

13TH EDITION

# 2025

# Cash Balance Outlook and Trends Report

Presented by FuturePlan's  
Cash Balance Center of Excellence

# Foreword

**Cash balance plans are no longer a niche solution, they are a driving force in the retirement landscape. With over \$1 trillion in assets and 9.5 million participants across 25,754 plans nationwide, these hybrid plans are transforming how business owners and professionals build wealth and secure their futures.\***

FuturePlan is proud to present the 13th edition of our exclusive **Cash Balance Outlook and Trends Report**, a trusted resource for advisors and CPAs seeking to diversify their offerings, deliver more value to clients, and grow their practices with confidence.

The popularity of cash balance plans is expected to grow even more following the July 4, 2025, signing of the One Big Beautiful Bill Act (OBBBA), which permanently establishes a valuable tax deduction for closely held business owners who use cash balance contributions to meet income thresholds.



## Key Report Takeaways\*

- **Plan growth:** Cash balance plans have grown by 1025% in the last 20 years.
- **Plan demographics:** Over 95% of cash balance plans are implemented by firms with fewer than 100 employees.
- **Industry breakdown:** Nearly 35% of all cash balance plans are sponsored by medical and dental groups, while 43% are outside of traditional sectors like law and healthcare.
- **Comparative analysis:** Cash balance plans now represent nearly 56% of all defined benefit plans.
- **Interest crediting trends:** Over 90% of micro-business owners opt for a fixed rate of return as their interest crediting rate.
- **Regional concentration:** California and New York consistently rank as the top two states based on the total number of cash balance plans.

FuturePlan gives advisors a competitive edge with unmatched expertise in cash balance plans. With a 36-year track record and national recognition, including multiple features in *The Wall Street Journal*, we help firms deliver more strategic, tax-efficient retirement solutions that drive client success.

\*Source: Analysis performed by FuturePlan, using 2023 data from IRS Form 5500 filings via the BrightScope, Inc. database. Additional data on defined contribution and defined benefit plans comes from the Private Pension Plan Bulletin Abstracts by the U.S. Department of Labor and FuturePlan's own book of business. Some of the analysis in this report compares 2020 (the last year FuturePlan formally reported findings) and 2023, which is the primary year that this report is based on.

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## Research Leadership and Contributors



**Dan Kravitz**

*National Practice Leader, Cash Balance Center of Excellence  
FuturePlan*

Dan leads the Cash Balance Center of Excellence at FuturePlan. Prior to this role, he served as President of Kravitz, a firm recognized as a leader in cash balance plans for over two decades. Dan is also the co-author of ***Beyond the 401(k): How Financial Advisors Can Grow Their Businesses with Cash Balance Plans***, a book praised by renowned ERISA attorney Fred Reish as “an essential guide for advisors who want to grow their retirement plan business.”

He holds a bachelor’s degree from the University of California, has successfully passed the American Society of Pension Actuaries exams, and is a Certified Pension Consultant (CPC™).



**Ken Guidroz**

*Cash Balance Sales Director and Expert  
FuturePlan*

Ken is the Sales Director at FuturePlan, where he frequently speaks to CEO groups, trade associations, and professional societies for CPAs and financial planners on key retirement plan topics. He specializes in designing customized retirement strategies for businesses of all sizes, helping them accelerate savings through cash balance plans or by optimizing 401(k) profit sharing plans.

As co-author of ***Beyond the 401(k): How Financial Advisors Can Grow Their Businesses with Cash Balance Plans***, Ken is recognized nationally as an authority on cash balance plans. Along with Dan Kravitz in 2009, he co-developed and launched **Cash Balance Coach®**, the industry’s leading training program, which has educated thousands of financial advisors and retirement professionals on how to grow their practices by marketing and selling cash balance plans.

He earned his MBA from Pepperdine University in 1995.

# Cash Balance Plan Growth Has Increased by More than 11x in the Last 20 Years



Cash balance plans are the **gold standard** for entrepreneurs and business owners seeking **tax deductions and accelerated retirement savings**.

— Dan Kravitz

Over 55% of defined benefit plans are **now cash balance plans**—proof of their broad market appeal and strategic advantage.

In the 13th edition of the **Cash Balance Outlook and Trends Report**, FuturePlan presents a comprehensive analysis of the cash balance retirement plan landscape offering valuable insights into this specialized market.<sup>1</sup> This report highlights trends in new plan formation, regional growth patterns, asset accumulation, and other key metrics, serving as a vital resource for retirement plan professionals and anyone interested in the evolving cash balance space.

## Notable Findings



### Cash balance plans grew almost eight times faster than 401(k) plans.<sup>2</sup>

This confirms two guiding principles: small business owners are seeking **tax-efficient ways** to accelerate retirement savings, and growing awareness has led more retirement professionals to adopt cash balance plans as part of their strategy.



### Cash balance plans are more than a trillion-dollar market

Nationwide, cash balance plan assets have surpassed **\$1 trillion**, benefiting more than 9.5 million retirement savers.



### Small businesses continue driving cash balance growth

Small businesses are leading the way in adopting cash balance plans—those with nine or fewer employees make up more than **56%** of all plans. The appeal? A powerful tool for catching up on retirement savings and staying competitive in the talent market.

<sup>1</sup>Source: Analysis performed by FuturePlan, using 2023 data from IRS Form 5500 filings via the BrightScope, Inc. database. Additional data on defined contribution and defined benefit plans comes from the Private Pension Plan Bulletin Abstracts by the U.S. Department of Labor and FuturePlan's own book of business. Some of the analysis in this report compares 2020 (the last year FuturePlan formally reported findings) and 2023, which is the primary year that this report is based on.

<sup>2</sup>Source: U.S. Department of Labor, 2003-2022.

# Cash Balance Plan Growth Has Increased by More than 11x in the Last 20 Years (Cont.)

## Notable Findings



### California and New York account for nearly 30% of all plans

California and New York lead in new cash balance plans, making up almost **30%** combined, followed closely by Florida and Texas.



### Medical Groups continue to be the dominant industry adopting cash balance plans

Specialty medical groups—particularly radiologists and anesthesiologists—are among the **leading adopters**.



### Fixed rate of return grows as more small businesses adopt cash balance plans

Over **90%** of FuturePlan-administered plans used a fixed interest crediting rate, driven largely by new small business plans seeking predictable contribution levels.



## INDUSTRY INTELLIGENCE

# 2025 Market Insights

### **The IRS lump sum limit for a cash balance plan increased to \$3.6 million for 2025**

For 2025, the maximum amount that a small business owner can accumulate in a cash balance plan at age 62 has increased to approximately \$3.6 million, up from \$3.5 million in 2024.\* This higher limit benefits plan sponsors looking to offset rising living costs and increase tax-deferred savings.

