



2021 Retirement Risk Survey

Report of Findings





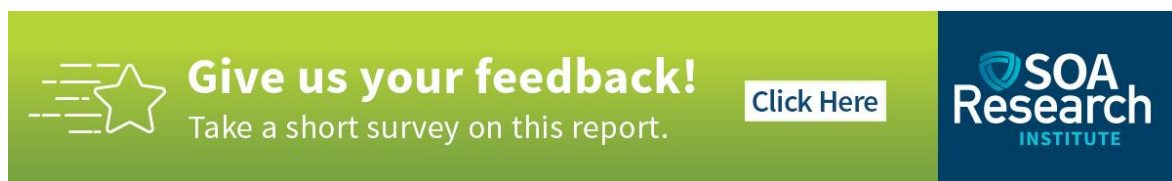
2021 Retirement Risk Survey



Report of Findings

Author Greenwald Research

Sponsors Aging and Retirement Strategic
Research Program Steering
Committee

Retirement Section Council

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2021 Risks and Process of Retirement Survey

Report of Findings

INTRODUCTION & METHODOLOGY

This report presents the results of an online survey of Americans ages 45 to 80, conducted in June 2021 by Greenwald Research on behalf of the Society of Actuaries Research Institute (SOA). The purpose of the study was to evaluate Americans' retirement concerns and preparedness, their income and spending in retirement, how they plan for change in retirement, the impact of shocks and unexpected events, and their views on health and caregiving.

This is the eleventh study sponsored by the SOA that focuses on these issues. This study has been conducted every two years since 2001.

The current study which was conducted during the COVID-19 pandemic, when the economy was still profoundly changed by its impact but at a point of optimism with many people hoping that the pandemic was moving to an end. This background has the potential to affect how pre-retirees and retirees view risk and how they plan for their future. In comparison, the 2019 study followed a period of sustained economic growth

To identify trends, the 2021 study includes some questions posed in earlier iterations of the survey. The core questions about perceptions of post-retirement risks have been asked in each of the surveys. A comparison of 2021 results to the results from previous iterations of the study (where available) and a demographic profile of the survey respondents can be found in the Appendices of this report.

The questionnaire for the present study was designed by Greenwald Research, in collaboration with the SOA Committee on Post-Retirement Needs and Risks and its Project Oversight Group appointed by that committee. A total of 2,229 survey respondents were obtained (1,061 pre-retirees and 1,168 retirees, including oversamples) from individuals born between 1940 and 1975. The survey lasted an average of 15 minutes and was conducted using Dynata's (formerly Research Now) online consumer panel, from June 4 through June 22, 2021. Racial and ethnic oversample quotas were added to the design, containing at least 200 Hispanic/Latino, 200 Black/African American respondents, and 200 Asian American respondents.

Different versions of the survey were given to retirees and pre-retirees. Respondents were classified as "retirees" if they described their employment status as retiree, had retired from a previous career, or were not currently employed and were either age 65 or older or had a retired spouse. All other respondents were classified as pre-retirees.

The sample data are weighted by age, education, gender, and income to match targets obtained from the March 2020 Current Population Survey (CPS). This weighting scheme has been used since the 2015 survey.

No theoretical basis exists for judging the accuracy of estimates obtained from nonprobability samples, such as the online sample used for this survey. Most online samples are considered nonprobability samples because selection is not random and the probability that an individual from the target population will be included is unknown. However, there are possible sources of error in all surveys (both probability and nonprobability) that may affect the reliability of survey results. These include imperfect sampling frames, refusals to be interviewed and other forms of nonresponse, the effects of question wording and question order, interviewer bias and screening. Although attempts are made to minimize these factors, it is impossible to quantify the errors that may result from them.. In

addition, caution should be exercised when comparing specific numerical results of the 2021 study with the results from questions from the 2011 or earlier iterations of the survey. Starting in 2013, this study was conducted online, while all previous studies in the series were conducted by telephone. Further, in 2015 efforts were made to bring the survey sample more closely in line with the income distributions among Americans within the 45-80 age range.

2021 Was an Unusual Year: Comments on 2021 Sample and Situation at the Time of the Survey

In reviewing the results of the 2021 survey, the reader should keep in mind the societal situation in June 2021 when the survey was conducted. COVID-19 had been changing the experiences of Americans for more than a year. Infections were at a low point and the vaccine was widely available, so it seemed like life would be returning to normal soon. It was only later in the year when new variants appeared along with the realization that the pandemic could go on longer.

The 2021 sample also included a different mix of sources of income — including a greater reliance on traditional pensions — than the 2019 or 2015 samples. The 2021 sample seems to have slightly higher income and asset levels, more government employment, and somewhat less healthy pre-retiree respondents. As a result, care is needed in making comparisons with prior surveys. In addition, the change in methodology in 2013 requires that caution be taken when interpreting long-term trends.

This report presents the survey findings for each question asked in the 2021 survey. Findings for key questions are broken out for both pre-retirees and retirees by household income, marital status or by racial and ethnic groups when they are significant or notable. The posted questionnaire, which lists all survey questions and tabulated responses, is appended to the end of the report (i.e., Appendix B).

Note: Some of the tables in this report include statistics with lowercase letters next to them. These lowercase letters indicate significance at the 95% level. Data in the tables presented as percentages in this report may not total to 100% due to rounding or missing categories.

References to Other Society of Actuaries Studies

This study cites two Society of Actuaries studies that provide insight into how life unfolds in retirement. These studies provide qualitative and quantitative research and anecdotal quotes relating finances to health and caretaking issues:

The "[*Life Journey Study*](#)" interviews children of recently deceased parents.

The *Post-Retirement Experiences of Adults Over Age 85* (the "[*Age 85+ study*](#)"), which interviewed both adults over age 85 and children of adults over age 85.

EXECUTIVE SUMMARY

HIGHLIGHTS FROM THE 2021 SURVEY

This report presents the results of the 2021 Retirement Risk Survey designed to understand the current state of retirement in the United States from an individual's perspective. The study addresses Americans' retirement concerns and preparedness, their income and spending in retirement, how they plan for change in retirement, the impact of shocks and unexpected events, and their views on health and caregiving. This online survey of Americans ages 45 to 80 was conducted in June 2021 by Greenwald Research on behalf of the Society of Actuaries Research Institute (SOA).

This is the eleventh iteration of the Retirement Risk Survey series that has been conducted every two years since 2001 and is sponsored by the SOA. Over the course of this ongoing research, we have seen three periods of economic turmoil (the post-9/11 recession, the Great Recession in 2007-2008 that included a major decline and slow recovery in housing prices, and the recent COVID-19 pandemic).

To identify changes over time, the 2021 study repeats some questions posed in earlier iterations of the survey. The core questions about perceptions of post-retirement risks have been asked in every one of the surveys. Information on repeated questions can be found in Appendix A on trended findings.

This year's survey examined five topic areas:

- Retirement risks and planning, including the key trend items on retirement concerns
- Retirement income and spending
- Planning for and dealing with change
- Shocks and unexpected events, a topic repeated from several earlier iterations of the study
- Health and caregiving

In each survey the SOA chose a particular area of emphasis. Where the primary reports generally summarize all of the results of that year's survey, many short reports have been published covering the special topics. For a complete understanding of the results of this research, this report should be considered together with the reports published in prior years.

Many of the findings of this study are affected by the income and wealth of the respondents, and these are noted in this report. In line with the SOA's commitment to diversity and inclusion, this year's study includes oversamples of Black/African American, Hispanic/Latino, and Asian American respondents and the differences in responses by race and ethnicity are noted in the full report.

KEY FINDINGS

This study provides a broad perspective on the issues faced by pre-retirees and retirees across a wide range of retirement issues. This study, conducted in the midst of the COVID-19 pandemic, showed that the pandemic has had a profound but also diverse impact on their finances and views of retirement:

1. In June 2021, when this study was fielded, the COVID-19 pandemic had affected retirement finances for pre-retirees and retirees differently.

The COVID-19 pandemic has the potential to impact retirement plans, finances, quality of life, return to work plans, and living arrangements. The impact of this crisis is complicated because while it caused economic turmoil and unemployment, it also coincided with a stock market gain and reduced spending, both of which can have a positive financial impact on older adults who hold investments. Retirees who are no longer working are less likely to be affected by job loss although some still need or aspire to work in retirement.

Some respondents feel that the COVID-19 pandemic has negatively impacted their financial situation—27% of pre-retirees and 18% of retirees. This compares to only 13% of pre-retirees and 11% of retirees who feel it had a positive impact.

As may be expected, pre-retirees are more likely to plan to make changes as a result of the COVID-19 pandemic than retirees. The likeliest changes were in lifestyle (27% of pre-retirees compared to 18% of retirees) and expectations to work longer (17% of pre-retirees only).

The pandemic was more likely to have a negative impact on the finances of Black/African American and Hispanic/Latino pre-retirees than on the finances of whites. Similarly, the pandemic was more likely to have a negative impact on the finances of individuals with incomes under \$100,000 compared to those with higher income. When they look to the future, however, a larger percentage of Black/African American (28%) and Hispanic/Latino (19%) respondents thought the pandemic would have a positive impact on their financial situation than white (8%) or Asian American (12%) respondents.

2. Having lower wealth and income creates concerns and challenges.

As might be expected, those with lower income and assets are more likely to be more concerned with and challenged by their finances. For example, retirees with less than \$50,000 in assets are three times more likely to be concerned about running out of money in retirement than those with more than \$250,000 (51% vs 17%) or that they will be unable to maintain their standard of living for the rest of their life (48% vs. 16%). Both pre-retirees and retirees with lower income and asset levels tend to show higher levels of concern across a range of financial issues.

Income also drives:

- *How retirees feel they fare in retirement.* Close to half (45%) of those with incomes over \$75,000 feel that they are faring better now than they were two years ago compared to only 19% of those with incomes under \$35,000.
- *The tendency to plan.* Forty-six percent of retirees with over \$100,000 in income have a spending plan versus only 16% of those with income under \$50,000. Higher-income and higher-asset pre-retirees and retirees are also far more likely to have a financial advisor.
- *The sources of income that they rely on.* Social Security is considered to be a major source of income for 84% of the retirees who have incomes under \$35,000 but only 37% of those with incomes over

\$75,000. Retirees with higher income are far more likely to rely on IRAs and 401(k)s for income. Pre-retiree expectations of income sources in retirement mirror this.

- *How prepared they are for financial shock.* Among both pre-retirees and retirees, higher income individuals are generally better prepared to weather a financial shock in retirement.

3. Support systems play a critical role in a successful retirement.

An aspect of retirement that has not been explored much in the past is the availability of family support systems. Prior SOA research suggests that these support systems play a critical role, and this merited further exploration.

While fewer than one in ten retirees rely a great deal or completely on family members for support, close to one in five relies on family to some extent. Pre-retiree and expectations are similar to what retirees experience.

A number of individuals live in multi-generational households -- 7% of retirees and 9% of pre-retirees. Of these, over seven in ten pre-retirees and six in ten retirees report that being in this situation has made it easier to care for elderly family members. Beyond that, the oldest and youngest generations both support wage earning, while the youngest generation also helps with errands and home maintenance. Nearly half of pre-retirees (45%) and one third of retirees (34%) in multi-generational households report that older or younger generations provide care for elderly family members in multi-generational families.

Pre-retirees and retirees are more apt to say that their family knows more about their values and beliefs than they know about their philosophy and choices when it comes to money. Black/African American (44%) and Asian American (45%) pre-retirees were more likely than White (35%) or Hispanic/Latino (25%) pre-retirees to say they have families who know about their financial lives. Lower income pre-retirees and retirees reported that their families knew more about their lives in general than those with higher incomes.

4. Retirees have lower levels of concern than found in prior research while pre-retirees have consistent—and higher—concern.

Pre-retirees' levels of concern regarding various retirement risks are similar to those that have been reported in previous years. In contrast, retirees' levels of concern are down significantly from 2019. Two areas that retirees were less concerned about than in 2019 were their ability to maintain their standard of living in retirement and their ability to fund health and long-term care needs. The gap between retiree and pre-retiree concerns has always existed but was significantly higher in 2021.

The one exception to this trend was concerns about fraud. In 2021, 47% of retirees and 43% of pre-retirees were at least somewhat concerned about fraud, up from 36% and 31% in 2019, respectively. Black/African American retirees are particularly concerned about fraud with 64% being at least somewhat concerned.

Based on the COVID-19 pandemic, this year's survey asked if being socially isolated is a concern. This is a real issue for some individuals, as about two in five retirees (35%) and pre-retirees (39%) report being very or somewhat concerned. More than half of Asian American pre-retirees and retirees share this concern.

5. Retirees report having the same or a better standard of living compared to what they expected when they were working.

Despite the COVID-19 pandemic, a large majority of retirees report that they are doing either the same or better now than they expected when they were working. They also feel they are doing the same or better compared to

two years ago. For example, almost half (47%) feel that their financial situation meets their expectations and another 40% feel that they are doing better than expected. The view is not universal. For instance, while almost half of Black/African American (45%) respondents say their financial situation meets their expectations, only 29% say they are doing better than expected.

Overall, very few retirees (12%) feel they are doing somewhat (9%) or much worse (3%) than they expected.

As a result of the pandemic, most retirees report that they are either keeping their spending the same (45%) or reducing it (45%). In contrast, a majority of pre-retirees (55%) report that they anticipate having to decrease their spending in the next ten years.

Surprisingly, most believe the experience of living through the pandemic will have no impact on their approach to managing their personal finances. Although there was a change in spending expectations, only a small percentage of pre-retirees and retirees believe that the pandemic will result in more financial activity including planning, saving, contribution to emergency funds, and money management.

6. Very few pre-retirees and retirees are prepared for changes in retirement.

Change can be expected as a person enters retirement. Retirees acknowledge change, but their focus tends to be more short-term, making it hard to anticipate change in advance. This leaves them unprepared to manage changes in the future. In fact, prior research by the SOA found that retirees tended to deal with unexpected events as they happened.

While more than six in ten pre-retirees and seven in ten retirees have given at least some thought to how their lives will change throughout retirement, only 16% of pre-retirees and 27% of retirees feel very prepared for financial events in the future. Pre-retirees are more likely to feel not too or not at all prepared than retirees (29% vs. 17%). Responses vary greatly by income.

Just 13% of pre-retirees and 11% of retirees feel that political, social, and natural events will have a positive impact on their finances in the next 10 years. Interestingly, Black/African American (28%) and Hispanic/Latino (22%) retirees are more likely to believe that these events will have a positive impact.

7. Pre-retirees and retirees are vulnerable to unexpected financial shocks.

This study sheds light on the vulnerability of pre-retirees and retirees to financial shocks in retirement and how people manage them.

Approximately half of the pre-retired population report experiencing some type of unexpected financial shock, as well as more than four in ten retirees. One in five pre-retirees report that these shocks have reduced their assets by 25% or more and reduced their spending by 10% or more, but far fewer retirees report these reductions. For example, just one in ten retirees (11%) report that shocks reduced their assets by more than 25%.

When asked what they could afford to spend without jeopardizing their retirement security, half of pre-retirees report that they could only afford to spend \$10,000 or less, and more than half of retirees could afford no more than \$25,000. Black/African American pre-retirees (61%) are more likely than pre-retirees in general (40%) to be impacted by an unexpected expense of up to \$10,000. Among retirees, Black/African American respondents (58%) and Hispanic/Latino respondents (52%) said they are not able to spend \$10,000 without it affecting their retirement security. This was much greater than the general retiree response (32%).

CONCLUSIONS

This study, conducted during the pandemic, shows a compelling story regarding the views of pre-retirees and retirees. As we have seen in prior research, retirees are less worried about their finances than pre-retirees. A key finding was that retirees showed lower levels of concern about most retirement risks than in 2019.

Naturally, economic status, particularly income level, had a pervasive effect on many aspects of the study. Lower income respondents had greater financial concerns, different expectations of retirement, and were less prepared to cope with the shocks and uncertainties of retirement. Differences in results by race and ethnicity existed, but they were less predictable than results by income.

The study raises questions about the short and longer-term impact of the pandemic on retiree finances. While a majority of both pre-retirees and retirees felt it had no effect on their financial situation, there were significantly more who said the pandemic had a negative effect than those who saw it as a positive effect.

These key findings may be related. For instance, retirees may have fared better during the pandemic than pre-retirees because they benefited from reduced spending and the overall financial markets without the fear of job loss. This might explain why their concerns went down while pre-retirees stayed the same. At the same time, it is concerning that nearly one in five retirees felt they were worse off due to the pandemic and may have less opportunity to recover.

The pandemic has continued for nearly two years, far longer than most people expected at its start. The situation grew worse with new surges after the survey was conducted, and there remain substantial uncertainties about how pandemic related events will impact longer-term retirement security. It will take two to three more years to understand the longer-term impacts and how the population differs in their financial reaction.



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DETAILED SURVEY FINDINGS

CHAPTER 1: RETIREMENT RISKS AND PLANNING

The main focus and core long-term trend of this research program has been examining the risks and planning challenges that pre-retirees and retirees face in retirement. Historically, pre-retirees had greater concerns about risks than retirees and 2021 found historically lower levels of concern about risks among both samples.

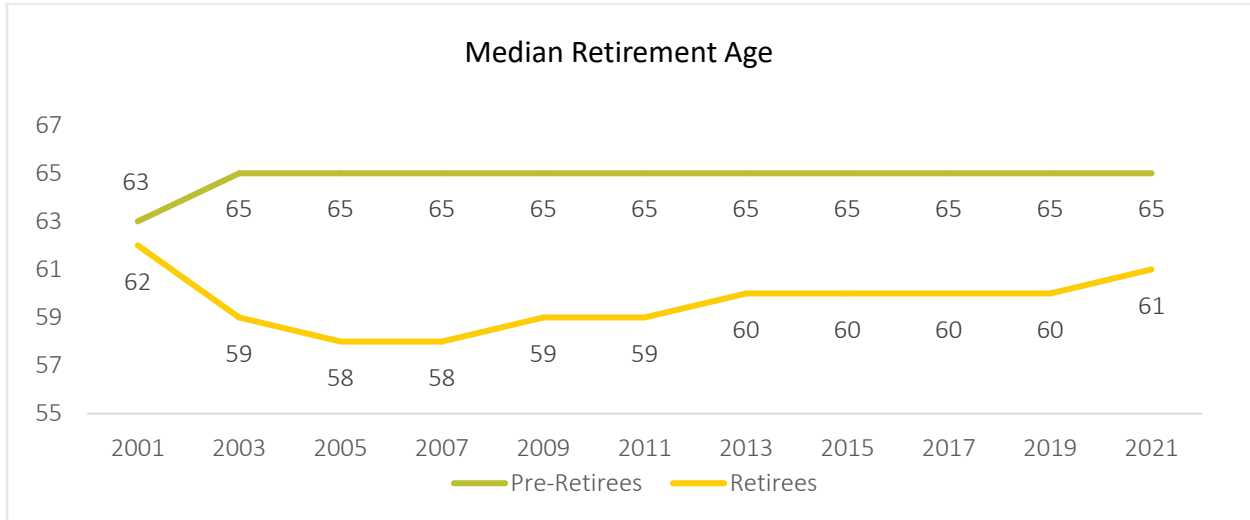
CHAPTER HIGHLIGHTS:

- Despite the COVID-19 pandemic, level of concern about various risks remains historically low this year for both pre-retirees and retirees. Compared to 2019, level of concern dropped on some issues for retirees. As a result of this drop, retiree concerns are lower than those of pre-retirees by a larger gap than ever before.
- The one exception to this trend was concern about fraud. In 2021, both retirees and pre-retirees were more concerned about fraud, and it is the highest concern among retirees, particularly Black/African American retirees. As in prior studies, those with lower income tend to show much higher levels of concern.
- The biggest concerns for pre-retirees are their savings and investments not keeping up with inflation, not being able to afford long-term care, not being able to afford health care costs, not being able to maintain a reasonable standard of living throughout retirement, and potentially depleting all their savings.
- While half of pre-retirees plan to retire gradually rather than all at once, retiree respondents indicate this seldom actually happens. Higher-income pre-retirees are more likely to plan to go straight from full time employment to retirement.
- The COVID-19 pandemic has not affected plans that pre-retirees have for work, living arrangements, and lifestyle in retirement, although over a quarter report changing their lifestyle.
- Despite the financial challenges that retirement poses, most do not have financial advisors, especially pre-retirees, lower-income respondents, and Black/African American respondents.

RETIREMENT PLANNING

Pre-retirees plan to retire at a median age of 65, while retirees did so at a median age of 61. Pre-retirees' planned retirement age is consistent, while retirees' retirement age is slightly higher than the historical median of 60 (Table 1).

Table 1:
EXPECTED/ACTUAL RETIREMENT AGE (FROM PRIMARY OCCUPATION)



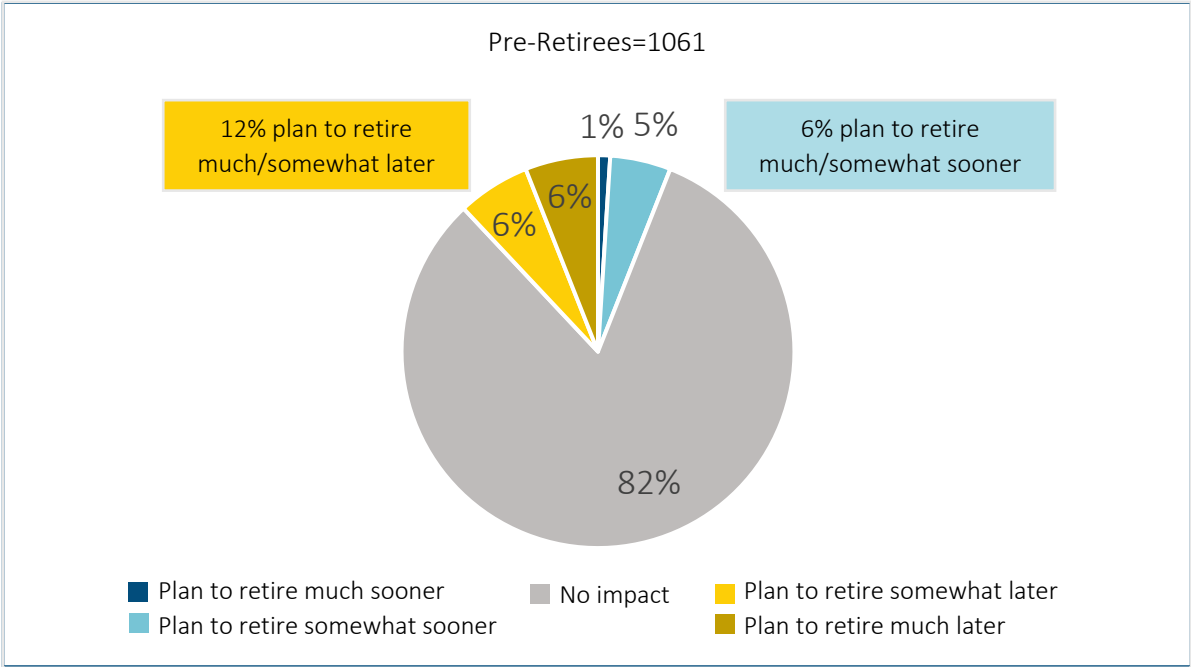
Almost half of pre-retirees (49%) expect to reduce the number of hours they work before retiring. In contrast, only 14% of retirees report that they reduced their hours. A similar divergence between expectations and reality was seen in prior surveys (Table 2).

Table 2
PLANS TO RETIRE FROM PRIMARY OCCUPATION

	Pre-Retirees 2011	Pre-Retirees 2013	Pre-Retirees 2019	Pre-Retirees 2021	Retirees 2011	Retirees 2013	Retirees 2019	Retirees 2021
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	(n=473)	(n=761)	(n=1,046)	(n=1,061)	(n=747)	(n=823)	(n=1,051)	(n=1,168)
You (plan to stop/stopped) working for pay all at once	46%	41%	45%	51% (bc)	77%	80%	82% (e)	86% (ef)
You (plan to reduce the number of hours you work/reduced the number of hours you worked) for pay before stopping completely	19%	18%	55% (abd)	49% (ab)	9%	6%	18% (ef)	14% (ef)

For the most part, the COVID-19 pandemic has had little impact on when pre-retirees plan to retire. Only a little over one in ten pre-retirees (12%) plan to retire later due to the pandemic while 82% said it had no impact on their plans (Table 3). Pre-retirees with under \$50K in income (21%) are far more likely to retire later as a result of the pandemic.

