Protected Retirement Income and Planning (PRIP) examines the rapidly changing retirement income planning landscape, including shifts in consumer attitudes and behaviors toward retirement savings.

PRIP is the only research of its kind that surveys both consumers and financial professionals simultaneously. PRIP 2023 surveyed:

- 2,507 consumers in the U.S. ages 45 to 75, of which 507 are an oversample of Peak 65 consumers, ages 61 to 65, for a total of 845 Peak 65 consumers.
- 519 financial professionals who conduct retirement planning for individual clients.

Peak 65 refers to a historic demographic moment when the U.S. will experience its greatest surge in the number of Americans to turn the traditional retirement age of 65 than at any time in history.

Currently, more than 10,000 people turn 65 each day, but that number will increase to over 12,000 a day until the nation reaches its Peak 65™ moment in 2024.
Chapter 4: Growing Health-related Concerns in Retirement examines the connections between physical and financial health while planning for and living in retirement.

This chapter offers ideas and recommendations for financial professionals, consumers and caregivers to ensure people have the financial resources and income they need to cover health costs, long-term care needs and other health-related expenses in retirement. It also includes a summary of relevant third-party research on the confluence of aging and health, elder care and finances.
Summary of Key PRIP Findings

Americans underestimate the role health plays in their retirement planning.

- **84% of currently working consumers ages 45 to 75 do not expect health reasons** to be in their top 3 reasons for retiring, but
  - **38% of retired Americans aged 45 to 75 say health reasons for self or a loved one was a top 3 reason why they retired.**

- **39% of retirees are more concerned about health issues for self or a loved one than they expected to be before retirement.**

- **57% of consumers ages 45 to 75 do not have protected lifetime income** through a pension or annuity.
Summary of Key PRIP Findings

Consumers have a strong interest in discussing healthcare needs and costs with their advisors.

- 51% of financial professionals report that more clients are asking questions about healthcare, Medicare and long-term care.

- 1 in 3 Americans say a focus on healthy living is one of their top retirement “bucket list” items, but only 17% of financial professionals recognize this topic is in their clients’ bucket list.

- 75% of financial professionals do not talk with retired or soon-to-be retired clients about the possibility of cognitive decline.
Summary of Key PRIP Findings

Financial professionals who do focus on health also understand the importance of protected income.

- **25% of financial professionals discuss cognitive decline** with their clients who are retired or plan to retire in 5 years.

- **88% of financial professionals who discuss cognitive decline with clients** recognize the importance of protected income.
  - **41% often or always recommend an annuity** to clients over age 45.
  - **62% believe their clients could spend more money** if they add an annuity to their plan.

- **Financial professionals who discuss cognitive decline** are more likely to recognize Peak 65 changes to retirement planning, including questions on health care, overspending and more.
Sentiments on Health in Retirement
For consumers ages 45 to 75, health and money are equally on their minds now; 5 years ago, more focus was on money.
More than 80% of consumers who are still working do not expect health reasons to be in their top 3 reasons for retiring.

Top 3 Reasons for Retiring at That Age

Among not retired and still working and know age planning to retire

- I will begin claiming my Social Security benefit: 48%
- I will be eligible for pension(s) from employer(s): 36%
- I will have reached my goal retirement age: 50%
- I want to pursue hobbies, travel, or other activities: 49%
- I plan to have enough money saved by then: 43%
- I am unhappy with circumstance at my employer: 13%
- Anticipated health circumstances of my own or a loved one: 16%
- I will be forced to retire due to my age: 12%
- Other reason(s): 9%

2 in 3 consumers not yet retired expect to claim Social Security or be eligible for a pension.

Only 1 in 4 consumers anticipate a health reason or being forced to retire due to age.
Less than 1 in 3 non-retired consumers who still work recognize a moderate or high risk of needing to retire early.
Over half of consumers retired due to circumstances beyond their control, including health concerns for themselves or a loved one.

44% of consumers are retired currently or retired previously and have gone back to work.