### **More plan sponsors may consider strategic plan terminations**

As more plans reach permanency (e.g., 10+ years), strategic terminations may rise due to asset growth, plan redesigns, rollovers to 401(k)s or IRAs, or major business changes like mergers and acquisitions.

### **High interest rate environments could bring more opportunities for cash balance plans**

High interest rates, compared to recent norms, can have a significant and often positive impact on cash balance plans. One key advantage is the potential reduction in premiums paid to the Pension Benefit Guaranty Corporation (PBGC), the federal agency that insures private pension plans, much like the FDIC protects bank deposits. Additionally, higher rates can lower the minimum required contributions.

### **The OBBBA delivers meaningful tax benefits for small, closely held businesses.**

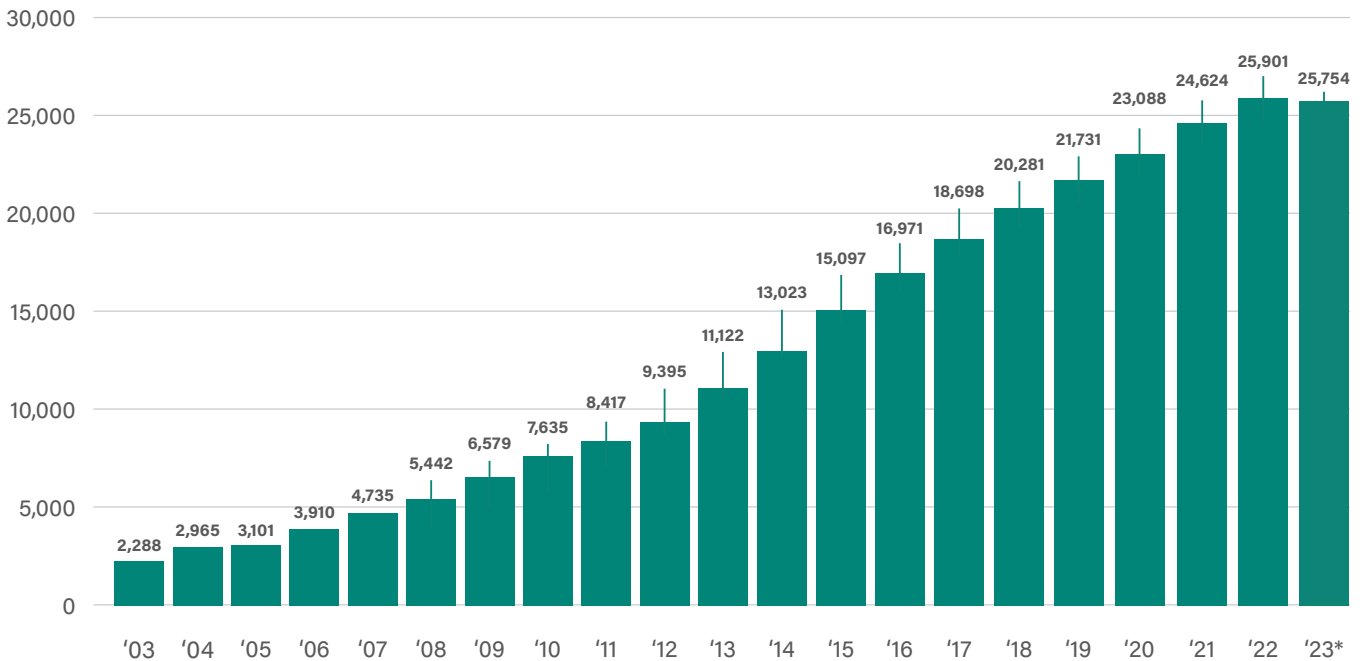
Most notably, it makes the 20% Qualified Business Income (QBI) deduction under Section 199A permanent, offering long-term savings for eligible business owners.

\*The \$3.6 million maximum amount is the lump-sum of the IRS maximum annuity of \$280,000 for someone age 62. It also assumes the participant has 10 years of participation and has a high 3-year average salary of at least that amount of \$280,000 to be able to enjoy the IRS maximum benefit limit. Please reach out to FuturePlan to assess your or your client's unique situation.

## CASH BALANCE PLANS

# 20-Year Growth

Cash balance plan popularity has increased 11x



Source: U.S. Department of Labor and \*BrightScope, Inc.

### What's behind the growth in cash balance plans?

**High taxes:** As tax rates have climbed in recent years, more business owners are turning to tax-deferred retirement plans to reduce taxable income and maximize deductions.

**Hybrid appeal:** These “hybrid” plans combine the high contribution limits of a traditional defined benefit plan with the flexibility and portability of a 401(k) plan, without the common risks and runaway costs involved in traditional defined benefit plans.

**Legislative changes and broader options for plan sponsors:** The 2006 Pension Protection Act affirmed the legality of cash balance plans and made the plans easier to administer. IRS cash balance regulations in 2010 and 2014 expanded investment options, minimizing many funding issues.

**Retirement savings crisis:** As the American workforce ages, the spotlight is on retirement readiness, yet many owners and employees still fall short on savings. Older business owners, in particular, are increasingly focused on accelerating contributions and maximizing retirement plan benefits.

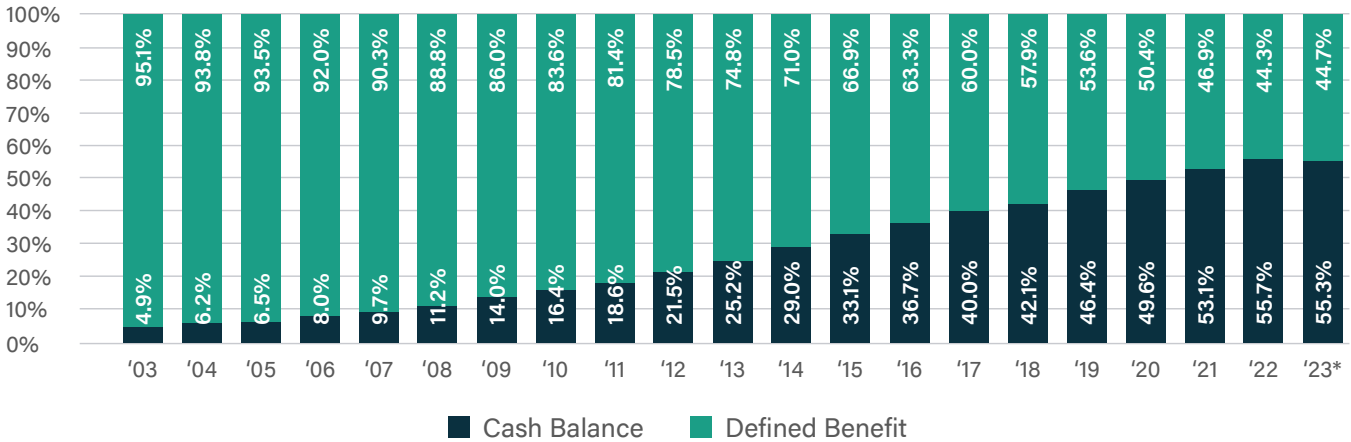
### What about the decrease in plans between 2022 and 2023?

