

Post-Retirement Needs and Risks: What Do We Really Know?

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Agenda

- Background
- Risk Survey and Public Attitude Research
 - Managing Risks
 - Shocks and Unexpected Expenses
 - Income and Spending
- Other Major Projects
- Conclusions

Note: Appendices includes methodology and more details about committee projects grouped by type



Background




Context

- Personal responsibility for and complexity of retirement security increasing
- Financial literacy and planning horizons are a big problem
- Changing US retirement systems – More employer sponsored savings (DC) and fewer traditional pension plans (DB); less employer sponsored retiree health; many DB plans frozen
- Longer periods of retirement; definition of “retirement” changing
- Many Boomers not well prepared
- Planning horizons too short and many don’t plan
- As population ages, needs of the very old become more important to the nation and economic stability of government
- Uncertainty about future changes in tax policy, Social Security and Medicare



Background

Post-Retirement Needs and Risk Committee

- Society of Actuaries post-retirement risk research: nearly 20 years of work
- Overall program goal: Understand and improve post-retirement risk management
 - Focus on middle income market age 50 and older
 - Housing value is largest financial asset for many
 - Many lack adequate assets to maintain living standard
 - Decisions will require trade-offs on living standards
- Balance focus on understanding public action, solutions
- Focus on multiple-stakeholders



Risk Survey and Public Attitude Research Series




Public Attitude Research

- Society of Actuaries Committee on Post-Retirement Needs and Risks (CPRNR) has conducted research on public knowledge and attitudes since 2001
- 2015: 8th risk survey; 3rd set of focus groups; 1st set of in-depth interviews
- First time for: specific look at long-term retirees and attempt to look back at how retirees are doing vs. looking at what they plan to do
- Each survey combines “core items” with special subjects: reports published on special subjects



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Content of Surveys

- Major repeating topics: what people see as top risks, how we retire, how risks are managed
- Special 2015 topics include
 - Shocks and Unexpected Expenses (including healthcare and long-term care)
 - Spending Patterns & Debt
 - Living Longer & Impact on Planning (including delaying retirement & longevity)

Note: Complete list of special topics in Appendix



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2015 Risk Research

- Three part approach
 - Survey
 - Focus groups – long-term retirees
 - Interviews – caregivers of long-term retirees who have had major problems and would not be represented in survey pool or focus groups
- U.S. only for survey, U.S. and Canada for focus groups and interviews

Caution: in interpreting results, particularly in area of shocks: remember that people who have experienced major health declines generally are not part of survey or focus groups – consider interview results



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Big Picture: What we learned

- Findings from surveys, focus groups and interviews (including prior years)
 - Top risks – inflation, health and long-term care
 - Pre-retirees more concerned than retirees
 - Major methods of risk management – reduce spending, pay off debt
 - Gaps in knowledge persist
 - Planning horizons are too short
- Pre-retiree expectations differ from retiree experience in some areas
- RMDs are most common method of asset draw down; retirees do not want to take more than the RMD – the RMD is usually spent
- Planning process based on near-term expected cash flows
- Lot of consistency over time and between longer term retirees and shorter term retirees, but longer term retirees seem more self assured
- Housing often biggest asset
- Women more concerned than men
- Lot of similarity between U.S. and Canada, except for health care issues (based on 2015 only)



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Managing Risks in Retirement (Core continuing topic for surveys)



There is very little formal financial risk management by retirees.

- Few have long-term care insurance
- Few buy annuities to provide guaranteed lifetime income
- Few have thought out asset allocation plan
- Few do formal planning

Basic approach is to adjust to events:

Few plan for big expenses



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FG Managing Risks in Retirement

I've thought about it for myself and my wife. It can be disastrously expensive, but then when you looked a little bit at maybe even buying the insurance for that, it's not cheap either. It's a rock and a hard place.
Male, Health Decline Group in Dallas

It's not a structured thing, but you have an idea. You know what you got to spend and you put your money in those places and you work towards that goal. And if you don't use it, then you got to build something else that you can use.
Female, Health Decline Group in Baltimore

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SY Not having enough money to pay for long-term care and inflation are the top concerns.

