates rose slightly while annuity purchase rates declined a touch, causing the monthly competitive MPBI to rise to 102.5%,” said Jake Pringle, Milliman principal and co-author of the MPBI.

“Plan sponsors with PRT projects are keeping an eye on those interest rates as they ultimately determine the cost to buy annuities for their participants,” he added.

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.

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