

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

Highlights from 2015 Retirement Risk Research

PRESENTERS

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Agenda

- Background
- Risk Survey and Public Attitude Research
 - Managing Risks
 - Shocks and Unexpected Expenses
 - Caregiving
 - Influence of Parents Retirement
- Conclusions
- Appendices
 - Methodology
 - Overview of Research

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
- 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
 - Members from many disciplines of retirement expertise
- Overall program goal: Understand and improve post-retirement risk management
 - Focus on middle income market age 50 and older
 - Housing value is largest asset for many (excluding value of Social Security)
 - Many lack adequate assets to maintain living standard
 - Decisions will require trade-offs on living standards
- Balance focus on understanding individual perceptions and actions, challenges, solutions
- Focus on multiple stakeholders

Risk Survey and Public Attitude Research Series



SOA 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

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)

Notes:

- *Complete list of special topics for all years in Appendix*
- *Full questionnaire including detailed responses & breakouts published in full report*

2015 Risk Research

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- 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

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, save more
 - Gaps in knowledge persist
 - Planning horizons are too short
- Pre-retiree expectations differ from retiree experience in some areas
- Lot of consistency over time and between longer term retirees and shorter term retirees, but longer term retirees seem more self assured
- Lot of similarity between U.S. and Canada, except for health care issues (based on 2015 only)

Big Picture: What We Learned

- 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
- Housing often biggest asset and underutilized in planning
- Women more concerned than men
- Planning for long-term care needs or diminished mental capacity is not being considered

Note: RMD is Requirement Minimum Distribution; i.e. minimum amount that U.S. tax law requires as a withdrawal from tax favored retirement savings after age 70.5

Managing Risks in Retirement

(Core continuing topic for surveys)



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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
- Minimal use of risk-management products (e.g. LTC insurance, annuities to provide guaranteed income, etc.)
- Pre-retirees more anxious about risks than retirees, and shorter-term retirees more anxious than longer-term
- Lower income retirees much more concerned
- 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

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

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

Concerns in Retirement

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



The value of your savings and investments might not keep up with inflation



You might not have money to pay for adequate health care



You may not be able to maintain a reasonable standard of living for the rest of your life



You might deplete all of your savings



There might come a time when you (and your spouse/partner) are incapable of managing your finances