Concerns in Retirement

Concern	Pre-retirees (n=1,035)	Retirees (n=1,005)	Retired Widows (n=282)
You might not have enough money to pay for a long stay in a nursing home or a long period of nursing care at home	22%	38%	58%
The value of your savings and investments might not keep up with inflation	19%	39%	69%
You might not have money to pay for adequate health care	26%	41%	67%
You may not be able to maintain a reasonable standard of living for the rest of your life	20%	44%	63%
You might deplete all of your savings	21%	41%	62%
There might come a time when you (and your spouse/partner) are incapable of managing your finances	12%	39%	51%

How concerned are you about each of the following (WORKER ADD: in retirement)?

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SY Trying to save as much money as possible and eliminating consumer debt are top risk management strategies.

Risk Management Strategies

Strategy	Pre-retirees (n=1,035)	Retirees (n=1,005)	Retired Widows (n=282)
Try to save as much money as you can	41%	50%	90%
Eliminate all of your consumer debt	30%	59%	88%
Cut back on spending	31%	50%	81%
Completely pay off your mortgage	22%	47%	70%

Below is a list of things that some people do to protect themselves financially (WORKER: after they retire/RETIREE: as they get older). For each, please indicate whether you (and your spouse/partner) have done that, plan to do that in the future, or have no plans to do that.

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SY Few plan to use lifetime income annuity options or products to manage retirement risk.

Risk Management Strategies Continued

Strategy	Pre-retirees (n=1,035)	Retirees (n=1,005)	Retired Widows (n=282)
Move to a smaller or less expensive area	9%	41%	50%
Postpone taking Social Security	7%	42%	50%
Postpone retirement	11%	36%	46%
Buy a product or choose an employer plan option that will provide guaranteed income for life	12%	20%	33%

Below is a list of things that some people do to protect themselves financially (WORKER: after they retire/RETIREE: as they get older). For each, please indicate whether you (and your spouse/partner) have done that, plan to do that in the future, or have no plans to do that.

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What We Learned

- Same top concerns (order changes) year by year: long-term care, inflation, health care costs
- Basic approach is to adjust to events...three primary strategies...reduce spending, eliminate debt, save as much as possible
- Pre-retirees more anxious about risks than retirees, and shorter-term retirees more anxious than longer-term
- 2015 research on shocks – new insights on what works over the long term and what doesn't
- Retirees know how to do short-term budgeting, but many struggle with (or ignore) long-term budgeting and planning

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Shocks and Unexpected Expenses in Retirement

Shocks and Unexpected Expenses

- New area of focus (2015)
- Rationale:
 - Retirees often plan to deal with things as they happen
 - Asset amounts are often constrained
- Big questions for CPRNR
 - What are people experiencing?
 - How do they deal with shocks and unexpected expenses?
 - What types of shocks are creating huge problems?
 - Are there strategies to deal with them more effectively?

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Shocks and Unexpected Expenses in Retirement

- There are a number of unexpected expenses in retirement including:
 - Health care cost (in US, if no Medicare supplement insurance)
 - Cost of long-term care
 - Dental care
 - Inflation
 - Interest rates and market returns
 - Fraud/theft
 - Home repair
 - Family support
 - Widowhood
 - Divorce
- Most unexpected expenses are manageable, though they can occasionally be significant

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Shocks and Unexpected Expenses in Retirement

- The most devastating expenses in retirement are long-term care and divorce
- Most retirees absorb and adapt to unexpected costs
- Some reduce spending to try to restore asset levels
- Loss of health and significant problems of children tend to have a much greater impact on retirees than the loss of asset level caused by unexpected expenses
- Many unexpected expenses can be planned for, but people often don't plan for predictable large expenses

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FG Shocks and Unexpected Expenses in Retirement

I've had – our house upkeep, furnace, driveway. In the last month, I have spent \$2,500 on one expense, \$3,600 on another expense. That's in one month. A couple of years ago, my roof went and my furnace went. Everything.

Female, Marital Change Group in Chicago

I had a very expensive dental bill that I had not planned. I've paid already \$3,000 and I've just begun.

