

Draft Statement of Work (SOW)

Project Title: PRAD Insurance Rate Survey Information Subscription

Background:

The Policy Research and Analysis Department (PRAD) is responsible for recommending actuarial assumptions and developing those assumptions for two critical PBGC processes. PBGC uses interest rates developed by PRAD to perform the calculation of pension benefit liabilities for distress plan terminations and PBGC's financial statements. PRAD uses a survey of group annuity insurers to determine these interest rates. PRAD seeks to inform its own survey of group annuity providers by comparing it to another more robust survey which includes many more participants. The survey from the Contractor provides information on group annuity pricing, in particular the interest rates used to determine group annuity premiums. PBGC does its own survey each quarter but needs confirmation of the survey results because of the low number of responses. In addition, PBGC is seeking expertise and experience in the group annuity market to clarify issues that may not be addressed appropriately in PBGC's survey methodology.

Scope:

The contractor will provide information from a survey of group annuity insurers which is published online monthly so that it is accessible to PBGC. Experts at the provider will be available to answer questions about the group annuity industry and the current state of the market. Using this information, PRAD will be able to refine its own methodology for determining interest rates that are used for discounting PBGC's financial statement liabilities and distress termination liabilities.

Specific Tasks:

The contractor will survey group annuity insurers about the interest rates used to determine their premiums for group annuity contracts each month. This information - the contractor's Pension Risk Transfer (PRT) Index will be made available to PBGC within 10 business days after the end of each month. The survey should include at least half of the group annuity insurers doing business in the group annuity market, at any time.

Task 1 - Survey group annuity insurers monthly to obtain interest rate information.

Task 2 - Publish interest rate information derived from Task 1 online and make available to PBGC within 10 business days after the end of each month.

Task 3 - To provide technical assistance related to the survey information and general information about the state of the group annuity market. Such support is expected to be provided on an as-requested, ad-hoc, basis by phone or other electronic means (e.g. Teams) and limited to 15 hours of total meeting time per year. Such time is to be measured by the duration of meetings themselves and independent of the number of attendees.

Deliverables and Delivery Schedule:

Group annuity interest rate information derived from the contractor's survey/ PRT Index - is to be made available (and accessible) to PBGC online at the contractor's PRT Index website within 10 business days after the end of each month. The survey should include at least half of the insurers operating in the group annuity market, at any time.

Place of Performance:

The work will be performed off-site at the contractor's offices. No travel will be required.

Period of Performance:

This is a firm Fixed Price contract, with a 12-month Base Period and four 12-month option years.

Base Period:	January 1, 2027, to December 31, 2027
Option Period One:	January 1, 2028, to December 31, 2028
Option Period Two:	January 1, 2029, to December 31, 2029
Option Period Three:	January 1, 2030, to December 31, 2030
Option Period Four:	January 1, 2031, to December 31, 2031
Optional Six-Month Extension:	January 1, 2032, to July 1, 2032

Government Provided Equipment:

None.