
Questions for Annuity Issuers Eyeing 401(k)s as a Distribution Channel

By No Author *Thu, Nov 12, 2020*

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Are we a leader or fast-follower?
Can we sell the product we want to sell?
How big is this market?
What niche would we aim for?
What are our direct competitors doing?
Group annuity or individual contract?
In plan or out-of-plan offering?
Gender-based pricing or not?
What are the risks and liabilities?
Will we have too many small contracts?
Do we understand ERISA?
Does the plan sponsor have a pipeline of well-compensated long-tenure employees?
What are the risks of guaranteeing a "lifetime withdrawal benefit"?
Can we forecast GLWB lapse rates?
Can we offer competitive payout rates?
Will our product pool mortality?
How does a liquid DIA work?
What's the adverse selection potential?
Should we partner with a record keeper?
Should we partner with an asset manager?
Can (or should) annuities be QDIAs?
Could I market other products to plan sponsors or participants?
Should we compete on an out-of-plan "platform"?
How does "portability" work?
How do I help educate participants?

Source: American Academy of Actuaries Public Policy Forum, November 5-6, 2020.