Female, Health Decline Group in Baltimore

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SY The most common shocks in retirement are major home repairs/upgrades, major dental expenses, and out-of-pocket medical expenses.

Shocks in Retirement

Shock Category	Retirees (n=1,005)	Retired Widows (n=282)
Major home repairs/upgrades	28%	34%
Major dental expenses	24%	28%
Significant out-of-pocket medical/prescription expenses	20%	12%
Drop in home value of 25%	16%	22%
Illness/disability	15%	22%
Running out of assets	15%	16%
Sudden loss in total value of savings of 25% or more	14%	13%

And have you (or your spouse/partner) experienced any of the following during retirement?

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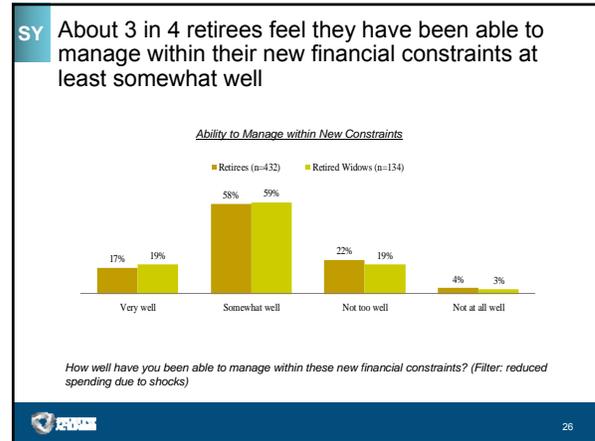
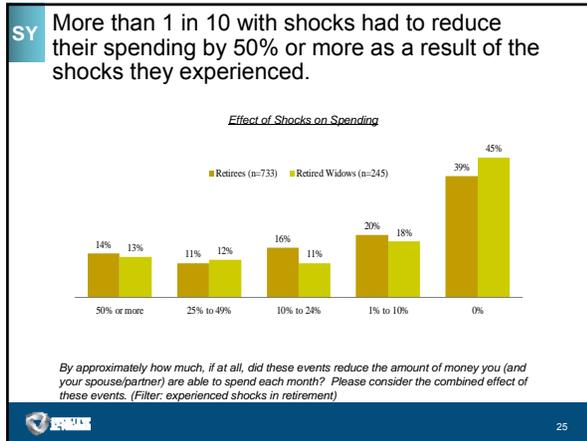
SY More than 1 in 3 experiencing shocks had reductions in assets of 25% or more as a result of the shocks they experienced in retirement.

Effect of Shocks on Assets

Asset Reduction Range	Retirees (n=733)	Retired Widows (n=245)
100%	7%	5%
75% to 99%	7%	6%
50% to 74%	8%	8%
25% to 49%	17%	13%
1% to 24%	36%	38%
0%	26%	29%

By approximately how much, if at all, did these events reduce your level of assets? Please consider the combined effect of these events. (Filter: experienced shocks in retirement)

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- ### What We Learned
- Retirees in survey are doing better than some of us expected, but three in ten have been severely impacted by shocks
 - 2015 vs. 2013 focus groups – long-term retirees seemed more confident and less anxious than short-term retirees
 - Some areas of “unexpected expense” are quite predictable – but timing is not and 60% of those experiencing shocks think nothing could have been done to lessen the financial impact
 - Two very difficult areas – divorce and major long-term care events
 - Health coverage protects retirees from health shocks – but only if they have Medicare supplement. Canadians are protected.
 - Retirees are often very resilient, with 75% reporting they have managed the impact of shocks well or very well

Income and Spending in Retirement

SOCIETY OF ACTUARIES

- ### Control of spending is a major financial planning tool (Repeated finding)
- Main effort is to maintain or grow asset level
 - Many cut back spending significantly
 - Most adjust spending after a major expense to make up the difference
 - Many spend Required Minimum Distribution (RMD)
 - Reduction of spending from “wants” to “needs”