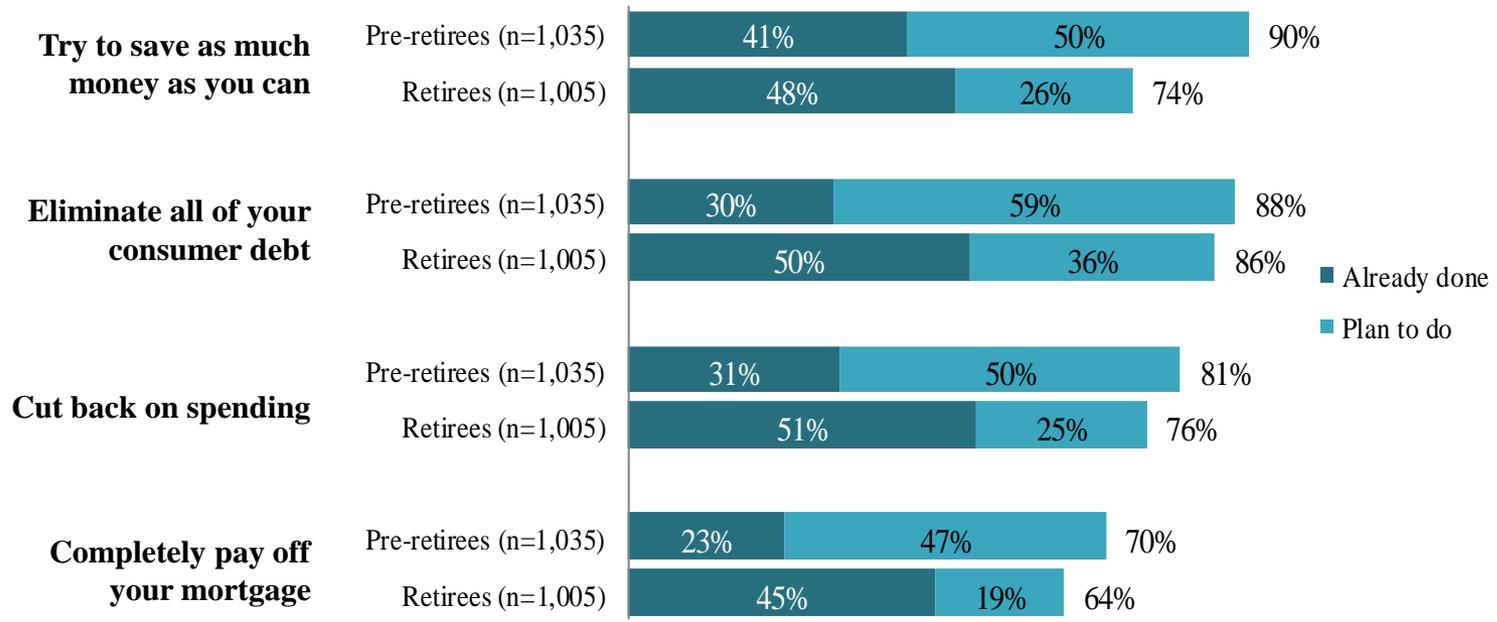


Very Concerned
Somewhat Concerned

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

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

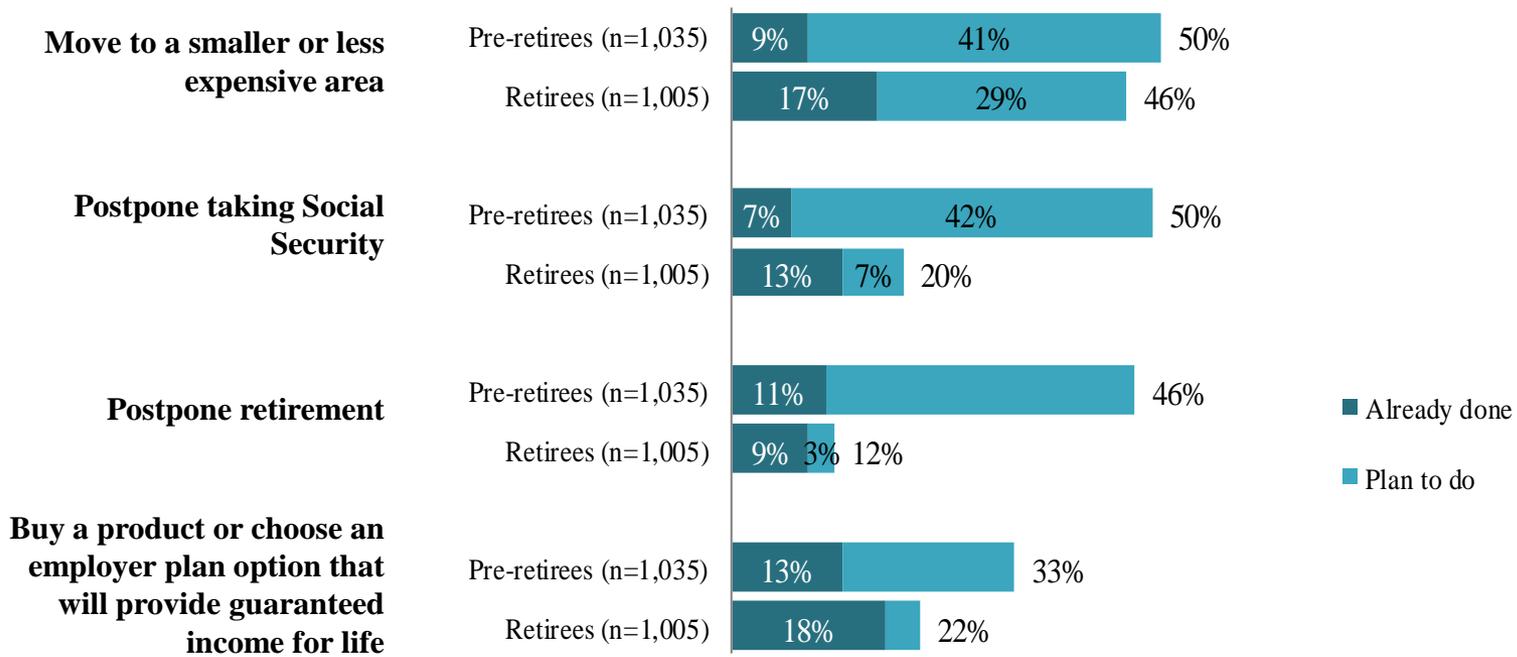
Risk Management Strategies



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.

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

Risk Management Strategies Continued



*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.*

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?

What We Learned

- Retirees in survey are doing better than some of us expected, but three in ten have been severely impacted by shocks
- Impact of shocks much greater for lower income retirees
- 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

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.