The market saw a slight drop of 171 plans from 2022 to 2023. FuturePlan experts suggest that many cash balance plans froze during the COVID-19 pandemic, and some were later terminated due to revenue losses. Since plan termination takes about two years, plans that began the termination process in 2020 and fully terminated in 2022 (for example), were required to file a final Form 5500 – representing that plan in the 2022 plan count and not in 2023. Another potential driver for the decrease is that plans established more than 10 years ago that have reached permanency are likely to terminate with employers fully realizing their benefits of a cash balance plan.

## CASH BALANCE PLANS

# Cash Balance as a Percentage of Defined Benefit Plans

Between 2003 and 2023, cash balance plans surged from just 4.9% to over 55% of all defined benefit plans. Meanwhile, traditional pension plans have steadily declined since the mid-1980s, largely due to rising costs, complex risk factors, and shifting workforce demographics. Some large corporations have converted legacy pensions into cash balance plans, while hybrid models have gained strong traction among small and mid-sized businesses.



Source: U.S. Department of Labor and \*BrightScope, Inc.

### Why are cash balance plans rapidly replacing traditional defined benefit plans?

**Lowered risk:** Cash balance plans reduce the interest rate risk that led to the constantly changing value of liabilities in traditional defined benefit plans.

**Removing cost volatility:** The structure of a cash balance plan prevents runaway costs for employees nearing retirement age.

**Easier to understand:** Similar to 401(k) plans, cash balance plans display individual account balances which employees will appreciate and find familiar.

**Predictable and consistent:** These plans support more predictable and consistent contributions year over year when compared to traditional defined benefit plans, making it easier for financial planning purposes.

**Flexibility:** Post employment, account balances are fully portable and can be rolled over to an IRA, an essential feature for today's workforce, where frequent job changes are the norm. Moreover, upon commencement of benefits, participants have more freedom to invest their money in a wide range of investment options compared to a traditional defined benefit plan where investments are limited due to the Employee Retirement Income Security Act of 1974 (ERISA).

**Revenue capture:** In a traditional defined benefit plan, a participant is more likely to elect an annuity in the plan, removing it from the purview of the individual's financial or wealth advisor. Cash balance plans allow the advisor to maintain oversight by having the money rolled over into an account where they have management and control.

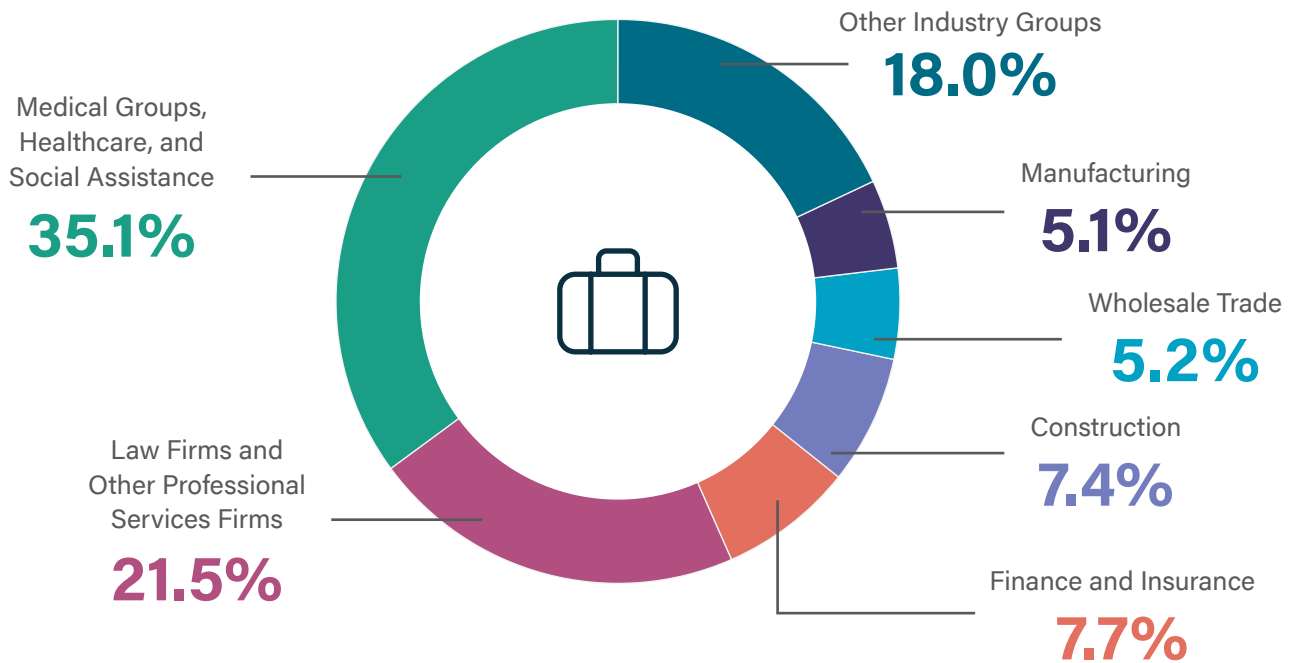
# Plans by Industry



**PRO-TIP:**

Every business type can benefit from a cash balance plan — over **43%** are outside of medical groups and law firms.

U.S. firms in healthcare, technical, legal, and financial sectors continue to lead in cash balance plan adoption. These plans are especially well-suited for professional services firms, offering flexibility for multi-partner structures and high age-weighted contribution limits, enabling older owners to significantly boost their pre-tax retirement savings.



Source: 2023 BrightScope, Inc.

## Notable Findings



Medical and dental groups account for **over 35%** of all cash balance plans nationally, and we expect to see continued growth in the healthcare sector, affecting trends in the overall U.S. economy.