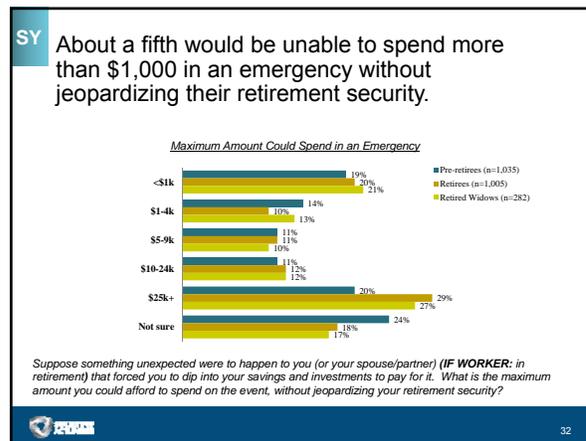
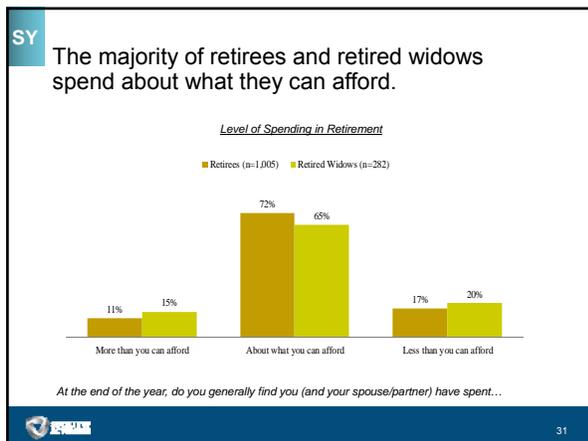
FG Income and Spending in Retirement

I can tell you, in my case, keeping it the same, because I know where the income comes from. I'm assured of that income. I know where it is coming from. I know the kind of lifestyle my wife and I like to live. That income matches our lifestyle, and I would be really happy if it stays kind of constant like that.

Male, Lower Asset Group in Baltimore

Of course raise it, because it just seems to keep going down and these emergencies keep coming up and nothing to really help boost them up. The only thing I really have of any value is if I was forced to sell my home. That's about it. I really have nothing now.

Female, Health Decline Group in Baltimore



- ### What We Learned
- Regular spending managed carefully by many retirees
 - Retirees try to live from regular income and spend RMD
 - Retirees carefully manage regular expenses – short term cash flow; but do not expect, or budget for, items such as dental and home repairs
 - Retirees seek to not withdraw more than RMD – focus on preserving assets; withdrawing RMD often not viewed as drawing down assets
 - Often reduce spending if needed, to preserve assets
- SOCIETY OF ACTUARIES** 33

Other Major Projects

SOCIETY OF ACTUARIES

- ### Consumer and Advisor Education: Retirement Decision Issue Briefs for Individuals
- What we learned: **people do not even know what the questions are**
 - Briefs provide guidance for major retirement decisions
 - Eleven issue briefs written in everyday language
 - Big Question: When Should I Retire?
 - When Retirement Comes Too Soon
 - Women Take the Wheel: Destination Retirement
 - Deciding When to Claim Social Security
 - Designing a Monthly Paycheck for Retirement
 - Treating Asset Allocation Like a Roadmap
 - Securing Health Insurance for the Retirement Journey
 - Taking the Long-Term Care Journey
 - Where to Live in Retirement
 - Estate Planning: Preparing for End of Life
 - Finding Trustworthy Financial Advice for Retirement and Avoiding Pitfalls
 - *Electing the Lump Sum in DB Plans under development in 2015*
- SOCIETY OF ACTUARIES** 35

- ### Retirement Income Solutions
- What we learned: Most plans do not offer lifetime income solutions
 - Many experts believe that is an area for improvement in DC plans
 - Barriers include fiduciary issues, concern about products, etc.
 - Joint research with Stanford Longevity Center
 - Published "The Next Evolution in Defined Contribution retirement Plan Design: A Guide for DC Plan Sponsors to Implementing Retirement Income Programs"
 - Develops the case for employers to provide more support for retirement income solutions
 - Subsequently published "Foundations in Research for Regulatory Guidelines on the Design & Operation of Retirement Income Solutions in DC Plans" to address the challenges related to possible safe harbor guidance from the DOL
 - Next step: Efficient frontiers – report coming in 2016
- SOCIETY OF ACTUARIES** 36