Table 3
IMPACT OF PANDEMIC ON PLANS TO RETIRE

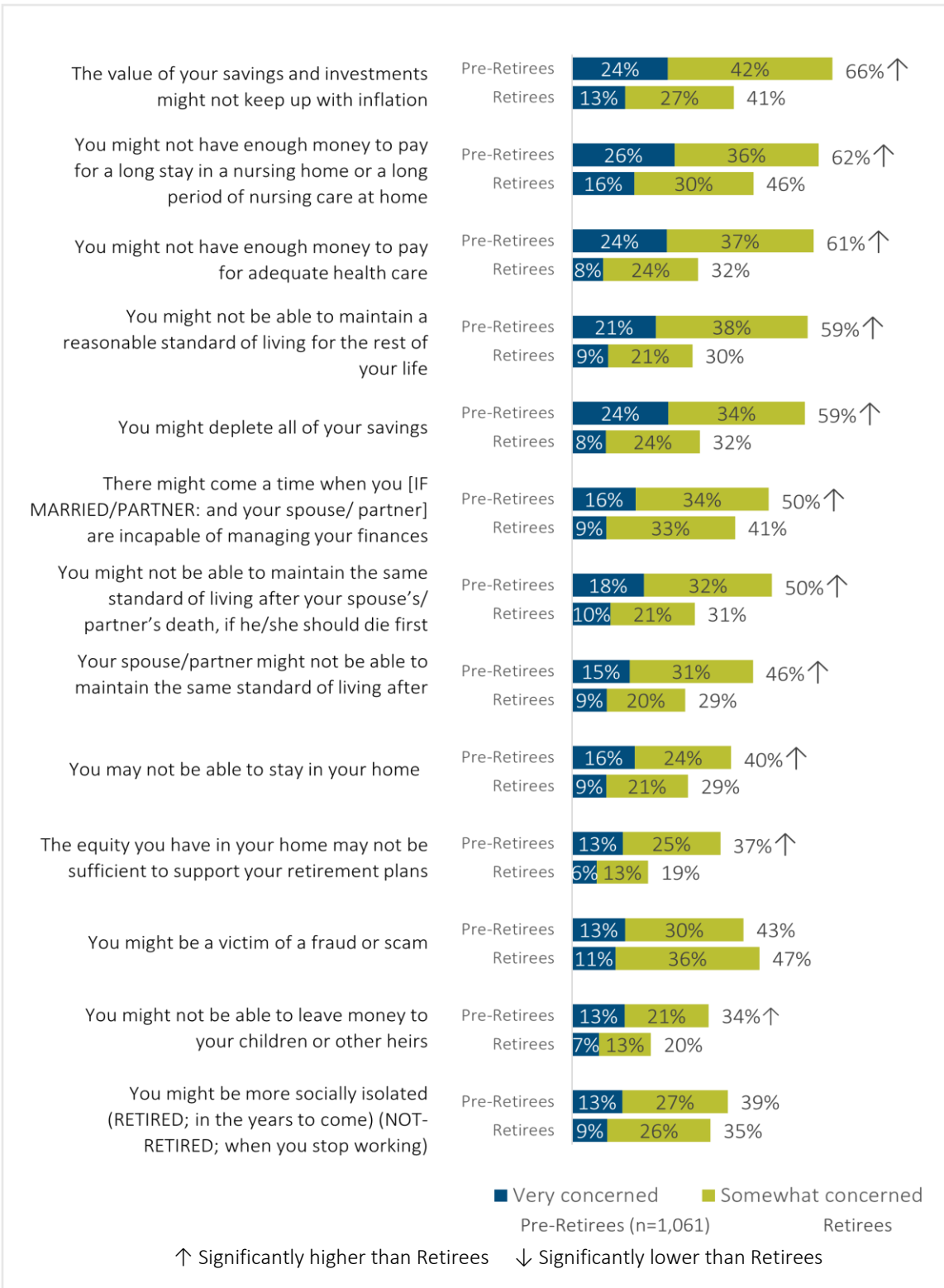


CONCERNS IN RETIREMENT

Overall, pre-retirees report higher levels of concern than retirees across almost all categories. The exception to this is that retirees are a little more concerned than pre-retirees over being a victim of fraud or a scam. These findings are similar to previous iterations of this research (Table 4).

Pre-retirees’ biggest concerns (including those who are somewhat concerned and very concerned) are their savings and investments keeping up with inflation (66%), being able to afford long-term care (62%) and health care (61%), depleting their savings in retirement (59%), maintaining a reasonable standard of living throughout life (59%), and that they might not be able to manage their finances someday (50%). These top four pre-retiree concerns are relatively similar to the 2019 survey.

Table 4
RETIREMENT CONCERNS
 Percent Very or Somewhat Concerned



As might be expected as a result of the COVID-19 pandemic, pre-retirees show a slightly higher level of concern than the last survey that they (50% versus 46% in 2019) or their spouse (46% versus 41% in 2019) won't be able to maintain their standard of living if the other dies. The one area of concern showing a significant increase from prior years is about being a victim of fraud or scam. In 2012, 43% of pre-retirees report this as a concern compared to only 31% in 2019. Levels of concern about being able to stay in their house (40%), not having enough equity in their house (37%) and leaving money to children (34%) have not changed since 2019. Social isolation was a concern for 39% of pre-retirees. This had not been asked in prior surveys.

Retirees expressed lower levels of concerns than pre-retirees. For a number of items, financial concerns decreased from 2019 (Table 5). In particular, concerns about having money for health care are at an all-time low by a wide margin. (See Appendix 6 Trend Table). Concerns about needing long-term care are lower as well.

Table 5
RETIREMENT CONCERNS – 2019 VS. 2021 PRE-RETIRES AND RETIREES
Percent Very or Somewhat Concerned

	Pre-Retirees		Retirees	
	2019 Pre-Retirees (n=1,046)	2021 Pre-Retirees (n=1,061)	2019 Retirees (n=1,051)	2021 Retirees (n=1,168)
Not being able to afford long-term care	65%	62%	53%	46%↓
Having investments keep up with inflation	65%	66%	48%	41%↓
Having enough money to pay for health care	63%	61%	44%	32%↓
Depleting savings	58%	59%	38%	32%↓
Keeping same standard of living if spouse were to die	46%	50%	35%	31%↓
Being able to manage finances someday	48%	50%	40%	41%
Spouse maintaining standard of living if they were to die	41%	46%	33%	29%↓
Equity in homes paying for retirement	36%	37%	19%	19%
Being a victim of fraud or a scam	31%	43%↑	36%	47%↑
Leaving money to heirs	31%	34%	23%	20%

↑ Significantly higher than 2019 ↓ Significantly lower than 2019

As with pre-retirees, the one area where retiree concerns have gone up a great deal is being a victim of fraud or scam. This could be a result of the increase in COVID-19-related consumer fraud cases. This year, AARP reported

that identity theft cases doubled from 2019 to 2020¹, based on the FTC’s 2020 Consumer Sentinel Network Data Book².

Over one third (35%) of retirees are at least somewhat concerned about social isolation, a little lower than found with pre-retirees where 39% showed concern.

As might be expected, the levels of concern are much higher among those with lower income levels. For example, among pre-retirees, those with household incomes under \$50,000 are more likely than those with household incomes over \$100,000 to be at least somewhat concerned about depleting all their assets (72% vs 47%) and maintaining their standard of living after their spouse’s death (65% versus 44%).

The impact of asset level was even more dramatic for retirees. For example, compared to 52% of retirees with household incomes under \$35,000 who are at least somewhat concerned about depleting their assets, only 15% of those with household incomes over \$75,000 have this concern (Table 6).

Table 6
RETIREMENT CONCERNS BY INCOME
Percent Very or Somewhat Concerned

	Pre-Retiree Household Income			Retiree Household Income		
	<\$50,000 (a) (n=267)	\$50,000- \$99,999 (b) (n=331)	\$100,000+ (c) (n=463)	<\$35,000 (d) (n=213)	\$35,000- \$74,999 (e) (n=428)	\$75,000+ (f) (n=527)
The value of your savings and investments might not keep up with inflation	76% (c)	73% (c)	58%	53% (f)	48% (f)	27%
You might not have enough money to pay for a long stay in a nursing home or a long period of nursing care at home	70% (c)	70% (c)	55%	56% (f)	55% (f)	32%
You might not have enough money to pay for adequate health care	69% (c)	71% (c)	52%	47% (ef)	36% (f)	19%
You might not be able to maintain a reasonable standard of living for the rest of your life	76% (bc)	68% (c)	48%	47% (ef)	35% (f)	15%
You might deplete all of your savings	72% (c)	69% (c)	47%	52% (ef)	38% (f)	15%

¹ Skiba, Katherine, *Pandemic Proves to Be Fertile Ground for Identity Thieves*, AARP, February 5, 2021. <https://www.aarp.org/money/scams-fraud/info-2021/ftc-fraud-report-identity-theft-pandemic.html>

² Federal Trade Commission, *Consumer Sentinel Network Data Book 2020*, January 23, 2020. <https://www.ftc.gov/reports/consumer-sentinel-network-data-book-2020>

	Pre-Retiree Household Income			Retiree Household Income		
	<\$50,000	\$50,000- \$99,999	\$100,000+	<\$35,000	\$35,000- \$74,999	\$75,000+
	(a)	(b)	(c)	(d)	(e)	(f)
	(n=267)	(n=331)	(n=463)	(n=213)	(n=428)	(n=527)
You might not be able to maintain the same standard of living after your spouse's/partner's death, if he/she should die first	65% (c)	60% (c)	44%	56% (ef)	39% (f)	20%
There might come a time when you (and your spouse/partner) are incapable of managing your finances	62% (c)	56% (c)	41%	47% (f)	43%	36%
Your spouse/partner might not be able to maintain the same standard of living after your death, if you should die first	62% (c)	57% (c)	37%	62% (ef)	36% (f)	16%
You might be a victim of a fraud or scam	58% (bc)	46% (c)	35%	54% (f)	51% (f)	40%
You may not be able to stay in your home	62% (bc)	44% (c)	29%	41% (f)	30% (f)	21%
You might be more socially isolated (in the years to come/when you stop working)	48% (bc)	38%	36%	40%	35%	32%
The equity you have in your home may not be sufficient to support your retirement plans	53% (c)	45% (c)	27%	31% (f)	24% (f)	7%
You might not be able to leave money to your children or other heirs	48% (c)	42% (c)	25%	36% (ef)	21% (f)	8%

Females were more likely than males to be concerned about maintaining their standard of living if their spouse should die (56% versus 45% for pre-retirees and 39% versus 24% for retirees).

In general, we found some significant differences by race and ethnicity (Table 7):

- Asian American pre-retirees showed greater levels of concern than the general pre-retiree population about being a victim of fraud (64% versus 43%), health care costs (73% versus 61%) and being socially isolated (54% versus 39% of general pre-retirees).
- Retired Asian American respondents are far more likely than general retirees to be concerned about being socially isolated (52% versus 35%).

- Black/African American retirees are far more concerned about being a victim of fraud than others (64% versus 47%) and being able to leave money to heirs (32% versus 20%).
- Pre-retired Hispanic/Latino are more concerned than all pre-retirees about not being able to leave money to heirs (47% versus 34%).

Table 7
RETIREMENT CONCERNS BY RACE/ETHNICITY
Percent Very or Somewhat Concerned

	Pre-Retirees				Retirees			
	White	Black/ African American	Asian American	Hispanic/ Latino	White	Black/ African American	Asian American	Hispanic/ Latino
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	(n=743)	(n=95)	(n=110)	(n=95)	(n=832)	(n=108)	(n=96)	(n=105)
The value of your savings and investments might not keep up with inflation	65%	64%	64%	68%	39%	47%	40%	41%
You might not have enough money to pay for a long stay in a nursing home or a long period of nursing care at home	62%	64%	70% (d)	53%	46%	49%	42%	44%
You might not have enough money to pay for adequate health care	60%	54%	73% (ab)	63%	30%	37%	33%	40%
You might not be able to maintain a reasonable standard of living for the rest of your life	58%	67%	62%	63%	28%	39%	32%	35%
You might deplete all of your savings	58%	61%	60%	56%	31%	38%	33%	35%
You might not be able to maintain the same standard of living after your spouse's/partner's death, if he/she should die first	50%	53%	56%	51%	31%	33%	29%	32%

	Pre-Retirees				Retirees			
	White	Black/ African American	Asian American	Hispanic/ Latino	White	Black/ African American	Asian American	Hispanic/ Latino
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	(n=743)	(n=95)	(n=110)	(n=95)	(n=832)	(n=108)	(n=96)	(n=105)
There might come a time when you (and your spouse/partner) are incapable of managing your finances	47%	51%	60% (a)	55%	40%	45%	49%	39%
Your spouse/partner might not be able to maintain the same standard of living after your death, if you should die first	42%	60% (ac)	45%	58% (a)	27%	32%	31%	31%
You might be a victim of a fraud or scam	39%	52% (a)	64% (ad)	45%	46%	64% (egh)	42%	47%
You may not be able to stay in your home	38%	44%	46%	41%	29%	35%	27%	30%
You might be more socially isolated (in the years to come/when you stop working)	38%	42%	54% (ad)	35%	33%	41%	52% (eh)	32%
The equity you have in your home may not be sufficient to support your retirement plans	35%	36%	47% (a)	45%	17%	27%	18%	27%
You might not be able to leave money to your children or other heirs	31%	40%	36%	47% (a)	18%	32% (eg)	15%	27%

Note: Concerns represent those who are at least somewhat concerned. Given the sample sizes for race and ethnicity, a large difference is needed to detect significance.

Younger retirees under age 65, have somewhat higher concerns than those over age 65 about maintaining their financial situation including depleting their assets (41% versus 32% of general retirees) and maintaining their

standard of living (38% versus 30% of general retirees). There could be different reasons for this, including the large number of years they may have to fund. Retirees with under \$35,000 in income are far more likely to be at least somewhat concerned about affording nursing home care (56%) than are those making over \$75,000 (32%).

Not surprisingly, both pre-retirees and retirees whose finances have been negatively affected by the COVID-19 pandemic are far more apt to exhibit financial concerns about nearly everything. For example, compared to 26% of retirees not affected financially by the pandemic, 61% of those negatively affected are at least somewhat concerned about depleting their savings. [The rationale for this finding may be directly due to the COVID-19 pandemic for some while others may have had previous financial and personal challenges so the COVID-19 pandemic more profoundly impacting their lives.]

This year’s survey explored some new concerns not asked in previous studies (Table 8).

- **Making the wrong choice about Social Security:** Only a minority of pre-retirees (35%) are at least somewhat concerned, with 9% being very concerned.
- **Managing finances well enough to have the money they need later in life:** Over four in ten pre-retirees (44%) are at least somewhat concerned about this, compared to a quarter of retirees (25%). This is consistent with findings in other research such as work in the [Life Journey Study](#). Retirees usually establish a sustainable spending pattern, and this may contribute to their lower levels of concern.
- **Estate planning:** Pre-retirees (30%) are more concerned than retirees (19%), with only a few pre-retirees and retirees being very concerned. While the concerns are low for both, the higher concern for pre-retirees may be since they are less likely to have taken action.

Pre-retired Asian American respondents are more likely to be at least somewhat concerned about managing their money (53% versus 44% of general pre-retirees) and estate planning (41% versus 30% of general pre-retirees). As with other concerns, pre-retirees with under \$50,000 in income are far more apt to be at least somewhat concerned about these issues. For example, pre-retirees with under \$50,000 in income are far less likely to be worried about making the right decisions about Social Security (52%) than those with over \$100,000 in income (25%). Retirees with under \$35,000 in income are far more likely to be concerned about managing their money well (39%) than those with incomes over \$75,000 (11%) (Table 9).

Table 8
RETIREMENT CONCERNS

Percent Very or Somewhat Concerned

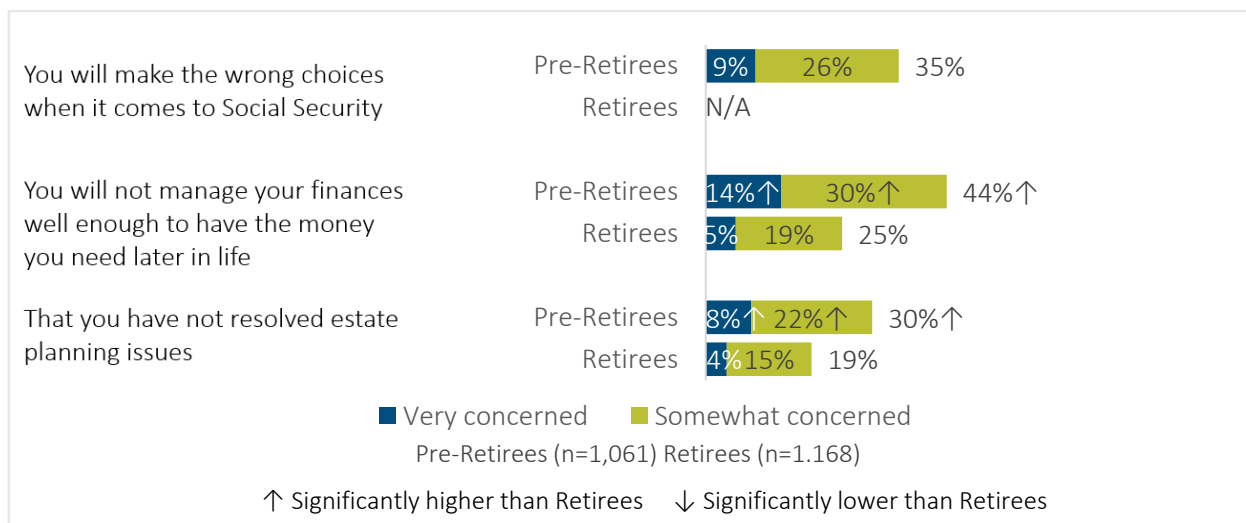


Table 9
RETIREMENT CONCERNS BY INCOME
 Percent Very or Somewhat Concerned

	Pre-Retirees			Retirees		
	<\$50,000	\$50,000- \$99,999	\$100,000+	<\$35,000	\$35,000- \$74,999	\$75,000+
	(a) (n=267)	(b) (n=331)	(c) (n=463)	(d) (n=213)	(e) (n=428)	(f) (n=527)
You will not manage your finances well enough to have the money you need later in life	56% (c)	51% (c)	34%	39% (f)	30% (f)	11%
You will make the wrong choices when it comes to Social Security	52% (bc)	40% (c)	25%	N/A	N/A	N/A
That you have not resolved estate planning issues	36% (c)	36% (c)	25%	18%	23%	17%

IMPACT OF COVID-19 PANDEMIC

Pre-retirees and retirees who are impacted negatively by the COVID-19 pandemic are far more likely to be concerned about everything. The rationale for this finding is potentially twofold, as the COVID-19 pandemic may have been the direct cause of their concerns, or previous financial and personal challenges resulted in the COVID-19 pandemic more profoundly impacting their lives.

We asked respondents about the life and work changes they plan to make in their lives as a result of the COVID-19 pandemic. Some pre-retirees plan to work longer (17%), reconsider living arrangements (13%), or change care plans for family members in need (12%). Fewer retirees plan to return to work (5%), reconsider living arrangements (7%), or change care arrangements for family members in need (4%). It is important to take into account that even though percentages are small, these are fairly dramatic changes. Changing lifestyle due to the COVID-19 pandemic was a more likely outcome with 27% of pre-retirees and 18% of retirees (Table 10).

Hispanic/Latino pre-retirees (47%) and Black/African American pre-retirees (43%) are far more likely to say that they are going to change their lifestyle because of the COVID-19 pandemic than pre-retirees in general (27%). Black/African American retirees (41%) are far more apt to change their lifestyle than retirees in general (18%) as well as reconsider their living arrangement (20% versus 7% of general retirees). Hispanic/Latino pre-retirees (31%) are more apt than pre-retirees in general (17%) to say they will work longer as a result (Table 11). Pre-retirees with under \$50,000 in household income (37%) are more likely to say that they would change their lifestyle than those with over \$100,000 in income (21%). Lower income pre-retirees are also more likely to reconsider their living arrangements (25% versus 8% of those earning over \$100K) (Table 12).

Younger retirees under age 65 (26%) are far more likely than older retirees aged 65 or older (15%) to say that they changed their lifestyle as a result of the COVID-19 pandemic.

Table 10
LIFESTYLE CHANGES DUE TO PANDEMIC

Percent Yes

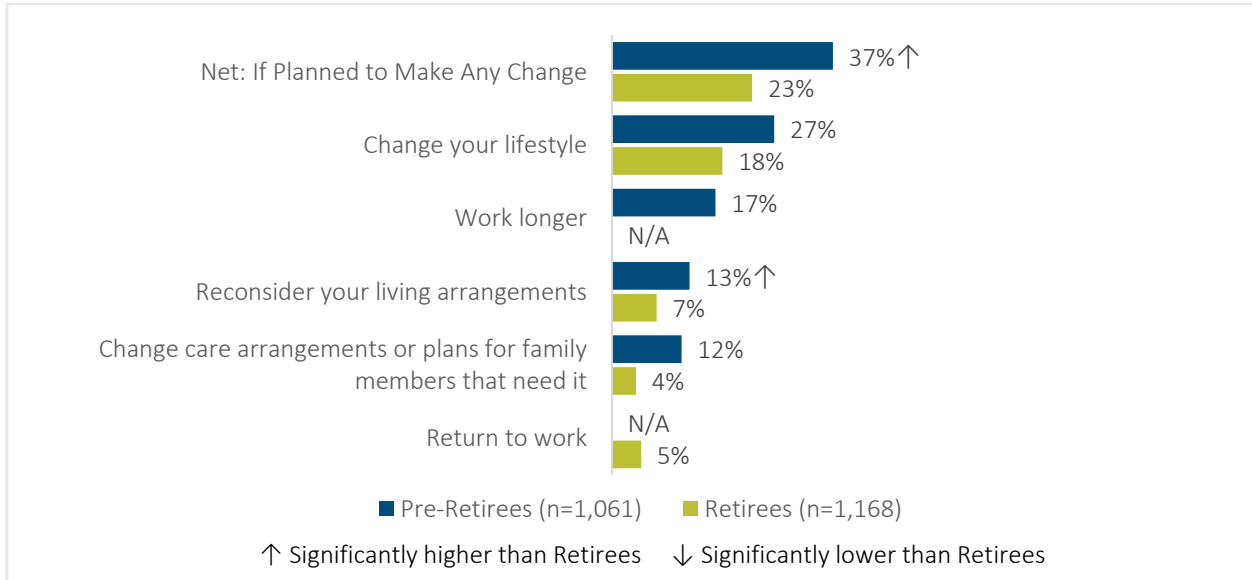


Table 11
LIFESTYLE CHANGES DUE TO PANDEMIC BY RACE/ETHNICITY

Percent Yes

	Pre-Retirees				Retirees			
	White	Black/ African American	Asian American	Hispanic/ Latino	White	Black/ African American	Asian American	Hispanic/ Latino
	(a) (n=743)	(b) (n=95)	(c) (n=110)	(d) (n=95)	(e) (n=832)	(f) (n=108)	(g) (n=96)	(h) (n=105)
Net: If Planned to Make Any Change	31%	49% (a)	45% (a)	61% (a)	18%	48% (egh)	27%	31% (e)
Change your lifestyle	21%	43% (a)	35% (a)	47% (a)	14%	41% (egh)	25%	24%
Work longer	15%	17%	18%	31% (a)	N/A	N/A	N/A	N/A
Reconsider your living arrangements	10%	22% (a)	17%	16%	5%	20% (eg)	3%	18% (eg)
Change care arrangements or plans for family members that need it	9%	18%	13%	18%	2%	11% (eg)	2%	14% (eg)
Return to work	N/A	N/A	N/A	N/A	4%	4%	8%	6%

Table 12
LIFESTYLE CHANGES DUE TO PANDEMIC BY INCOME

Percent Yes

	Pre-Retirees			Retirees		
	<\$50,000 (a) (n=267)	\$50,000- \$99,999 (b) (n=331)	\$100,000+ (c) (n=463)	<\$35,000 (d) (n=213)	\$35,000- \$74,999 (e) (n=428)	\$75,000+ (f) (n=527)
Net: If Planned to Make Any Change	48% (c)	42% (c)	29%	32% (f)	23%	18%
Change your lifestyle	37% (c)	31% (c)	21%	26% (f)	19%	13%
Reconsider your living arrangements	25% (bc)	13%	8%	14% (ef)	6%	4%
Change care arrangements or plans for family members that need it	21% (bc)	13% (c)	7%	7%	3%	3%
Work longer	26% (c)	19% (c)	12%	N/A	N/A	N/A
Return to work	N/A	N/A	N/A	5%	5%	5%

WORKING WITH FINANCIAL ADVISORS

Only 29% of pre-retirees and 41% of retirees choose to work with a financial planner or advisor. The percent of pre-retirees working with an advisor is up this year compared to 2019 (24%) (Table 13).

Black/African American retirees (17%) and pre-retirees (16%) are less likely to have an advisor than overall respondents (41% of retirees and 29% of pre-retirees) (Table 14). Married pre-retirees are more likely than retirees in general (35% versus 29%) to have an advisor. Pre-retirees with over \$100,000 in income (40%) are more likely than those with under \$50,000 in income (7%) to have an advisor. Similar patterns can be found for retirees (Table 13).

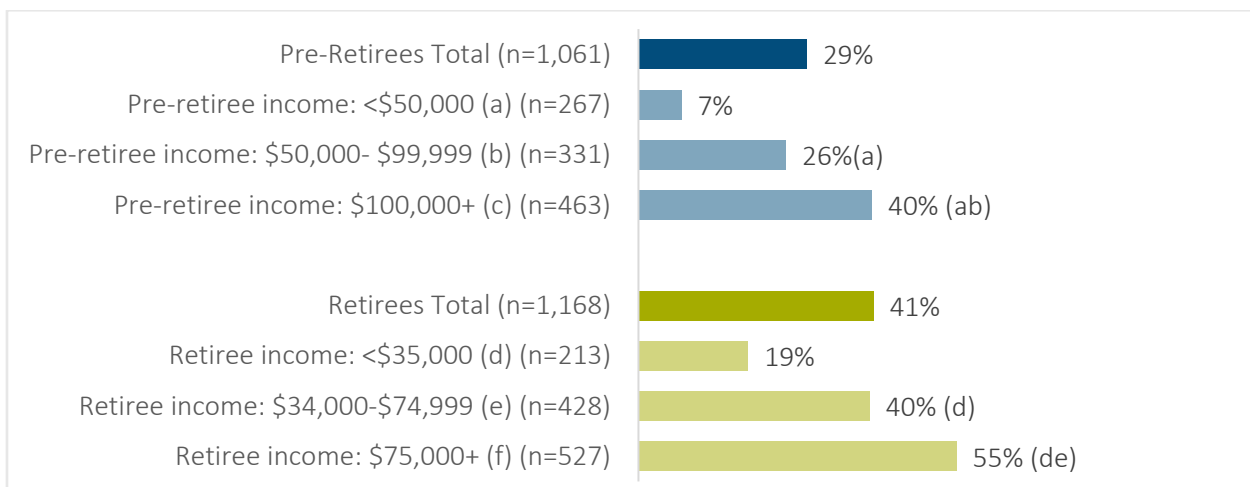
Table 13
WORK WITH A FINANCIAL ADVISOR BY RACE/ETHNICITY

Percent Yes

	Pre-Retirees				Retirees			
	White	Black/African American	Asian American	Hispanic/Latino	White	Black/African American	Asian American	Hispanic/Latino
	(a) (n=743)	(b) (n=95)	(c) (n=110)	(d) (n=95)	(e) (n=832)	(f) (n=108)	(g) (n=96)	(h) (n=105)
Yes	31% (b)	16%	29% (b)	31% (b)	44% (f)	17%	46% (f)	38% (f)
No	69%	84% (ad)	71%	69%	56%	83% (egh)	54%	62%

Table 14
WORK WITH A FINANCIAL ADVISOR BY INCOME

Percent Yes



CHAPTER 2: RETIREMENT INCOME AND SPENDING

From a financial perspective, retirement planning involves determining how to accumulate assets when you are working to create income in retirement to meet your retirement spending needs. The comparison of income to spending needs helps determine an individual's financial retirement readiness. One part of the Retirement Risk Survey is to explore individual perspectives — both expectations and actual experiences — of retirement income adequacy. The risk survey, along with other research by the Society of Actuaries, helps to better understand and explore ways to improve retirement outcomes.