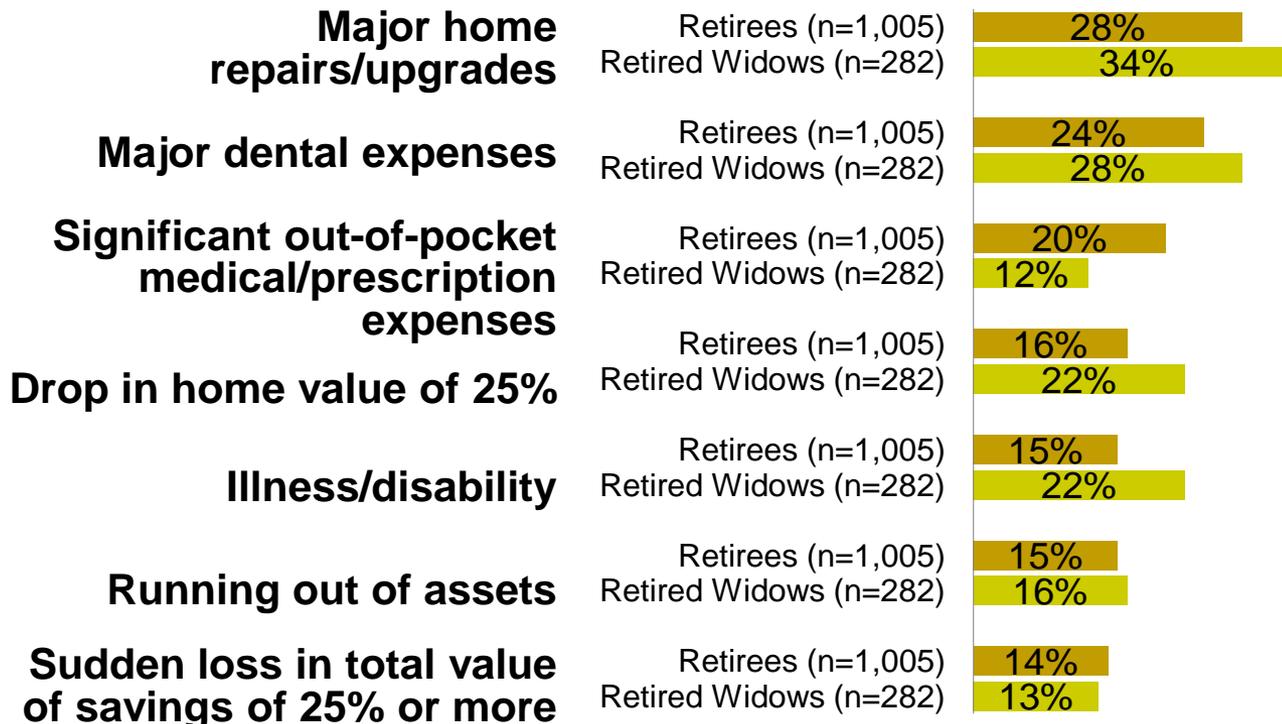
Female, Marital Change Group in Chicago

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

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

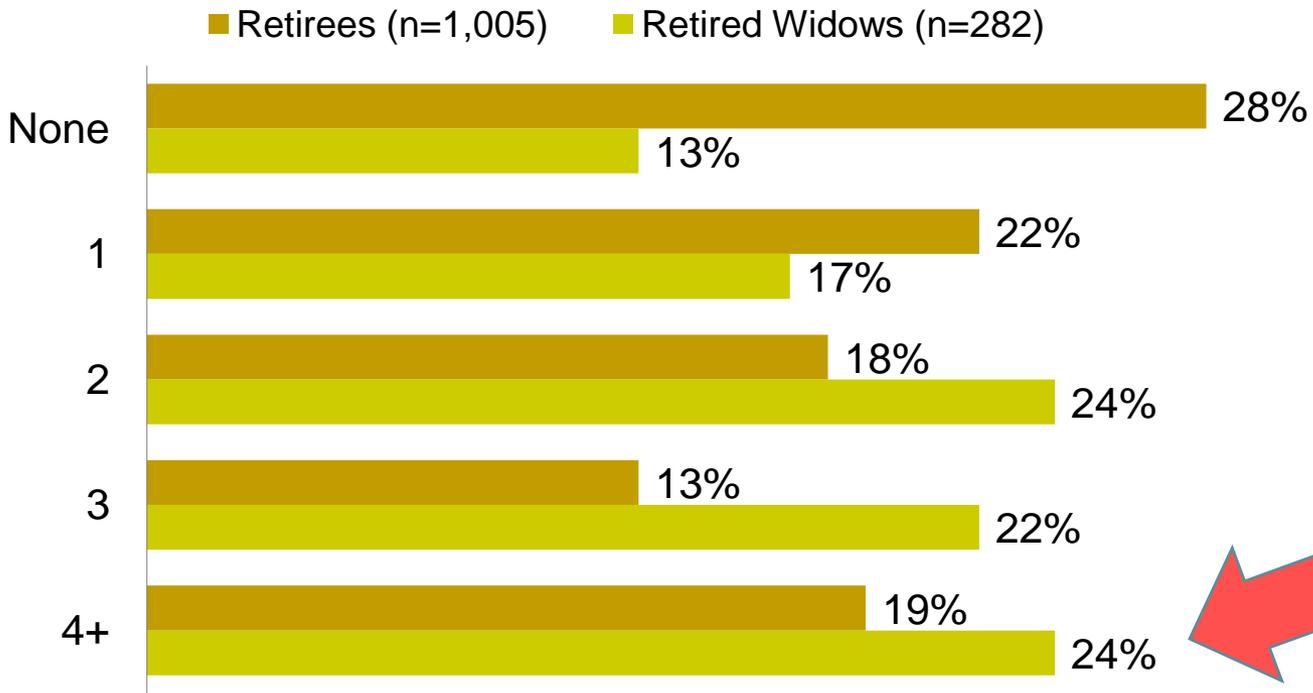
Shocks in Retirement



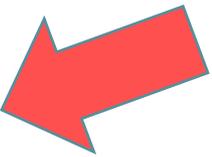
And have you (or your spouse/partner) experienced any of the following during retirement?

Around one in five retirees and one in four retired widows have experienced four or more shocks during retirement.

Number of Shocks in Retirement



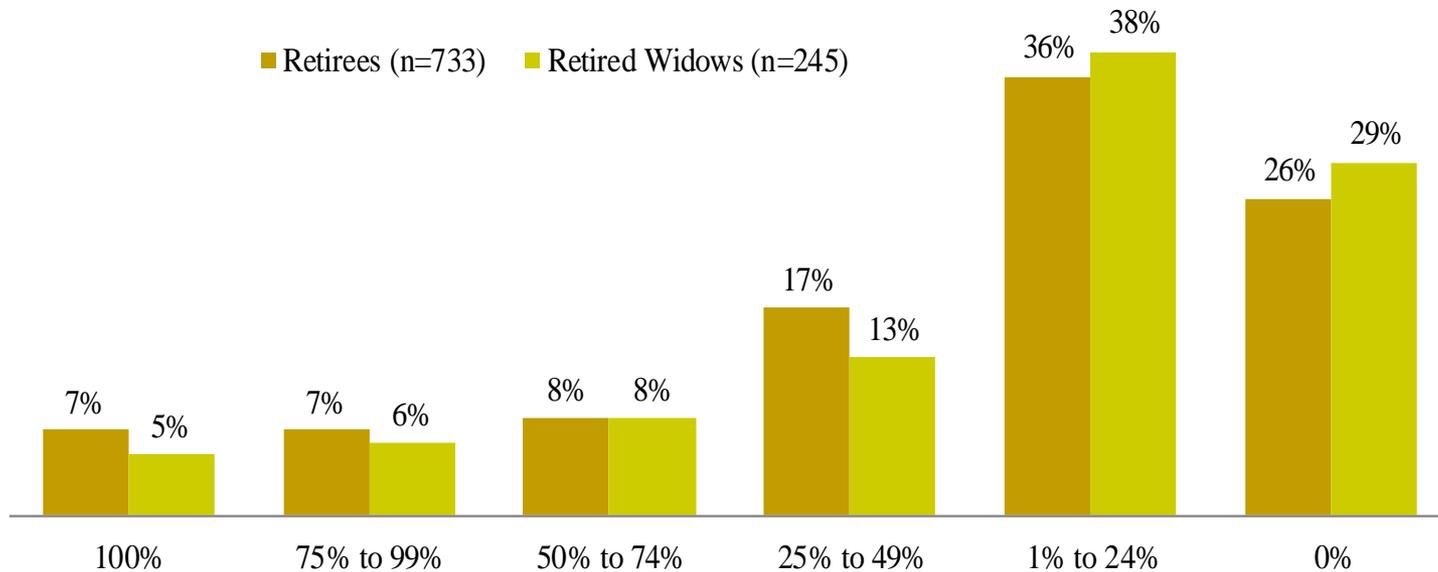
29% of retirees with income under \$35,000 experienced 4 or more shocks compared to 10% of retirees with income of \$75,000 or more



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

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.

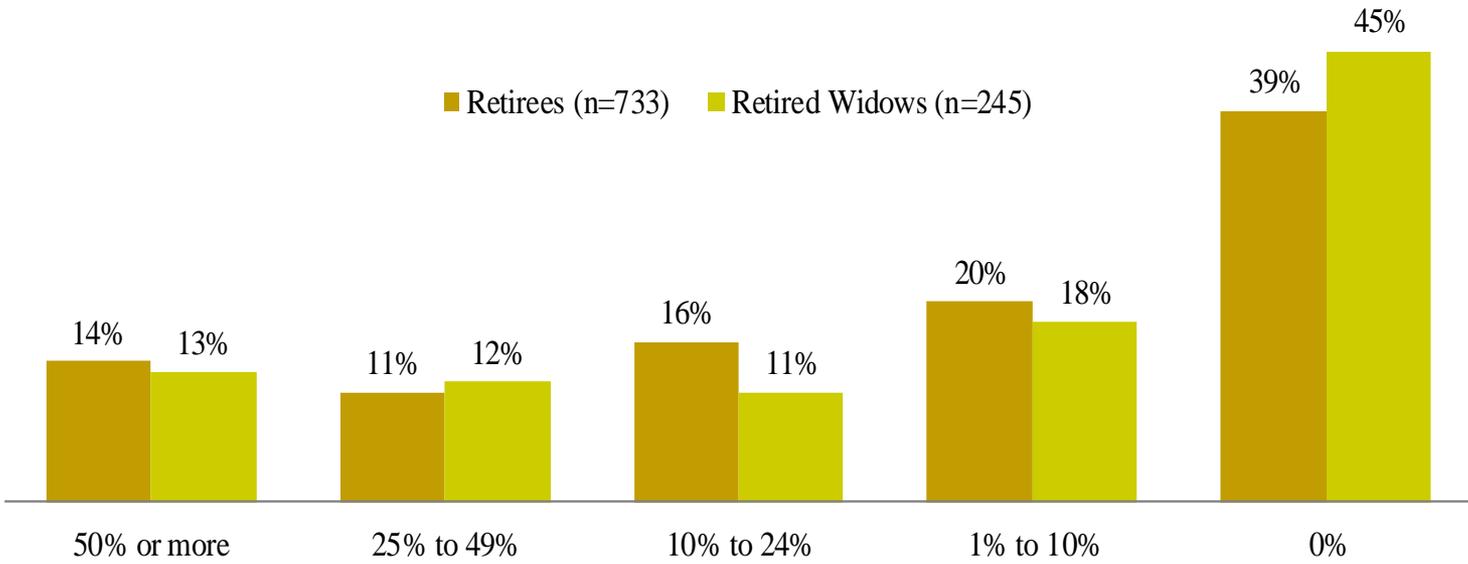
Effect of Shocks on Assets



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)