Managing the Impact of Long-Term Care Needs and Expense on Retirement Security(Call for papers)

- What we learned:
 - Long-term care is very important to retirement security
 - Caregivers also have retirement security issues
 - A major long term care event requiring care provided by marketplace provider can devastate many families
- Explored the impact of long-term care needs and expense on retirement security from a variety of aspects
- Twelve papers were published in the monograph and awards were granted to five of these papers
- Caregiving also was topic in 2015 Risk Survey



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Be Careful about Software

- What we learned:
 - Lot of software is available
 - Can get very different answers to same questions from different programs
 - Quality control varies
 - User may not be aware of these issues
- Research: Two Studies about Retirement Planning Software



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Conclusions



Concluding Thoughts: What is Often Working Well

- Adapting to retirement financial shocks
- Adjustments of spending to preserve assets
- Use parental retirement experience to recognize risks and plan for those events
- Retirees planning for routine annual spending needs
- Limiting the draw down of assets in retirement



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Concluding Thoughts: Areas for Improvement

- Planning by pre-retirees for retirement needs and income sources
- Planning for the impact of death on the surviving spouse/partner
- Planning for longevity
- Planning to work during retirement to supplement income
- Planning to postpone retirement to accumulate greater assets
- Budgeting for unexpected, yet predictable, shocks
- Avoiding debt and its impact on one's ability to save for retirement
- Using insurance products to mitigate risks in retirement



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Opportunities for Actuaries

- Joining in SOA committee work
- Sharing SOA research with your clients/employer and using it in your work
- Introducing retirement concepts to interested education and community groups
- Sharing expertise with other professionals servicing the employee and retiree population
- Assisting clients and human resource professionals to understand the issues and develop employee programs that build long-term retirement security



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Opportunities for Actuaries (continued)

- Actuaries can add value by asking the right questions, assessing the risks and helping clients think about better solutions
 - What happens when employees can't retire?
 - How can current systems be modified to improve risk options?
 - What products can better meet retiree needs?
- How should risk-protection systems change to meet the evolving work and retirement landscape?
- What expertise can we share with financial planning professionals as motivating individuals to plan for retirement is extremely difficult?
- Given how people make decisions, how do we help them better manage pools of assets prior to and in retirement?



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How to Find SOA Research Reports and More Information

- All of the reports discussed are available on the Society of Actuaries website at:
 - <http://www.soa.org/research/research-projects/pension/research-post-retirement-needs-and-risks.aspx>
- For more information about SOA Research – contact SOA Research Actuary Steve Siegel at
 - 847-706-3578
 - ssiegel@soa.org
- For information about the Post-Retirement Needs and Risks Committee – contact Anna Rappaport, Chairman at anna@annarappaport.com or Carol Bogosian at cboqosian@aol.com



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Appendices Methodology Overview of Research



Methodology



Risk Survey Series

- Society of Actuaries Post Retirement Risk Surveys:
 - Every two years in U.S. since 2001
 - On-line in 2013 and 2015, telephone survey previously
 - CIA conducted similar Canadian survey in 2010 – on-line
- Core repeated questions
 - Importance of various risks
 - How we retire
 - How we manage risks
- Issues of special focus in each survey
 - Shocks – 2015 survey (report due next year)
 - Women – 2005, 2009, 2013
 - Phases of Retirement – 2007, 2013
 - Personal Risk Management – 2013
 - Working in Retirement – 2005 and 2011
 - Longevity – 2005, 2011, and 2015 (report due next year)
 - Impact of Economic Conditions/Decline – 2009 and 2011
 - Health and Long-term Care – 2007
 - Debt and Spending – 2015 (report due next year)



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Methodology

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Online Survey

- Sample size: 2,233 total (1,035 pre-retirees, 1,005 retirees, 193 oversample of retired widows)
- Ages 45 to 80; U.S. only
- Conducted online for first time in 2013

