

*Fast Facts*

Post-Retirement Experiences of Individuals 85+ Years Old: Two Reports

SUMMARY

People age 85 and over (85+) often have very different retirement experiences from those anticipated by pre-retirees and early retirees in areas such as health, housing, finances, and marital status. The Society of Actuaries probed this little examined period of retirement in two research studies.

The first study was a qualitative evaluation of age 85+ retirement issues based on one-hour interviews with age 85+ retirees, their adult children or a combination of the two. The second was a quantitative telephone survey of similar demographic categories.

The findings provide an eye-opening view into how today's oldest retirees are managing the realities and needs of advanced age. The news is good in many areas but concerning in others, as shown in the highlights from the quantitative study which are summarized on the right.

HIGHLIGHTS

- Among the 85+ individuals sampled, 62% reported having assets of less than \$25,000
- Two thirds of respondents were female and 71% were widowed.
- A majority of these retirees said debt has little (17%) or no (43%) impact on their finances, and only 11% claimed that debt affects them a great deal.
- Over eight in ten (83%) reported they are at least somewhat knowledgeable about what they need to do to have a secure retirement.
- Most of the retirees described themselves as frugal—25% as very frugal and 51% as somewhat frugal.
- Although 69% of the 85+ group said they are at least somewhat confident of having the financial resources to cover unexpected events in retirement such as medical care, long-term care or death of a spouse, it was not clear they have the resources to pay for long-term care.
- In 86% of cases, the age 85+ respondents reported receiving no financial support from family—a point affirmed by most adult children who said they or their siblings provide no (50%) or little (21%) financial support. But 32% did report receiving some or a great deal of family help with physical activities such as transportation, meals or chores.
- Among older retirees, 64% said they are somewhat or very well prepared for the potential cost of long-term care for themselves or their spouse. But among adult children, fewer (56%) said the same about their parents, and 47% said nursing home costs would be a major burden (38%) or catastrophic (9%).

LINK TO FULL REPORT

Post-Retirement Experiences of Individuals 85+ Years Old: Two Reports
<https://www.soa.org/research-reports/2017/2017-post-retire-exp-85-years-old/>

METHODOLOGY

- Year research conducted: 2017
- Respondents: Quantitative data obtained by telephone survey of 201 Americans ages 85 and over and 202 adult children of American parents in this same age group. Qualitative data obtained from 62 in-depth interviews in United States and Canada with people age 85 and over and adult children with parents age 85 and over.
- Financial specs: All respondents had less than \$400,000 in assets and some had much less; nearly half had modest incomes.

REPORT SPECS

- Published: May 2018 (quantitative) and September 2017 (qualitative)
- Pages: 137 (quantitative) and 89 (qualitative)
- Access: Downloadable pdfs (both reports)
- Research Sponsor: The Society of Actuaries (SOA) Aging and Retirement Strategic Research Program (both reports)
- Author: Greenwald & Associates, Inc. (both reports)
- Contents:

--*Quantitative Report*: Executive summary; implications and perspectives; background; findings overview; the survey findings (on adequacy of finances, income and spending, housing, long-term care); survey respondents profile; Appendices A and B; nearly 100 graphics (charts, tables, etc.)

--*Qualitative Report*: Executive summary (background, methodology, considerations, findings, conclusions, next steps); detailed findings (big picture, financial planning and management, threats to finances, sources of income and spending, family-related issues, health care and long-term care, housing, group setting, social interaction, support, transportation, final expenses preparation); Appendices A, B, and C

- Body of research: Extensive post-retirement studies by SOA and research partners available at www.soa.org/strategic-research/aging-retirement/



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<https://www.soa.org/Files/resources/research-report/2017/post-retirement-risks-decisions.pdf>

Post-Retirement Experiences of Individuals Retired for 15 Years or More

<https://www.soa.org/Files/Research/Projects/research-2015-focus-group-report-final.pdf>

Understanding and Managing Post-Retirement Risks-Retirement Experiences of People Age 85 and Over

<https://www.soa.org/Files/resources/research-report/2019/retirement-experiences-people-over-85.pdf>

2017 Risks and Process of Retirement Survey – Report of Findings

<https://www.soa.org/globalassets/assets/files/resources/research-report/2018/risk-process-retirement.pdf>



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