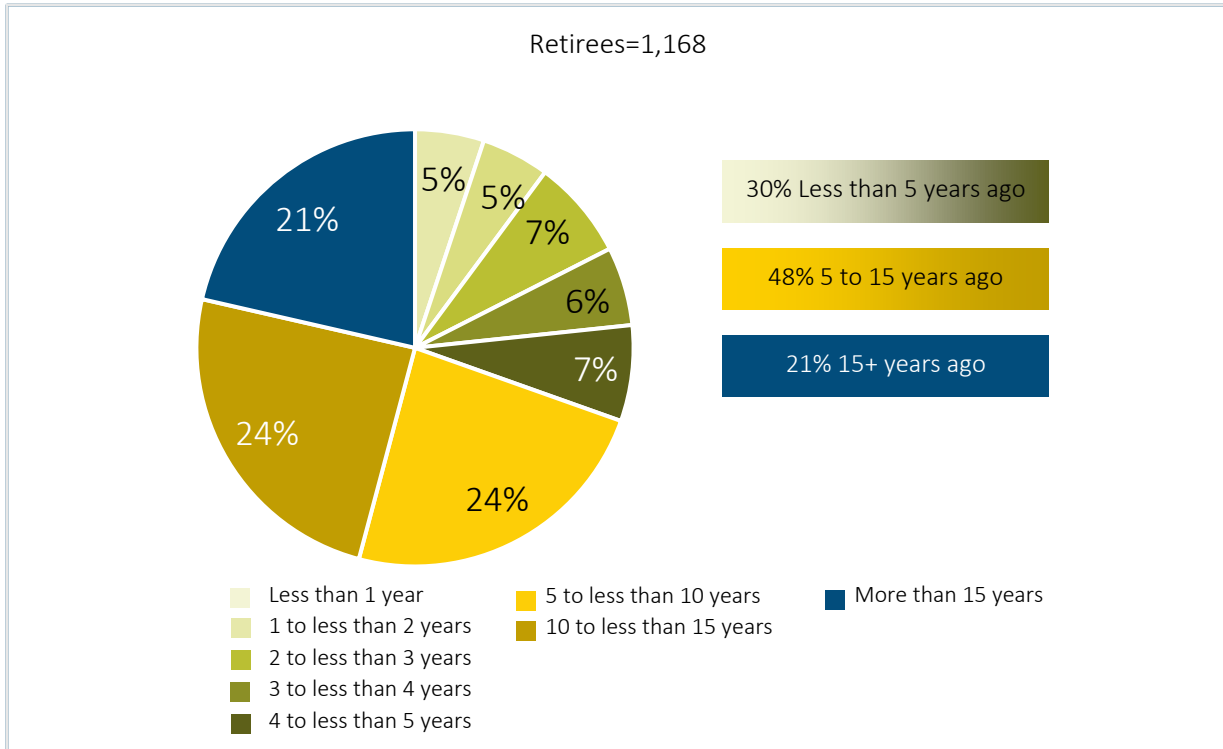
CHAPTER HIGHLIGHTS:

- A large majority of retirees report that they are doing either the same or better now than they thought they would be when they were working. Even among those retired for three years or less, overwhelming majorities report that their financial situation is better than they expected. The strongest reporting that lifestyle is better than expected comes from wealthy and married retirees.
- A large majority of retirees indicate that they are either keeping their spending the same or reducing it as a result of the pandemic. A majority of pre-retirees report that they anticipate having to decrease their spending in the next ten years. A small percentage of pre-retirees and retirees believe that the pandemic will result in more financial activity, such as planning, saving, contributing to emergency funds, and money management; most believe the pandemic will have no impact.
- While most respondents do not have a spending plan for retirement, retirees are more likely than pre-retirees to have one.
- The sources of income that pre-retirees expect to use in retirement differ from the sources that retirees actually use. Retirees rely on Social Security more than any other source, while pre-retirees expect to rely equally on Social Security and retirement savings plans as a major source.
- As might be expected, lower-income pre-retirees and retirees report Social Security as a major income source more than higher-income individuals.

SPENDING AND PLANNING PATTERNS

Retirees' attitudes about spending and planning can vary based on how long they have been retired. About half of the sample in this study (48%) have been retired between 5 and 15 years, 30% less than 5 years and 21% longer than 15 years. Overall, only a small percentage of the sample have been retired for a very long period of time (Table 15).

Table 15
YEARS RETIRED



Retirees are more likely to have a plan for how much money they will spend each year in retirement, where the money will come from and how it will be allocated than pre-retirees (57% versus 36%).

Retirees were asked how their finances compared to where they thought they would be when they were working. Almost half (47%) feel that their financial situation meets their expectations and another 40% feel that they are doing better than expected. Very few (12%) feel they are doing somewhat (9%) or much worse (3%) than they expected (Table 16). In contrast, in 2019, twice that number (24%) felt they are doing somewhat or much worse than expected. The COVID-19 pandemic may have contributed to this by lowering spending without the same risk of lost income that workers would have experienced.

Some factors increased the likelihood that retirees would report that finances surpassed expectations:

- 45% of married retirees compared to 31% who were not married.
- 56% of those with incomes over \$75,000 compared to 20% of those with incomes under \$35,000.

Table 16
RETIREE’S EVALUATION ON HOW THEY ARE DOING FINANCIALLY IN RETIREMENT BY INCOME

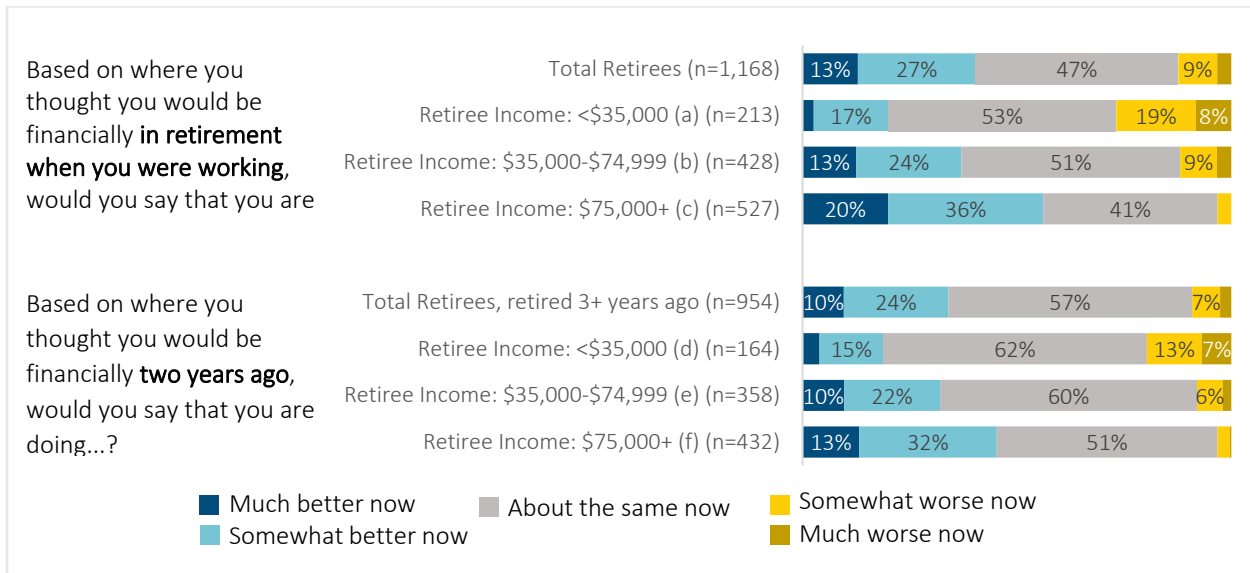
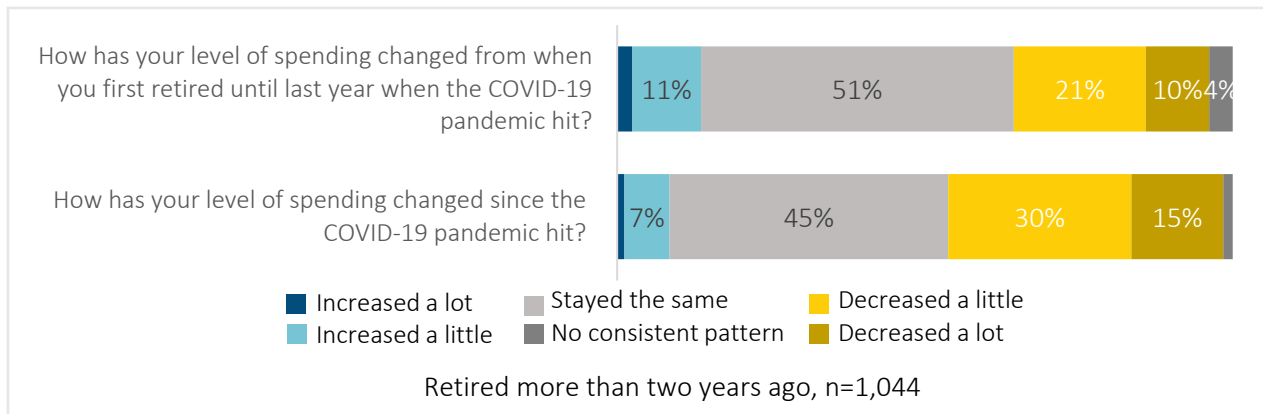


Table 17
RETIREE’S EVALUATION ON HOW THEY ARE DOING FINANCIALLY IN RETIREMENT BY RACE/ETHNICITY

	Total Retirees				Retirees: Retired 3+ years ago			
	White (a) (n=832)	Black/ African American (b) (n=108)	Asian American (c) (n=96)	Hispanic/ Latino (d) (n=105)	White (e) (n=681)	Black/ African American (f) (n=89)	Asian American (g) (n=76)	Hispanic/ Latino (h) (n=86)
Net: Much/Somewhat Better Now	42% (b)	29%	39%	41%	35%	24%	45% (f)	30%
Net: Somewhat/Much Worse Now	11% (c)	16% (c)	6%	18% (c)	9%	16%	6%	8%

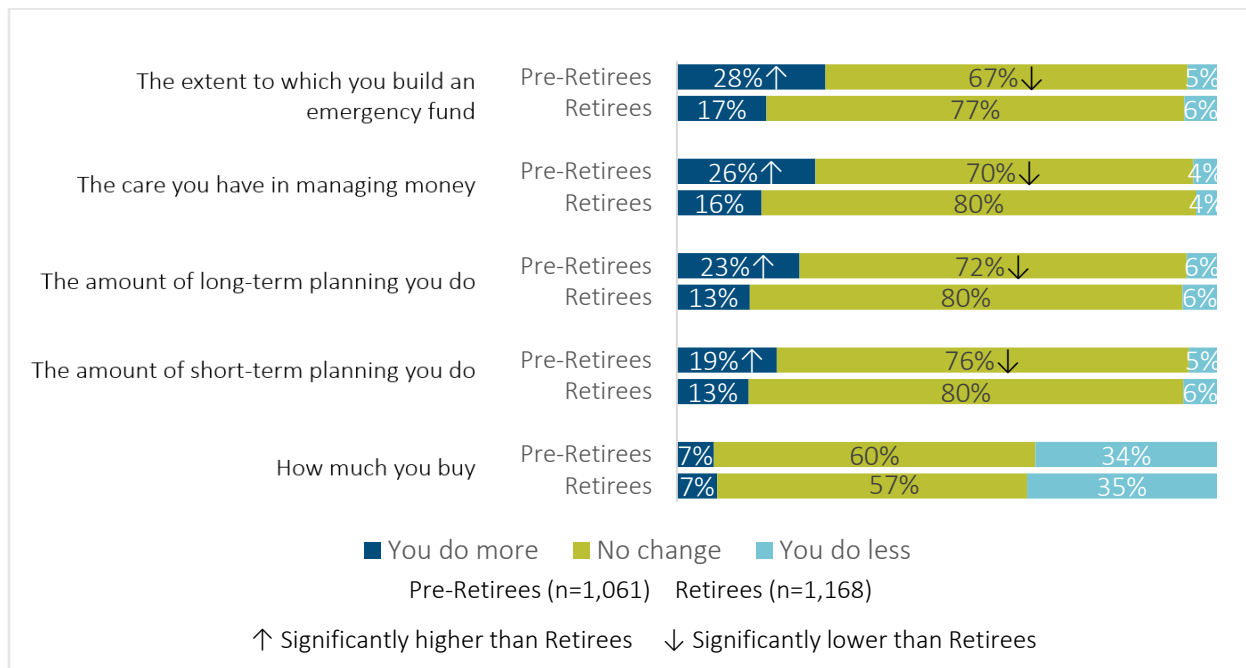
To determine the impact of the COVID-19 pandemic, retirees were asked how their situation compared to two years ago and similar patterns were found indicating the COVID-19 pandemic did not hurt and may have helped the financial situation of the average retiree. This could be explained at least in part by spending. The study compared changes in retiree spending level by asking about pre-pandemic and post-pandemic spending. Overall, the results suggest that spending decreased after the pandemic hit -- 32% of retirees reduced spending before the pandemic while 45% did so after the pandemic. Compared to retirees in general, Black/African American respondents are more likely to report a reduction in pre-pandemic spending (45% versus 32%) (Table 18).

Table 18
RETIREEES’ CHANGING SPENDING LEVELS



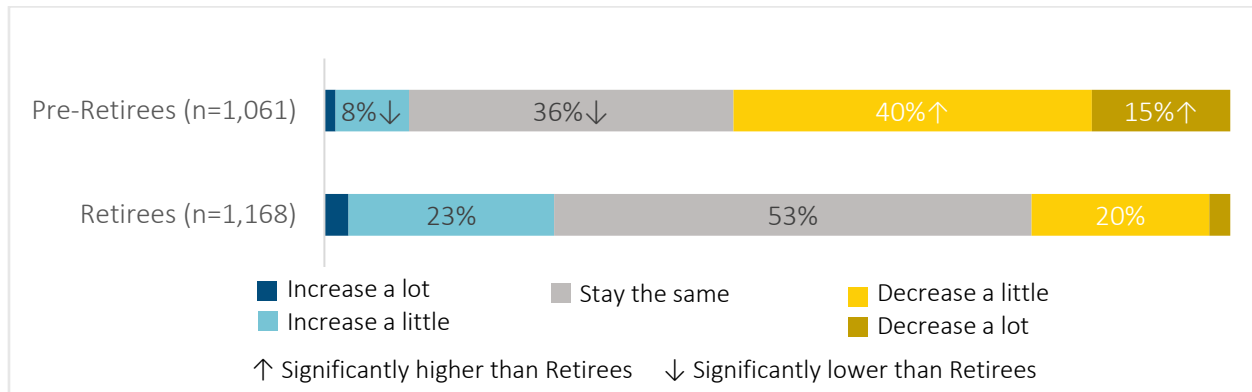
In a question about the impact of the COVID-19 pandemic, over one-third of both pre-retirees and retirees report that the pandemic has resulted in diminished spending while about 6 in 10 report their spending has stayed the same. A majority of pre-retirees report that, as a result of the pandemic, they have not changed any of the following: short-term planning (76%), long-term planning (72%), taking care in managing their money (70%), and building an emergency fund (67%). Retirees report similar outcomes. However, a significant minority have increased these activities – for example 26% of pre-retirees report taking more care in managing their money (Table 19).

Table 19
IMPACT OF THE PAST TWO YEARS ON PLANNING AND FINANCES



When looking to future spending, 55% of pre-retirees expect their spending to decrease within the first ten years of retirement and less than one in ten (9%) expect it to increase. Retirees on the other hand, are more likely to expect their spending to stay the same (53%) (Table 20).

Table 20
HOW SPENDING MAY CHANGE DURING 10 YEARS OF RETIREMENT



SOURCES OF RETIREMENT INCOME

The degree to which pre-retirees expect to count on different sources of income in retirement varies quite a bit from what retirees actually use in retirement. While four in ten (41%) pre-retirees expect that Social Security will be a major source of income, significant proportions also count on their retirement savings plan (41%), a pension (28%), and an IRA (23%) to play this role. In contrast, retirees are more apt to actually rely on Social Security (59%) and pensions (42%) to play this role. Compared to pre-retiree expectations, retirees are far less likely to rely on an employer savings plan (17%) and are slightly less likely to rely on an IRA (18%) to play this role. Very few pre-retirees (11%) are counting on employment income in retirement as a major source of income and even fewer retirees (3%) actually do so (Tables 21 and 22). Compared to 2019, it was more common for pre-retirees and retirees to rely on income sources other than Social Security (Table 23).

Not surprisingly, household income is a big factor in expected income source in retirement. For example, 69% of pre-retirees with incomes below \$50,000 plan to rely on Social Security as a major source of income, compared to 23% of those with incomes over \$100,000. And conversely, only 15% of pre-retirees with incomes under \$50,000 plan to rely on an employer-sponsored retirement savings plan as a major source of income compared to 53% of those with incomes over \$100,000. Asian American pre-retirees (30%) are less likely than pre-retirees in general (41%) to rely on Social Security. Similar demographic findings can be found for retirees.

Retirees show a similar pattern. For example, 84% of retirees with incomes under \$35,000 per year consider Social Security to be a major source of income, compared to 37% of those with incomes over \$75,000 (Table 22). Seventy two percent of Black/African American respondents report that Social Security is a major source of income, compared to 59% of retirees in general.

Table 21
SOURCES OF INCOME IN RETIREMENT
 Percent Major or Minor Source

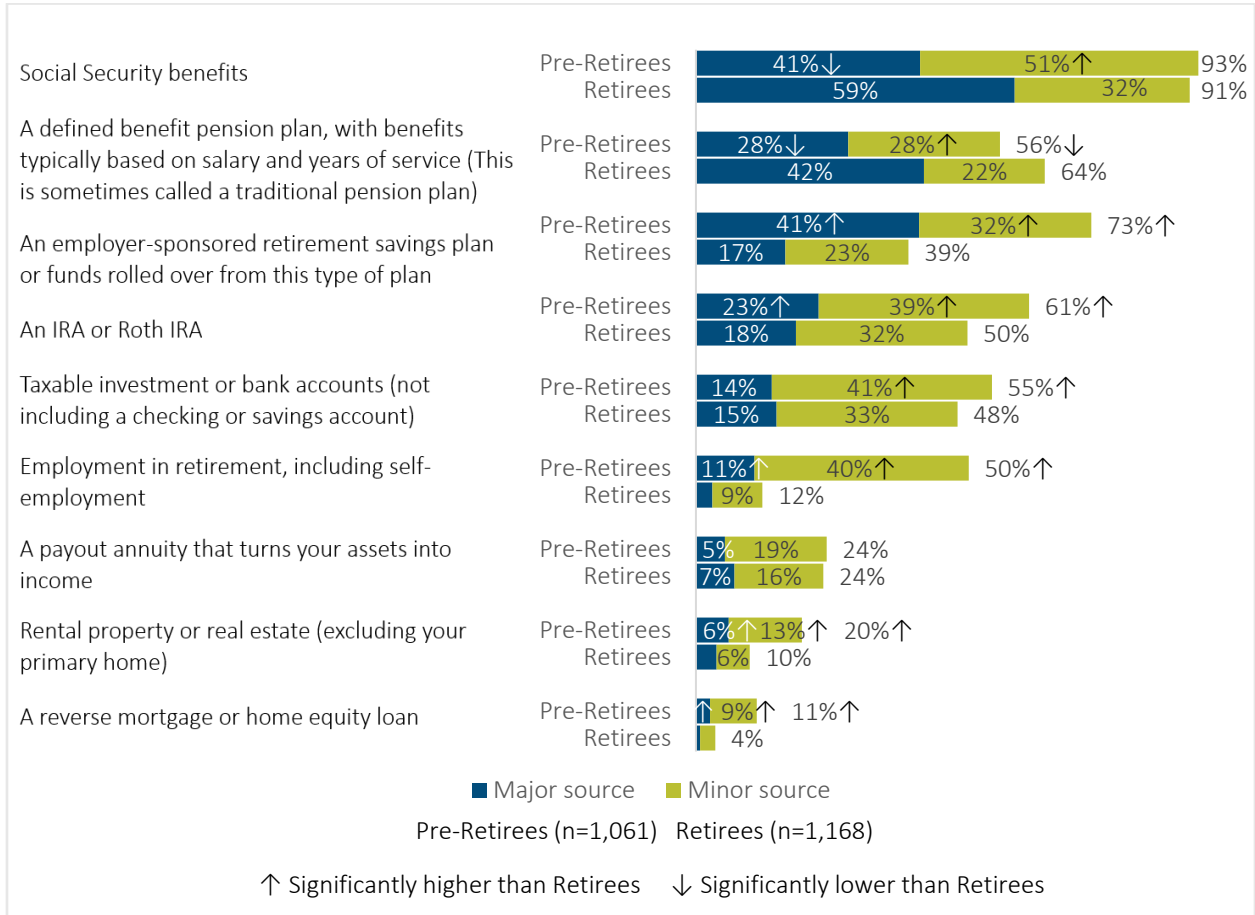


Table 22
SOURCES OF INCOME IN RETIREMENT BY INCOME
 Percent Major Source

	Pre-Retiree Household Income			Retiree Household Income		
	<\$50,000	\$50,000- \$99,999	\$100,000+	<\$35,000	\$35,000- \$74,999	\$75,000+
	(a) (n=267)	(b) (n=331)	(c) (n=463)	(d) (n=213)	(e) (n=428)	(f) (n=527)
Social Security benefits	69% (bc)	53% (c)	23%	84% (ef)	66% (f)	37%
An employer-sponsored retirement savings plan or funds rolled over from this type of plan	15%	40% (a)	53% (ab)	4%	20% (d)	22% (d)
A defined benefit pension plan, with benefits typically based on salary and years of service (This is sometimes called a traditional pension plan)	15%	26% (a)	35% (ab)	16%	38% (d)	62% (de)
An IRA or Roth IRA	10%	21% (a)	29% (ab)	8%	17% (d)	26% (de)
Employment in retirement, including self-employment	13%	11%	10%	3%	4%	3%
Rental property or real estate (excluding your primary home)	7%	4%	7%	5%	3%	4%
A payout annuity that turns your assets into income	6%	5%	5%	4%	10% (d)	7%
Taxable investment or bank accounts (not including a checking or savings account)	5%	10%	20% (bc)	8%	13%	21% (de)
A reverse mortgage or home equity loan	4%	2%	2%	1%	1%	<0.5%

Compared to 2019, Social Security is relied upon less as a major source of income. For pre-retirees, reliance dropped from 50% in 2019 to 41% in 2021 and for retirees it dropped from 64% in 2019 to 59% in 2021 (Table 23).

Table 23
SOURCES OF INCOME IN RETIREMENT – 2019 VS. 2021 PRE-RETIRES AND RETIREES
 Percent Major Source

	Pre-Retiree 2019 (a) (n=1,046)	Pre-Retiree 2021 (b) (n=1,061)	Retiree 2019 (c) (n=1,051)	Retiree 2021 (d) (n=1,168)
Social Security benefits	50% (b)	41%	64% (d)	59%
An employer-sponsored retirement savings plan or funds rolled over from this type of plan	37%	41%	13%	17%
A defined benefit pension plan, with benefits typically based on salary and years of service (this is sometimes called a traditional pension plan)	27%	28%	35%	42% (c)
An IRA or Roth IRA	21%	23%	16%	18%
Taxable investment or bank accounts (not including a checking or savings account)	11%	14%	12%	15%
Employment in retirement, including self-employment	11%	11%	4%	3%
Rental property or real estate (excluding your primary home)	7%	6%	3%	4%
A payout annuity that turns your assets into income	4%	5%	6%	7%
A reverse mortgage or home equity loan	1%	3%	1%	1%

About six in ten (61%) of retirees take a required minimum distribution. A majority of retirees who take a required minimum distribution (60%) rely on automatic payments.

CHAPTER 3: PLANNING FOR AND DEALING WITH CHANGE

This chapter focuses on how pre-retirees and retirees experienced change and how prepared they are for it. This section was added to the Retirement Risk Survey this year to see the impact of change on retirement preparedness, how much more or less prepared respondents are when they enter retirement, and how the COVID-19 pandemic added to perspectives of, and preparedness for, change.

CHAPTER HIGHLIGHTS:

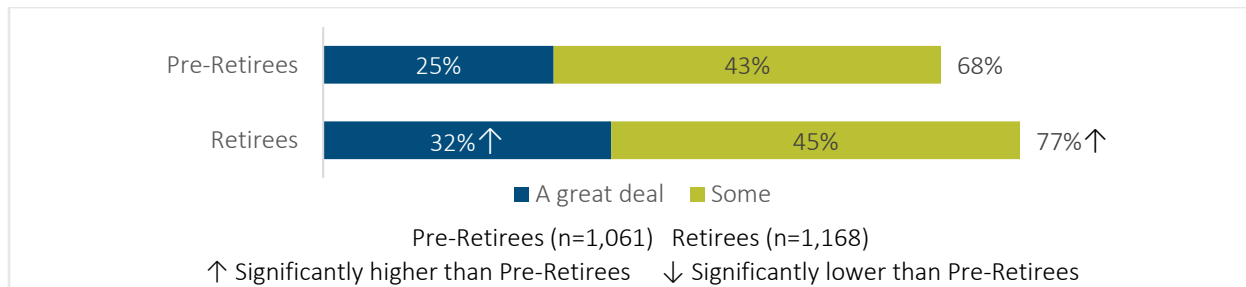
- Most pre-retirees and retirees have given at least some thought as to how their lives would change both at and throughout retirement, although only a minority of those doing so gave it a great deal of thought.
- Most pre-retirees anticipate and most retirees report life changes at retirement, evenly split between those who described it as a substantial change or somewhat of a change.
- Retirees are more prepared to handle changes in retirement than are pre-retirees. Married respondents are more prepared in general than unmarried respondents. Pre-retirees are less prepared for running out of assets than are retirees.
- Retirees more often have a will than a healthcare or financial power of attorney and are much more likely to have each of these documents than pre-retirees. Higher-income respondents are more likely to have these documents than those with lower incomes. Black/African American pre-retirees are less likely to have these documents than others. The most common impact of the COVID-19 pandemic was that it encouraged the updating of estate planning documents and providing financial information to children. Hispanic/Latino retirees are more apt to engage in estate planning activities as a result of the pandemic.