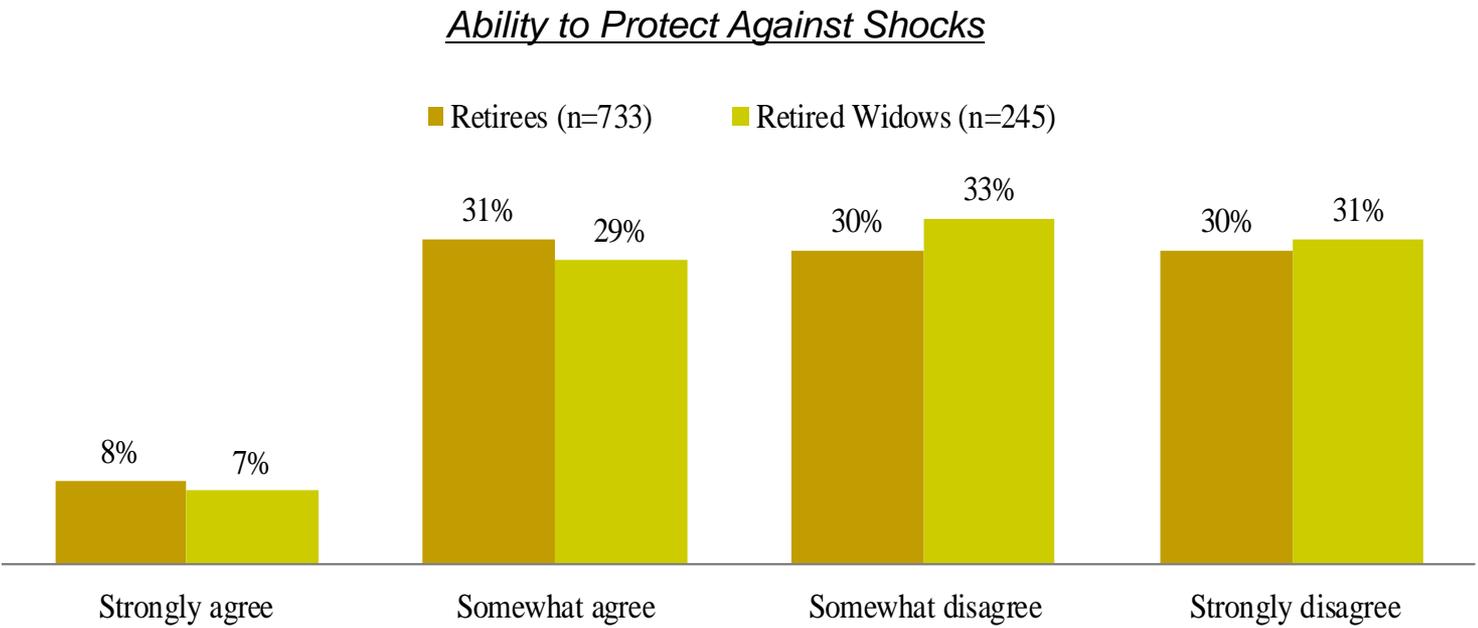
More than 1 in 10 with shocks had to reduce their spending by 50% or more as a result of the shocks they experienced.

Effect of Shocks on Spending



By approximately how much, if at all, did these events reduce the amount of money you (and your spouse/partner) are able to spend each month? Please consider the combined effect of these events. (Filter: experienced shocks in retirement)

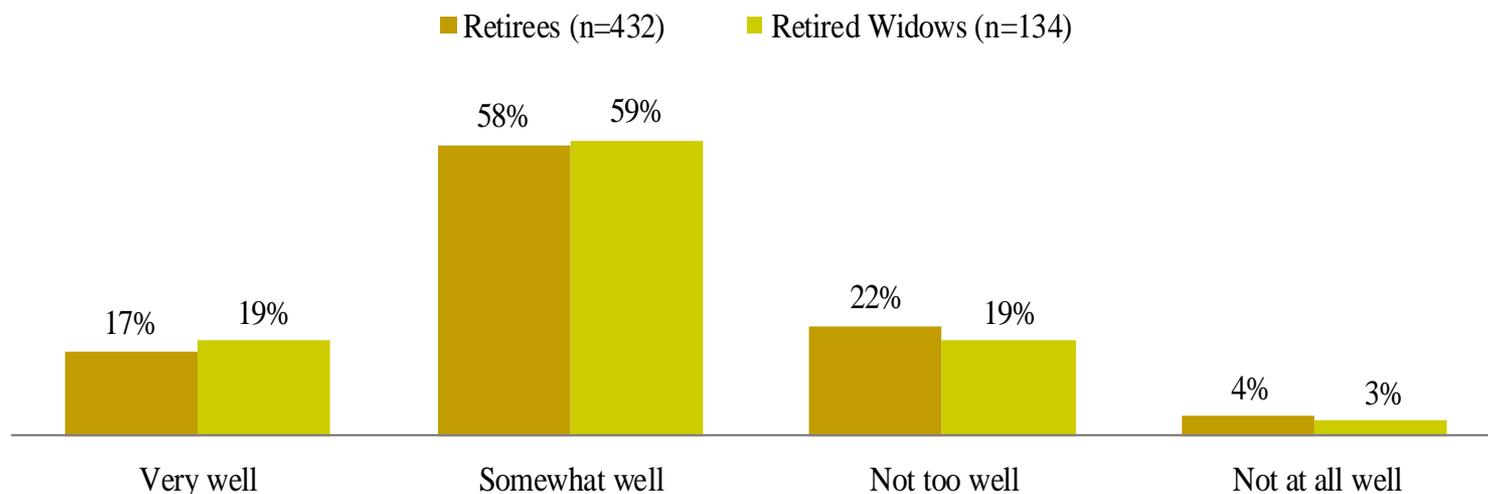
Around 3 in 5 believe they could not have done anything ahead of time to lessen the financial impact of the shocks they experienced in retirement.



To what extent do you agree or disagree that there was something you could have done ahead of time to lessen the financial impact of these events? (Filter: experienced shocks in retirement)

About 3 in 4 retirees feel they have been able to manage within their new financial constraints at least somewhat well

Ability to Manage within New Constraints



How well have you been able to manage within these new financial constraints? (Filter: reduced spending due to shocks)

Caregiving



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Needing a large amount of paid long-term care is a financial disaster for most families

- New area of study for 2015
- Those who step in to manage finances are often involved in other aspects of care
- The need for long-term care arose primarily because of cognitive issues caused by dementia, a stroke, or other neurological event
- Very few have long-term care insurance
- Many care for someone who lived at home until the burden of care became too high
- Care costs can run in the hundreds of thousands of dollars

Caregiving

They don't have massive amounts of savings. I bet I spent three years researching assisted living and the places that were closer to us, where we could get back and forth to them. At first, my mom seemed open to it, until she decided to do it, and then she got the actual cost of it... Then she backed out, because she knew it wasn't going to last that long, and she was afraid of running out of money.