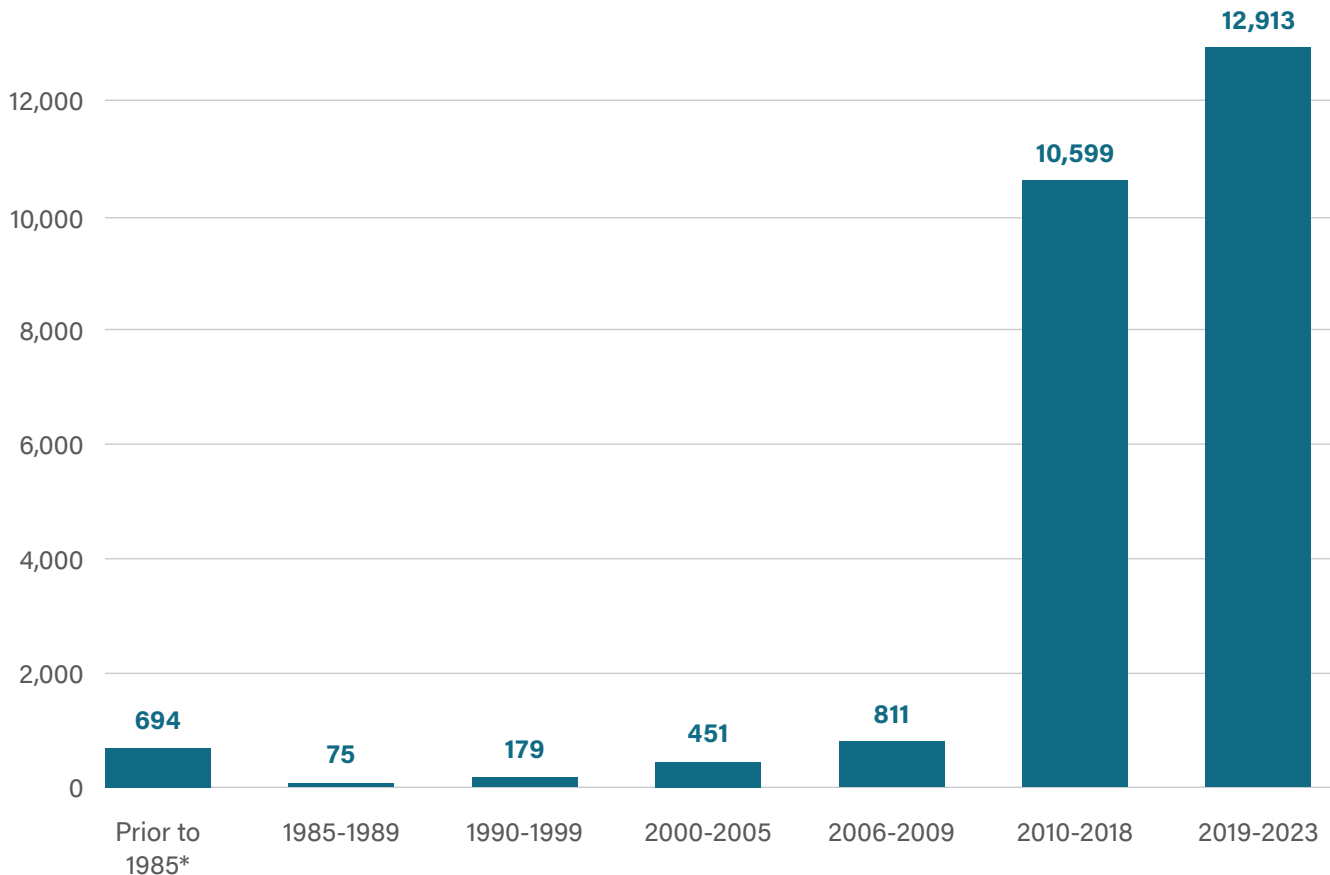


With many CPA and financial advisory organizations educating clients about cash balance plans, we expect to see growing adoption across a **wider range of industries**.

## CASH BALANCE PLANS

# Plans Established by Year

Since the Pension Protection Act of 2006, cash balance plans have soared, transforming from a little-known concept, first launched by Bank of America in 1985, into a booming force in retirement planning.



Source: 2023 BrightScope, Inc.

\*Plans with an effective date prior to 1985 are traditional defined benefit plans that were later converted to cash balance. The first IRS-approved cash balance plan was established in 1985 by Bank of America.

### How are legislative changes accelerating the growth of cash balance plans?

**2006 Pension Protection Act:** This law gave cash balance plans the green light, clarifying IRS rules, simplifying implementation and administration as well as eliminating legal uncertainty. The result? A powerful retirement solution embraced by small business owners nationwide.

**2010 IRS cash balance regulations:** New regulations published in 2010 provided greater clarity and expanded options for the interest crediting rate (ICR), making these plans even more appealing to employers. These updates not only made the plans more attractive to employers but also sparked national media attention, highlighting their high contribution limits, tax advantages, and value in attracting and retaining top talent.

## Plans Established by Year (Cont.)

### How are legislative changes accelerating the growth of cash balance plans?

**2014 final IRS cash balance regulations:** Final regulations issued in September 2014 marked a turning point for cash balance plans, offering plan sponsors a clear compliance roadmap and expanded investment flexibility, including fixed interest crediting rates up to 6% and the ability to offer multiple investment strategies within a single plan.

**2017 Tax Cuts and Jobs Act, Provision 11011 Section 199A:** Section 199A of the Internal Revenue Code provides many owners of sole proprietorships, partnerships, S corporations, and some trusts and estates a deduction of income from a qualified trade or business with adjusted gross income (AGI) that falls below certain thresholds. Cash balance plans help owners reduce their AGI to obtain this additional 199A tax deduction.

**2019 SECURE Act 1.0:** The SECURE Act made it easier than ever for small business owners to launch 401(k) safe harbor profit-sharing plans, perfectly complementing cash balance plans. A key provision extended the adoption deadline to the business's tax filing date (including extensions), giving owners more time and flexibility to implement powerful retirement strategies.

**2025 One Big Beautiful Bill Act:** The OBBBA delivers meaningful tax benefits for small, closely held businesses and makes the 20% Qualified Business Income (QBI) deduction under Section 199A permanent, offering long-term savings for eligible business owners.



## CASH BALANCE PLANS

# Plan Counts by Participant

Small to mid-size businesses continue to drive the growth of cash balance plans, and the highest growth over the past nine years has been in companies with fewer than 25 employees. Per the chart below, **over 95%** of cash balance plans are sponsored by firms with fewer than 100 employees. Businesses with one to nine employees now make up **56%** of all cash balance plans, clear evidence of the rising momentum and strategic adoption among micro business owners.