THOUGHT GIVEN TO RETIREMENT

Pre-retirees and retirees were asked about how much they thought about life changing in retirement. A majority of both pre-retirees (68%) and retirees (77%) report that they had given life changes at least some thought, with retirees (32%) more likely to give it a great deal of thought than pre-retirees (25%) (Table 24).

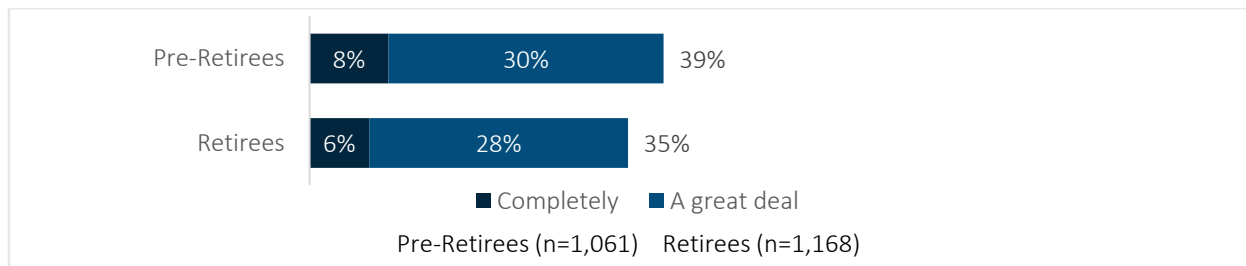
Table 24
THOUGHT GIVEN TO HOW LIFE WOULD CHANGE AT RETIREMENT

Percent A Great Deal or Some



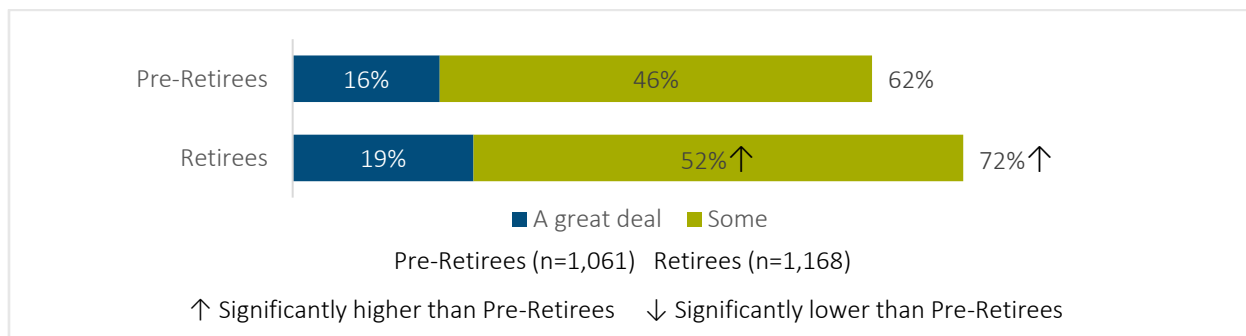
Both retirees and pre-retirees give fairly similar reactions to how life will change or actually did change. Over a third of pre-retirees (39%) think it will change completely or a great deal and over a third of retirees (35%) said it did so, suggesting that the proportion of pre-retirees expecting major change is on target (Table 25).

Table 25
HOW MUCH LIFE WILL CHANGE/DID CHANGE AT RETIREMENT
Percent Completely or A Great Deal



When asked how much thought they had given to how their life might change throughout retirement, a majority of pre-retirees (62%) and retirees (72%) have given at least some thought, however fewer than one in five pre-retirees (16%) and retirees (19%) have given it a great deal of thought. Interestingly, retirees are only slightly more likely than pre-retirees to give it much thought (Table 26).

Table 26
THOUGHT GIVEN TO HOW LIFE WILL CHANGE THROUGHOUT RETIREMENT
Percent A Great Deal or Some



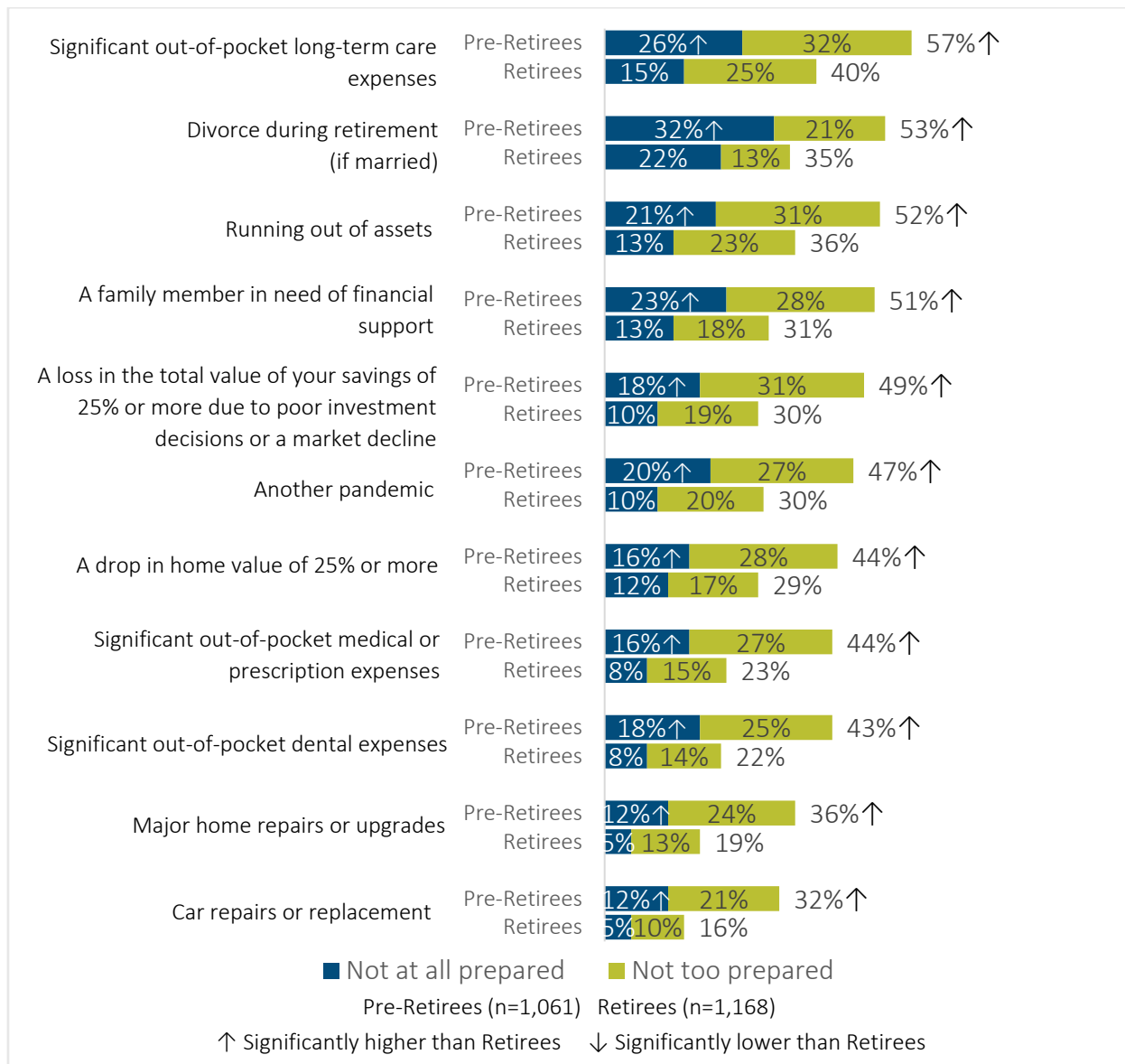
PREPARATION FOR RETIREMENT

Respondents were asked how financially prepared they are to handle various events in retirement. For the most part, retirees are far more prepared to handle financial challenges than pre-retirees. This was particularly the case with medical and dental expenses. For example, while 44% of pre-retirees are “not too” or “not at all” prepared for medical or drug expenses, only 23% of retirees feel this way.

On the other hand, a significant number are not prepared for long-term care expenses (57% of pre-retirees and 40% of retirees) nor are prepared for a family member needing support (51% of pre-retirees and 31% of retirees). While few pre-retirees and retirees are unprepared for home and car repairs, the number is higher among pre-retirees.

Another area where preparation differs dramatically is preparedness to handle running out of assets where 52% of pre-retirees and only 36% of retirees are unprepared. A similar gap could be found in concerns about a market drop. This is not surprising given that research suggests that many retirees rely heavily on Social Security and don’t have the same market exposure as pre-retirees. In a similar vein, 47% of pre-retirees claim to be somewhat unprepared to handle another pandemic versus 30% of retirees. This also is not surprising given retirees do not carry the risk of job loss that pre-retirees may face (Table 27).

Table 27
FINANCIAL PREPAREDNESS FOR POTENTIAL EXPENSES IN RETIREMENT
Percent Not Too Prepared or Not At All Prepared



In general, the level of preparedness for various events is significantly higher this year than when these questions were last asked in 2017. For example, both pre-retirees (38%) and retirees (50%) are more likely to say that they are at least somewhat prepared for a 25% market drop than was reported in 2017 (33% of pre-retirees and 38% of retirees). There are similar changes in preparedness for running out of assets. We also see higher levels of preparedness this year for medical and drug expenses among both pre-retirees (52% at least somewhat prepared this year versus 48% in 2017) and retirees (70% at least somewhat prepared this year versus 61% in 2017).

Married and partnered pre-retirees are far more prepared for various events than those who are single. For example, 67% of married and partnered pre-retirees are at least somewhat prepared for major car repairs compared to 48% of single pre-retirees. Fifty-seven percent are prepared for major home repairs compared to 35% of single pre-retirees. Similar patterns can be found among retirees – 76% of married or partnered retirees are at

least somewhat prepared for home repairs compared to 46% of those who are single. Close to six in ten (59%) are at least somewhat prepared for long-term care expenses, compared to only 41% of single retirees. Over half (53%) of those who are married or partnered are at least somewhat prepared for running out of assets, compared to 31% of those who are single (Table 28).

Table 28

FINANCIAL PREPAREDNESS FOR POTENTIAL EVENTS DURING RETIREMENT

Percent Very or Somewhat Prepared

	Pre-Retirees			Retirees		
	Married/ Partner (a) (n=691)	Single - Lives Alone (b) (n=223)	Single - Lives with Others (c) (n=145)	Married/ Partner (d) (n=793)	Single - Lives Alone (e) (n=299)	Single - Lives w/Others (f) (n=76)
Car repairs or replacement	67% (bc)	51%	43%	83% (ef)	62%	59%
Significant out-of-pocket medical or prescription expenses	55% (bc)	45%	43%	77% (ef)	59%	54%
Significant out-of-pocket dental expenses	56% (bc)	42%	39%	75% (ef)	56%	48%
Major home repairs or upgrades	57% (bc)	37%	33%	76% (ef)	45%	50%
Another pandemic	51% (c)	44%	36%	69% (ef)	60%	49%
Significant out-of-pocket long-term care expenses	41% (bc)	32%	26%	59% (ef)	41%	43%
A drop in home value of 25% or more	43% (bc)	30%	23%	57% (ef)	38%	28%
A loss in the total value of your savings of 25% or more due to poor investment decisions or a market decline	41% (bc)	33%	27%	53% (ef)	40%	31%
Running out of assets	41% (c)	35%	30%	53% (ef)	31%	32%
A family member in need of financial support	37% (b)	22%	29%	52% (ef)	27%	38%
Divorce during retirement	18%	--	--	18% (ef)	--	--

Part of preparation involves having the necessary legal documents. A majority of retirees have a will (70%), however a little less, but still more than half, have a healthcare power of attorney (59%), or a financial power of attorney (53%). Only a minority of pre-retirees have these documents (Table 29).

Black/African American pre-retirees are far less likely to have these documents than pre-retirees in general. For example, only 22% of Black/African American pre-retirees have a will compared to 45% of all pre-retirees. Among retirees, both Black/African American respondents (45%) and Hispanic/Latino (56%) are less likely to have a will than retirees in general (70%) (Table 30). Among both pre-retirees and retirees, having legal documents is much more likely among those with higher incomes. This is not surprising since those with higher incomes are more likely to have assets to protect. For example, only 21% of pre-retirees with incomes under \$50,000 have a will compared to 59% with incomes over \$100,000. Not surprisingly, married pre-retirees are more apt to have a will (51%) than others (31%) and a similar pattern can be found among retirees (75% of married retirees versus 62% of non-married retirees.)

Table 29
POSSESSION OF LEGAL DOCUMENTS

Percent Yes

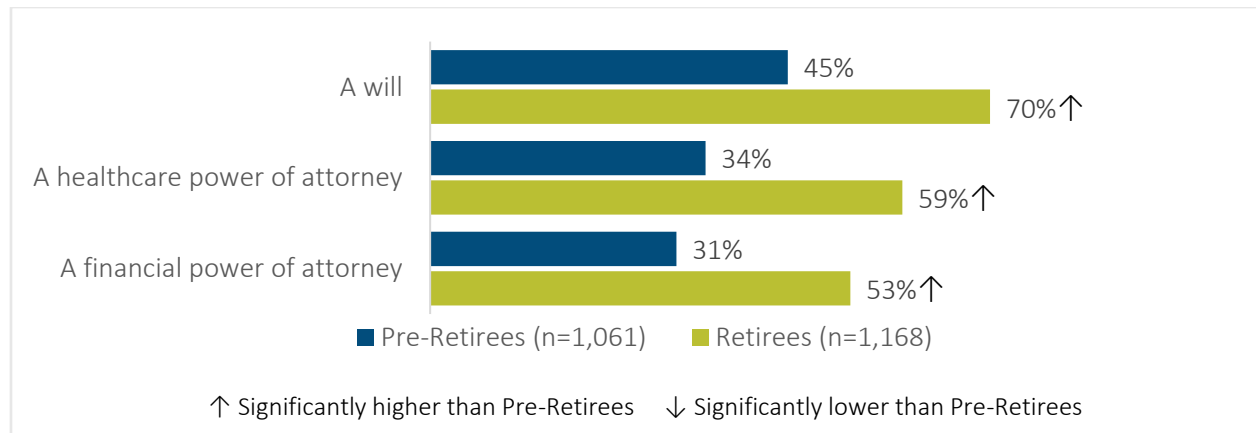


Table 30
POSSESSION OF LEGAL DOCUMENTS BY RACE/ETHNICITY

Percent Yes

	Pre-Retirees				Retirees			
	White (a) (n=743)	Black/ African American (b) (n=95)	Asian American (c) (n=110)	Hispanic/ Latino (d) (n=95)	White (e) (n=832)	Black/ African American (f) (n=108)	Asian American (g) (n=96)	Hispanic/ Latino (h) (n=105)
A will	50% (bc)	22%	35%	38% (b)	75% (fh)	45%	78% (fh)	56%
A healthcare power of attorney	38% (bc)	22%	27%	30%	63% (fh)	39%	65% (fh)	41%
A financial power of attorney	34% (bc)	15%	23%	28%	55% (fh)	34%	63% (fh)	42%

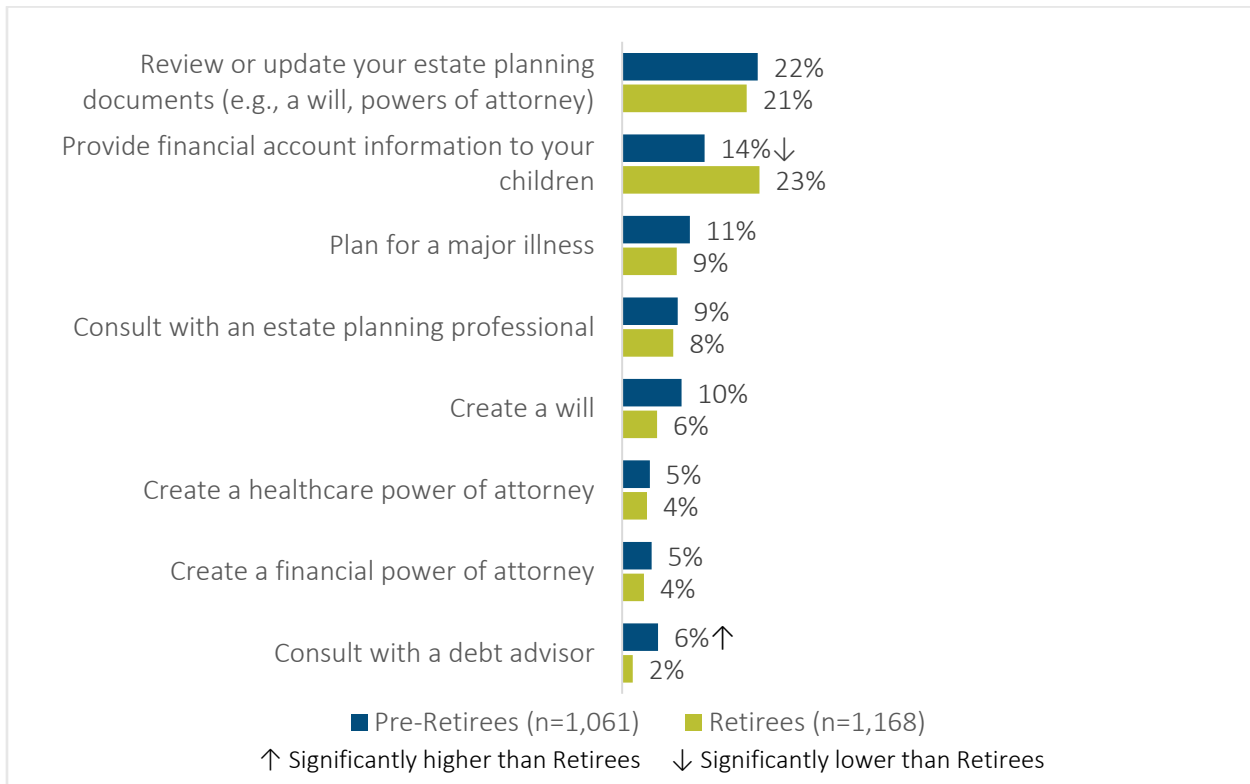
IMPACT OF COVID-19 PANDEMIC

Because the COVID-19 pandemic raises issues of mortality, morbidity and financial challenges, this year's study examined how respondents are taking action to plan financially for death or major illness. One of the most common actions taken by pre-retirees (22%) and retirees (21%) is to update estate planning documents. Another action more likely to be taken by retirees (23%) is to provide financial account information to their children. Only small percentages created various other legal documents as a result of the pandemic and only one in ten planned for a major illness (Table 31).

Table 31

ACTIONS TAKEN AS A RESULT OF PANDEMIC

Percent Yes



CHAPTER 4: SHOCKS AND UNEXPECTED EVENTS

This year's survey looked into the ability of pre-retirees and retirees to handle unexpected expenses along with the incidence of unexpected expense and the resulting impact on respondents' finances. While only a small percentage experienced any particular event, a majority of retirees experienced at least one unexpected expense that had an impact on assets and/or spending. Similar questions were asked six years ago, in the 2015 study.

CHAPTER HIGHLIGHTS:

- Findings suggest that it won't take much for financial losses to affect their retirement security. Half of pre-retirees could afford to lose no more than \$10,000 before their economic security is jeopardized, and a little over half of retirees could afford no more than \$25,000. The ability to weather this type of impact rose with income.
- When retirees were asked about the setbacks they had faced, the most common one was a dental expense, with one in five saying they experienced this. Far fewer experienced other events such as death of a spouse or divorce, illness, or disability. Hispanic/Latino retirees are more apt to experience a variety of events.
- Both pre-retirees and retirees were asked about a large list of financially related events and the most common one experienced by far is major home repairs or upgrades. Lower-income pre-retirees were more likely to experience bankruptcy and running out of assets than higher income pre-retirees.
- One in five pre-retirees and one in ten retirees experienced a financial shock that resulted in a loss of more than 25% of assets. Even fewer pre-retirees and retirees reported over a 25% drop in spending due to financial shocks. Those with lower incomes more often experienced significant losses due to financial shocks.
- When asked about what external events would likely affect their future retirement security, inflation followed by cuts in Social Security and Medicare are the most common, cited by roughly six to seven in ten pre-retirees and retirees. These are followed by tax increases, political turmoil, and a market crash. Pre-retirees are more apt to see these events as likely.
- Not surprisingly, the higher-income population, are more likely to cite a stock market crash as an event that would affect them while lower-income retirees are more apt to feel that Social Security and Medicare cuts will affect them. Most retirees and pre-retirees say they are prepared for these events, although most only somewhat so. Those with higher incomes are more likely to feel prepared.
- Most pre-retirees and retirees do not see the COVID-19 pandemic having an impact on their finances. Black/African American and Hispanic/Latino pre-retirees are more apt than whites to see the pandemic having a negative impact on their finances as are those with incomes under \$100,000.
- Most respondents do not see the COVID-19 pandemic having an impact on their future financial situation and have not done more planning to prepare for future events. In contrast, Black/African American and Hispanic/Latino pre-retirees and retirees are a little more likely to see the COVID-19 pandemic as having a positive impact going forward and are more likely to do more planning than others.

DEALING WITH EVENTS

Respondents were asked about the maximum amount of money they could afford to spend without jeopardizing their retirement security. Half of pre-retirees could afford \$10,000 or less and over half of retirees roughly \$25,000 or less. This is not surprising since retirees are more apt to have an asset cushion. The amount that respondents could afford today has gone up a little since this question was last asked in 2015.

The proportion of those who could not afford to spend more than \$10,000 varies greatly by race and ethnicity. Among pre-retirees, 61% of Black/African American respondents are not able to spend more than \$10,000 compared to 40% of pre-retirees in general. Among retirees, 58% of Black/African American respondents and 52% of Hispanic/Latino respondents are not able to spend more than \$10,000 compared to only 32% of retirees in

general (Table 32). As expected, there are dramatic differences by income among pre-retirees and retirees. For example, 72% of pre-retirees earning less than \$50,000 cannot afford to spend more than \$10,000 without jeopardizing their retirement security, compared to 21% of those making over \$100,000 (Table 33).

Table 32

MAXIMUM AMOUNT THAT CAN BE SPENT ON UNEXPECTED EVENT BY RACE/ETHNICITY

	Pre-Retirees				Retirees			
	White	Black/ African American	Asian American	Hispanic/ Latino	White	Black/ African American	Asian American	Hispanic/ Latino
	(a) (n=743)	(b) (n=95)	(c) (n=110)	(d) (n=95)	(e) (n=832)	(f) (n=108)	(g) (n=96)	(h) (n=105)
Less than \$500	9% (c)	30% (acd)	2%	8%	6% (g)	31% (egh)	--	13% (g)
\$500 to \$999	5%	8%	6%	5%	4%	9%	3%	13% (eg)
\$1,000 to \$4,999	13%	14%	10%	13%	9%	10%	8%	13%
\$5,000 to \$9,999	12%	10%	9%	14%	8%	8%	12%	13%
\$10,000 to \$24,999	10%	12%	16%	16%	11% (g)	9%	4%	10%
\$25,000 to \$49,999	8%	4%	8%	6%	10%	8%	14% (h)	4%
\$50,000 to \$99,999	8%	8%	10%	11%	13% (f)	3%	12%	9%
\$100,000 to \$249,999	7% (b)	2%	7%	3%	8%	5%	17% (f)	7%
\$250,000 or more	9% (b)	1%	11% (b)	4%	16% (fh)	2%	14% (f)	4%
Not sure	19%	12%	20%	20%	15%	14%	17%	14%

Table 33
MAXIMUM AMOUNT THAT CAN BE SPENT ON UNEXPECTED EVENT BY INCOME

	Pre-Retiree Household Income			Retiree Household Income		
	<\$50,000	\$50,000- \$99,999	\$100,000+	<\$35,000	\$35,000- \$74,999	\$75,000+
	(a) (n=267)	(b) (n=331)	(c) (n=463)	(d) (n=213)	(e) (n=428)	(f) (n=527)
Less than \$500	34% (bc)	8% (c)	1%	23% (ef)	8% (f)	1%
\$500 to \$999	10% (c)	7% (c)	2%	11% (ef)	5% (f)	1%
\$1,000 to \$4,999	19% (c)	16% (c)	8%	18% (f)	12% (f)	3%
\$5,000 to \$9,999	9%	18% (ac)	10%	5%	12% (d)	8%
\$10,000 to \$24,999	3%	14% (a)	14% (a)	7%	13% (d)	11%
\$25,000 to \$49,999	2%	5%	11% (ab)	4%	10%	13% (e)
\$50,000 to \$99,999	2%	7% (a)	13% (ab)	2%	15% (d)	14% (e)
\$100,000 to \$249,999	<0.5%	2% (a)	10% (ab)	1%	6% (d)	15% (de)
\$250,000 or more	<0.5%	1%	15% (ab)	2%	6% (d)	25% (de)
Not sure	21%	22%	17%	26% (ef)	12%	10%

Retirees were asked if they had experienced various life or health event challenges during retirement. The most common financial setback is dental expenses (19%). This is lower than what was found in 2015 (24%). Far fewer report needing to care for a child or grandchild (9%) or an illness or disability that required them to be cared for (8%). The latter is not surprising given that the age of the sample was limited to under 80. Only 1% report they have the need to have their money managed.