FG

Focus Groups

- 12 focus groups with people retired 15+ years
- Chicago, IL; Baltimore, MD; Dallas, TX; Kitchener, ON; Edmonton, AB
- Half of groups were male; half were female
- Participants had assets between \$50,000 and \$350,000¹
- No participant had household defined benefit guaranteed lifetime income exceeding \$2,000 per month

¹U.S. and Canadian dollar figures are treated as equal
Note: Additional information can be found in the Appendix



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Methodology

IDI In-depth Interviews

- The in-depth interviews were conducted to better understand the impact long-term care has on finances of long-term retirees
- 15 in-depth interviews: 10 American and 5 Canadian participants
- All participants served in financial management role for a parent or spouse in need of long-term care
- 5 men and 10 women interviewed



Additional Information on 2015 Focus Group Methodology

- 12 groups
 - Chicago
 - Females - Widowed or Divorced since Retirement (\$50,000 to \$500,000 in Assets)
 - Females - Significant Health Decline since Retirement (\$50,000 to \$250,000 in Assets)
 - Baltimore
 - Females - Significant Health Decline since Retirement (\$50,000 to \$150,000 in Assets)
 - Males - No Significant Health Decline or Marital Change since Retirement (\$50,000 to \$150,000 in Assets)
 - Dallas
 - Males - Significant Health Decline since Retirement (\$50,000 to \$250,000 in Assets)
 - Females - No Significant Health Decline or Marital Change since Retirement (\$50,000 to \$250,000 in Assets)
 - Males - No Significant Health Decline or Marital Change since Retirement (\$150,000 to \$350,000 in Assets)
 - Kitchener
 - Females - Widowed or Divorced since Retirement (\$1,000 to \$250,000 in Assets)
 - Males - At least half Widowed or Divorced since Retirement (\$50,000 to \$350,000 in Assets)
 - Males - Health Decline since Retirement (\$50,000 to \$350,000 in Assets)
 - Edmonton
 - Males - No Significant Health Decline or Marital Change since Retirement (\$50,000 to \$350,000 in Assets)
 - Females - Health Decline since Retirement (\$50,000 to \$250,000 in Assets)



Overview of Research



Listing of Selected Committee Projects

- Survey and Focus Group Projects
- Public Education Projects
- Research Reports
- Retirement Planning Software Research
- Research Related to Lifetime Income Including Plan Sponsor Guidance
- Monographs and Paper Calls



Summary of Survey and Focus Group Projects

Project	Description and methodology	Comments
Retirement risk survey series (conducted with Mathew Greenwald & Associates and EBR)	Survey of public to learn about what they know about post retirement risks – telephone survey from 2001 to 2011; on-line survey starting in 2013. Sample set to represent the middle income American population.	Includes a mixture of repeated questions and special issues; special issues may be covered in more than one survey but after skipping a period. One similar survey conducted in Canada (2010). Special issues are reflected in issue based reports which combine survey results with other topics on the research.
Focus groups on risk related topics	Focus groups with shorter term retirees (2013) and longer term retirees (2015) to understand risk management and retirement decisions	2015 focus groups were supplemented by 15 in-depth interviews of care-givers to compensate for lack of availability of people needing major care for the groups
Approaching the Underserved Middle Market: Insights from Planners (2012)	A report of two focus group sessions with financial planners who are active in some part of the middle market.	This project was cosponsored by INFRE and the Financial Planning Association. The discussion sessions were held at an FPA meeting and the attendees were invited based on experience.