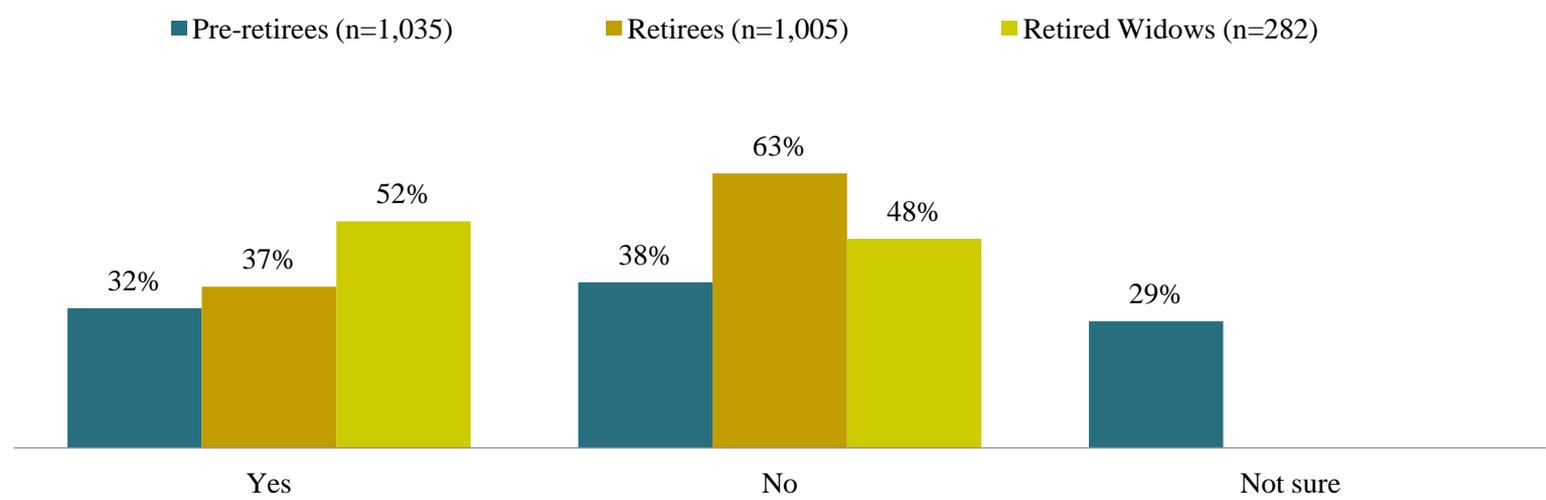
Female Assisting Father

[Asked about how much her mother had left after her father needed long-term care] None. That's why she's doing a reverse mortgage.

Female Assisting Father

More than half of retired widows have provided care for others during their retirement.

Providing Care in Retirement

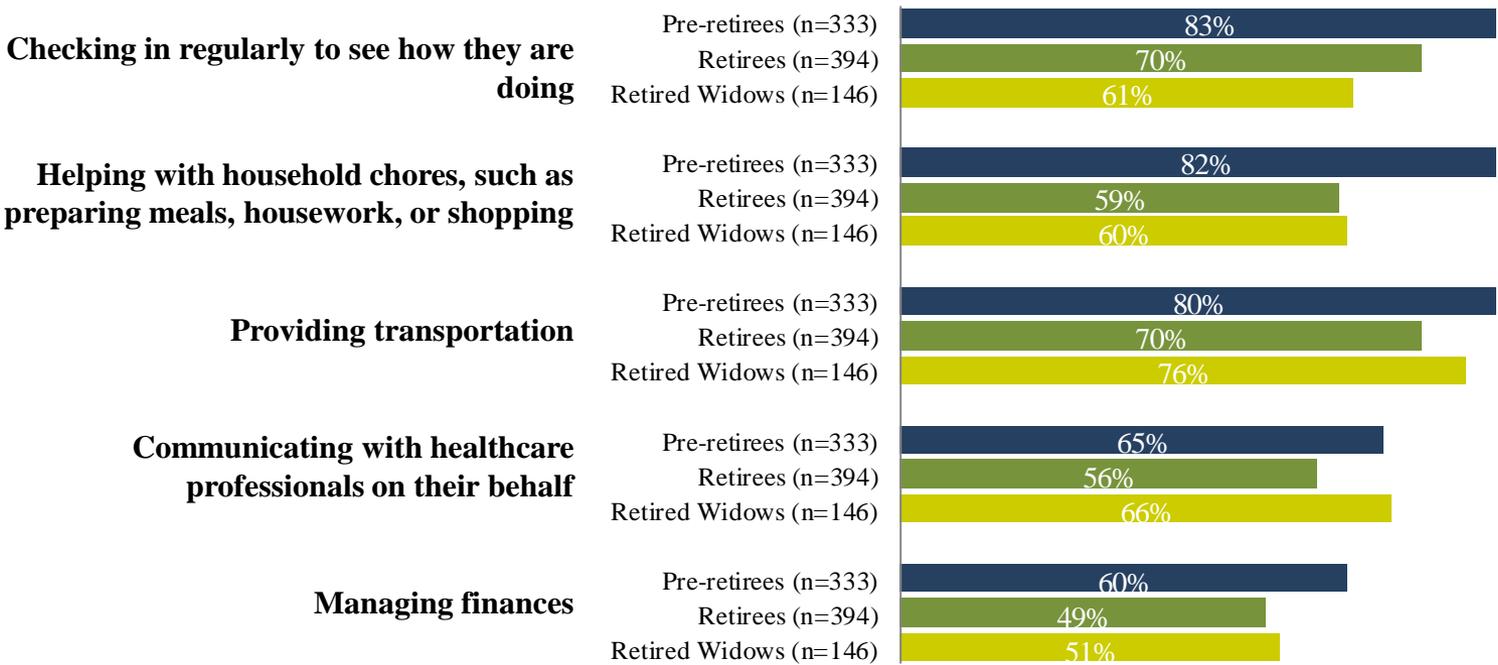


[WORKER:] Do you think you will spend any time caring (**IF MARRIED:** for someone other than your spouse/partner/**IF NOT MARRIED:** for others) during your retirement? (The recipient for your care could be a family member (**IF MARRIED:** other than your spouse/partner), friend, or neighbor.)

[RETIREE:] Have you spent any time caring for others during your retirement? (The recipient for your care could be a family member (**IF MARRIED:** other than your spouse/partner), friend, or neighbor.)

