

News

Levine Joins PLANSPONSOR to Cover Decline in PEPs

ATTORNEYS & PROFESSIONALS

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Groom principal and co-chair of the firm’s Employers & Sponsors group [David Levine](#) was featured by *PLANSPONSOR* in their article, “PEP Growth Slows as Startups Fold” which analyzed the decrease in pooled employer plan (“PEP”) growth over the past two years and what that might mean for the program and its participants.

According to *PLANSPONSOR*, Levine “agrees that some PEP providers may have been ‘caught a little flat-footed’ by the IRS guidance. But overall, he doesn’t see the auditing clarification as a driver of consolidation.”

“A lot of the pooled plan providers that I work with expect to have more than 1,000 people in the plan,” said Levine.

Regarding changes in the number of registered PEPs, Levine said, “You’ve seen that some PEPs have gotten traction, some have not, and two years into this people are asking, ‘does this make sense anymore?’” He further stated, “You are seeing some consolidation and reshuffling in this space.”

PLANSPONSOR also reported, “Levine expects PEPs to continue to see growth among his clients as ‘another solution in the toolbox’ for smaller plans, alongside the proliferation of individual plan options from various small plan providers.”

To read the article, [click here](#).