



SOCIETY OF ACTUARIES

Article from:

The Actuary

November 1998 – volume 32 - Issue 9

Basic question

Conference to address complex question of retirement costs

Hundreds of retirement issues are being raised as the nation's 76 million baby boomers enter middle age. However, in all the discussions, one urgent question is not being adequately addressed: just how much does it cost to be retired?

A Society of Actuaries project will open a pathway to dealing with that question's complexities at the Retirement Needs Framework Conference, Dec. 10-11, Orlando, Fla. The conference is intended for employee benefit managers and consultants; policy analysts; financial planners; product designers at insurers, mutual funds and banks offering products to help finance retirement; academics; and any professional interested in the issues surrounding retirement costs.

"Retirement planning has long concentrated on income replacement rather than meeting needs. This will lead to great difficulties when the number of elderly soars," said Anna Rappaport, the Society's immediate past president and one of the Retirement Needs Framework project organizers. "Lifestyles of the elderly will vary widely in the years ahead. The healthy 60-year-old is being held up as an example, but we also have to face the realities of declining health, death of spouse, other personal changes and the impact of economic conditions such as inflation and rates of return on assets."

The multidisciplinary conference will feature more than a dozen speakers from the areas of finance, sociology, law, and actuarial science. Speakers and titles include:

- **Needs After Retirement: The Perspective of the Individual**, Anna Rappaport, FSA, past president, Society of Actuaries; principal, William M. Mercer Inc., Chicago
- **Planning for Retirement — What We Consider, What We Ignore**, Bruce E. Palmer, ASA, assistant vice president, Physicians Health Plan, Fort Wayne, Ind.
- **Analysis of Financial Needs in Retirement**, Bruce L. Jones, FSA, associate professor, Department of Statistical and Actuarial Science, University of Western Ontario
- **Simple Model of Investment Risk for an Individual Investor After Retirement**, Raymond J. Murphy, FSA, benefits planning and analysis manager, Hershey Foods Corporation, Hershey, Pa.
- **Is Your Standard of Living Sustainable During Retirement? Ruin Probabilities, Asian Options, and Life Annuities**, Moshe Arye Milevsky and Chris Robinson, finance professors, Schulich School of Business, York University, Ontario
- **Retirement: A Multi-Phased Transition**, Robert L. Brown, FSA, professor, Department of Statistics and Actuarial Science, University of Waterloo
- **How Do You Choose a Retirement Age?**, Linda Brothers, ASA, University of Wisconsin, Madison
- **Projections of Acute and Long-Term Care Needs and Expenditures of the U.S. Elderly Population**, Eric Stallard, research professor, Duke University, Durham, N.C.
- **Wake Up, Sleeping Beauty ... And You Too, Prince Charming: Issues for Baby Boomer Retirement**, Nancy Dailey, Ph.D., and Kelly O'Brien, M.A., partners, MoneyLife Strategies, Bethesda, Md.
- **The Risk, Consequences and Perceived Economic Conditions of Widowhood in the 1990s**, Karen Holden, associate director and professor of consumer science and public affairs, The LaFollette Institute of Public Affairs, Madison, Wis.
- **Protecting Spousal Rights in Private Pensions**, Jonathan Barry Forman, J.D., professor of law, University of Oklahoma College of Law
- **Annuity Payout Streams: An Analytic Survey**, John Piggott, Ph.D., professor of economics, University of New South Wales, and Suzanne Doyle, economist, AMP Superannuation (an Australian-based company)
- **Responding to the Challenges of Living Longer; Recommended Changes in U.S. Pension Legislation and Retirement Plan Design**, Beverly J. Orth, ASA, associate, William M. Mercer, Inc., Portland, Ore.

Directing the event is the SOA Retirement Needs Framework Working Group: Marilyn Oliver, chair, principal, Oliver Consulting; Joe Applebaum, chief actuary, U.S. Department of Labor; Doug Borton; Debra Nice, principal, William M. Mercer Incorporated; Anna Rappaport; Zenaida Samaniego, vice president and actuary, Equitable Life Assurance Society; Pat Scahill, senior manager, Ernst & Young; Bill Torrie, principal, PricewaterhouseCoopers; and Henry Winslow, vice president and group pension actuary, John Hancock Mutual Life Insurance Co.

The conference will be held in the Buena Vista Palace Resort, Orlando. Cost is \$745; some discounts are available, including an early sign-up discount before Nov. 10. Details are available from the SOA's Continuing Education Department (phone: 847/706-3500; fax: 847/706-3990; e-mail: sberg@soa.org) and on the Society's Web site (www.soa.org) under *Continuing Education*.