Hispanic/Latino retirees are more likely to experience certain life or health events, such as a major dental expense (31% versus 19% of general retirees) or an adult child or grandchild needing financial support (19% versus 9% of general retirees).

Both pre-retirees and retirees were asked whether they had experienced a variety of financial events. The event experienced more than any other was requiring major home repairs, with one quarter of pre-retirees (23%) and retirees (24%) experiencing it. Fewer retirees and pre-retirees experienced other events including running out of assets, loss of savings or investments, fraud and identity theft, drop in home value, losing or having to downsize a home, home damage, family emergency, going on Medicaid, or bankruptcy (Table 34).

Compared to pre-retirees in general, Hispanic/Latino pre-retirees are more likely to experience bankruptcy (19% compared to 8%) and are more likely to be a victim of fraud (14% compared to 7%). Hispanic/Latino (22%) and Black/African American retirees (19%) are more likely to have to go on Medicaid than retirees in general (8%) (Table

35). Not surprisingly, lower income pre-retirees are more likely to experience financial-related occurrence such as bankruptcy or running out of assets (Table 36).

Table 34
EXPERIENCES IN RETIREMENT

Percent Yes

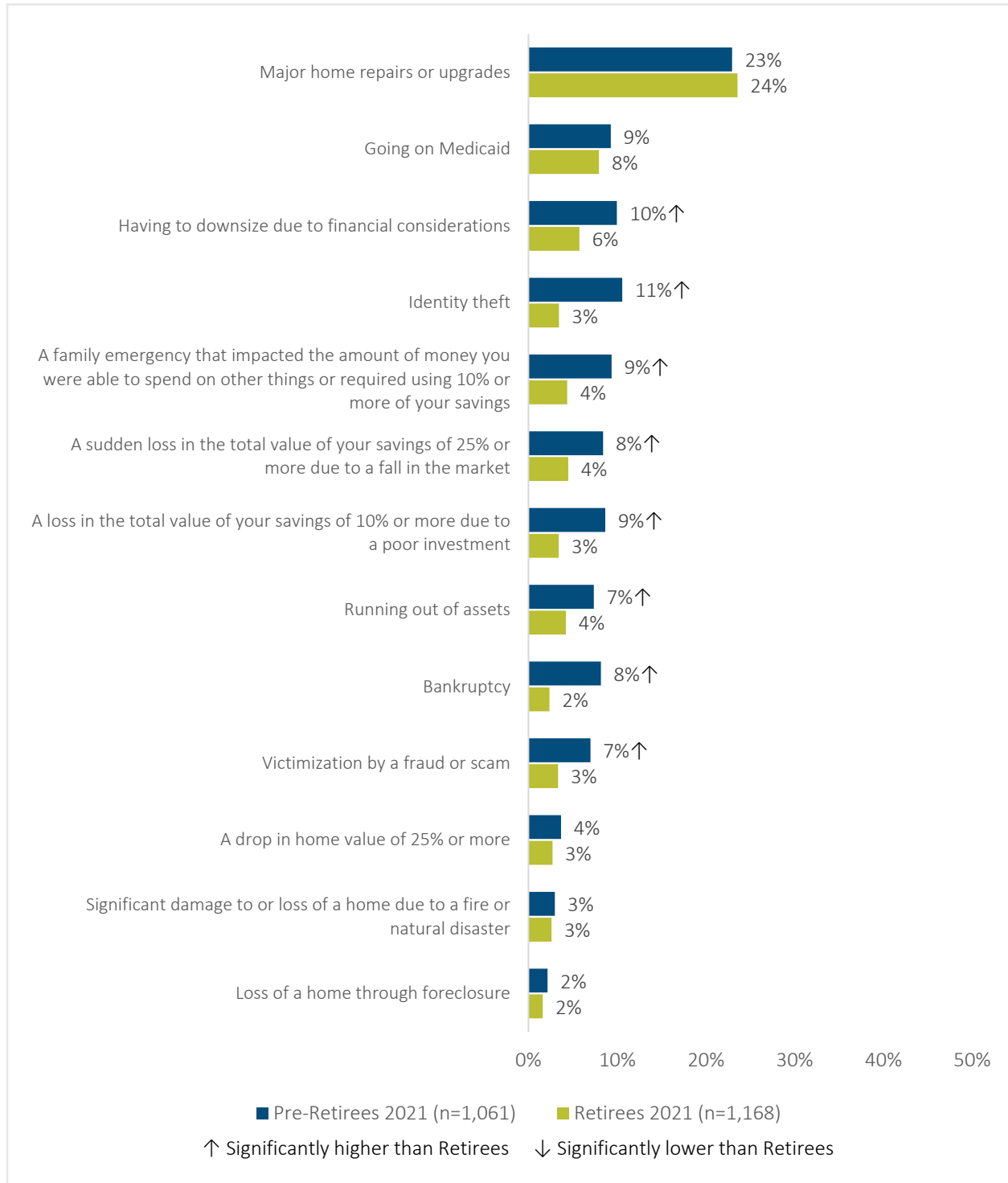


Table 35
EXPERIENCES IN RETIREMENT BY RACE/ETHNICITY

Percent Yes

	Pre-Retirees				Retirees			
	White (a) (n=743)	Black/ African American (b) (n=95)	Asian American (c) (n=110)	Hispanic/ Latino (d) (n=95)	White (e) (n=832)	Black/ African American (f) (n=108)	Asian American (g) (n=96)	Hispanic/ Latino (h) (n=105)
Major home repairs or upgrades	22%	20%	26%	29%	24%	19%	22%	29%
Identity theft	10%	12%	14%	14%	3%	4%	4%	3%
Having to downsize due to financial considerations	10%	11%	6%	10%	4%	18% (eg)	2%	9%
A family emergency that impacted the amount of money you were able to spend on other things or required using 10% or more of your savings	9%	10%	6%	14%	4%	7%	2%	9%
Going on Medicaid	6%	28% (ac)	8%	18% (a)	5%	19% (eg)	3%	22% (eg)
A loss in the total value of your savings of 10% or more due to a poor investment	7%	6%	24% (abd)	10%	3%	4%	3%	3%
A sudden loss in the total value of your savings of 25% or more due to a fall in the market	8%	8%	13%	8%	4%	5%	6%	3%

	Pre-Retirees				Retirees			
	White	Black/ African American	Asian American	Hispanic/ Latino	White	Black/ African American	Asian American	Hispanic/ Latino
	(a) (n=743)	(b) (n=95)	(c) (n=110)	(d) (n=95)	(e) (n=832)	(f) (n=108)	(g) (n=96)	(h) (n=105)
Bankruptcy	7%	8%	3%	19% (abc)	2% (g)	2%	--	3%
Running out of assets	6%	12%	7%	13%	3% (g)	13% (eg)	--	6% (g)
Victimization by a fraud or scam	6%	7%	8%	14% (a)	3%	1%	5%	6%
A drop in home value of 25% or more	3%	4%	3%	6%	2%	5%	2%	2%
Significant damage to or loss of a home due to a fire or natural disaster	2%	4%	6%	5%	2% (g)	3%	--	5%
Loss of a home through foreclosure	2%	2%	1%	5%	1% (g)	4% (g)	--	6% (g)

Table 36
EXPERIENCES IN RETIREMENT BY INCOME
Percent Yes

	Pre-Retiree Household Income			Retiree Household Income		
	<\$50,000	\$50,000- \$99,999	\$100,000+	<\$35,000	\$35,000- \$74,999	\$75,999+
	(a) (n=267)	(b) (n=331)	(c) (n=463)	(d) (n=213)	(e) (n=428)	(f) (n=527)
Major home repairs or upgrades	17%	20%	27% (ab)	17%	23%	28% (d)
Identity theft	12%	8%	11%	2%	3%	4%
Having to downsize due to financial considerations	22% (bc)	10% (c)	4%	13% (ef)	4%	2%
A family emergency that impacted the amount of money you were able to spend on other things or required using 10% or more of your savings	12% (c)	12% (c)	7%	7%	4%	3%
Going on Medicaid	26% (bc)	6%	4%	18% (ef)	4%	5%
A loss in the total value of your savings of 10% or more due to a poor investment	6%	9%	10%	3%	4%	3%
A sudden loss in the total value of your savings of 25% or more due to a fall in the market	8%	7%	10%	5%	3%	5%
Bankruptcy	14% (bc)	8%	6%	6% (f)	2%	<0.5%
Running out of assets	17% (bc)	7% (c)	3%	11% (ef)	3% (f)	<0.5%
Victimization by a fraud or scam	11% (bc)	6%	6%	4%	3%	3%
A drop in home value of 25% or more	4%	5%	3%	4%	2%	2%
Significant damage to or loss of a home due to a fire or natural disaster	3%	3%	3%	3%	3%	2%
Loss of a home through foreclosure	4% (c)	2%	1%	5% (ef)	1%	<0.5%

Respondents were asked how much any of the previously mentioned events that may have happened reduced their assets and what they are able to spend each month. A majority of pre-retirees (56%) and retirees (67%) claim their assets were not reduced at all. Only one in five (19%) of pre-retirees and a little over one in ten retirees (11%) claim that their assets were reduced by 25% or more (Table 37). The impact of these events is much lower than it was in 2015 where only 26% of retirees reported no impact and almost four in ten (38%) reported an asset reduction of 25% or more. A similar trend pattern was seen when respondents were asked the extent to which these events reduced their spending (Table 38).

Pre-retirees earning less than \$50,000 per year (23%) are more likely to say that these events reduced their level of assets by 50% or more compared to 5% of those earning over \$100,000 per year. Retirees earning under \$35,000 (14%) are also more apt to say this than those earning over \$75,000 (1%). There are similar income differences when retirees and pre-retirees were asked about how much these events reduced their spending,

Table 37
REDUCTION IN ASSETS DUE TO UNEXPECTED EVENTS

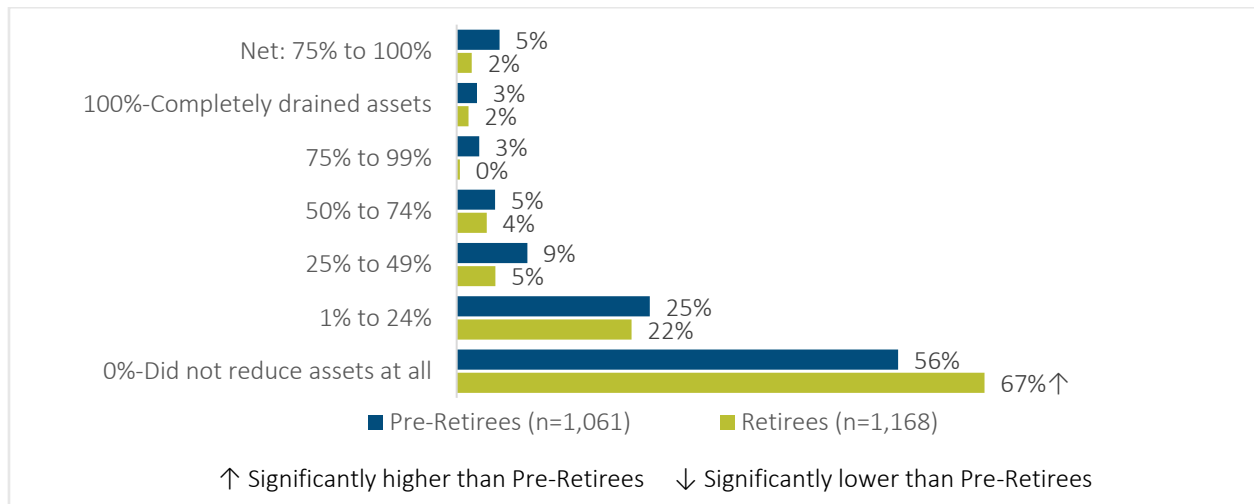
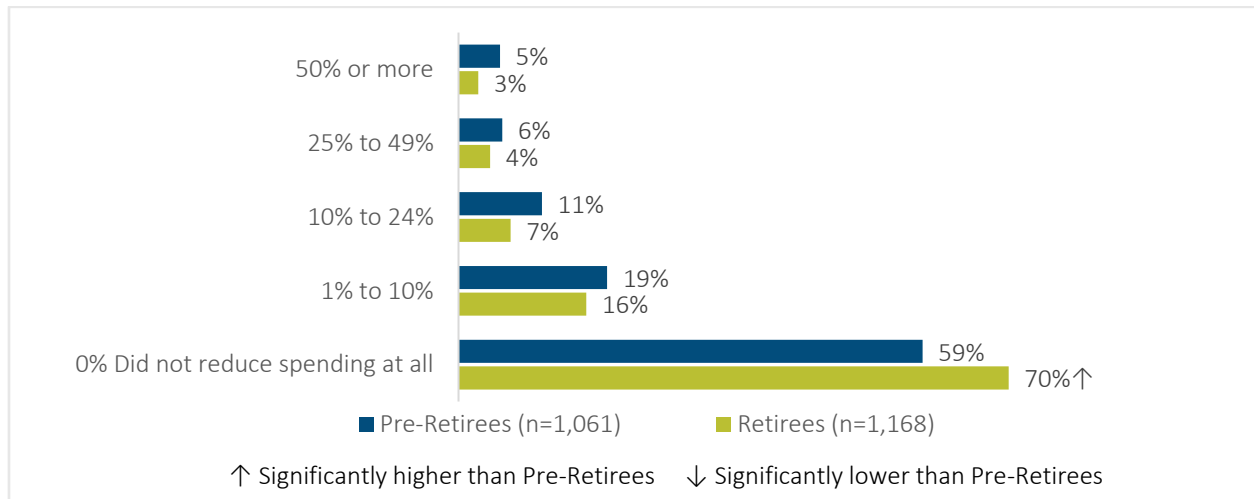


Table 38
REDUCTION IN SPENDING DUE TO UNEXPECTED EVENTS



Most retirees (83%) and pre-retirees (80%) report that they are able to manage these events at least somewhat well, but only a minority managed them very well. As might be expected, individuals with higher incomes are more

likely to report being able to handle events very well. For example, 25% of pre-retirees with incomes over \$100,000 who had to reduce their spending, are able to manage these events very well compared to 6% of those with incomes under \$50,000 (Table 39).

Table 39
MANAGING WITH NEW FINANCIAL CONSTRAINTS BY INCOME

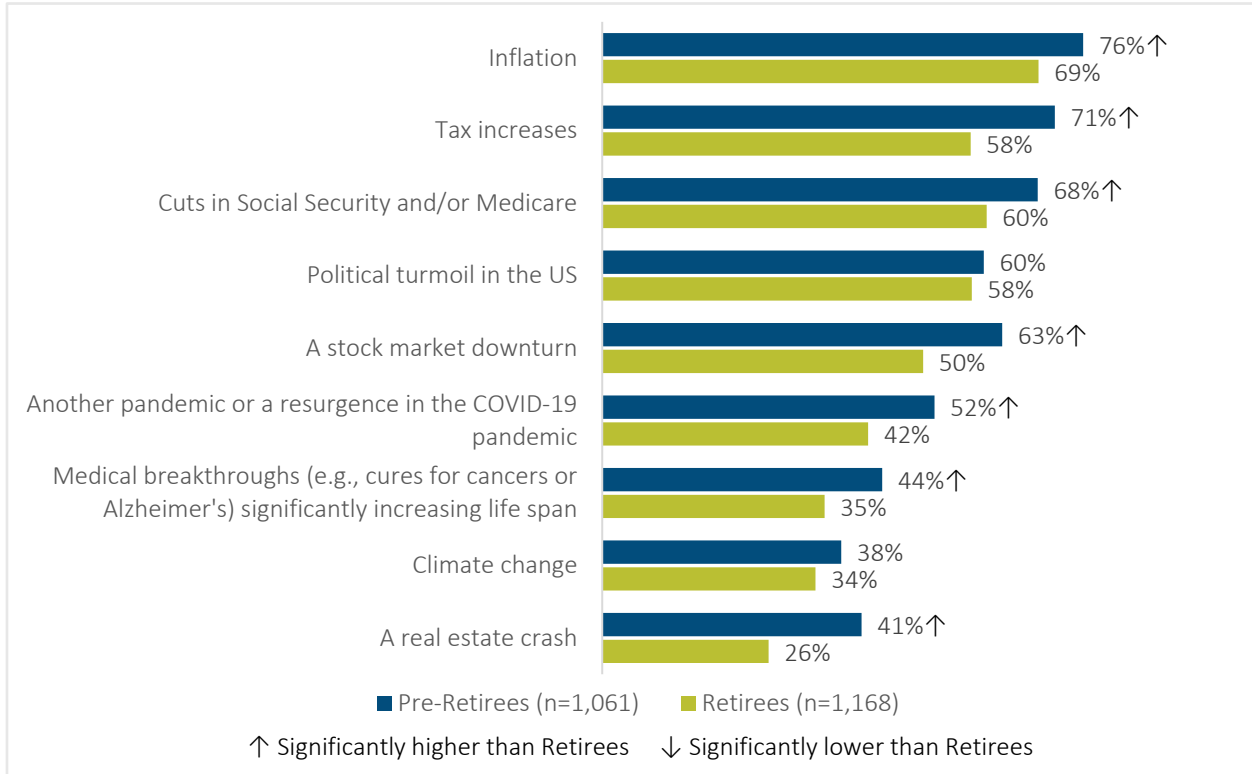
Pre-Retirees and Retirees Who Reduced Monthly Spending

	Pre-Retiree Household Income			Retiree Household Income		
	<\$50,000	\$50,000- \$99,999	\$100,000+	<\$35,000	\$35,000- \$74,999	\$75,000+
	(a) (n=143)	(b) (n=143)	(c) (n=159)	(d) (n=108)	(e) (n=125)	(f) (n=91)
Net: Very/Somewhat Well	61%	81% (a)	91% (ab)	77%	82%	96% (de)
Net: Not Too/At All Well	39% (bc)	19% (c)	9%	23% (f)	18% (f)	4%
Very well	6%	17% (a)	25% (a)	20%	19%	37% (de)
Somewhat well	55%	64%	66%	57%	63%	59%
Not too well	28% (bc)	14%	9%	20% (f)	14% (f)	4%
Not at all well	11% (c)	5% (c)	<0.5%	2%	4% (f)	--

Pre-retirees and retirees were asked about the likelihood of future events affecting retirement security. Inflation is the event most often cited by pre-retirees (76%) and retirees (69%) that is at least somewhat likely to affect retirement security, followed by tax increases for pre-retirees (71%) and cuts in Social Security and/or Medicare for retirees (60%) (Table 40).

More than half of pre-retirees (52%) and more than four in ten retirees (42%) feel that another pandemic might affect future retirement, but fewer than half feel this way about medical breakthroughs or climate change. Pre-retired individuals with incomes over \$50,000 are more likely to believe that a stock market crash will affect their retirement security than those with incomes under \$50,000 (68% versus 44%). Seventy percent of retirees with earnings less than \$75,000 per year feel that it is at least somewhat likely that cuts in Social Security and/or Medicare will affect retirement compared to 48% of those making over \$75,000.

Table 40
LIKELIHOOD EVENTS WILL AFFECT RETIREMENT SECURITY
 Percent Very or Somewhat Likely



Seven in ten pre-retirees (71%) and over eight in ten (83%) retirees feel that they are at least somewhat prepared to deal with these events, although few feel very prepared (Table 41). As might be expected, those with higher incomes are more likely to be at least somewhat prepared for these events. For example, 43% of pre-retirees with incomes under \$50,000 report being at least somewhat prepared for these events versus 85% of those with incomes over \$100,000 (Table 42).

Table 41
PREPAREDNESS FOR FUTURE FINANCIAL EVENTS

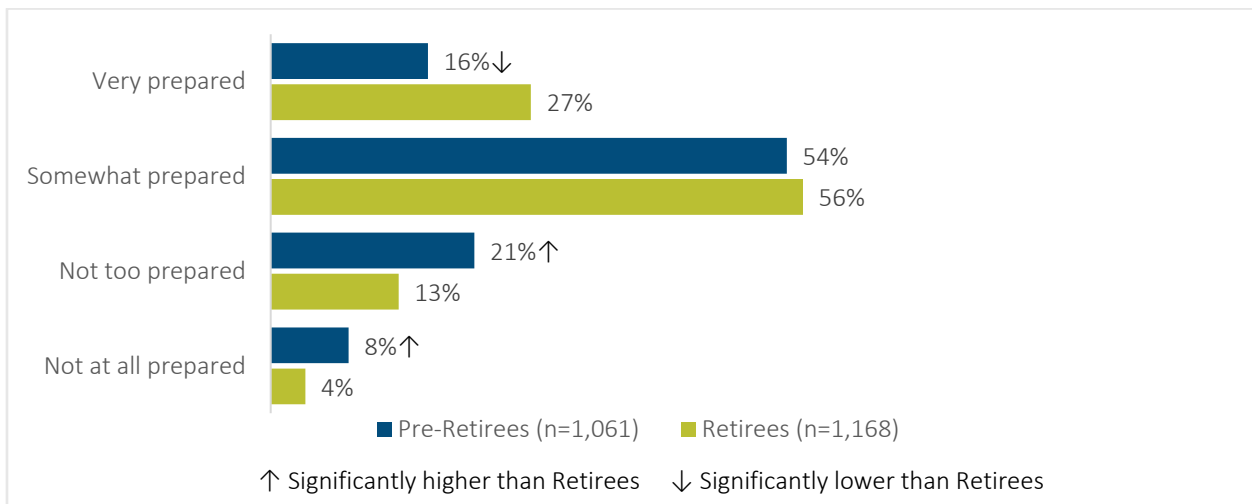


Table 42
PREPAREDNESS FOR FUTURE FINANCIAL EVENTS BY INCOME

	Pre-Retiree Household Income			Retiree Household Income		
	<\$50,000	\$50,000- \$99,999	\$100,000+	<\$35,000	\$35,000- \$74,999	\$75,000+
	(a) (n=267)	(b) (n=331)	(c) (n=463)	(d) (n=213)	(e) (n=428)	(f) (n=527)
Net: Very/Somewhat Prepared	43%	66% (a)	85% (ab)	63%	84% (d)	95% (de)
Net: Not Too/At All Prepared	57% (bc)	34% (c)	15%	37% (ef)	16% (f)	5%
Very prepared	4%	9%	25% (ab)	10%	25% (d)	41% (de)
Somewhat prepared	39%	57% (a)	59% (a)	53%	59%	55%
Not too prepared	33% (c)	26% (c)	14%	27% (ef)	14% (f)	4%
Not at all prepared	24% (bc)	8% (c)	1%	10% (ef)	2%	1%

When asked how the impact of political, economic, and natural events over the next ten years might compare to those of the last ten years, about half of pre-retirees (51%) and retirees (53%) feel that they would have about the same impact. However, many of the rest (36% of pre-retirees and 37% of retirees) feel that events would have a negative impact. Interestingly, Black/African American pre-retirees (28%) are more likely to believe that these events would have at least a somewhat positive impact than pre-retirees in general, a finding mirrored with Black/African American retirees (Table 43).

Table 43
IMPACT OF POLITICAL, ECONOMIC, AND NATURAL EVENTS ON FINANCES IN 10 YEARS BY RACE/ETHNICITY

	Pre-Retirees				Retirees			
	White	Black/ African American	Asian American	Hispanic/ Latino	White	Black/ African American	Asian American	Hispanic/ Latino
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	(n=743)	(n=95)	(n=110)	(n=95)	(n=832)	(n=108)	(n=96)	(n=105)
Net: Much/Somewhat More Positive Impact	10%	28% (ac)	13%	22% (a)	8%	21% (e)	15%	11%
Net: Somewhat/Much More Negative Impact	38% (b)	22%	33%	33%	39%	28%	32%	34%
A much more positive impact	1%	6%	1%	12% (ac)	1%	3%	2%	4% (e)
A somewhat more positive impact	9%	23% (ad)	12%	10%	7%	18% (e)	13%	7%
About the same impact	52%	50%	55%	45%	53%	51%	54%	55%
A somewhat more negative impact	28% (b)	15%	22%	22%	31% (f)	19%	27%	26%
A much more negative impact	10%	7%	11%	11%	8%	8%	4%	8%

IMPACT OF THE COVID-19 PANDEMIC

The situation with regard to the impact of COVID-19 on personal finances varied a great deal by individual, by income group and by race/ethnicity. Overall, 27% of pre-retirees and 18% of retirees reported a somewhat or very negative effect of COVID-19 on their financial situation, while 60% of pre-retirees and 71% of retirees felt the pandemic had no effect on their finances (Table 44). Black/African American respondents (42%) are more likely to believe that the pandemic had a negative impact than pre-retirees in general (27%); this difference exists, but is less pronounced, among Black/African American retirees (Table 45). Pre-retirees with over \$100,000 in income (18%) are far less likely to report that the pandemic had at least a somewhat negative impact on their financial situation than those with incomes under \$50,000 (42%) (Table 46). Retirees show a similar pattern. Similar percentages feel that the pandemic will not have an impact in 2022 and beyond (Table 47).