The largest cash balance plans, those with 10,000 or more participants, are typically legacy defined benefit plans that have been converted.

Such conversions are expected to rise in the coming years as an alternative to shutting down financially troubled defined benefit plans. It is notable that IBM recently unfroze their cash balance plan in 2024.

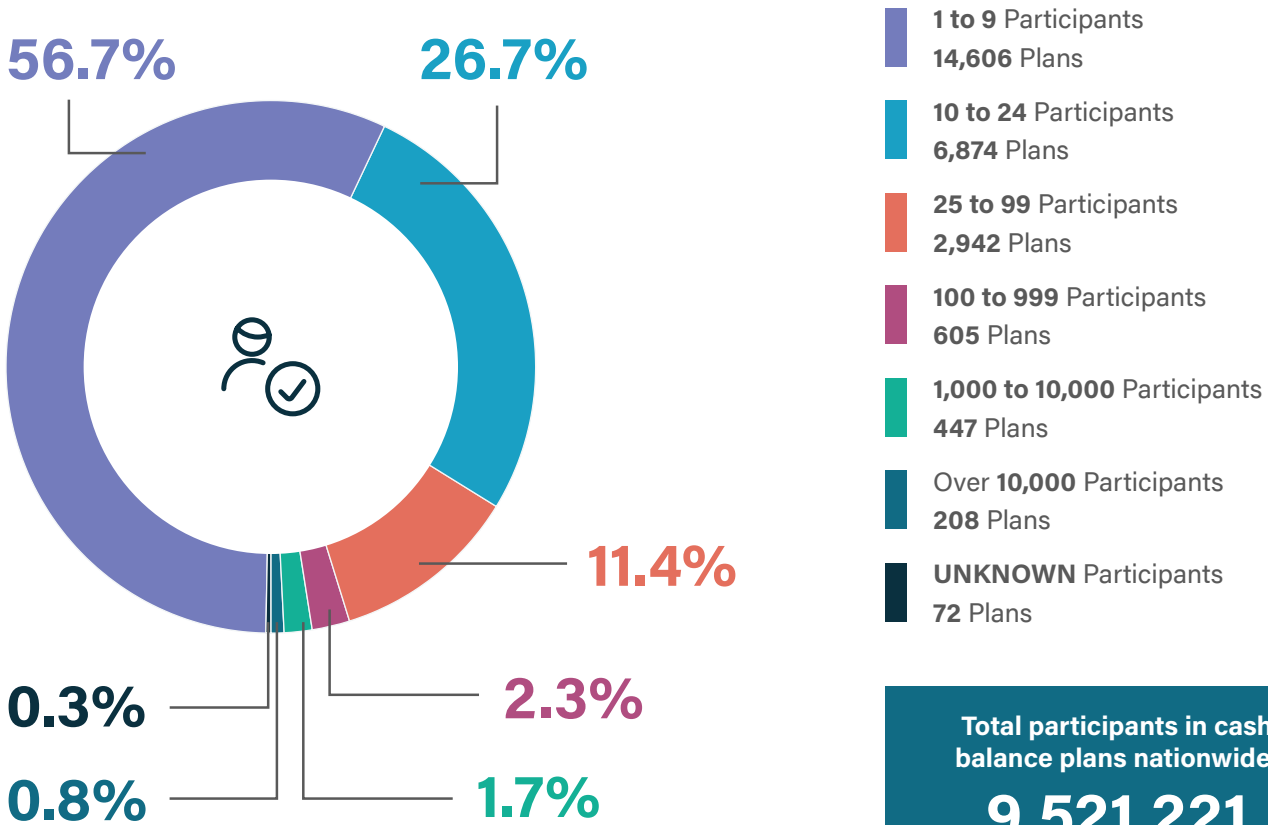


### PRO-TIP:

“Introducing cash balance plans to small business clients **increases the value** a financial advisor, consultant, or CPA brings to the table.”

— Ken Guidroz

### Plan Participants



Source: 2023 BrightScope, Inc.

Total participants in cash balance plans nationwide:

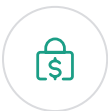
**9,521,221**

# Plan Counts by Participant (Cont.)

What makes cash balance plans so attractive to small business owners?



**Cost efficiency and tax efficiency:** After staff costs, taxes are usually the largest expenditure for small businesses. Cash balance plans give owners a significant tax deduction for employee plan contributions, plus generous tax-deferred retirement contributions for themselves.



**Asset protection:** As with any IRS-qualified retirement plan, cash balance assets are protected in the event of a lawsuit or bankruptcy.



**Catching up on delayed retirement savings:** Age-weighted contribution limits allow older owners to potentially accelerate 20 years of savings into 10. Owners can typically contribute pre-tax deferrals that are five times higher than what is allowed in a defined contribution plan.



**Attracting talented employees in a tight labor market:** Defined benefit plans such as cash balance are more appealing to many key employees than typical 401(k) plans alone due to the additional amounts that can be saved for retirement, giving small business owners a competitive recruitment advantage.