Summary of Survey and Focus Group Projects (continued)

Project	Description and methodology	Comments
Research on use of retirement assets 2008 – Will Assets Last a Lifetime? 2009 – What a Difference a Year Makes 2011 – The Financial Recovery for Retirees Continues	A series of three surveys conducted using an Internet panel to learn how retirees are investing their assets and how they made their decisions. The first survey was done in 2008, the second in 2009, and the third in 2011. This enabled the Committee to see how retirees had responded to the economic turmoil during the period. A focus group study. The members of the focus group were retirees who had assets to invest and the purpose was to understand their decision making. A report comparing the 2009 SOA risk survey with a 2010 Canadian risk survey.	The SOA partnered with LIMRA and INFRE for these three surveys. The individuals surveyed in 2009 and 2011 were a subset of the individuals surveyed in 2008. Some of the questions from the first survey were repeated. The survey selection criteria for this survey included a minimum amount of invested assets. The SOA partnered with LIMRA on this project. This project laid a foundation for the surveys on investment of retirement assets described above. Questions in the two surveys are very similar, but the SOA survey was a telephone survey and the Canadian survey used an Internet panel.
Spending and Investing in Retirement: Is There a Difference (2006)		
Canadian and Risk Survey Comparison		



Summary of Survey and Focus Group Projects (continued)

Project	Description and methodology	Comments
Segmenting the Middle Market: Retirement Risks and Solutions (2009 and 2012 publication dates)	There are three reports in these series – the first offers middle market segmentation using the 2004 Survey of Consumer Finances data. The second focuses on pathways to solutions for the identified segments. The third is an update of the first using 2010 SCF data. The update showed reductions in assets between 2004 and 2010, but did not change conclusions.	The SOA contracted with Milliman, Inc. for this research. Segments are identified for mass middle and mass affluent Americans at ages 55-64 and 65-74. This report demonstrated that non-financial assets, primarily housing, are much greater than financial assets for all of the segments.
Retirement Plan Preferences Survey (2004)	This report focuses on whether people prefer DB or DC plans. The survey was a telephone interview survey.	The SOA partnered with the American Academy of Actuaries for this project. It turned out that people seemed to prefer the type of plan they had.



Summary of Public Education Projects

Project	Description and methodology	Comments
Managing Post-Retirement Risks (Risk Chart)	Document identifying 15 key risks and their characteristics, and giving general strategies for managing them. This document is a foundation for much of the work of the Committee.	Document is suitable for professionals and thoughtful individuals. Holistic thinking is encouraged. This report is now in its third edition.
Retirement Decision Briefs (2012)	A series of 11 decision briefs on specific areas of retirement decision making targeted at people close to the time of retirement or in retirement. Briefs present issues, questions, and considerations. While briefs are set up issue by issue, they encourage holistic thinking.	Builds on Managing Post-Retirement Risks. Group working on briefs believed that many of the issues are often overlooked. Designed for thoughtful individuals and professionals; an additional decision brief on lump sums is being prepared, and decision briefs are to be updated in 2015 and 2016.



Summary of Research Reports

Project	Description and methodology	Comments
Models of Financial Advice for Retirement Plans: Considerations for Plan Sponsors (2015)	A paper that provides an overview of the market for financial advice, and identifies options for plan sponsors to be used if they wish to offer advice to employees in connection with their retirement plans. Includes considerations in choosing an approach.	Intended audience is plan sponsors as well as people interested in employer sponsored arrangements. Lead author is Michael Finke of Texas Tech, a very well know individual in advice community.
Middle Market Retirement: Approaches for Retirees and Near Retirees (2013)	A paper that summarizes a number of conceptual approaches to planning for the middle market and fits them to the issues identified in the segments defined in "Segmenting the Middle Market"	



Summary of Research Reports (continued)

Project	Description and methodology	Comments
Running Out of Money (2012)	A roundtable of experts who discussed the outlook for running out of money, issues, and possible solutions. Abstracts of submitted materials are included in the report. Provides a broad overview of issues and unifies many of the topics discussed by the Committee.	The SOA partnered with WISER and the Urban Institute for this project. Major concerns identified and discussed include health and long-term care risk, the need for better advice for the middle market, and concerns about lifetime income.
Thinking about misperceptions studies: Public Misperceptions about Retirement Security (2005)	Two research reports were published: The first report provides a unified discussion of a number of misperceptions looking at a range of research. The second report focuses on ideas for addressing the challenges raised by the misperceptions.	Joint projects between the SOA, LIMRA and Mathew Greenwald & Associates. The misperceptions identified in this 2005 paper are still a problem in 2013.
Public Misperceptions about Retirement Security: Closing the Gap (2007)		
Perspective on SOA Post-Retirement Risk Paper Research and What it Tells About the Implications of Long Life (2014)	Paper reviewing the first fifteen years of research by the committee with findings organized by topic	Published as part of the 2014 Living to 100 Monograph, authored by Anna Rappaport