Table 44
PANDEMIC'S IMPACT ON FINANCIAL SITUATION

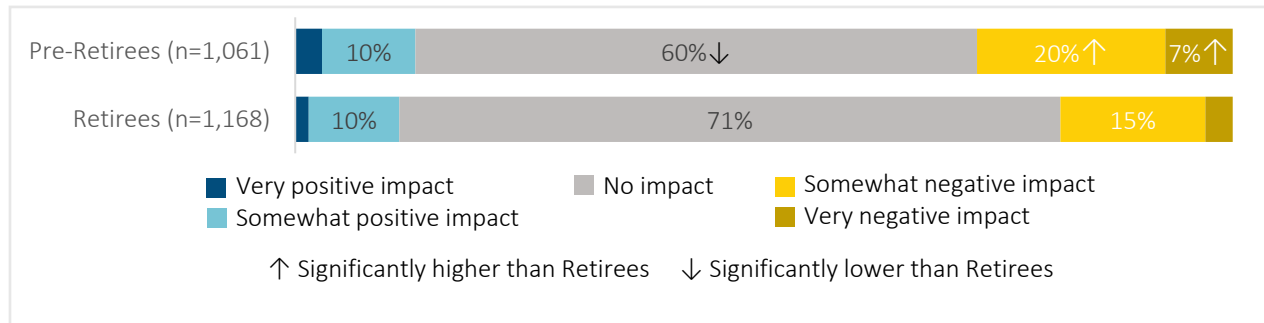


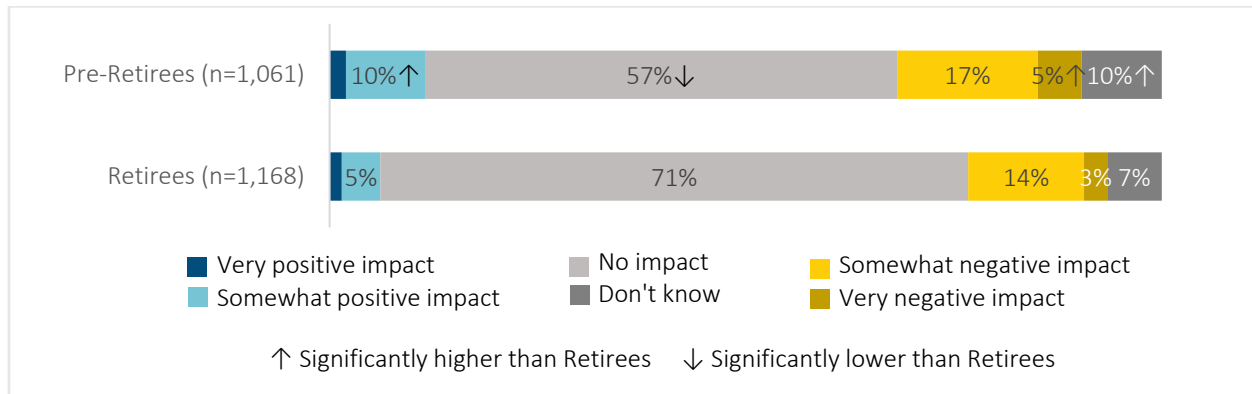
Table 45
PANDEMIC'S IMPACT ON FINANCIAL SITUATION BY RACE/ETHNICITY

	Pre-Retirees				Retirees			
	White	Black/ African American	Asian American	Hispanic/ Latino	White	Black/ African American	Asian American	Hispanic/ Latino
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	(n=743)	(n=95)	(n=110)	(n=95)	(n=832)	(n=108)	(n=96)	(n=105)
Net: Very/Somewhat Positive Impact	12%	14%	12%	16%	11%	14%	8%	14%
Net: Somewhat/Very Negative Impact	23%	42% (a)	28%	38% (a)	17%	25%	17%	19%

Table 46
PANDEMIC'S IMPACT ON FINANCIAL SITUATION BY INCOME

	Pre-Retiree Household Income			Retiree Household Income		
	<\$50,000	\$50,000- \$99,999	\$100,000+	<\$35,000	\$35,000- \$74,999	\$75,000+
	(a)	(b)	(c)	(d)	(e)	(f)
	(n=267)	(n=331)	(n=463)	(n=213)	(n=428)	(n=527)
Net: Very/Somewhat Positive Impact	12%	9%	15% (b)	8%	11%	13%
Net: Somewhat/Very Negative Impact	42% (c)	34% (c)	18%	27% (f)	20% (f)	11%

Table 47
PANDEMIC'S IMPACT ON FINANCIAL SITUATION IN 2022 AND BEYOND



Most pre-retirees (57%) and retirees (71%) also feel that the COVID-19 pandemic will have no impact on their future financial situation. However, 22% of pre-retirees and 17% of retirees feel it will have a negative impact. As in the previous question, Black/African American respondents (28%) are more likely to see the pandemic as having at least a somewhat positive impact on their future finances than pre-retirees in general (12%). Given that Black/African American respondents and Hispanic/Latino respondents are more likely to have lower income than the overall sample, the higher rate of optimism is unexpected. A similar finding is found among retirees (Table 48).

Table 48
PANDEMIC'S IMPACT ON FINANCIAL SITUATION IN 2022 AND BEYOND BY RACE/ETHNICITY

	Pre-Retirees				Retirees			
	White	Black/ African American	Asian American	Hispanic/ Latino	White	Black/ African American	Asian American	Hispanic/ Latino
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	(n=743)	(n=95)	(n=110)	(n=95)	(n=832)	(n=108)	(n=96)	(n=105)
Net: Very/Somewhat Positive Impact	8%	28% (ac)	12%	19% (a)	4%	15% (eg)	3%	14% (eg)
Net: Somewhat/Very Negative Impact	21%	22%	22%	27%	17%	17%	21%	12%

Pre-retirees earning under \$50,000 are more apt to see the pandemic as having at least a somewhat negative impact on their future finances (33%) than those earning over \$100,000 (16%) (Table 49).

Table 49
PANDEMIC'S IMPACT ON FINANCIAL SITUATION IN 2022 AND BEYOND BY INCOME

	Pre-Retiree Household Income			Retiree Household Income		
	<\$50,000	\$50,000- \$99,999	\$100,000+	<\$35,000	\$35,000- \$74,999	\$75,000+
	(a) (n=267)	(b) (n=331)	(c) (n=463)	(d) (n=213)	(e) (n=428)	(f) (n=527)
Net: Very/Somewhat Positive Impact	9%	11%	13%	9%	4%	6%
Net: Somewhat/Very Negative Impact	33% (bc)	24% (c)	16%	23% (f)	18% (f)	11%

Most pre-retirees (61%) and retirees (70%) feel that the COVID-19 pandemic has had no impact on how they plan for future events, although one third of pre-retirees (33%) and one quarter of retirees (25%) feel that it has encouraged them to do at least somewhat more planning (Table 50). Among pre-retirees, Hispanic/Latino respondents (51%) are more likely to do at least somewhat more planning as a result of the COVID-19 pandemic than pre-retirees in general (33%). A similar pattern is found among retirees (Table 51).

Table 50
PANDEMIC'S IMPACT ON PLANNING FOR FUTURE EVENTS

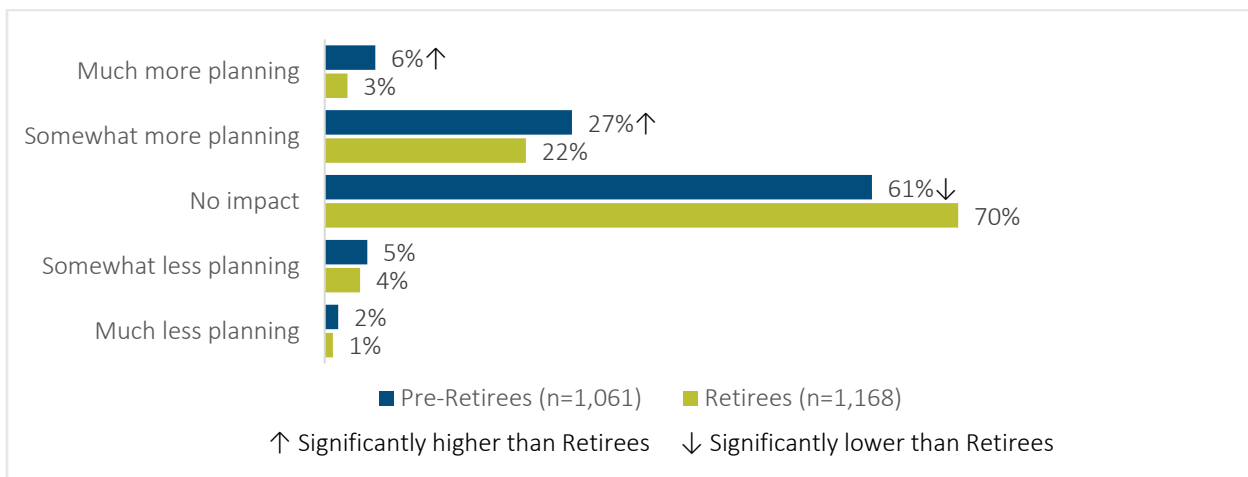


Table 51
PANDEMIC'S IMPACT ON PLANNING FOR FUTURE EVENTS BY RACE/ETHNICITY

	Pre-Retirees				Retirees			
	White	Black/ African American	Asian American	Hispanic/ Latino	White	Black/ African American	Asian American	Hispanic/ Latino
	(a) (n=743)	(b) (n=95)	(c) (n=110)	(d) (n=95)	(e) (n=832)	(f) (n=108)	(g) (n=96)	(h) (n=105)
Net: Much/Somewhat More Planning	28%	44% (a)	37%	51% (a)	21%	40% (eg)	23%	38% (e)
Net: Somewhat/Much Less Planning	5%	17% (ac)	4%	9%	5%	5%	4%	7%

CHAPTER 5: HEALTH AND CAREGIVING

Over the past several years, the Society of Actuaries Research Institute has done extensive analysis of the critical issues of health and caregiving in both the retirement risk survey and in studies focusing on the later years of retirement, including its [Age 85+ Study](#) and [Life Journey Study](#). Given the importance of family support to finances and well-being, this chapter examines the extent to which retirees rely on, receive, and offer support. Also new to this study is an exploration of multi-generational households and how family structures affect caregiving.

CHAPTER HIGHLIGHTS:

- While family can play a critical role in care situations, most pre-retirees and retirees, especially wealthier ones, are not counting on care from family or friends. Most respondents (70% of pre-retirees and 77% of retirees) are not currently giving or receiving support to or from family or friends based on a list of possible types of assistance. Among support that is provided, the most common types of support are assistance with technology, running errands, and providing transportation.
- Black/African American retirees are less likely to receive various types of assistance compared to retirees in general. Lower-income retirees are more likely to receive transportation from family or friends than others.
- Fewer than one in ten reside in multi-generational households. In those with multi-generational households, it is more common for younger and older generations to contribute to wage earning and shopping than on offering care for children or elderly parents. However, most agree that it is at least somewhat easier to care for elderly family in such households. Asian American respondents are more likely to care for elderly family members in these households.
- Pre-retirees and retirees report that their children know more about their finances than they do about their values and beliefs, and ancestry. Black/African American and Asian American pre-retirees and lower-income pre-retirees and retirees have families that know more about their lives.

RECEIVING AND PROVIDING HELP

One large retirement preparation issue that the Society of Actuaries' research has identified is the extent to which elderly retirees can rely on their families to provide support if they were to need it. Prior SOA work shows how important family involvement is both emotionally and financially. In this survey, when asked the extent to which they can rely on family or friends to care for them if they need it, over half of both pre-retirees and retirees (52% each) said that they cannot, and another quarter of each group say just "a little."

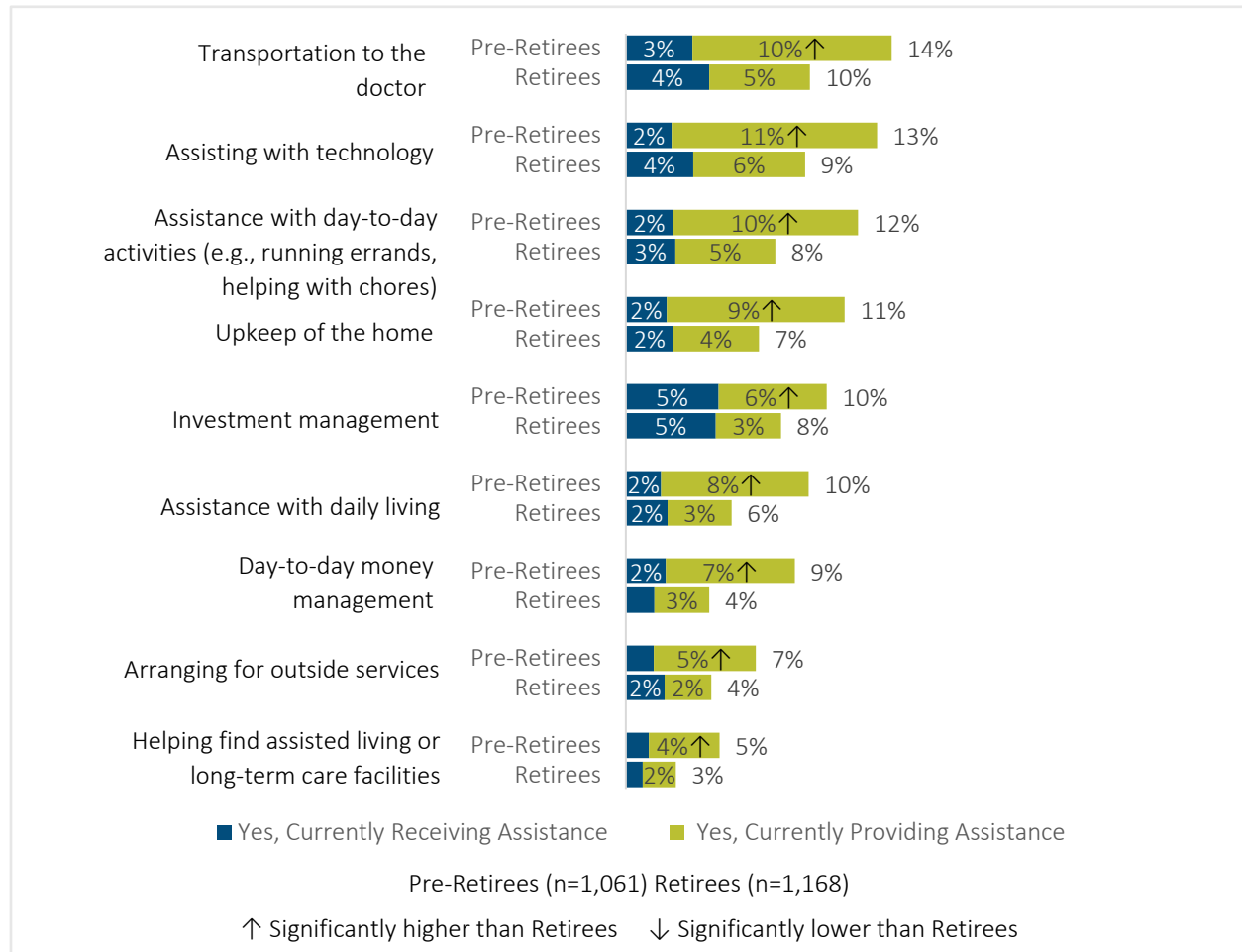
Note: Prior SOA work which focused on the family is summarized in the report *Family is Important to Retirement Security* <https://www.soa.org/globalassets/assets/files/resources/research-report/2020/family-retirement-security.pdf>. In addition, the [Life Journey](#) report has some information on family. This work indicates that while family is very important when needed, there is relatively little planning for family involvement.

Higher income pre-retirees and retirees are slightly less likely to count on friends and family perhaps because they are more likely to be able to do so for themselves or afford third-party support. For example, 81% of pre-retirees making over \$100,000 rely on their families a little or not at all, compared to 67% of pre-retirees with incomes under \$50,000.

Five percent or fewer pre-retirees and retirees are receiving various types of assistance including money management, transportation, support with technology, and assistance with daily living. Given that respondents to the survey are younger than age 80, this is not surprising. The highest level of support is 5% for investment management for both pre-retirees and retirees. Black/African American pre-retirees (15%) and pre-retirees with incomes under \$50,000 (10%) are more likely to get transportation to the doctor than pre-retirees in general (3%).

Pre-retirees provide assistance more often than retirees, providing at least some form of support 30% of the time compared to retirees who do so 23% of the time. The most common levels of support are assistance with technology (11%), providing transportation to the doctor (10%), assisting with day-to-day errands (10%), and upkeeping the home (9%) (Table 52).

Table 52
ASSISTANCE RECEIVED FROM OR PROVIDED TO FAMILY/FRIENDS



The 30% of pre-retirees and 23% of retirees providing or receiving assistance of any type were asked whether it made them more or less likely to believe that a family member or friend could provide this support. Over half of pre-retirees (58%) and retirees (54%) feel that it did not make them any more or less likely to believe so. Retirees providing or receiving support (28%) are more likely than pre-retirees (17%) to believe that a friend or family member could provide this support. Pre-retirees with incomes under \$50,000 (37%) are less likely to believe that family members or friends can provide this support as a result of their experience than pre-retirees in general (25%).

In examining the impact of multi-generational households, findings suggest that these households are less likely to take on the role of providing care for children or elderly than they are to contribute to day-to-day management. Perhaps, the presence of other adults in the house makes these tasks easier. Fewer than one in ten pre-retirees (9%) and retirees (7%) live in multigenerational households (Table 53). In these households, over six in ten of older or younger generations take on the responsibility of wage earning, as well as completing daily tasks such as food

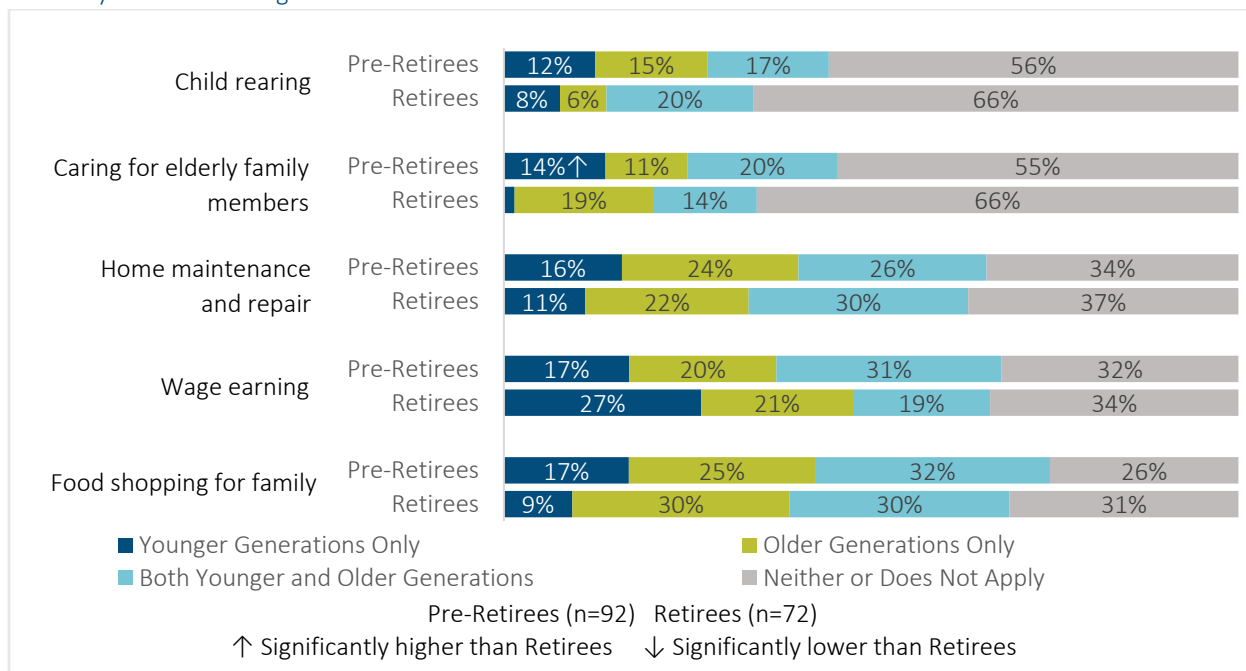
shopping and home repairs. However, fewer than half of pre-retirees (45%) and one third of retirees (34%) report that older or younger generations provide care for elderly family members (Table 54).

Table 53
LIVING IN A MULTI-GENERATIONAL HOUSEHOLD BY RACE/ETHNICITY

	Pre-Retirees				Retirees			
	White	Black/ African American	Asian American	Hispanic/Latino	White	Black/ African American	Asian American	Hispanic/ Latino
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	(n=743)	(n=95)	(n=110)	(n=95)	(n=832)	(n=108)	(n=96)	(n=105)
Yes	7%	12%	9%	17% (a)	4%	10%	13% (e)	19% (e)
No	93% (d)	88%	91%	83%	96% (gh)	90%	87%	81%

Table 54
ROLES OF OTHER GENERATIONS IN THE HOUSEHOLD

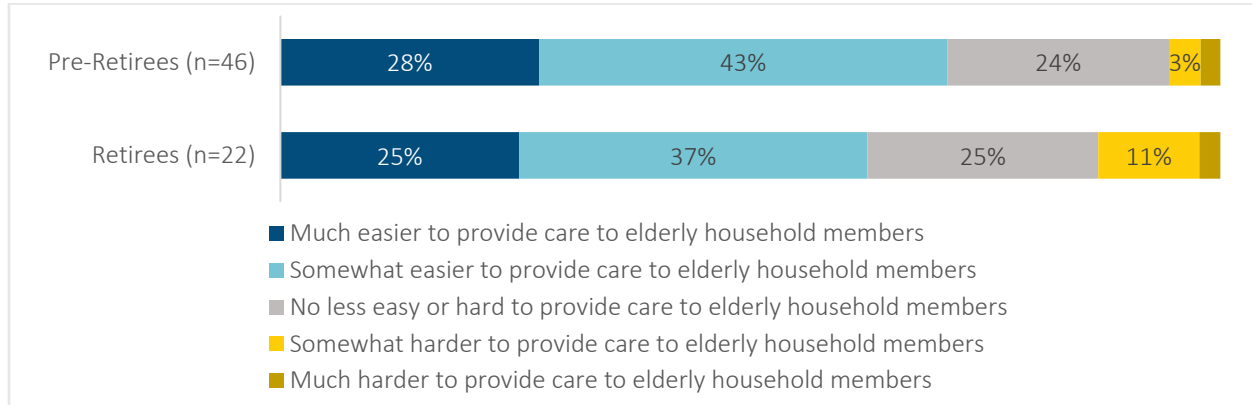
Currently lives in a multi-generational household



Nonetheless, over seven in ten pre-retirees (71%) and six in ten retirees (62%) claim that living in a multi-generational household makes it at least somewhat easier to care for elderly members of the household (Table 55).

Table 55**EASE OF CARING FOR ELDERLY IN A MULTI-GENERATIONAL HOUSEHOLD**

Younger and/or older generations in the household play a part in caring for elderly family members

**PERSONAL STORY**

Pre-retirees and retirees were asked how much their family knows about various aspects of their personal story. The purpose of this question, which was new this year, was to learn more about the connections others in the family have to the respondent. In general, a large percentage of pre-retirees and retirees claim that their family knows at least something about various facets of their lives and a significant number know a great deal (Table 56).

The most common aspects families know about are the values and beliefs of the respondent, where over half of retirees and pre-retirees (53%) say their family knows a great deal. An even larger proportion (84% of pre-retirees and 88% of retirees) say their family knows at least some of their values and beliefs. Slightly smaller percentages say that their family knows about their ancestry, childhood, and adult life. However, fewer claim that their family knows about their finances. Roughly one in three pre-retirees and retirees feel that their family knows a great deal about their financial philosophy (31% each) or their financial experiences (29% of pre-retirees and 26% of retirees). However, roughly two-thirds or more claim that their family knows at least some about these issues (Table 57).