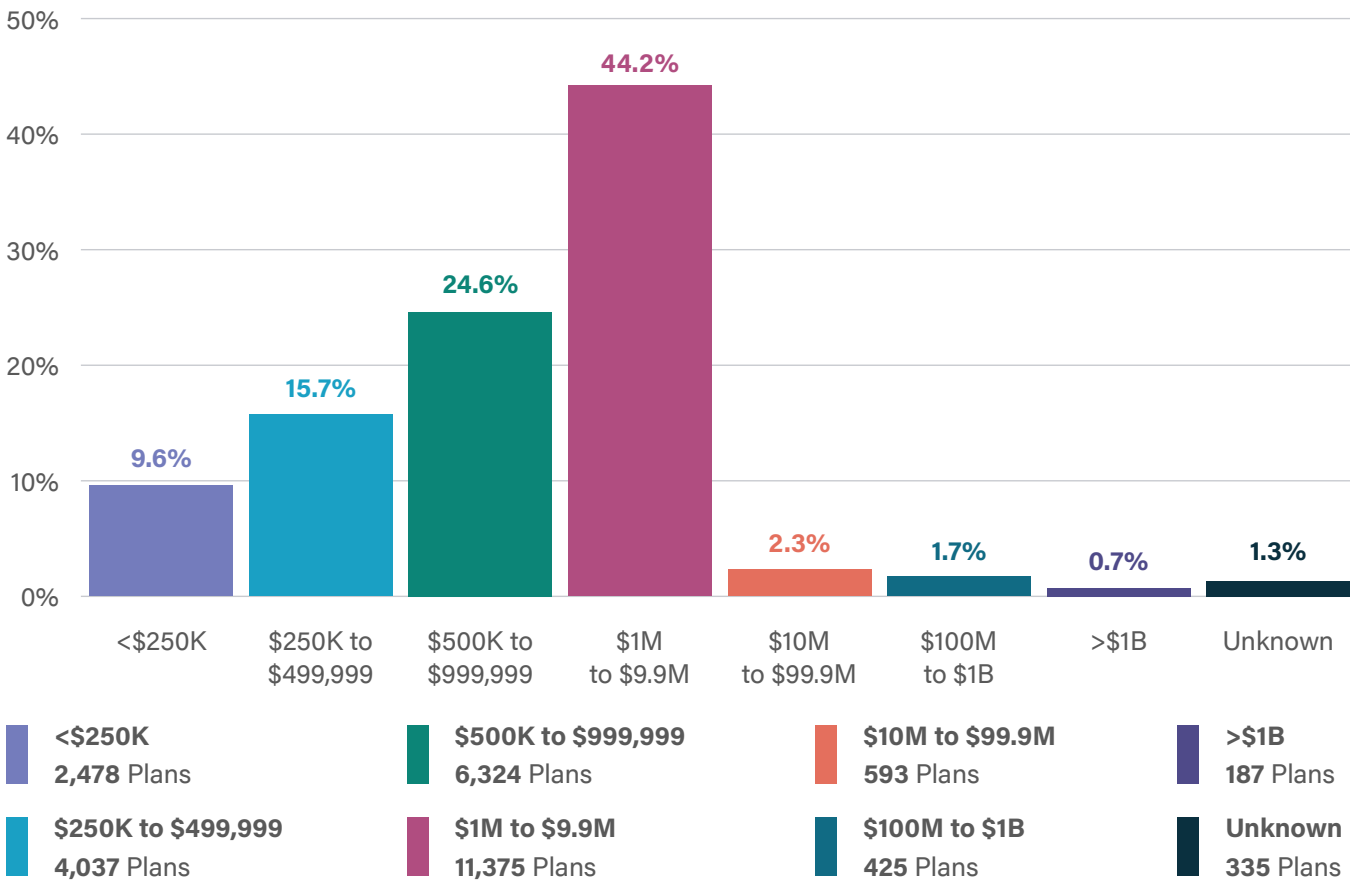


CASH BALANCE PLANS

# Plans by Asset Size

Approximately 50% of plans have assets under \$1,000,000, a meaningful decrease from the nearly two thirds of plans with under \$1,000,000 in 2020. This shift signals encouraging growth, as more small plans are building higher balances.

For most firms, a cash balance plan is an “add-on” to an existing 401(k) profit sharing plan that already has significant assets.



Source: 2023 BrightScope, Inc.

**Total assets in all cash balance plans nationwide: \$1.0+ trillion in 25,754 plans**  
**Annual contributions for 2023: \$19 billion**

### Highlights: Steady, stable growth

- The median asset size of a cash balance plan is **\$970,977**; the average is **\$39,729,570**
- **48%** of cash balance plans have assets over **\$1 million**.
- Cash balance accounts increase each year in two ways: through an employer contribution (a flat amount or a percentage of pay) and through an interest credit. Both are specified in the plan document. See page 17 for a discussion of ICRs.

Cash balance plans are a more than trillion dollar market.

**CASH BALANCE PLANS**

# Top 10 Plans

TOP 10 PLANS OVERALL	
RTX Corporation	\$43.8B
AT&T Inc.	\$30.0B
Fedex Corporation	\$25.6B
Boeing	\$25.0B
IBM Corp	\$24.5B
Northrop Grumman	\$22.5B
Pacific Gas and Electric	\$17.9B
Bank of America	\$17.6B
Honeywell	\$16.6B
Consolidated Edison Company of NY, Inc.	\$15.6M

TOP 10 MEDICAL PLANS	
Group Health Plan	\$753.3M
GE Healthcare Tech.	\$713.6M
Visiting Nurse Service of New York	\$489.3M
Palo Alto Foundation Medical Group, Inc.	\$281.9M
Labcorp	\$206.6M
Vitalant	\$181.0M
Northwest Permanente P.C.	\$142.8M
Washington Permanente Medical Group	\$120.3M
Midwest Radiology, P.A.	\$67.4M
Texas Oncology, P.A.	\$67.3M

TOP 10 LAW FIRM PLANS	
Sidley Austin LLP	\$1.1B
Paul Hastings LLP	\$989.4M
Kirkland & Ellis LLP	\$654.3M
Morgan, Lewis & Bockius LLP	\$423.8M
Latham & Watkins LLP	\$418.9M
Jones Day	\$340.4M
Gibson, Dunn & Crutcher LLP	\$314.8M
Akin Gump Strauss Hauer & Feld LLP	\$275.9M
King & Spalding LLP	\$258.5M
Mayer Brown LLP	\$208.3M

Source: 2023 BrightScope, Inc.

## Cash balance plans play a strategic role in retirement and benefits planning for many large firms

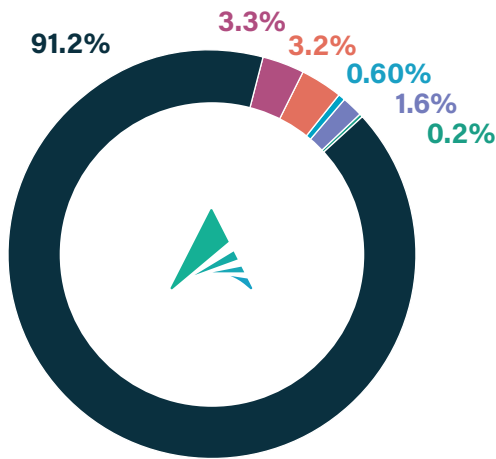
While the dramatic growth in new cash balance plans has been driven mainly by small and mid-size businesses, these tax-efficient plans are also offered by many leading national law firms, hospitals, and medical groups. For many large firms, cash balance plans are a key tool for recruiting and retaining talented employees in a highly competitive labor market.

It is also notable that IBM recently unfroze their cash balance plan in 2024.

