



Article from

Retirement Section News

June 2019

Issue 98

Update on the Committee on Post-Retirement Needs and Risks as of March 2019, Including Information on the Aging and Retirement Strategic Research Program

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This is an update about the Society of Actuaries (SOA) Committee on Post Retirement Needs and Risks' (CPRNR) activities and work. This work is a part of the activity of the Aging and Retirement Strategic Research Program. The SOA greatly appreciates the CPRNR's work of and that of the other groups within the SOA that have contributed to aging- and retirement-related research. That work is very important in recently expanded research efforts.

RESEARCH

Integrated Strategic Research Programs for the SOA

The SOA Board committed in October 2017 to establishing several areas for integrated larger research programs as part of a strategic initiative. Five initial programs will be launched over the coming years with the first program launched in October 2018 covering all of the SOA's aging- and retirement-related research. The CPRNR's work is an important part of this program. The steering committee for the Aging and Retirement Research Program has met regularly over the last nine months to launch the effort and focus on new projects to be added in 2019. Anna Rappaport is chairing the steering committee. In addition to proceeding with open projects, the CPRNR is also working with the steering committee of the new program to help with program efforts.

A special survey titled "Financial Perspectives on Aging and Retirement Across the Generations" was released as part of

the Aging and Retirement Strategic Research Program launch. More information on this is noted below.

CPRNR Categories of Research

The CPRNR work includes research on public knowledge and attitudes, public and consumer information, a series of projects on retirement income solutions, calls for essays and more.

Public Attitude Research

The SOA's public attitude research program started nearly 20 years ago. This has been the core repeated work of the CPRNR, and it has been a consistent source of good press coverage for the SOA. The SOA has several active and recent projects that include public attitude research.

"Financial Perspectives on Aging and Retirement Across Generations"

As a major part of the launch of the Aging and Retirement Strategic Research Program, the SOA has conducted a survey of financial attitudes and concerns across five generations. This was a new direction for the public attitude research. This work includes information on how financial attitudes and behaviors vary across the generations and how they are the same. It includes a special report on financial fragility and one on impact of family. There is also a special report on millennials that goes in-depth on issues and results on this generation.



Risk Survey Series

The biennial risk survey is CPRNR's major ongoing Committee project. 2017 is the most recent completed survey year. Greenwald & Associates, the survey vendor since the first report, conducted the survey on the same online basis as in 2013 and 2015. The four topics of special interest explored in this iteration of the survey were long-term care, caregiving, financial wellness and housing. Planning has started for the 2019 risk survey. Preliminary results are expected to be released at the 2019 SOA Annual Meeting & Exhibit.

Life Journey Study

Interviews and survey of adult children of people deceased later in life: Greenwald & Associates is conducting this project to fill in some of the missing pieces in understanding the retirement period through the end of life and some of the issues related to different family situations. This survey will focus on children with parents who died older than 85 using interviews to help inform the survey questions.

Recently Completed

Age 85 and over interviews and surveys: One of the selected topics for 2016 was the age 85 and over population and understanding these individuals' experiences. One of the goals of the project was to fill a major gap in our understanding: what happens at age 85 and over. An in-depth interview study has been completed with participants in the U.S. and Canada.

Two surveys—a telephone survey of this age group and an online survey of children with parents in this age group—were also completed and the report is on the SOA website. Survey results are generally consistent with the interviews.



PUBLIC AND CONSUMER EDUCATION PROJECTS

These are ongoing projects that started in earlier years.

Updates to Managing Retirement Decisions briefs: This effort is focused on updating the existing Managing Retirement Decisions briefs series as well as creating a new one on taking lump sums. Six of the 11 original decision briefs have been updated and posted on the SOA website along with the new brief on lump sums. Other updates are in process.

Retirement Literacy Public Education

We are partnering with Financial Finesse to do a series of fairly short pieces offering retirement education aimed at consumers and suitable for plan sponsors' use. The first three pieces—"Retirement Health and Happiness," "Retirement Planning from Start to Finish" and "A Spending Plan for Retirement"—are completed and posted. These publications will work well as a companion to the Managing Retirement Decision Briefs and Longevity Infographics series (see next section). The fourth piece is on selecting retirement planning tools and is nearing completion.

Communicating About Longevity Risk—An Infographic Series

This effort was focused on creating a series of infographics related to longevity. Five are completed. The first infographic used results from the SOA/AAA Actuaries Longevity Illustrator. It was extremely well-received and promoted further interest in the Longevity Illustrator, which calculates life expectancy, etc. The second infographic was on shocks, the third was on inflation, the fourth on housing, and the fifth on long-term care.

Essay Series

The CPRNR has decided to make a call for essays an annual event. The 2015 Diverse Risks call for essays led to 18 essays, and a collection posted in 2016, plus sessions at the 2016 SOA Annual Meeting.

The 2016 Financial Wellness call for essays led to 14 essays that were submitted and published in a collection released in April 2017. Two sessions were held at the 2017 SOA Annual Meeting. This topic was also explored in the *2017 Retirement Risk Survey*.

The 2017 call for essays topic was "Securing Future Retirements: Innovations in Planning Strategies, Financial Products, and Employee Benefit Plan Structure." A collection of 18 essays was released in late May 2018, and prize-winning essays were published in the Retirement Section News, spaced out over the year. There were two 2018 Annual Meeting sessions on these essays.

Family structures and issues in retirement is the 2018 essay topic and eight essays have been accepted for publication. Publication of the essays is slotted for mid-spring 2019 with prizes for several essays to be announced at that time. A topic for 2019 will be chosen soon.

RETIREMENT INCOME SOLUTIONS PROJECTS

These projects are all in collaboration with the Stanford Center on Longevity. Steve Vernon is the lead researcher on all of these projects, working with Joe Tomlinson and Wade Pfau. There are five projects in this series. Four are completed, all primarily dealing with retirement income in employer-sponsored defined contribution plans. The fourth project extended the optimal retirement income modeling work to the retail world and individual market, including reverse mortgages. It was issued in December. SOA participation in this fourth project included the CPRNR, the Retirement Section Council and the Retirement Section Research team.

A fifth project is nearly complete and focuses on a retirement drawdown strategy of late claiming of Social Security, plus taking the required minimum distribution as a default option.

Making Our Work More Accessible:

A series of reports “Understanding and Managing Post-Retirement Risk” combines findings from prior SOA research (and in some cases, other research) to provide an integrated report on a topic and good references to the sources where the topics are explored. These reports offer a way to get a consolidated and accessible view of the CPRNR research. They are good for meeting handouts, giving to clients, etc. Five are complete to date: *Post-Retirement Risks and Related Decisions*, *Shocks*

and the Unexpected, *How People Plan for Retirement*, *and Women and Post-Retirement Risk*, *and Retirement Experiences of People Age 85 and Over*.

Committee Discussions

There have been several online discussions between the committee’s interested parties that turned out to be very enlightening. We are working to turn these into reports of the key points raised, grouped by topic. We published the first one in December focused on cognitive decline issues: <https://www.soa.org/research-reports/2018/cognitive-conversation>.

Presenting Our Work

The CPRNR has been actively working to present our work to a range of different audiences. Carol Bogosian, Anna Rappaport and Cindy Levering have presented the work at a number of SOA and other organization conferences. Select presentation venues include annual meetings and conferences for the SOA, NAGDCA and the Plan Sponsor Council of America (PSCA), among many other organizations. More presentations are scheduled and upcoming in 2019. As mentioned earlier in this article, there has been consistent press coverage in many media outlets of the work with articles. To round it out, there have also been several SOA podcasts highlighting this work that are available on the SOA website. ■



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