Top 3 Reasons for Retiring When They Did
Among retired (currently or previously)

Multiple responses accepted

- I began claiming my Social Security benefit (32%)
- I reached an age where I could claim one or more pension(s) from my employer(s) (18%)
- I was unhappy with circumstances at my employer (30%)
- I wanted to pursue hobbies, travel, or other activities instead of working (27%)
- I reached my goal retirement age (20%)
- I reached a monetary savings amount I had as a goal to retire (14%)
- I retired because my spouse wanted me to/spouse retired (14%)
- I was offered an attractive retirement package from my employer (10%)
- Health circumstances of myself or a loved one (38%)
- I lost my job (15%)
- I was forced or able to retire early due to economic downturns from COVID-19 crisis (6%)
- I was forced to retire due to my age (4%)
- Other reason(s) (22%)

Base: Currently or previously retired (N=1140)
Q23. Why did you retire when you did? Select your top reason, then the 2nd, and 3rd reason, if applicable.

45% began claiming Social Security or Reached age to claim pension

53% retired due to circumstances beyond their control:
- Health circumstances
- Lost job
- Forced to due to Covid-19
- Forced to due to age
More than 1 in 3 retirees are more concerned about health issues for themself or a loved one than they expected to be before retirement.

### What Was Learned from Time in Retirement
Among retired consumers (currently or previously)

**Multiple responses accepted**

<table>
<thead>
<tr>
<th>Experience</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>I really enjoy(ed) not working</td>
<td>52%</td>
</tr>
<tr>
<td>Prices were/are rising more quickly than expected</td>
<td>52%</td>
</tr>
<tr>
<td>I’m much more able to spend time doing things that are important to me</td>
<td>41%</td>
</tr>
<tr>
<td>I am more concerned about health issues (self or loved ones) than I thought I’d be</td>
<td>39%</td>
</tr>
<tr>
<td>I appreciate(d) the opportunity to connect with family and friends</td>
<td>36%</td>
</tr>
<tr>
<td>I miss(ed) working with people</td>
<td>29%</td>
</tr>
<tr>
<td>I can/could pursue my passions</td>
<td>27%</td>
</tr>
<tr>
<td>I find I am/was as busy as when working</td>
<td>23%</td>
</tr>
<tr>
<td>I find/found I have too much free time</td>
<td>20%</td>
</tr>
<tr>
<td>I’m not very comfortable with spending my savings</td>
<td>20%</td>
</tr>
<tr>
<td>I feel/felt lonely</td>
<td>17%</td>
</tr>
<tr>
<td>It’s difficult to transition from accumulating assets to decumulating/spending assets</td>
<td>17%</td>
</tr>
<tr>
<td>I was/am spending money too fast</td>
<td>16%</td>
</tr>
<tr>
<td>I don’t/didn’t feel a sense of purpose once retired</td>
<td>15%</td>
</tr>
<tr>
<td>I miss(ed) a sense of community</td>
<td>13%</td>
</tr>
<tr>
<td>None of the above</td>
<td>2%</td>
</tr>
</tbody>
</table>
1 in 3 consumers ages 45 to 75 describe their current health as very good or excellent.

Among those with $150K or more in household assets, 43% say their health is very good or excellent compared to 31% with less than $150K in assets.

<table>
<thead>
<tr>
<th>How is your health?</th>
<th>Less than $150K in assets</th>
<th>$150K or more in assets</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poor</td>
<td>8%</td>
<td>2%</td>
<td>6%</td>
</tr>
<tr>
<td>Fair</td>
<td>30%</td>
<td>14%</td>
<td>24%</td>
</tr>
<tr>
<td>Good</td>
<td>39%</td>
<td>40%</td>
<td>39%</td>
</tr>
<tr>
<td>Very Good</td>
<td>19%</td>
<td>32%</td>
<td>24%</td>
</tr>
<tr>
<td>Excellent</td>
<td>4%</td>
<td>12%</td>
<td>7%</td>
</tr>
</tbody>
</table>