Checking in regularly, helping with household chores, and providing transportation are the most common types of care provided.

Type of Care Provided

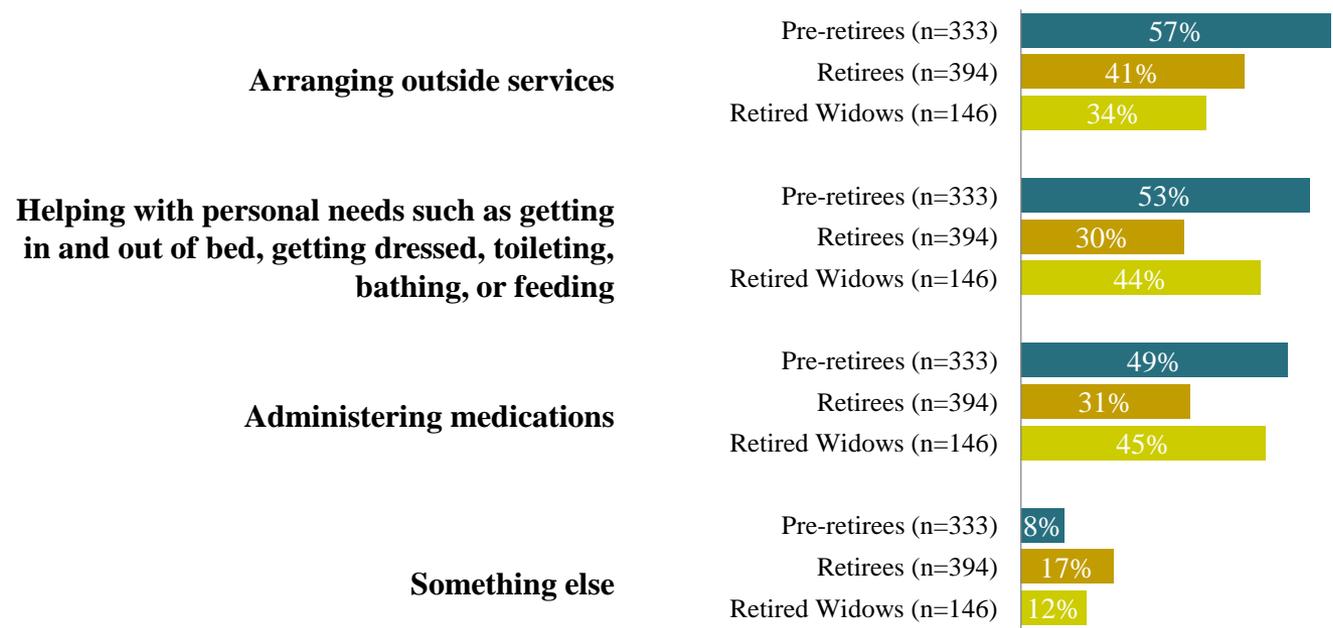


[WORKER:] What types of unpaid care do you expect to provide in retirement (IF MARRIED: for someone other than your spouse/partner)? Please select all that apply.

[RETIREE:] What types of unpaid care have you provided in retirement (IF MARRIED: for someone other than your spouse/partner)? Please select all that apply.

Pre-retirees are somewhat more likely to *anticipate* providing care by arranging outside services and helping with personal needs than retirees and retired widows

Type of Care Provided



[WORKER:] What types of unpaid care do you expect to provide in retirement (IF MARRIED: for someone other than your spouse/partner)? Please select all that apply.

[RETIREE:] What types of unpaid care have you provided in retirement (IF MARRIED: for someone other than your spouse/partner)? Please select all that apply.

Influence of Parents Retirement

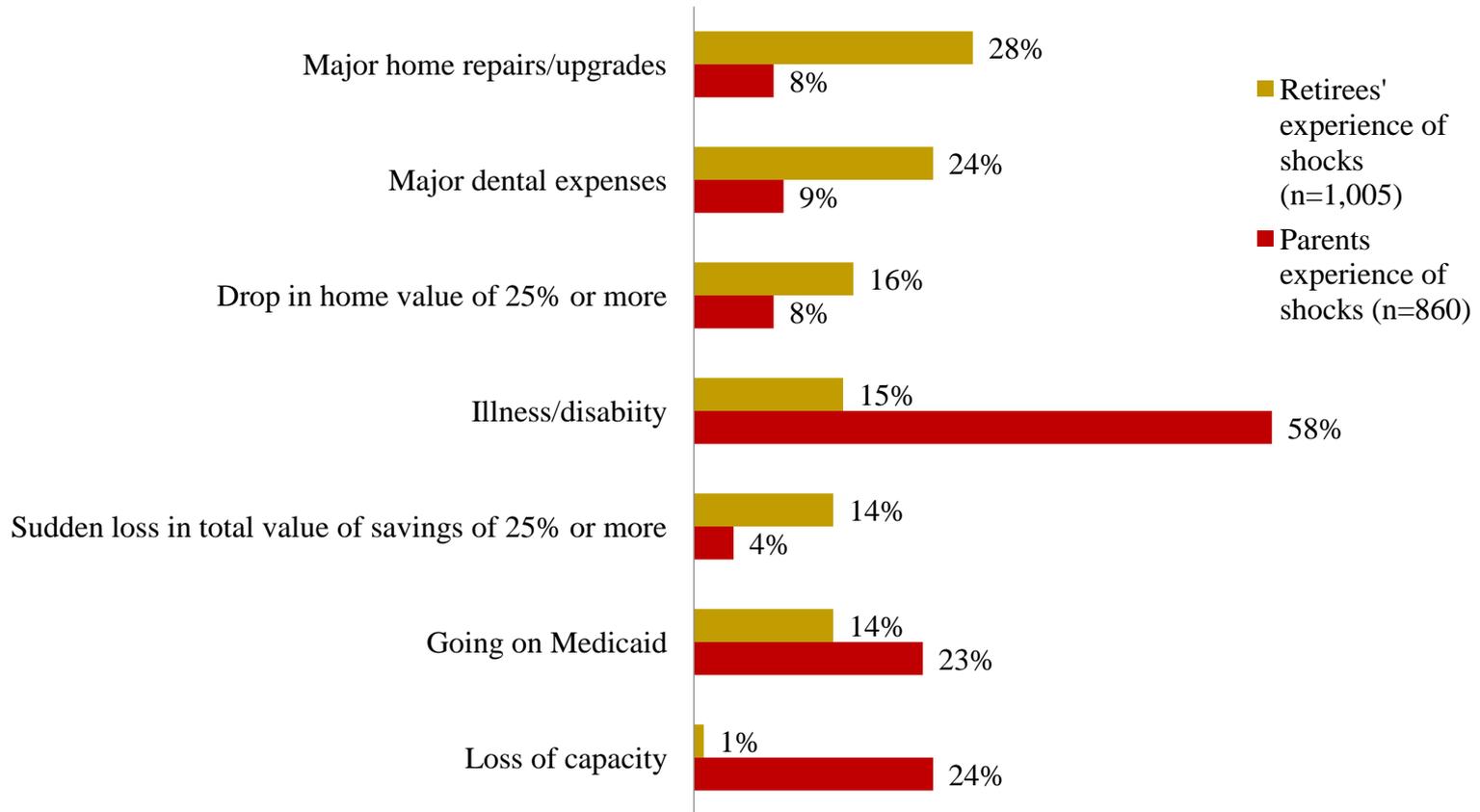


How Did Parents Experience Effect Children?