Summary of Research Related to Lifetime Income Including Plan Sponsor Guidance

Project	Description and methodology	Comments
The Next Evolution in Defined Contribution Retirement Plan Design – A Guide for DC Plan Sponsors in Implementing Retirement Income Programs (2013)	Study that provides the business case and a plan for implementation of income programs; study includes modeling of a variety of income approaches	Projected jointly sponsored by the SOA and Stanford Longevity Center.
Foundations in Research for Regulatory Guidance on the Design and Operation of Retirement Income Solutions in DC Plans (2014)	Study that provides a framework for development of safe harbors and other regulatory guidance to remove barriers to offering income to DC participants	Wade Pfau did modeling for this paper. Projected jointly sponsored by the SOA and Stanford Longevity Center.
Efficient frontiers for retirement income (project underway and should be completed in 2015)	Four phase project providing efficient frontiers designed for use by plan sponsors	Projected jointly sponsored by the SOA and Stanford Longevity Center; Wade Pfau is on project team



Summary of Retirement Planning Software Research

Project	Description and methodology	Comments
Research reports: Retirement Planning Software (2003) and Retirement Planning Software and Post-Retirement Risks (2009)	Two studies were conducted to understand how retirement planning software handles post-retirement risks. Both looked at samples of software, and found significant gaps in what was reviewed, and relatively little changed between the first and the second study.	LIMRA and INFRE were partners for the first project, and the Actuarial Foundation was a partner for the second project. Both projects used outside researchers



Summary of Paper Calls and Monographs

Project	Description and methodology	Comments
Managing the Impact of Long-Term Care Needs and Expense on Retirement Security Monograph (2014)	Monograph providing a broad range of papers on long term care and retirement, includes policy	Multi-disciplinary group of authors
Retirement Security in the New Economy (2011)	Monograph providing a broad range of papers focusing on holistic approaches, paradigm shifts, and new ideas. Papers vary between those that focus on a single topic and those that focus on the bigger picture	Multi-disciplinary group of authors
Housing in Retirement (2009)	Monograph providing papers on financial and life-style issues related to housing and success in retirement	Multi-disciplinary group of authors
Managing Retirement Assets (2004)	Monograph providing a series of papers on the payout period	Multi-disciplinary group of authors
Retirement Implications of Family and Demographic Change (2002)	Monograph providing focus on family issues and also on phased retirement	Papers include perspectives from several different countries



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Managing the Impact of Long-Term Care Needs and Expense on Retirement Security (List of Papers)

- **Big Picture**
 - The Impact of Long-Term Care Costs on Retirement Wealth Needs
 - How American Society Will Address Long-Term Care Risk, Financing and Retirement
- **Caregiving, Family, Health**
 - Improving Retirement by Integrating Family, Friends, Housing and Support: Lessons Learned from Personal Experience
 - The 55 Plus Age Wave and the Caregiving Conundrum: The Often Forgotten Piece of the Long-Term Care Puzzle
 - Long-Term Benefits May Reduce End-of-Life Medical Care Costs
- **Insurance**
 - An Overview of the U.S. LTC Insurance Market (Past and Present): The Economic Need for LTC Insurance, the History of LTC regulation & Taxation and the Development of LTC Product Design Features
 - Home Equity and At-Need Annuities – A Dynamic Long-Term Care Funding Duo
- **International**
 - Can Long-Term Care Protection in Other Developed Countries Provide Guidance for the United States?
- **Ideas for the Future**
 - Financing Future LTSS and Along Life through More Flexible 401(k)s and IRAs
 - The American Long-Term Care Insurance Program (ALTCIP)
 - Home Equity: A Strategic Resource for Long-Term Services and Supports
 - An Affordable Long-Term Care Solution Through Risk Sharing



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