Base: Total (N=2507)
Q65: How would you describe your current health status?
Consumers are interested in guaranteed lifetime income; half are interested in an annuity

**CONSUMERS**

Retirement Income

97% (3-7 rating) of Consumers find having Guaranteed Lifetime Income in Addition to Social Security in Retirement Valuable

3% - Not Valuable (1/2 rating)

**Q54. How valuable is it to you to have guaranteed lifetime income in addition to Social Security in retirement?**

**Q55. How interested are you in owning a financial product that guarantees you [MARRIED/PARTNER. and your spouse/partner] with a certain amount of regular income for the rest of your life?**

**Q56. How interested are you in owning an annuity that guarantees you [MARRIED/PARTNER. and your spouse/partner] with a certain amount of regular income for the rest of your life?**

**Interest in Owning Something that Guarantees a Certain Amount of Regular Income for the Rest of Their Life**

**Owning a “Financial Product”**

- Extremely Interested (6-7 rating)
- Somewhat Interested (3-5 rating)
- Not Interested (1-2 rating)
- Already Own

**Owning an “Annuity”**

- Extremely Interested (6-7 rating)
- Somewhat Interested (3-5 rating)
- Not Interested (1-2 rating)
- Already Own

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**Base: Total (N=2507)**

Q54. How valuable is it to you to have guaranteed lifetime income in addition to Social Security in retirement?

Q55. How interested are you in owning a financial product that guarantees you [MARRIED/PARTNER. and your spouse/partner] with a certain amount of regular income for the rest of your life?

Q56. How interested are you in owning an annuity that guarantees you [MARRIED/PARTNER. and your spouse/partner] with a certain amount of regular income for the rest of your life?
Growing Interest in Impact of Health and Healthcare Costs on Retirement Planning
Nearly all financial professionals have noticed changes in their practice and attribute them to the Peak 65™. Most are impacted by the surge of clients moving toward their retirement years.

Changes in Practice Due to Peak 65™

Multiple responses accepted

The topic of retirement income has increased in conversations with clients

More clients are asking questions about healthcare, Medicare, and/or long-term care

More clients are asking questions about Social Security

You are spending more time talking with older clients who have more questions/needs

More clients are consolidating accounts

More clients are talking about how to handle rollovers

My practice is growing because more aging clients need advice longer

More clients are asking about annuities

My AUM is decreasing because clients are drawing down their accounts

None of these

81% Conversations on Life Circumstances
retirement income, healthcare, Medicare, long-term care, Social Security
1 in 3 Americans say focusing on healthy living is one of their top “bucket list” items in retirement.

<table>
<thead>
<tr>
<th>Top 3 Things on Bucket List</th>
<th>Consumers vs. Financial Professionals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Multiple responses accepted</td>
</tr>
<tr>
<td>Travel</td>
<td>54% (80%)</td>
</tr>
<tr>
<td>Relax</td>
<td>46% (23%)</td>
</tr>
<tr>
<td>Spend time with friends and family (other than grandkids)</td>
<td>38% (38%)</td>
</tr>
<tr>
<td>Focus on healthy living</td>
<td>34% (17%)</td>
</tr>
<tr>
<td>Spend time with grandkids</td>
<td>33% (17%)</td>
</tr>
<tr>
<td>Engage in hobbies</td>
<td>29% (54%)</td>
</tr>
<tr>
<td>Learn about new things, new skills, etc.</td>
<td>13% (5%)</td>
</tr>
<tr>
<td>Volunteer</td>
<td>11% (6%)</td>
</tr>
<tr>
<td>See bands/concerts/specific events you'd like to attend</td>
<td>12% (6%)</td>
</tr>
<tr>
<td>Specific achievements (hike the Appalachian Trail, go scuba diving, etc.)</td>
<td>6% (3%)</td>
</tr>
<tr>
<td>Different or new kids of work</td>
<td>5% (5%)</td>
</tr>
<tr>
<td>Become more philanthropic</td>
<td>7% (10%)</td>
</tr>
</tbody>
</table>

Financial professionals underestimate the importance of their clients’ focus on healthy living.