- Most have positive view of parent's financial position in retirement
- More likely to indicate parents experienced shocks and unexpected expenses than they have themselves
- Most are optimistic their parents can adjust to shocks
- Many more concerned about their own financial security in retirement due to parents experiences

Significant Shocks Parents Experienced are Illness/Disability, Medicaid, Loss of Capacity

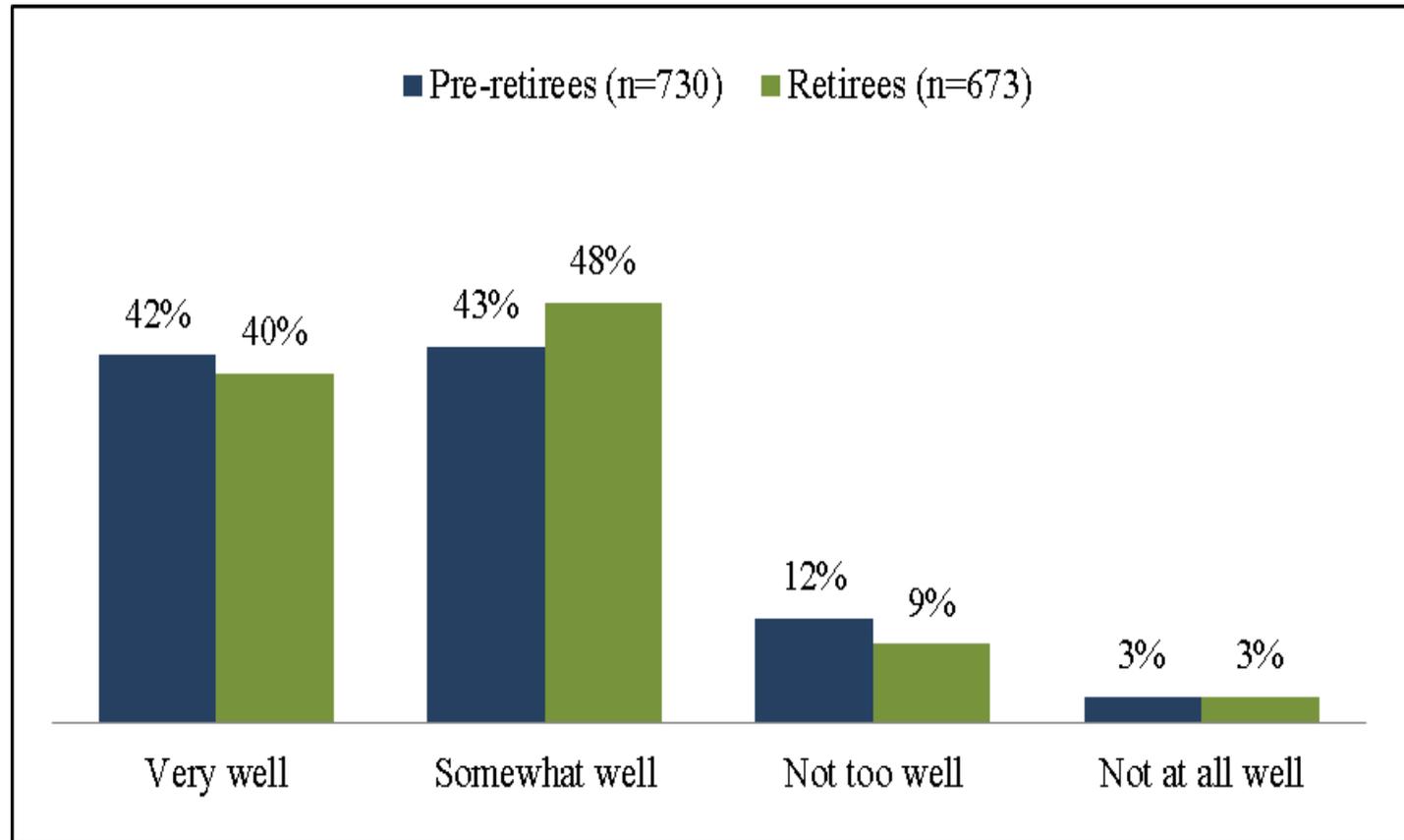
Experience of Shocks in Retirement, Retirees vs. Parents



*And have you (or your spouse/partner) experienced any of the following during retirement?/
To the best of your knowledge, did either of your parents experience any of the following during retirement?*

