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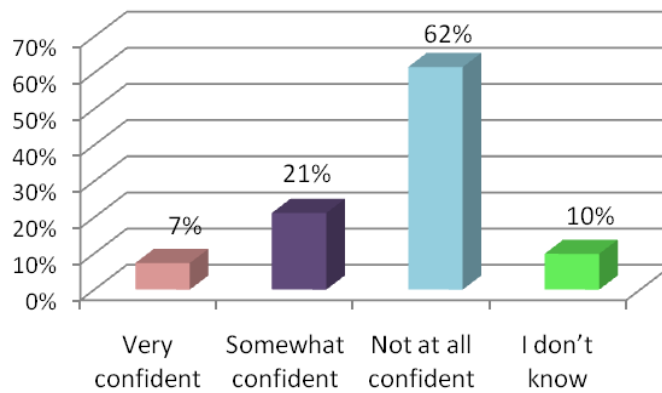
**SOCIETY OF ACTUARIES**  
**2010 HEALTHCARE AND RETIREMENT PLANNING SURVEY**

**Pre-Retirees Reveal How Rising Healthcare Costs Will Affect Their Retirement Planning**

This survey was conducted by the Society of Actuaries (SOA) to uncover how the continuing rise in healthcare costs is affecting consumers' retirement planning, particularly for pre-retirees ages 50-64. Survey results revealed that pre-retirees are not prepared for healthcare costs in retirement and are concerned about whether they will be able to afford coverage during retirement. The below findings were based upon a nationally representative online survey of 1,020 individuals, ages 50-64, which had an error rate of plus or minus 3.10 percentage points.

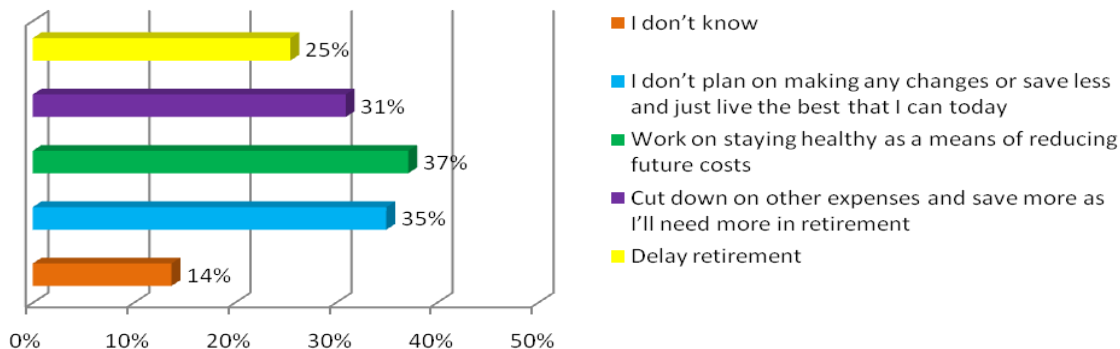
**QUESTION: *How confident are you that you are saving enough to handle healthcare costs in retirement?***

**KEY FINDING:** 62 percent of pre-retirees are not at all confident that they are saving enough to handle healthcare costs in retirement.



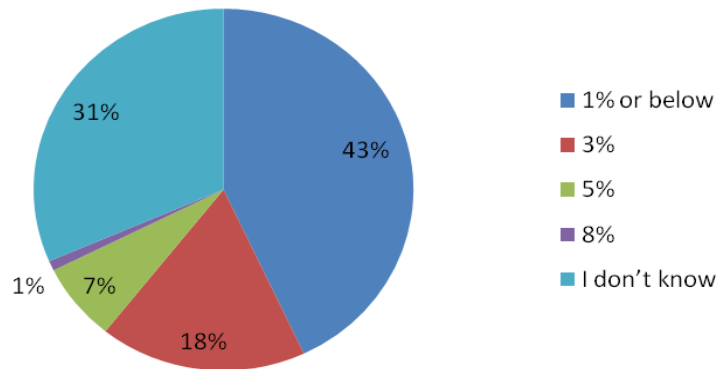
**QUESTION: *If current healthcare costs continue to rise rapidly, because of, or in spite of reform, what changes will you make to your retirement plans? (multiple choice question)***

**KEY FINDINGS:** One-fourth of pre-retirees say they would delay retirement if healthcare costs continue to rise rapidly and more than one-third say they won't do anything or save less and just live life the best way they can today.



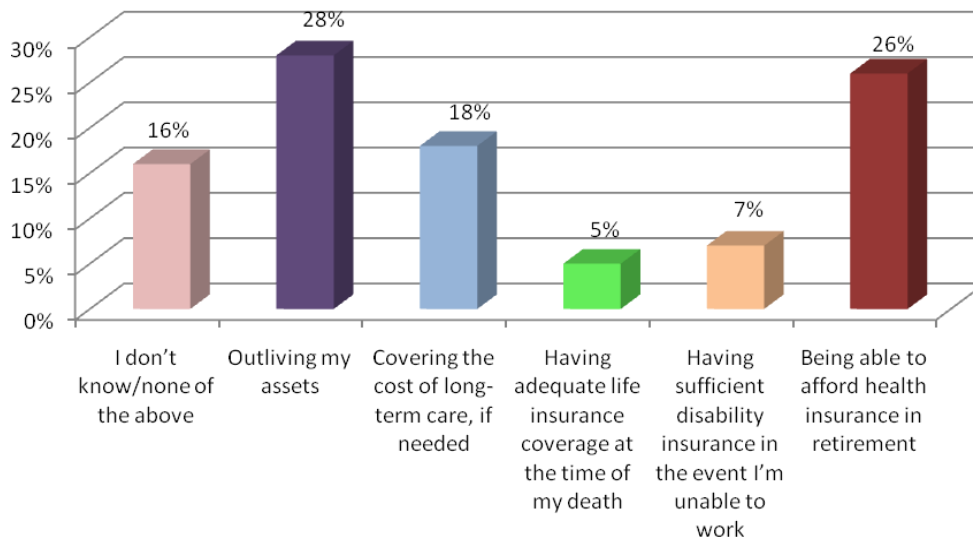
**QUESTION: What highest level of annual healthcare cost increases would be considered manageable to you in the long-term?**

**KEY FINDING:** There is a significant disconnect between what pre-retirees view as a manageable increase in healthcare costs and what is probably going to happen over the next several years: More than two-thirds (68 percent) of pre-retirees said that a one, three or five percent increase in annual costs would be manageable; however, in reality, according to estimates made by the U.S. Department of Health and Human Services in February 2010, healthcare costs are expected to increase, on average, by 6.1 percent annually, until the year 2019.



**QUESTION: As an individual, besides having enough savings to live on when no longer working, which of the following is of the most concern to you?**

**KEY FINDING:** Outliving one's assets (also known as longevity risk) when no longer working is of the most concern to only 28 percent of pre-retirees and affording health insurance only concerns another 26 percent; however, according to retirement actuaries, the combination of increasing life expectancy and greater healthcare costs could be devastating to personal finances if pre-retirees do not address these factors in their retirement plans.



**About the Society of Actuaries**

The Society of Actuaries is an educational, research and professional organization dedicated to serving the public, its members and its candidates. The SOA's mission is to advance actuarial knowledge and to enhance the ability of actuaries to provide expert advice and relevant solutions for financial, business and societal problems. The SOA's vision is for actuaries to be the leading professionals in the measurement and management of risk. To learn more, visit [www.soa.org](http://www.soa.org).