**Cash balance plans play a strategic role in benefits planning for many Fortune 100 companies.**

# Interest Crediting Rate Trends

Fixed rates have become more favored with microbusiness owners



Source: May 2025 FuturePlan book of business

KEY	INTEREST CREDITING RATE	PERCENTAGE*
■	Fixed Rate (Ranging from 1-6%)	91.2%
■	30-Year Treasury Rate	3.3%
■	30-Year Treasury Rate with a Floor (Ranging from 3-5%)	3.2%
■	Actual Rate of Return	0.60%
■	Actual Rate of Return with a Ceiling (Ranging from 3-6%)	1.6%
■	Actual Rate of Return Investment Options (ARRIO)	0.2%

## Fixed rate of return increases in popularity for the ICR

All cash balance plan participants receive an annual interest credit on their account balances, based on the specific ICR written into the plan document. Before the IRS cash balance regulations were published in 2010, an estimated 95% of cash balance plans used the yield on the 30-year Treasury bond.\* This rate averaged 4 to 5% for most of the decade prior to the current low-interest-rate era, when the yield had often fallen below 3%. The 2010 regulations changed the game, allowing many more ICR options and greater flexibility for plan sponsors. According to FuturePlan’s 2025 book of business, fixed rates have become more favored with over 91% of plans, up from 84% (in 2021), driven by their ability to provide more predictable liability growth.

## Actual rate of return

This option allows plan sponsors to set the ICR to equal what the plan investments actually earn in the market (the “actual rate of return”), rather than trying to target a specific interest rate every year. The employer’s investment risk may be reduced considerably, and participants are protected by various investment rules.

**Fixed rate of return grows as more small businesses adopt cash balance plans.**

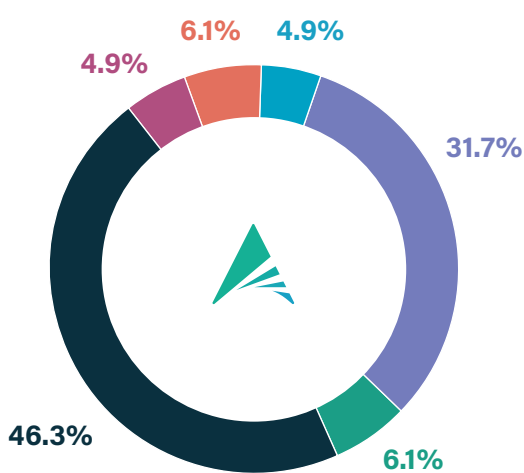
## Other considerations

Cash balance plan sponsors may be approached to adopt a market-return-based design to address perceived challenges with a fixed rate or indexed based plan, such as potential underfunding risks or failure to reflect current market conditions. One of the strongest arguments in favor of fixed rate cash balance plans is their simplicity. Participants are presented with a straightforward promise: their account grows at a predictable interest rate each year. This simple crediting mechanism resonates with employees, who may otherwise be confused by market return interest structures, where the credited interest rate depends on the performance of underlying assets. Such variability can lead to participant confusion, disappointment, or mistrust, especially in down markets.

\*Source: FuturePlan’s legacy book of business that used 30-year Treasuries from the mid-1990s onwards to mirror GATT interest rates set for defined benefit plans in the 1990s. The GATT interest rate refers to the rate used to calculate the present value of pension lump sums, based on the 30-year U.S. Treasury bond yield. No relation to the General Agreement on Tariffs and Trade.

# Interest Crediting Rate Trends: Large Plans

Large plan sponsors are moving away from the 30-year Treasury rate to either a fixed rate or actual rate of return.



KEY	INTEREST CREDITING RATE	PERCENTAGE*
■	Fixed Rate (Ranging from 3-5%)	46.3%
■	30-Year Treasury Rate	4.9%
■	30-Year Treasury Rate with a Floor (Ranging from 4-5%)	6.1%
■	Actual Rate of Return	4.9%
■	Actual Rate of Return with a Ceiling (Ranging from 5-6%)	31.7%
■	Actual Rate of Return Investment Options (ARRIO)	6.1%

Source: May 2025 FuturePlan book of business

## Minimizing risks and maximizing investment options makes actual rate of return appealing for larger plans

We have continued to see large plan sponsors moving away from the 30-year Treasury rate as an ICR and choosing either a fixed rate or actual rate of return, usually with a ceiling between 5% and 6% to manage volatility. According to FuturePlan’s 2025 book of business, the fixed rate of return is used by over 46% of large plans, compared with 38% in 2021, which suggests that business owners of larger companies are shifting to a more predictable investment strategy. Using actual rate of return reduces the employer’s investment risk considerably, and participants are protected by various investment rules, including preservation of capital.

The final IRS cash balance regulations released in September 2014 made actual rate of return compelling, since plan sponsors can now offer multiple investment options within a single plan, tailored to suit different retirement goals and needs.



### Advantages of cash balance plans:

- Meets diverse participant needs and goals
- Incorporates a range of investment strategies within a single plan
- Enhances flexibility for growing firms with many partners/shareholders
- Improves ability to attract and retain top talent

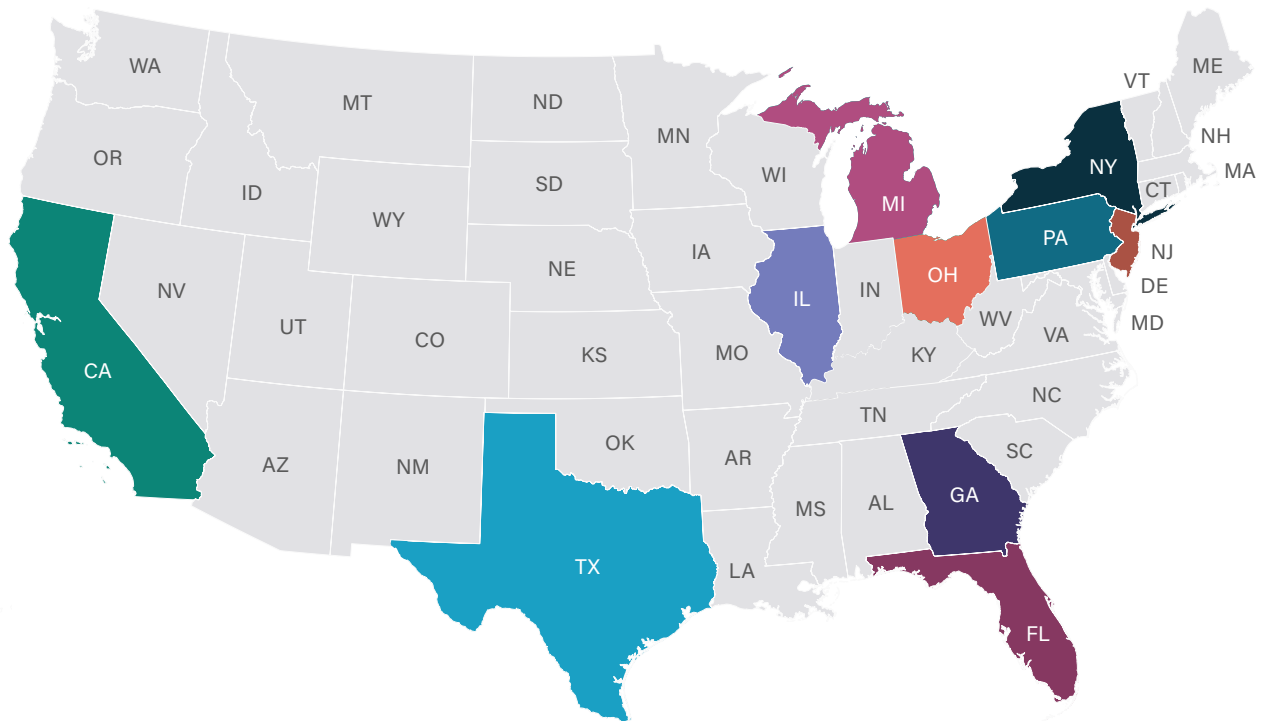
FuturePlan defines a large plan as one having 50 or more participants. These plans typically have a larger number of employees, and 50 participants is the cutoff for 401(a)(26) minimum participation rules where a defined benefit plan must cover the lesser of 40% (of otherwise eligible employees) or 50 participants.