Most Believe Parents Adjust Well to Shocks

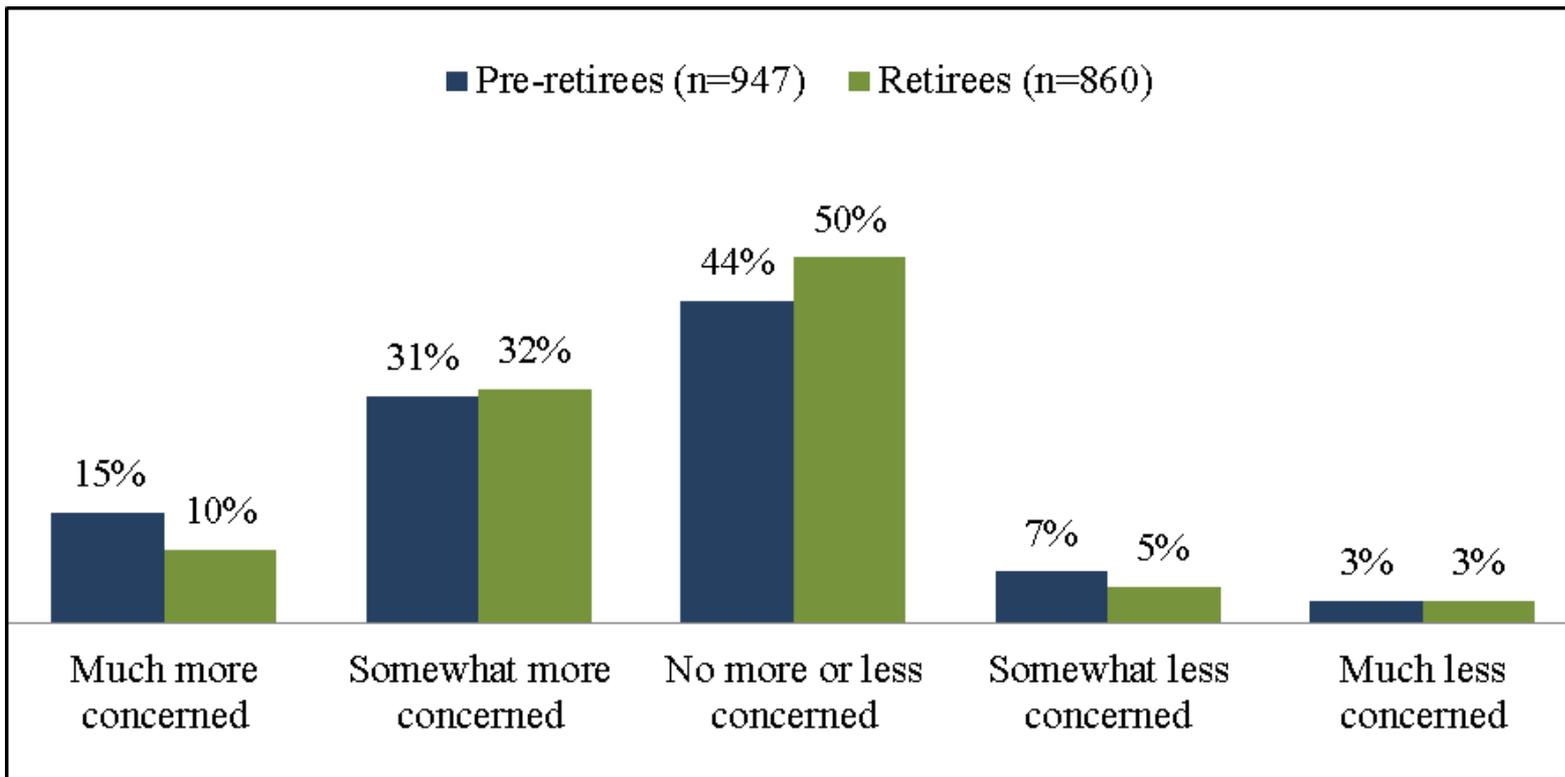
Parents Adjustment to Financial Shocks



Overall, how well do you think your parents adjusted financially to these events during retirement?

More Express Concern for Their Retirement Based on Experiences of Parents

Level of Concern for Own Retirement



On the whole do you think your parents' experiences made you more or less concerned about your financial security in retirement?

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

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

What This Means to Policymakers and Private Industry

- Important to recognize knowledge gaps and the reality of where participants are today
- Government programs will be “what there is” for bottom tier of population – social insurance is critical
- See no decline in the need for social insurance, and it may be growing with some population segments
- Social Security claiming is a critically important issue
- There is a need for more advice for middle market
- Risk management products more likely to be accepted if provided through employer plans
- Within current system, people in some situations will be in trouble – examples: have major need for long-term care, get divorced in retirement
- Those in many other situations will adapt and cope

How to Find SOA Research Reports and More Information

- All of the reports discussed (including detailed results by question) 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 staff actuaries: Steve Siegel at ssiegel@soa.org or Andy Peterson at apeterson@soa.org
- Specific Risk Survey questions can be directed to Mathew Greenwald at MathewGreenwald@greenwaldresearch.com
- For information about the Post-Retirement Needs and Risks Committee – contact Anna Rappaport, Chair at anna@annarappaport.com, or SOA staff actuaries listed above

Appendices

Methodology

Overview of Research



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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)

Methodology

Online Survey

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- 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

Focus Groups

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- 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

Methodology

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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)

How Results are Reported

- Full report: detailed results for all questions
- Full report: detailed results by subgroups for most questions
 - Analyzing differences by income, gender, health status, presence of defined benefit plan
- Topical reports giving high level results
 - Basic report results plus special topics -- coming in 2016

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 EBRI)	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
<p>Research on use of retirement assets</p> <p>2008 – Will Assets Last a Lifetime?</p> <p>2009 – What a Difference a Year Makes</p> <p>2011 – The Financial Recovery for Retirees Continues</p>	<p>A series of three surveys conducted using an Internet panel to learn how retirees are investing their assets and how they made their decisions.</p> <p>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.</p>	<p>The SOA partnered with LIMRA and INFRE for these three surveys.</p> <p>The individuals surveyed in 2009 and 2011 were a subset of the individuals surveyed in 2008.</p> <p>Some of the questions from the first survey were repeated.</p> <p>The survey selection criteria for this survey included a minimum amount of invested assets.</p>
<p>Spending and Investing in Retirement: Is There a Difference (2006)</p>	<p>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.</p>	<p>The SOA partnered with LIMRA on this project. This project laid a foundation for the surveys on investment of retirement assets described above.</p>
<p>Canadian and Risk Survey Comparison</p>	<p>A report comparing the 2009 SOA risk survey with a 2010 Canadian risk survey.</p>	<p>Questions in the two surveys are very similar, but the SOA survey was a telephone survey and the Canadian survey used an Internet panel.</p>

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)	<p>Document identifying 15 key risks and their characteristics, and giving general strategies for managing them.</p> <p>This document is a foundation for much of the work of the Committee</p>	<p>Document is suitable for professionals and thoughtful individuals.</p> <p>Holistic thinking is encouraged</p> <p>This report is now in its third edition</p>
Retirement Decision Briefs (2012)	<p>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.</p> <p>Briefs present issues, questions, and considerations. While briefs are set up issue by issue, they encourage holistic thinking</p>	<p>Builds on Managing Post-Retirement Risks.</p> <p>Group working on briefs believed that many of the issues are often overlooked.</p> <p>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</p>

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.
Investment and Retirement Advice: A Guide for Employers (2015)	Employer guide building on the Models of Financial Advice for Retirement Plans paper. Provides a spectrum of approaches and considerations in evaluating alternatives	Intended audience is plan sponsors and people interested in employee benefits.
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) Public Misperceptions about Retirement Security: Closing the Gap (2007)	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.
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. Steve Vernon is lead researcher Wade Pfau did modelling for this paper
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	Projected jointly sponsored by the SOA and Stanford Longevity Center.
Efficient frontiers for retirement income (project underway, interim reports have been published and full report will be published in 2016)	Four phase project providing efficient frontiers designed for use by plan sponsors	Projected jointly sponsored by the SOA and Stanford Longevity Center; team is Steve Vernon, Joe Tomlinson, and Wade Pfau

Summary of Retirement Planning Software Research

Project	Description and methodology	Comments
Research reports: Retirement Planning Software (2003) 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

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 65 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

Additional projects in process

- Essay call on Diverse Risks – to be published in 2016 – 18 essays with a major focus on the distribution period and methods of using assets during retirement
- The SOA is partnering with Social Security and USC on further public research on how people manage their finances. This work complements the Risk Surveys and the Understanding Americans Study as a base. The first paper on How Americans Manage their Finances updates the older Americans research from 2011.