Table 56
FAMILY KNOWLEDGE OF PERSONAL STORY
 Percent A Great Deal or Some



Table 57
FAMILY KNOWLEDGE OF PERSONAL STORY
 Percent A Great Deal or Some

	Pre-Retirees				Retirees			
	White (a) (n=743)	Black/ African American (b) (n=95)	Asian American (c) (n=110)	Hispanic/ Latino (d) (n=95)	White (e) (n=832)	Black/ African American (f) (n=108)	Asian American (g) (n=96)	Hispanic/ Latino (h) (n=105)
Your values and beliefs	86% (c)	79%	71%	87% (c)	88%	90%	83%	84%
What your adult life was like	83% (c)	73%	66%	89% (bc)	85%	82%	80%	84%
What your childhood experiences were like	81% (c)	80%	67%	89% (c)	77%	89% (eg)	69%	83%
Your ancestry	76%	66%	68%	81% (bc)	81%	81%	77%	84%
Your financial philosophy and choices	72% (bc)	58%	60%	75% (bc)	71%	65%	70%	75%
Important financial experiences in your life	65%	56%	55%	75% (bc)	64%	68%	64%	78% (e)



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APPENDIX A: TRENDED RESULTS DATA TABLES

Table A1

EXPECTED RETIREMENT AGE (FROM PRIMARY OCCUPATION) – PRE-RETIREEES

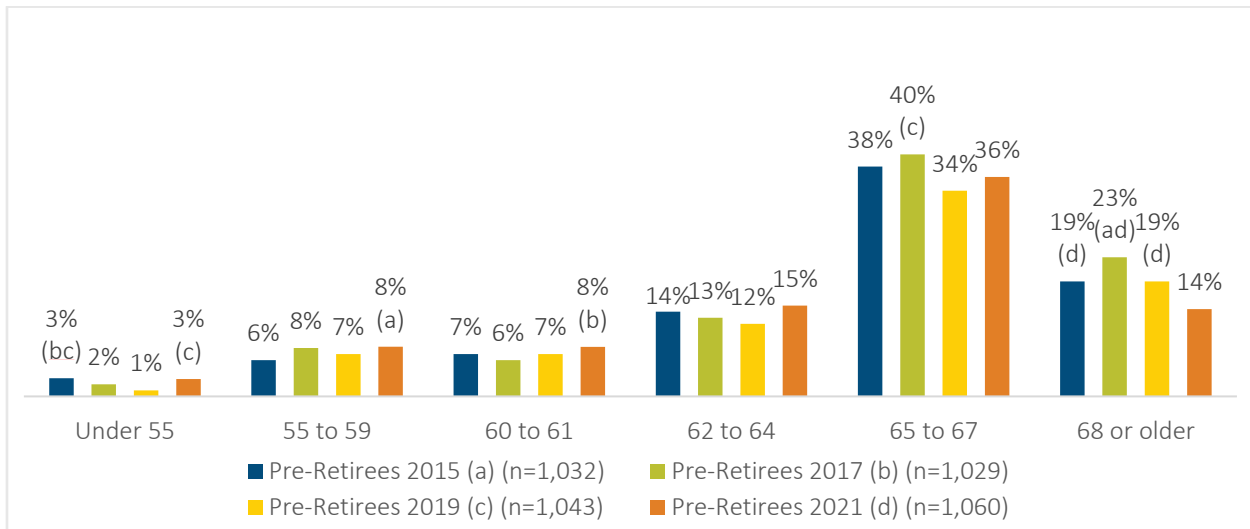


Table A2

HOW PRE-RETIREEES PLAN TO RETIRE FROM PRIMARY OCCUPATION

	Pre-Retirees						
	2003	2005	2007	2011	2013	2019	2021
	(a) (n=301)	(b) (n=300)	(c) (n=401)	(d) (n=800)	(e) (n=761)	(f) (n=1,046)	(g) (n=1,061)
You plan to stop/stopped working for pay all at once	42%	40%	41%	46%	41%	45%	51% (abcef)
You plan to reduce the number of hours you work/reduced the number of hours you worked for pay before stopping completely	16	22	20	19	18	55 (abcdek)	49 (abcde)
You (plan to continue/continued) to work for pay part time or periodically (2003-2013)	32	30	38	32	36	--	--
You (plan to continue/continued) to work for pay full time (2003-2013)	9 (cd)	8 (cd)	1	4 (c)	6 (c)	--	--

Table A3
HOW RETIREES PLAN TO RETIRE FROM PRIMARY OCCUPATION

	Retirees						
	2003	2005	2007	2011	2013	2019	2021
	(a) (n=303)	(b) (n=302)	(c) (n=400)	(d) (n=800)	(e) (n=823)	(f) (n=1,051)	(g) (n=1,168)
You plan to stop/stopped working for pay all at once	72%	70%	69%	77% (c)	80% (abc)	82% (abcd)	86% (abcde)
You plan to reduce the number of hours you work/reduced the number of hours you worked for pay before stopping completely	7	11 (e)	10	9	6	18 (abcde)	14 (ade)
You (plan to continue/continued) to work for pay part time or periodically (2003-2013)	17 (de)	13	12	9	9	--	--
You (plan to continue/continued) to work for pay full time (2003-2013)	5	5	9 (de)	5	5	--	--

Table A4
RETIREMENT CONCERNS
 Percent Very or Somewhat Concerned

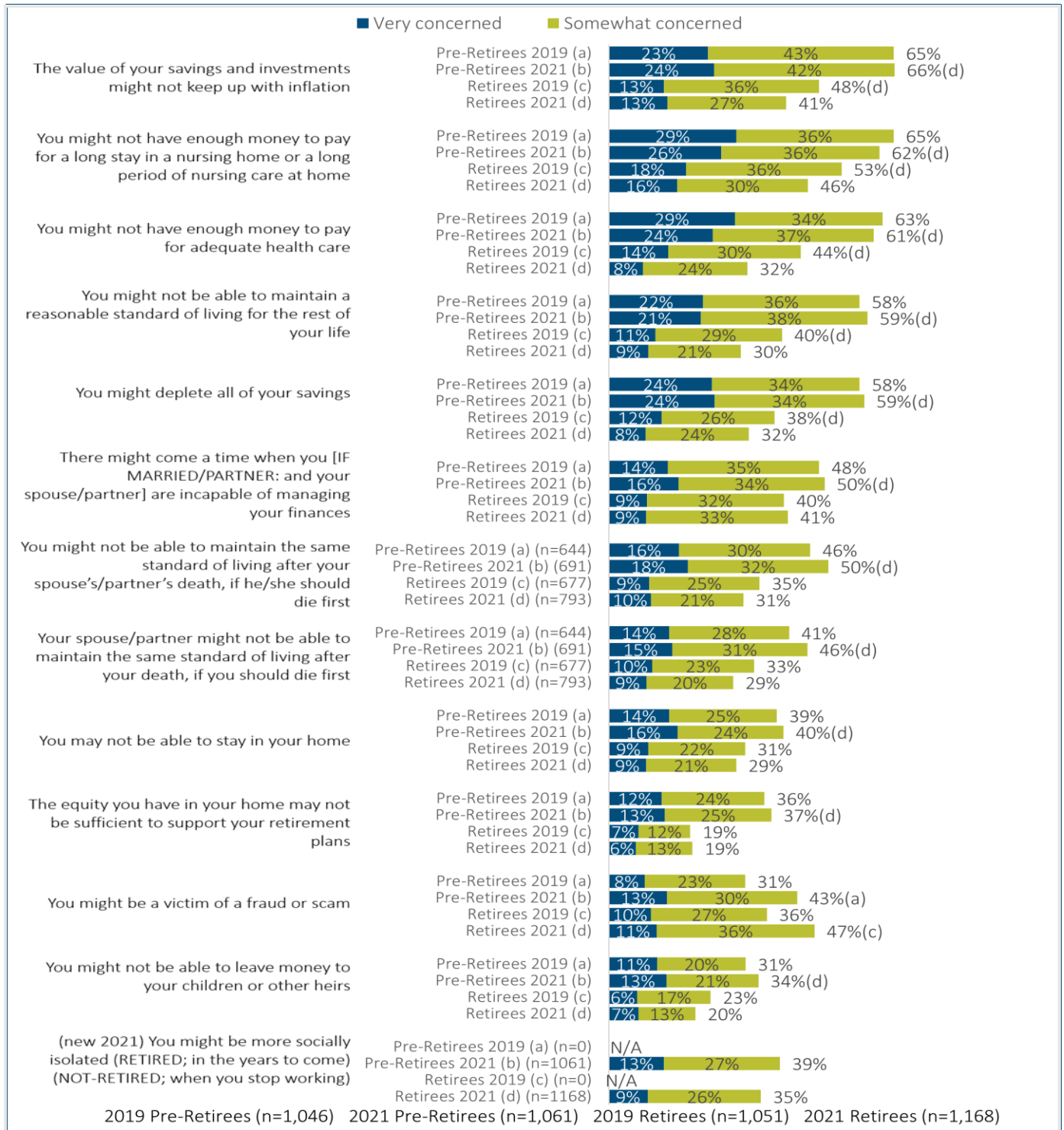


Table A5
RETIREMENT CONCERNS – PRE-RETIRES
Percent Very or Somewhat Concerned

	Pre-Retirees										
	2001	2003	2005	2007	2009	2011	2013	2015	2017	2019	2021
	(a) (n=318)	(b) (n=301)	(c) (n=300)	(d) (n=401)	(e) (n=403)	(f) (n=800)	(g) (n=1,000)	(h) (n=1,035)	(i) (n=1,030)	(j) (n=1,046)	(k) (n=1,061)
You might not be able to maintain a reasonable standard of living for the rest of your life	55%	71% (acdehjk)	59%	55%	56%	65% (adej)	67% (acdej)	63% (adej)	66% (acdej)	58%	59%
You might not have enough money to pay for adequate health care	58%	79% (adeghjk)	75% (aehjk)	70% (ajk)	67% (ak)	74% (aehjk)	73% (ahjk)	67% (ak)	75% (aehjk)	63%	61%
You might not have enough money to pay for a long stay in a nursing home or a long period of nursing care at home	--	66% ^e	61%	64% (e)	56%	66% (e)	68% (cek)	69% (cek)	73% (bcdefhjk)	65% (e)	62% (e)
The value of your savings and investments might not keep up with inflation	64%	79% (acdehjk)	65%	64%	72% (adjk)	77% (acdehjk)	76% (acdhjk)	69%	77% (acdehjk)	65%	66%
You might not be able to maintain the same standard of living after your spouse's/ partner's death, if he/she should die first	--	--	--	--	--	--	51%	47%	55% (hj)	46%	50%
Your (spouse/ partner) might not be able to maintain the same standard of living after your death, if you should die first	40%	47% (d)	40%	35%	43%	46% (d)	53% (acdefhjk)	43% (d)	52% (acdehjk)	41%	46% (e)
You might deplete all of your savings	--	65% (cdj)	56%	56%	59%	64% (cdjk)	65% (cdej)	62% (dj)	70% (cdefhjk)	58%	59%

The equity you have in your home may not be sufficient to support your retirement plans	--	--	--	--	--	49% (hjk)	47% (hjk)	36%	44% (hjk)	36%	37%
You might not be able to leave money to your children or other heirs	--	39% (dj)	37%	30%	35%	41% ^{DHJK}	36% (d)	34%	40% (dhjk)	31%	34%
You might be a victim of a fraud or scam	--	--	--	--	--	--	29%	28%	45% (ghj)	31%	43% (ghj)
There might come a time when you (and your spouse/partner) are incapable of managing your finances	--	--	--	--	--	--	52%	51%	59% (ghjk)	48%	50%
You may not be able to stay in your home	--	--	--	--	--	--	--	--	52% (jk)	39%	40%
You might be more socially isolated in the years to come/when you stop working	--	--	--	--	--	--	--	--	--	--	39%

Table A6
RETIREMENT CONCERNS – RETIREES
Percent Very or Somewhat Concerned

	Retirees										
	2001	2003	2005	2007	2009	2011	2013	2015	2017	2019	2021
	(a) (n=282)	(b) (n=303)	(c) (n=302)	(d) (n=400)	(e) (n=401)	(f) (n=800)	(g) (n=1,000)	(h) (n=1,005)	(i) (n=1,025)	(j) (n=1,051)	(k) (n=1,168)
You might not be able to maintain a reasonable standard of living for the rest of your life	47% (jk)	46% (k)	44% (k)	48% (jk)	46% (k)	60% (abcdeghjk)	44% (k)	45% (jk)	52% (cghj)	40% (k)	30%
You might not have enough money to pay for adequate health care	43% (k)	47% (k)	46% (k)	52% (ajk)	49% (k)	61% (abcdeghijk)	49% (k)	47% (k)	53% (achjk)	44% (k)	32%
You might not have enough money to pay for a long stay in a nursing home or a long period of nursing care at home	--	48%	52%	53% (h)	46%	61% (bcdegjck)	53% (ek)	58% (bek)	59% (begik)	53% (ek)	46%
The value of your savings and investments might not keep up with inflation	55% (jk)	58% (jk)	51% (k)	57% (j)	58% (hjk)	70% (abcdeghijk)	57% (jk)	52% (k)	57% (jk)	48% (k)	41%
You might not be able to maintain the same standard of living after your spouse's/ partner's death, if he/she should die first	--	--	--	--	--	--	41% (hjk)	34%	44% (hjk)	35%	31%
Your (spouse/ partner) might not be able to maintain the same standard of living after your death, if you should die first	43% (jk)	35%	38% ^k	39% (k)	36% (k)	46% (behjk)	42% (jk)	37% (k)	43% (jk)	33%	29%
You might deplete all of your savings	--	41% (k)	38%	46% (cjk)	48% (cjk)	55% (bcdeghjk)	42% (k)	43% (k)	52% (bcghjk)	38% (k)	32%
The equity you have in your home may not be sufficient to support your retirement plans	--	--	--	--	--	45% (ghijk)	28% (jk)	28% (jk)	31% (jk)	19%	19%
You might not be able to leave money to your children or other heirs	--	27% (k)	27% (k)	29% (k)	28% (k)	38% (bcdeghijk)	26% (k)	26% (k)	31% (ghjk)	23%	20%
You might be a victim of a fraud or scam	--	--	--	--	--	--	33%	33%	49% (ghj)	36%	47%

There might come a time when you (and your spouse/ partner) are incapable of managing your finances	--	--	--	--	--	--	46%	48% (jk)	51% (jk)	40%	41%
You may not be able to stay in your home	--	--	--	--	--	--	--	--	47% (jk)	31%	29%
You might be more socially isolated in the years to come/ when you stop working	--	--	--	--	--	--	--	--	--	--	35% (ghj)

Table A7
SOURCES OF INCOME – PRE-RETIRES
Percent Major or Minor Source

	Pre-Retirees			
	2013	2015	2019	2021
	(a) (n=1,000)	(b) (n=1,035)	(c) (n=1,046)	(d) (n=1,061)
Social Security benefits	91%	92%	96% (abd)	93%
An employer-sponsored retirement savings plan or from funds rolled over from this type of plan	74% (bc)	64%	63%	73% (bc)
Employment in retirement, including self-employment	56% (d)	54%	53%	50%
An IRA or Roth IRA	52%	53%	56%	61% (abc)
A defined benefit pension plan, with benefits typically based on salary and years of service. This is sometimes called a traditional pension plan	55% (bc)	46%	49%	56% (bc)
Taxable investment or bank accounts (not including a checking or savings account)	35%	31%	46% (ab)	55% (abc)
Rental property or real estate (excluding your primary home)	18%	16%	18%	20%
A payout annuity	18% (b)	14%	17%	24% (abc)
A reverse mortgage or home equity loan	7%	5%	6%	11% (abc)

Table A8
SOURCES OF INCOME – RETIREES
 Percent Major or Minor Source

	Retirees			
	2013 Retirees	2015 Retirees	2019 Retirees	2021 Retirees
	(a) (n=1,000)	(b) (n=1,005)	(c) (n=1,051)	(d) (n=1,168)
Social Security benefits	90% (c)	92% (c)	85%	91% (c)
A defined benefit pension plan, with benefits typically based on salary and years of service. This is sometimes called a traditional pension plan	64% (bc)	53%	54%	64% (bc)
An IRA or Roth IRA	49% (c)	50% (c)	43%	50% (c)
An employer-sponsored retirement savings plan or from funds rolled over from this type of plan	44% (bc)	37%	33%	39% (c)
Taxable investment or bank accounts (not including a checking or savings account)	36%	36%	37%	48% (abc)
Employment in retirement, including self-employment	22% (d)	21% (d)	19% (d)	12%
A payout annuity	22%	21%	18%	24% (c)
Rental property or real estate (excluding your primary home)	13%	13% (c)	9%	10%
A reverse mortgage or home equity loan	6% (bcd)	3%	3%	4%

Table A9
FINANCIAL PREPAREDNESS TO HANDLE EVENTS

	Pre-Retirees 2017 (a) (n=1,030)	Pre-Retirees 2021 (b) (n=1,061)	Retirees 2017 (c) (n=1,025)	Retirees 2021 (d) (n=1,168)
Car repairs or replacement	65%	61%	67%	76% (bc)
Significant out-of-pocket medical or prescription expenses	48%	52%	61%	70% (bc)
Significant out-of-pocket dental expenses	--	51%	--	67% (b)
Major home repairs or upgrades	50%	50%	54%	65% (bc)
Another pandemic	--	48%	--	65% (b)
Significant out-of-pocket long-term care expenses	--	38%	--	52% (b)
A drop in home value of 25% or more	33%	38% (a)	38%	50% (bc)
A loss in the total value of your savings of 25% or more due to poor investment decisions or a market decline	31%	38% (a)	33%	48% (bc)
Running out of assets	31%	39% (a)	38%	45% (bc)
A family member in need of financial support	31%	33%	34%	44% (bc)
(If married/partnered) Divorce during retirement	12%	18% (a)	15%	18%

Table A10
RETIRES' EVALUATION ON HOW THEY ARE DOING FINANCIALLY IN RETIREMENT

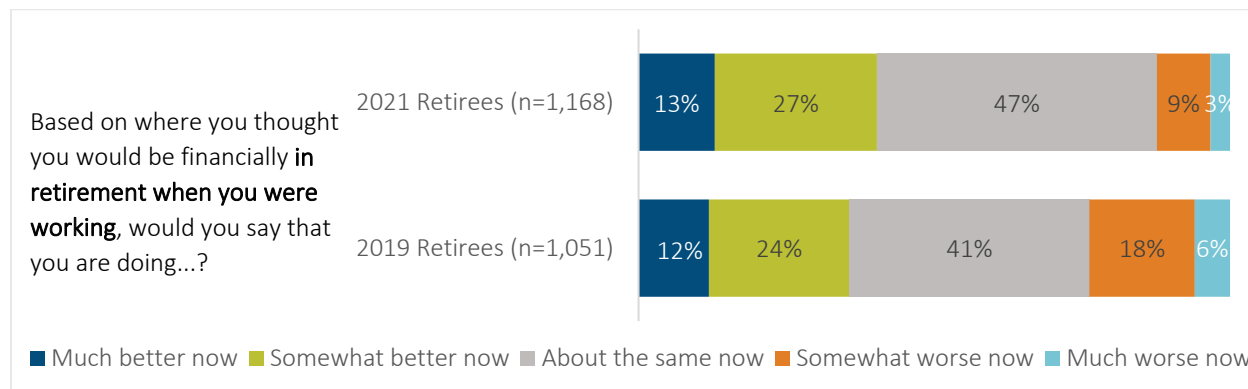


Table A11

HAS A PLAN FOR HOW MUCH MONEY WILL BE SPENT IN RETIREMENT – PRE-RETIREEES

	Pre-Retirees 2005	Pre-Retirees 2011	Pre-Retirees 2013	Pre-Retirees 2015	Pre-Retirees 2019	Pre-Retirees 2021
	(a)	(b)	(c)	(d)	(e)	(f)
	(n=297)	(n=788)	(n=1,000)	(n=1,035)	(n=1,046)	(n=1,061)
Yes	31%	36%	33%	38% (ac)	35%	36%
No	69% (d)	64%	67% (d)	62%	65%	64%

Table A12

HAS A PLAN FOR HOW MUCH MONEY WILL BE SPENT IN RETIREMENT – RETIREES

	Retirees 2005	Retirees 2011	Retirees 2013	Retirees 2015	Retirees 2019	Retirees 2021
	(a)	(b)	(c)	(d)	(e)	(f)
	(n=298)	(n=789)	(n=1,000)	(n=1,005)	(n=1,051)	(n=1,168)
Yes	45%	57% (a)	60% (a)	60% (a)	61% (a)	57% (a)
No	55% (bcdef)	43%	40%	40%	39%	43%

Table A13

EXPERIENCED SIGNIFICANT EVENTS DURING RETIREMENT - RETIREES
PERCENT YES

	Retirees 2015 (n=1,005)	Retirees 2021 (n=1,168)
An illness or disability that limited your (or your spouse's/partner's) ability to care for (yourself/yourself)	15%	8%↓
Major dental expenses	24%	19%↓
Loss of capacity requiring someone outside the household to manage your money	1%	1%
The death of a spouse or long-term partner during retirement	10%	7%
Divorce during retirement	3%	1%↓
An adult child or grandchild needing ongoing financial help due to family, job or health challenges	--	9%

Table A14
EXPERIENCED SIGNIFICANT EVENTS DURING RETIREMENT - RETIREES
PERCENT YES

	Retirees 2015 (n=1,005)	Retirees 2021 (n=1,168)
A loss in the total value of your savings of 10% or more due to a poor investment	9%	3%↓
A sudden loss in the total value of your savings of 25% or more due to a fall in the market	14%	4%↓
Running out of assets	15%	4%↓
A family emergency that impacted the amount of money you were able to spend on other things or required using 10% or more of your savings	12%	4%↓
Bankruptcy	4%	2%
Victimization by a fraud or scam	6%	3%↓
Identity theft	--	3%
Loss of a home through foreclosure	3%	2%
A drop in home value of 25% or more	16%	3%↓
Significant damage to or loss of a home due to a fire or natural disaster	3%	3%
Major home repairs or upgrades	28%	24%↓
Going on Medicaid	14%	8%↓
Having to downsize due to financial considerations	--	6%

APPENDIX B: POSTED QUESTIONNAIRE

2021 RISKS AND PROCESS OF RETIREMENT SURVEY

Posted Questionnaire

1.	To start, in what year were you born?		
		Pre-Retirees (n=1061)	Retirees (n=1168)
	45 to 54	59%	6%
	55 to 64	40	23
	65 to 74	1	47
	75 to 80	*	23
	<i>Median</i>	<i>53.00</i>	<i>69.00</i>
2.	Are you...?		
		Pre-Retirees (n=1061)	Retirees (n=1168)
	Male	47%	48%
	Female	53	52
	Nonbinary/Other	*	*
3.	Are you currently...?		
		Pre-Retirees (n=1061)	Retirees (n=1168)
	Married	63%	61%
	Single, never married	16	10
	Separated or divorced	12	13
	Unmarried and living with a partner in a permanent relationship	6	3
	Widowed	3	12
4.	What is the highest level of education you completed?		
		Pre-Retirees (n=1061)	Retirees (n=1168)
	High school graduate or less	32%	39%
	Some college/technical school	22	28
	Bachelor's degree	27	18
	Post graduate work	2	2
	Graduate or professional degree	17	12
5.	What was your total household income in 2020, before taxes?		

	Pre-Retirees (n=1061)	Retirees (n=1168)
Less than \$25,000	9%	18%
\$25,000 to \$34,999.....	5	9
\$35,000 to \$49,999.....	8	13
\$50,000 to \$74,999.....	13	18
\$75,000 to \$99,999.....	13	12
\$100,000 to \$124,999	15	11
\$125,000 to \$149,999	13	7
\$150,000 or more	23	11
Prefer not to say	--	--
6. Are you of Hispanic, Spanish, or Latino origin or descent?		
	Pre-Retirees (n=1061)	Retirees (n=1168)
Yes	10%	9%
No.....	90	91
7. Which of the following describes your race or ethnicity? <i>Please select all that apply.</i>		
	Pre-Retirees (n=1061)	Retirees (n=1168)
White/Caucasian.....	80%	79%
African American/Black.....	9%	11%
Asian/Pacific Islander/Native Hawaiian	9%	7%
American Indian or Alaska Native.....	1%	2%
Middle Eastern or North African.....	*	*
Other	2%	3%
8. Are you currently...?		
	Pre-Retirees (n=1061)	Retirees (n=1168)
Working for pay	79%	6%
Retired.....	--	89
A homemaker.....	8	1
Laid off or unemployed and seeking work	5	1
Disabled and unable to work	5	3
Unemployed and not seeking work.....	2	--
Furloughed	1	*
Something else.....	1	*

9.	[IF Q8=1] Are you currently working ...?		
		Pre-Retirees (n=836)	Retirees (n=66)
	Full time	90%	60%
	Part time.....	10	40
10.	[IF WORKING/LAID OFF/DISABLED/FURLOUGHED, Q8=1 OR 4 OR 6 OR 7] Do you consider yourself retired from a previous career or primary occupation?		
		Pre-Retirees (n=948)	Retirees (n=110)
	Yes	--	100%
	No.....	100%	--
11.	[IF MARRIED/PARTNER, Q3=1 OR 2] Is your spouse/partner currently...?		
		Pre-Retirees (n=691)	Retirees (n=793)
	Working	73%	17%
	Retired.....	9	77
	A homemaker.....	9	4
	Disabled and unable to work	3	1
	Laid off or unemployed and seeking work	2	1
	Unemployed and not seeking work	*	1
	Furloughed	1	--
	Something else.....	2	*
12.	[IF SEPARATED, DIVORCED, WIDOWED OR SINGLE: Q3=3,4 OR 5] How many people live in your household?		
		Pre-Retirees (n=370)	Retirees (n=375)
	No one other than you.....	58%	79%
	One other person.....	21	16
	Two other people	11	2
	Three or more other people	9	4
13.	[IF SPOUSE/PARTNER WORKING/LAID OFF/DISABLED/FURLOUGHED] Does your spouse/partner consider himself or herself retired from a previous career or primary occupation?		
		Pre-Retirees (n=530)	Retirees (n=143)
	Yes	6%	23%
	No.....	94	77

14.	Version	Pre-Retirees (n=1061)	Retirees (n=1168)
	Worker version	100%	--
	Retiree version	--	100%

Retirement Planning

15. [trend] **[IF WORKER AND EMPLOYED (Q8=1):]** At what age do you expect to retire or begin to retire from your primary occupation?
- [IF WORKER AND NOT EMPLOYED (Q8>2):]** At what age do you think you will begin to think of yourself as retired?
- [IF RETIREE AND PERSONALLY RETIRED (Q8=2 OR Q10=1):]** How old were you when you retired or began to retire from your primary occupation?
- [IF RETIREE AND HOMEMAKER/DISABLED/SOMETHING ELSE (Q8>2) & Q10≠1):]** At what age did you begin to think of yourself as retired?

	Pre-Retirees (n=1061)	Retirees (n=1168)
Under age 55.....	3%	18%
55 to 59	8	22
60 to 61	8	10
62 to 64	14	28
65 to 67	36	15
68 or older.....	14	5
[IF WORKER] Do not expect to retire.....	15	--
[IF RETIREE] Do not consider yourself retired	*	2
Median	65.00	61.00

[IF DO NOT CONSIDER THEMSELVES RETIRED OR WILL NEVER RETIRE (Q15=98-99), SHOW:] Many of the questions in this survey will ask about your retirement. Since you've said that **(IF DOES NOT CONSIDER THEMSELVES RETIRED (Q15=99):** you do not consider yourself retired/**IF WILL NEVER RETIRE (Q15=98):** you will never retire), please think about the period from age 65 on whenever retirement is mentioned.

16. (trend) Which statement comes closest to describing how you plan to retire/retired from your primary occupation?

	Pre-Retirees (n=1061)	Retirees (n=1168)
You plan to stop/stopped working for pay all at once	51%	86%
You plan to reduce the number of hours you work/reduced the number of hours you worked) for pay before stopping completely.....	49	14

17. [New] [IF WORKER] What impact has the COVID-19 pandemic had on when you plan to retire from the workforce?

	Pre-Retirees (n=1061)	Retirees (n=0)
Plan to retire much sooner	1%	--
Plan to retire somewhat sooner	5	--
No impact.....	82	--
Plan to retire somewhat later.....	6	--
Plan to retire much later.....	6	--

18. [trend] How concerned are you about each of the following [IF WORKER: in retirement]?

