



Article from

**Retirement Section News**

October 2018

Issue 96

# An Interview with John Cutler



**John Cutler, J.D.**

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## Tell us a little about yourself.

I'm an attorney by training but feel most of what I am working on now puts me in the actuarial space. I can even say "stochastic" without tripping over it. I got into Medigap and long-term care (LTC) insurance via a job at AARP many years ago but also have been in the federal government, mostly developing program and ideas involving insurance products. But that background at AARP also got me into retirement issues.

## What interested you in this call for essays?

Probably the Society of Actuaries (SOA) mantra around the idea of the "annuitization of retirement." I'm not sure I recall when

I first came across the concept, but it has been with me ever since. And that got me into thinking for this call for essays that the best way to secure one's retirement is to find a way to move more money into the future. It's not just the pure amount of money (assets) one has but the flow of money each year. There is a lot of research (again, by the SOA!) that shows people won't dip into their assets in retirement. If times are tight and they don't get as much as they need in terms of income they just cut back. So, if you can change the dynamic this psychological problem is overcome.

## Did anything surprise you as you did this work?

Probably the amount of work that has already been done across almost all the retirement arenas. The problem really is turning the research into ideas. And the ideas then need to lead to products. And THEN they need to be brought to the consumers. The surprise is not how hard it is to get from A to B and, even then, to C, but rather from C to D, that final step where people buy these wonderful things we invented.

## If there is one key point you want your reader to take away from your essay, what would that be?

There are always solutions to problems. In this case, if we worry that people don't have enough savings there are ways to work away at that. Second, while it may sound like I'm proposing a governmental solution here, I'm not. All I'm doing is using a well-liked government program as the platform.

## Who do you think might be interested, and what would be needed to move your idea forward? What obstacles would you foresee?

Any number of policymakers should be interested. But for it to get anywhere would require some enterprising member of Congress—or someone in the administration—looking for a hot idea. As for obstacles, if you think back to my A>B>C>D concept, it is not as if the idea couldn't actually be enacted into law or tried out by an agency as a pilot, but we'd also have to figure out how to sell it to the consumer. Like so many other good policy or product ideas that never went anywhere, low take-up rates will kill it. ■