# Plans by Regional Concentration



Exploring the **growth** of cash balance plans in a region of interest can help **diversify** a practice and **broaden** a client base.

— Ken Guidroz



**CA | Rank: #1**  
 % of Nation's Total: 20%  
 Percent Change: +28%

**NY | Rank: #2**  
 % of Nation's Total: 9%  
 Percent Change: +8%

**FL | Rank: #3**  
 % of Nation's Total: 7%  
 Percent Change: +16%

**TX | Rank: #4**  
 % of Nation's Total: 6%  
 Percent Change: +16%

**NJ | Rank: #5**  
 % of Nation's Total: 5%  
 Percent Change: +9%

**IL | Rank: #6**  
 % of Nation's Total: 5%  
 Percent Change: +5%

**OH | Rank: #7**  
 % of Nation's Total: 5%  
 Percent Change: +5%

**PA | Rank: #8**  
 % of Nation's Total: 3%  
 Percent Change: +7%

**GA | Rank: #9**  
 % of Nation's Total: 3%  
 Percent Change: +18%

**MI | Rank: #10**  
 % of Nation's Total: 3%  
 Percent Change: -1%

Source: 2023 BrightScope, Inc.

Percent change is total number of plans between 2020 (the last year FuturePlan formally reported findings) and 2023, the primary year which this report is based on.

## Plans by Regional Concentration (Cont.)

RANK	STATE	2023 NUMBER OF PLANS
1	CA	5,050
2	NY	2,439
3	FL	1,759
4	TX	1,550
5	NJ	1,327
6	IL	1,237
7	OH	1,160
8	PA	766
9	GA	737
10	MI	711
<b>National Total</b>		<b>25,754</b>
<b>Top 10 Total</b>		<b>16,736</b>

Source: 2023 BrightScope, Inc.

For almost two decades, California and New York have ranked as the top two states based on the total number of plans. Both regions combined account for 7,489 plans, making up 29% of the total in the U.S. California is also notable because it has the fastest regional growth for new plans, a 28% increase between 2020 and 2023.

Since new cash balance plans are most frequently adopted by successful, profitable small to mid-size businesses, their steady growth rates are a good indicator of the regional health of small businesses.

### Other regional highlights:

- Cash balance plans are active in all 50 states and are now represented in Puerto Rico, Guam, and the U.S. Virgin Islands.
- Florida and Texas have shown considerable regional growth (16%).
- Georgia has shown double digit growth (18%).

**California and New York have the most plans overall, with nearly one third of all plans.**

ADVANCED PRO TIP

# How to Win Over Medical Group Clients

Tap into a high-potential niche with a powerful message. Physicians, especially those in specialty groups like radiology, cardiology, and anesthesiology, are ideal candidates for cash balance plans. Why? Because these plans directly address two of their biggest financial pain points:

## Top Financial Challenges for Physicians

1. High tax burdens from successful practices and elevated incomes
2. Delayed retirement savings due to years spent in training, repaying student loans, and building their careers

## The Solution:

When paired with a medical group's 401(k) profit sharing plan, a cash balance plan can be a game-changer. It allows physicians to:

- Increase pre-tax retirement contributions by 5x more than a 401(k) plan alone
- Significantly reduce taxable income
- Accelerate retirement savings in just a few years

## Why Focus on a Niche?

Specializing in medical groups helps you:

- Build deep expertise in their unique financial needs
- Gain trust and credibility faster
- Leverage tight-knit professional networks for referrals and word-of-mouth growth



**The Wall Street Journal:** FuturePlan was featured in *The Wall Street Journal* article, [\*The Retirement-Savings Weapon Doctors Use to Build Wealth\*](#), highlighting how cash balance plans are helping physicians supercharge their retirement strategies.



**Real-Life Impact:** "FuturePlan helped us enhance our 401(k) profit sharing plan by adding a cash balance plan. Senior Partner Physicians were then able to contribute **an additional \$100,000+ annually**—almost double what they were saving before. We believe this kind of competitive benefit will help us attract and retain top-tier doctors at HealthCare Partners." — *Satisfied Client*

See a [cash balance plan illustration for a medical group](#)



# About FuturePlan

FuturePlan is a leading national retirement TPA dedicated to helping advisors, recordkeepers, and plan sponsors deliver better outcomes for savers. Its highly responsive, personalized service is backed by the strength and security of a national leader in Ascensus. As of March 31, 2025, FuturePlan's experienced team of experts supports more than 37,000 retirement plans with more than 1.4 million participants and more than \$113 billion in assets under administration. For more information, visit [futureplan.com](https://futureplan.com).

## About the Cash Balance Center of Excellence

FuturePlan's Cash Balance Center of Excellence has been designing and administering cash balance plans since the early 1990s. Serving more than 4,500 cash balance plan clients and hundreds of professional service companies, FuturePlan brings deep expertise and options to the plan design table. With over 470 credentialed retirement plan professionals, more than 75 on-staff actuaries, and a national reach covering every state, FuturePlan is a Category of One.

Whether you're looking to **grow your firm, support small business clients, or deliver standout retirement strategies**, these plans help you provide greater value and set yourself apart.

**Want to learn more or ready to get started? Connect with our national sales team today to discover how these plans can transform your business.**

📞 866-929-2525

🌐 [futureplan.com](https://futureplan.com)

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