	Pre-Retirees (n=1061) Retirees (n=1168)	Very Concerned	Somewhat Concerned	Not too Concerned	Not at all Concerned
a.	You might not be able to maintain a reasonable standard of living for the rest of your life				
	Pre-Retirees	21%	38	28	12
	Retirees	9%	21	42	28
b.	You might not have enough money to pay for adequate health care				
	Pre-Retirees	24%	37	26	13
	Retirees	8%	24	36	32
c.	You might not have enough money to pay for a long stay in a nursing home or a long period of nursing care at home				
	Pre-Retirees	26%	36	25	12
	Retirees	16%	30	31	23
d.	The value of your savings and investments might not keep up with inflation				
	Pre-Retirees	24%	42	25	9
	Retirees	13%	27	37	23
e.	[IF MARRIED/PARTNER: Q3=1 OR 2] You might not be able to maintain the same standard of living after your spouse's/partner's death, if he/she should die first				

	Pre-Retirees (n=1061) Retirees (n=1168)	Very Concerned	Somewhat Concerned	Not too Concerned	Not at all Concerned
	Pre-Retirees (n=691)	18%	32	33	17
	Retirees (n=793)	10%	21	37	32
f.	[IF MARRIED/PARTNER: Q3=1 OR 2] Your spouse/partner might not be able to maintain the same standard of living after your death, if you should die first				
	Pre-Retirees (n=691)	15%	31	32	22
	Retirees (n=793)	9%	20	39	32
g.	You might deplete all of your savings				
	Pre-Retirees	24%	34	28	13
	Retirees	8%	24	37	30
h.	The equity you have in your home may not be sufficient to support your retirement plans				
	Pre-Retirees	13%	25	35	28
	Retirees	6%	13	32	49
i.	You might not be able to leave money to your children or other heirs				
	Pre-Retirees	13%	21	30	36
	Retirees	7%	13	30	50
j.	You might be a victim of a fraud or scam				
	Pre-Retirees	13%	30	37	20
	Retirees	11%	36	33	19
k.	There might come a time when you [IF MARRIED/PARTNER: Q3=1 OR 2 and your spouse/partner] are incapable of managing your finances				
	Pre-Retirees	16%	34	36	14
	Retirees	9%	33	37	22
l.	You may not be able to stay in your home				
	Pre-Retirees	16%	24	37	23
	Retirees	9%	21	35	36
m.	(new 2021) You might be more socially isolated in the years to come/when you stop working)				
	Pre-Retirees	13%	27	37	24
	Retirees	9%	26	38	27

19. (New) As a result of COVID-19, do you plan to do any of the following changes to your life?

	Pre-Retirees (n=1061) Retirees (n=1168)	Yes	No
a.	[IF RETIRED] Return to work		
	Pre-Retirees	--	--
	Retirees	5%	95
b.	[IF WORKING] Work longer		
	Pre-Retirees	17%	83
	Retirees	--	--
c.	Reconsider your living arrangements		
	Pre-Retirees	13%	87
	Retirees	7%	93
d.	Change your lifestyle		
	Pre-Retirees	27%	73
	Retirees	18%	82
e.	Change care arrangements or plans for family members that need it		
	Pre-Retirees	12%	88
	Retirees	4%	96

20. (New) How concerned are you about each of the following [IF WORKER: in retirement]? [RANDOMIZE LIST.]

	Pre-Retirees (n=1061) Retirees (n=1168)	Very Concerned	Somewhat Concerned	Not too Concerned	Not at all Concerned	Does not Apply
a.	(IF NOT RETIRED) You will make the wrong choices when it comes to Social Security					
	Pre-Retirees	9%	26	38	23	4
	Retirees	--	--	--	--	--
b.	You will not manage your finances well enough to have the money you need later in life					
	Pre-Retirees	14%	30	33	20	3
	Retirees	5%	19	33	37	5
c.	That you have not resolved estate planning issues					
	Pre-Retirees	8%	22	34	24	12
	Retirees	4%	15	28	36	16

21. [2019] Do you [IF MARRIED/PARTNER Q3=1 OR 2 and your spouse/partner] consult with a financial planner or advisor who helps you make decisions about your retirement/financial planning?

	Pre-Retirees (n=1061)	Retirees (n=1168)
Yes	29%	41%
No	71	59

Retirement Income and Spending

22. [2019] [IF RETIREE] Based on where you thought you would be financially in retirement when you were working, would you say that you are doing...?

	Pre-Retirees (n=0)	Retirees (n=1168)
Much better now	--	13%
Somewhat better now	--	27
About the same now.....	--	47
Somewhat worse now	--	9
Much worse now	--	3

23. [IF RETIRED] How many years ago did you retire?

	Pre-Retirees (n=0)	Retirees (n=1168)
Less than 1	--	5%
1 to less than 2.....	--	5
2 to less than 3.....	--	7
3 to less than 4.....	--	6
4 to less than 5.....	--	7
5 to less than 10.....	--	24
10 to less than 15.....	--	24
More than 15	--	21

24. [IF RETIRED 3+ YEARS:] Based on where you thought you would be financially two years ago, would you say that you are doing...?

	Pre-Retirees (n=0)	Retirees (n=954)
Much better now	--	10%
Somewhat better now	--	24
About the same now.....	--	57
Somewhat worse now	--	7
Much worse now	--	3

25. [2005/11/13/15 MODIFIED] Do you currently have a plan for how much money you will spend each year in retirement, where that money will come from and where it will go?

	Pre-Retirees (n=1061)	Retirees (n=1168)
Yes	36%	57%
No	64	43

26. [REVISED TREND FROM 2015] [IF RETIRED 2+ YEARS (Q23>2):] How has your level of spending changed from when you first retired **until last year when** the COVID-19 pandemic hit?

	Pre-Retirees (n=0)	Retirees (n=1044)
Increased a lot.....	--	2%
Increased a little.....	--	11
Stayed the same.....	--	51
Decreased a little	--	21
Decreased a lot	--	10
No consistent pattern	--	4

27. [REVISED TREND FROM 2015] [IF RETIRED 2+ YEARS (Q23>2):] How has your level of spending changed **since the COVID-19 pandemic hit?**

	Pre-Retirees (n=0)	Retirees (n=1044)
Increased a lot.....	--	1%
Increased a little.....	--	7
Stayed the same.....	--	45
Decreased a little	--	30
Decreased a lot	--	15
No consistent pattern	--	2

28. [New] How do you think your level of spending **will change** in the next 10 years/after 10 years of retirement?

	Pre-Retirees (n=1061)	Retirees (n=1168)
Increase a lot.....	1%	3%
Increase somewhat.....	8	23
Stay the same.....	36	53
Decrease somewhat	40	20
Decrease a lot	15	2

29. [New] What impact have the events of the last two years had on the following?

	Pre-Retirees (n=1061) Retirees (n=1168)	You do more	No Change	You do less
a.	The care you have in managing money			
	Pre-Retirees	26%	70	4
	Retirees	16%	80	4
b.	How much you buy			
	Pre-Retirees	7%	60	34
	Retirees	7%	57	35
c.	The extent to which you build an emergency fund			
	Pre-Retirees	28%	67	5
	Retirees	17%	77	6
d.	The amount of short-term planning you do			
	Pre-Retirees	19%	76	5
	Retirees	13%	80	6
e.	The amount of long-term planning you do			
	Pre-Retirees	23%	72	6
	Retirees	13%	80	6

30. [2019] Retirees rely on many different sources to provide them with the money they need to cover their expenses. Which of the following do you expect will be/are a major source of income, a minor source of income, or not a source of income for your [IF MARRIED/PARTNER Q3=1 OR 2: and your spouse's/partner's] retirement?

	Pre-Retirees (n=1061) Retirees (n=1168)	Major source of Income	Minor source of income	Not a source of income
a.	Social Security benefits			
	Pre-Retirees	41%	51	7
	Retirees	59%	32	9
b.	A defined benefit pension plan, with benefits typically based on salary and years of service (this is sometimes called a traditional pension plan)			
	Pre-Retirees	28%	28	44
	Retirees	42%	22	36
c.	An employer-sponsored retirement savings plan or funds rolled over from this type of plan			
	Pre-Retirees	41%	32	27
	Retirees	17%	23	61
d.	An IRA or Roth IRA			
	Pre-Retirees	23%	39	39
	Retirees	18%	32	50

e.	Taxable investment or bank accounts (not including a checking or savings account)			
	Pre-Retirees	14%	41	45
	Retirees	15%	33	52
f.	A payout annuity that turns your assets into income			
	Pre-Retirees	5%	19	76
	Retirees	7%	16	76
g.	Rental property or real estate (excluding your primary home)			
	Pre-Retirees	6%	13	80
	Retirees	4%	6	90
h.	A reverse mortgage or home equity loan			
	Pre-Retirees	3%	9	89
	Retirees	1%	3	96
i.	Employment in retirement, including self-employment			
	Pre-Retirees	11%	40	50
	Retirees	3%	9	88

31. [REVISED TREND 2015] **[IF AGE 72+:]** Do you have any funds in a 401(k), 403(b), IRA, or other retirement plan from which you must take a required minimum distribution?

	Pre-Retirees (n=5**)	Retirees (n=360)
Yes	100%	61%
No	--	38
Don't know	--	2

32. **[IF YES TO Q31]** When you take a required minimum distribution, do you?

	Pre-Retirees (n=5**)	Retirees (n=249)
Rely on what is automatically paid as a distribution	54%	60%
Request a distribution as you need it	32	28
Request a monthly amount	15	12

Planning for and Dealing with Change

33. [New] How much thought do you give/did you give to how your life would change when you first retire(d)?

	Pre-Retirees (n=1061)	Retirees (n=1168)
A great deal	25%	32%
Some	43	45
Little	23	17
None	9	6

34. [New] How much did/will your life change at retirement? [ROTATE ORDER]

	Pre-Retirees (n=1061)	Retirees (n=1168)
Completely	8%	6%
A great deal	30	28
To some extent	39	35
A little	19	27
Not at all	4	4

35. [New] How much thought have you given to how your life will change throughout retirement?

	Pre-Retirees (n=1061)	Retirees (n=1168)
A great deal	16%	19%
Some	46	52
Little	28	23
None	10	5

36. [2017] How well prepared are you financially to handle the following [IF WORKER: during retirement]?
[RANDOMIZE]

	Pre-Retirees (n=1061) Retirees (n=1168)	Very prepared	Somewhat prepared	Not too prepared	Not at all prepared	Not applicable
a.	Significant out-of-pocket medical or prescription expenses					
	Pre-Retirees	12%	40	27	16	5
	Retirees	29%	42	15	8	7
b.	Significant out-of-pocket dental expenses					
	Pre-Retirees	13%	38	25	18	6
	Retirees	32%	36	14	8	10
c.	Significant out-of-pocket long-term care expenses					
	Pre-Retirees	9%	29	32	26	5
	Retirees	20%	33	25	15	8
d.	[IF MARRIED Q3=1] Divorce during retirement					
	Pre-Retirees (n=632)	5%	13	21	32	29
	Retirees (n=750)	9%	9	13	22	46
e.	A loss in the total value of your savings of 25% or more due to poor investment decisions or a market decline					
	Pre-Retirees	8%	30	31	18	13
	Retirees	16%	32	19	10	23
f.	Running out of assets					
	Pre-Retirees	9%	30	31	21	9

	Pre-Retirees (n=1061) Retirees (n=1168)	Very prepared	Somewhat prepared	Not too prepared	Not at all prepared	Not applicable
	Retirees	16%	29	23	13	19
g.	A drop in home value of 25% or more					
	Pre-Retirees	9%	29	28	16	18
	Retirees	22%	28	17	12	22
h.	Major home repairs or upgrades					
	Pre-Retirees	13%	37	24	12	14
	Retirees	26%	39	13	5	16
i.	Car repairs or replacement					
	Pre-Retirees	18%	43	21	12	6
	Retirees	36%	39	10	5	9
j.	A family member in need of financial support					
	Pre-Retirees	6%	27	28	23	16
	Retirees	15%	29	18	13	25
k.	(New) Another pandemic					
	Pre-Retirees	12%	36	27	20	5
	Retirees	26%	40	20	10	5

37. (New) Do you have any of the following?

	Pre-Retirees (n=1061)	Retirees (n=1168)	Yes	No
a.	A will			
		Pre-Retirees	45%	55
		Retirees	70%	30
b.	A <u>healthcare</u> power of attorney			
		Pre-Retirees	34%	66
		Retirees	59%	41
c.	A <u>financial</u> power of attorney			
		Pre-Retirees	31%	69
		Retirees	53%	47

38. (New) Have the circumstances surrounding the COVID-19 pandemic over the past year caused you to do any of the following?

	Pre-Retirees (n=1061) Retirees (n=1168)	Yes	No
a.	[IF Q37a≠1] Create a will		
	Pre-Retirees (n=578)	10%	90
	Retirees (n=333)	6%	94
b.	[IF Q37b≠1] Create a <u>healthcare</u> power of attorney		
	Pre-Retirees (n=690)	5%	95
	Retirees (n=454)	4%	96
c.	[IF Q37c≠1] Create a <u>financial</u> power of attorney		
	Pre-Retirees (n=733)	5%	95
	Retirees (n=537)	4%	96
d.	[IF ANY YES IN Q37] Review or update your estate planning documents (e.g., a will, powers of attorney)		
	Pre-Retirees (n=535)	22%	78
	Retirees (n=885)	21%	79
e.	Consult with an estate planning professional		
	Pre-Retirees	9%	91
	Retirees	8%	92
f.	Consult with a debt advisor		
	Pre-Retirees	6%	94
	Retirees	2%	98
g.	Plan for a major illness		
	Pre-Retirees	11%	89
	Retirees	9%	91
h.	Provide financial account information to your children		
	Pre-Retirees	14%	86
	Retirees	23%	77

Shocks and Unexpected Events

39. [2015] Suppose something unexpected were to happen to you (or your spouse/partner) (**IF WORKER:** in retirement) that forced you to dip into your savings and investments to pay for it. What is the maximum amount you could afford to spend on the event, without worrying about jeopardizing your retirement security?

	Pre-Retirees (n=1061)	Retirees (n=1168)
Less than \$500	10%	9%
\$500 to \$999	5	5
\$1,000 to \$4,999	13	10
\$5,000 to \$9,999	12	9
\$10,000 to \$24,999	11	11
\$25,000 to \$49,999	7	10
\$50,000 to \$99,999	9	11
\$100,000 to \$249,999	6	8
\$250,000 or more	8	13
Not sure.....	19	15

40. [2015, 2017] **[IF RETIRED]** Have you **[IF MARRIED/PARTNER Q3=1 OR 2: or your spouse/partner]** experienced any of the following during retirement?

	Retirees (n=1168)	Yes	No
a.	An illness or disability that limited your (IF MARRIED/PARTNER/RETIRED WIDOW (Q3=1,2,4): or your spouse's/partner's) ability to care for (yourself/yourself)	8%	92
b.	Major dental expenses	19%	81
c.	Loss of capacity requiring someone outside the household to manage your money	1%	99
d.	The death of a spouse or long-term partner during retirement	7%	93
e.	Divorce during retirement	1%	99
f.	(New) An adult child or grandchild needing ongoing financial help due to family, job or health challenges	9%	91

41. [2015, 2017] And have you [IF MARRIED/PARTNER/RETIRED WIDOW (Q3=1,2,4): or your spouse/partner] experienced any of the following [IF RETIRED during retirement?]

	Pre-Retirees (n=1061)	Retirees (n=1168)	Yes	No
a.	A loss in the total value of your savings of 10% or more due to a poor investment			
		Pre-Retirees	9%	91
		Retirees	3%	97
b.	A sudden loss in the total value of your savings of 25% or more due to a fall in the market			
		Pre-Retirees	8%	92
		Retirees	4%	96
c.	Running out of assets			
		Pre-Retirees	7%	93
		Retirees	4%	96
d.	A family emergency that impacted the amount of money you were able to spend on other things or required using 10% or more of your savings			
		Pre-Retirees	9%	91
		Retirees	4%	96
e.	Bankruptcy			
		Pre-Retirees	8%	92
		Retirees	2%	98
f.	Victimization by a fraud or scam			
		Pre-Retirees	7%	93
		Retirees	3%	97
g.	Identity theft			
		Pre-Retirees	11%	89
		Retirees	3%	97
h.	Loss of a home through foreclosure			
		Pre-Retirees	2%	98
		Retirees	2%	98
i.	A drop in home value of 25% or more			
		Pre-Retirees	4%	96
		Retirees	3%	97
j.	Significant damage to or loss of a home due to a fire or natural disaster			
		Pre-Retirees	3%	97
		Retirees	3%	97
k.	Major home repairs or upgrades			
		Pre-Retirees	23%	77
		Retirees	24%	76
l.	Going on Medicaid			
		Pre-Retirees	9%	91

	Pre-Retirees (n=1061)	Retirees (n=1168)	Yes	No
		Retirees	8%	92
m.	(New) Having to downsize due to financial considerations			
		Pre-Retirees	10%	90
		Retirees	6%	94

42. [2015, 2017, MODIFIED] By approximately how much, if at all, did these or other events such as these reduce your level of assets? *Please consider the combined effect of these events.*

	Pre-Retirees (n=1061)	Retirees (n=1168)
Completely drained assets – 100%.....	3%	2%
75 to 99%	3	*
50 to 74%	5	4
25 to 49%	9	5
1 to 24%	25	22
Did not reduce assets at all – 0%.....	56	67

43. [2015, 2017, MODIFIED] By approximately how much, if at all, did these or other events such as these reduce the amount of money you (and your spouse/partner) are able to spend each month? *Please consider the combined effect of these events.*

	Pre-Retirees (n=1061)	Retirees (n=1168)
50% or more.....	5%	3%
25 to 49%	6	4
10 to 24%	11	7
1 to 10%	19	16
Did not reduce spending at all – 0%.....	59	70

44. [2015, 2017] [IF REDUCED SPENDING (Q43 > 1):] How well have you been able to manage within these new financial constraints?

	Pre-Retirees (n=445)	Retirees (n=324)
Very well.....	17%	23%
Somewhat well.....	62	60
Not too well.....	16	14
Not at all well	5	2

45. [New] How likely do you think it is that the following events may affect your future retirement security?

	Pre-Retirees (n=1061) Retirees (n=1168)	Very Likely	Somewhat Likely	Not too Likely	Not at all Likely
a.	Climate change				
	Pre-Retirees	10%	27	38	24
	Retirees	7%	27	37	30
b.	Political turmoil in the US				
	Pre-Retirees	21%	39	29	11
	Retirees	18%	40	30	12
c.	Another pandemic or a resurgence in the COVID-19 pandemic				
	Pre-Retirees	13%	39	36	11
	Retirees	10%	32	43	15
d.	Medical breakthroughs (e.g., cures for cancers or Alzheimer's) significantly increasing life span				
	Pre-Retirees	10%	34	41	15
	Retirees	6%	29	45	20
e.	A stock market downturn				
	Pre-Retirees	19%	44	25	12
	Retirees	12%	39	28	22
f.	A real estate crash				
	Pre-Retirees	12%	29	42	18
	Retirees	6%	20	44	30
g.	Inflation				
	Pre-Retirees	29%	46	19	5
	Retirees	22%	46	24	7
h.	Cuts in Social Security and/or Medicare				
	Pre-Retirees	29%	39	25	7
	Retirees	23%	37	31	9
i.	Tax increases				
	Pre-Retirees	28%	43	24	5
	Retirees	19%	39	30	13

46. [New] How prepared do you think you are to deal with financial events in the future?

	Pre-Retirees (n=1061)	Retirees (n=1168)
Very prepared	16%	27%
Somewhat prepared	54	56
Not too prepared	21	13
Not at all prepared.....	8	4

47. [New] Overall, compared to the last 10 years, how much of an impact do you believe that political, economic, and natural events will have on your finances in the next 10 years?

	Pre-Retirees (n=1061)	Retirees (n=1168)
A much more positive impact.....	3%	2%
A somewhat more positive impact.....	10	9
About the same impact.....	51	53
A somewhat more negative impact.....	26	29
A much more negative impact.....	10	7

48. [New] What impact has the COVID-19 pandemic had on your financial situation?

	Pre-Retirees (n=1061)	Retirees (n=1168)
Very positive impact	3%	1%
Somewhat positive impact	10	10
No impact.....	60	71
Somewhat negative impact	20	15
Very negative impact	7	3

49. [New] What impact do you expect the COVID-19 pandemic to have on your financial situation in 2022 and beyond?

	Pre-Retirees (n=1061)	Retirees (n=1168)
Very positive impact	2%	1%
Somewhat positive impact	10	5
No impact.....	57	71
Somewhat negative impact	17	14
Very negative impact	5	3
Don't know.....	10	7

50. [New] What impact has the COVID-19 pandemic had on how much planning you do to prepare for future events affecting your finances?

	Pre-Retirees (n=1061)	Retirees (n=1168)
Much more planning.....	6%	3%
Somewhat more planning.....	27	22
No impact.....	61	70
Somewhat less planning	5	4
Much less planning	2	1

Health and Caregiving

51. [New] To what extent are you relying on family or friends to care for you if you were to need it later in life?

	Pre-Retirees (n=1061)	Retirees (n=1168)
Completely	2%	2%
A great deal	6	5
To some extent	15	15
A little	24	25
Not at all	52	52

52. [New] Are you currently receiving or providing any kind of assistance for/to family or friends close to you in the following areas?

	Pre-Retirees (n=1061)	Retirees (n=1168)	Yes, currently <u>receiving</u> assistance	Yes, currently <u>providing</u> assistance	Neither	Both
a. Investment management						
		Pre-Retirees	5%	6	89	1
		Retirees	5%	3	91	1
b. Day-to-day money management						
		Pre-Retirees	2%	7	90	1
		Retirees	1%	3	95	1
c. Upkeep of the home						
		Pre-Retirees	2%	9	88	1
		Retirees	2%	4	92	1
d. Assistance with day-to-day activities (e.g., running errands, helping with chores)						
		Pre-Retirees	2%	10	87	1
		Retirees	3%	5	92	1
e. Transportation to the doctor						
		Pre-Retirees	3%	10	85	1
		Retirees	4%	5	90	*
f. Assistance with daily living						
		Pre-Retirees	2%	8	90	1
		Retirees	2%	3	94	*
g. Arranging for outside services						
		Pre-Retirees	1%	5	92	1
		Retirees	2%	2	95	*
h. Helping find assisted living or long-term care facilities						
		Pre-Retirees	1%	4	94	1
		Retirees	1%	2	97	*
i. Assisting with technology						
		Pre-Retirees	2%	11	86	1
		Retirees	4%	6	90	*

53. [New] [IF ANY YES IN Q52] As a result of this experience, are you?

	Pre-Retirees (n=318)	Retirees (n=274)
More likely to believe that a family member/friend can provide this support	17%	28%
Less likely to believe that a family member/friend can provide this support	25	17
No more or less likely to believe that a friend/family member can provide this support	58	54

54. [New] Do you currently live in a multigenerational household and/or a household where other adults besides a spouse, partner or children of parents reside?

	Pre-Retirees (n=1061)	Retirees (n=1168)
Yes	9%	7%
No	91	93

55. [New] [IF YES] Do younger or older generations living in the household play any of the following roles?

	Pre-Retirees (n=92)	Retirees (n=72)	Younger generations only	Older generations only	Both younger and older generation	Neither or does not apply
a. Child rearing						
	Pre-Retirees		12%	15	17	56
		Retirees	8%	6	20	66
b. Caring for elderly family members						
	Pre-Retirees		14%	11	20	55
		Retirees	1%	19	14	66
c. Home maintenance and repair						
	Pre-Retirees		16%	24	26	34
		Retirees	11%	22	30	37
d. Wage earning						
	Pre-Retirees		17%	20	31	32
		Retirees	27%	21	19	34
e. Food shopping for family						
	Pre-Retirees		17%	25	32	26
		Retirees	9%	30	30	31

56. [New] [IF 1,2 OR 3 FOR 55b] Has living in a multigenerational household made it...?

	Pre-Retirees (n=46**)	Retirees (n=22**)
Much easier to provide care to elderly household members.....	28%	25%
Somewhat easier to provide care for elderly household members	43	37
No less easy or hard to provide care to elderly household members	24	25
Somewhat harder to provide care to elderly household members	3	11
Much harder to provide care to elderly household members.....	2	2

57. [New] How much does your family know about each of the following aspects of your personal story?

	Pre-Retirees (n=1061)	Retirees (n=1168)	A great deal	Some	Little	None
a.	What your childhood experiences were like					
		Pre-Retirees	42%	38	14	5
		Retirees	38%	40	17	5
b.	Your values and beliefs					
		Pre-Retirees	53%	31	11	5
		Retirees	53%	35	8	4
c.	Your ancestry					
		Pre-Retirees	35%	40	19	6
		Retirees	41%	40	14	5
d.	What your adult life was like					
		Pre-Retirees	43%	38	15	4
		Retirees	47%	37	11	5
e.	Important financial experiences in your life					
		Pre-Retirees	29%	35	25	11
		Retirees	26%	40	24	10
f.	Your financial philosophy and choices					
		Pre-Retirees	31%	39	18	12
		Retirees	31%	40	18	11

Demographics

Now, a few questions for statistical purposes:

58.	In general, would you say your health is...?	Pre-Retirees (n=1061)	Retirees (n=1168)
	Excellent	12%	9%
	Very good	40	37
	Good	34	37
	Fair	11	15
	Poor	2	3
59.	[2013] [IF WORKER AND EMPLOYED: Is your current employer]/[IF RETIREE: Was your employer immediately before you retired from your primary occupation]...?	Pre-Retirees (n=836)	Retirees (n=1168)
	A for-profit business	67%	51%
	A not-for-profit organization	17	12
	Military or public safety (police, fire, etc.).....	2	4
	Another government organization	14	18
	[IF RETIREE:] Not employed immediately before retirement	--	15
60.	When you manage your bank account, do you mostly use...?	Pre-Retirees (n=1061)	Retirees (n=1168)
	Online banking to pay your bills automatically	77%	76%
	Manual approaches such as writing and mailing checks	21	23
	Do not have a bank	2	1
61.	In total, about how much money does your household currently have in savings and investments, including any money that you have in retirement plans from work in which you can decide how the money is invested? <i>Please do not include the value of your primary home.</i>	Pre-Retirees (n=1061)	Retirees (n=1168)
	Less than \$10,000	15%	14%
	\$10,000 to \$24,999.....	8	6
	\$25,000 to \$49,999.....	6	5
	\$50,000 to \$99,999.....	7	7
	\$100,000 to \$249,999	14	12
	\$250,000 to \$499,999	13	13
	\$500,000 to \$999,999	12	13
	\$1 million or more	13	17
	Prefer not to say	12	13

62. In what state is your legal residence?

	Pre-Retirees (n=1061)	Retirees (n=1168)
South	34%	36%
Northeast	24	21
Midwest	22	20
West	20	22

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