17% of financial professionals recognize that healthy living is in their clients’ top three “bucket list” items in retirement.
Impact of Financial Professionals Who Discuss Health Needs
Only 1 in 4 financial professionals talk with their retired or soon-to-be retired clients about declining cognitive abilities.

Risks Regularly Discussed with Retired Clients or Those Who Plan to Retire in 5 Years

Consumers with a Financial Professional vs. Financial Professionals

Multiple responses accepted

- Unplanned spending shocks (healthcare emergency, major home repairs)
- Knowing what they really want in retirement (what will they do? where will they be?)
- Overspending
- Sequence of return risk (the impact of timing on withdrawing funds from portfolios)
- Not creating or sticking to a retirement plan
- Carrying too much debt into retirement
- Declining cognitive abilities
- Not spending enough and compromising retirement satisfaction
- None of the above

BASE: CONSUMERS WHO HAVE A FINANCIAL PROFESSIONAL AND ARE RETIRED OR PREVIOUSLY RETIRED OR PLAN TO RETIRE IN 5 YEARS (N=529)

Q32. Which of these risks do you regularly talk with your financial professional about? Select all that apply.

BASE: FINANCIAL PROFESSIONALS (N=519)

Q43. Which of these risks do you regularly talk with your clients who are retired or plan to retire in 5 years about?

<table>
<thead>
<tr>
<th>Risk</th>
<th>Consumers</th>
<th>Financial Professionals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unplanned spending shocks</td>
<td>27%</td>
<td>59%</td>
</tr>
<tr>
<td>Knowing what they really want in retirement</td>
<td>29%</td>
<td>54%</td>
</tr>
<tr>
<td>Overspending</td>
<td>14%</td>
<td>52%</td>
</tr>
<tr>
<td>Sequence of return risk</td>
<td>28%</td>
<td>50%</td>
</tr>
<tr>
<td>Not creating or sticking to a retirement plan</td>
<td>9%</td>
<td>42%</td>
</tr>
<tr>
<td>Carrying too much debt into retirement</td>
<td>12%</td>
<td>40%</td>
</tr>
<tr>
<td>Declining cognitive abilities</td>
<td>8%</td>
<td>25%</td>
</tr>
<tr>
<td>Not spending enough and compromising retirement satisfaction</td>
<td>11%</td>
<td>22%</td>
</tr>
<tr>
<td>None of the above</td>
<td>1%</td>
<td>33%</td>
</tr>
</tbody>
</table>
Financial professionals who discuss declining cognitive abilities are also more likely to talk about other risks.

<table>
<thead>
<tr>
<th>Risk</th>
<th>Financial Professionals Who Address Cognitive Decline</th>
<th>Financial Professionals Who Do Not Address Cognitive Decline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unplanned spending shocks</td>
<td>72%</td>
<td>54%</td>
</tr>
<tr>
<td>Overspending</td>
<td></td>
<td>48%</td>
</tr>
<tr>
<td>Knowing what they really want to do in retirement</td>
<td>62%</td>
<td>52%</td>
</tr>
<tr>
<td>Sequence of return risk</td>
<td></td>
<td>46%</td>
</tr>
<tr>
<td>Carrying too much debt into retirement</td>
<td></td>
<td>35%</td>
</tr>
<tr>
<td>Not spending enough, compromising satisfaction</td>
<td>34%</td>
<td>18%</td>
</tr>
</tbody>
</table>

BASE: Financial Professionals Who Discuss Cognitive Decline (N=131), Do Not Discuss Cognitive Decline (N=388)

Q32. Which of these risks do you regularly talk with your clients who are retired or plan to retire in 5 years about?
Financial professionals who discuss cognitive decline recognize that clients most value a plan that ensures they don’t outlive their retirement savings.

### Clients Most Important Attribute In Retirement Savings Plan

<table>
<thead>
<tr>
<th>Attribute</th>
<th>Financial Professionals Who Address Cognitive Decline</th>
<th>Financial Professionals Who Do Not Address Cognitive Decline</th>
</tr>
</thead>
<tbody>
<tr>
<td>A plan that ensures I don't outlive my retirement savings</td>
<td>58%</td>
<td>47%</td>
</tr>
<tr>
<td>Provides the license to spend / Helps me understand how much I can safely spend in retirement</td>
<td>20%</td>
<td>22%</td>
</tr>
<tr>
<td>Does not fall significantly during a market decline</td>
<td>12%</td>
<td>18%</td>
</tr>
<tr>
<td>Provides an opportunity to achieve significant growth</td>
<td>6%</td>
<td>4%</td>
</tr>
<tr>
<td>Has a large number of investment choices</td>
<td>1%</td>
<td>5%</td>
</tr>
<tr>
<td>Low expenses</td>
<td>2%</td>
<td>2%</td>
</tr>
</tbody>
</table>
Financial professionals who discuss cognitive decline recognize the importance of protected retirement income.

**Importance of Protection in Retirement Income Planning**

88% of financial professionals who discuss cognitive decline say the concept of protection is important for retirement income.

79% of financial professionals who do not discuss cognitive decline say the concept of protection is important for retirement income.

**Base:** Financial professionals who discuss cognitive decline (N=131), Don’t discuss cognitive decline (N=388)

Q22: How important is the concept of protection when you work with your clients on retirement income? Please use this definition of protection: designed to provide a guaranteed income payment or reduce asset loss.
Nearly 2 in 3 financial professionals who discuss cognitive decline have a positive perception of annuities.

<table>
<thead>
<tr>
<th>Sentiments on Annuities</th>
<th>Financial Professionals Who Discuss Cognitive Decline</th>
<th>Financial Professionals Who Do Not Discuss Cognitive Decline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have a positive perception of annuities</td>
<td>65%</td>
<td>48%</td>
</tr>
<tr>
<td>Are very knowledgeable about annuities</td>
<td>72%</td>
<td>62%</td>
</tr>
<tr>
<td>Are knowledgeable about annuities that provide guaranteed lifetime income</td>
<td>71%</td>
<td>61%</td>
</tr>
<tr>
<td>Think the average client is very interested in purchasing annuities that provide guaranteed lifetime income</td>
<td>27%</td>
<td>16%</td>
</tr>
<tr>
<td>Often or always recommends an annuity to clients over age 45 as part of their retirement/financial plan</td>
<td>41%</td>
<td>31%</td>
</tr>
</tbody>
</table>

BASE: FINANCIAL PROFESSIONALS WHO DISCUSS COGNITIVE DECLINE (N=131), DON'T DISCUSS COGNITIVE DECLINE (N=388)

Q44: What is your overall perception of annuities?
Q46: How knowledgeable are you about annuities?
Q47: How knowledgeable are you about annuities that provide guaranteed lifetime income?
Q48: In your experience, how interested is your average client in purchasing annuities that provide guaranteed lifetime income?
Q49: When talking with clients over the age of 45, how often do you consider recommending an annuity as part of their retirement/financial plan?
Financial professionals who discuss cognitive decline are also more likely to recognize Peak 65 changes to retirement planning.

### Changes in Practice Due to Peak 65™ Noticed by Financial Professionals

Financial professionals who discuss cognitive decline are also more likely to recognize Peak 65 changes to retirement planning. This includes changes in practice related to increased questions and needs from aging clients. The following chart captures the percentage of financial professionals who and who do not address cognitive decline.

<table>
<thead>
<tr>
<th>Change in Practice</th>
<th>Financial Professionals Who Address Cognitive Decline (%)</th>
<th>Financial Professionals Who Do Not Address Cognitive Decline (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>More clients asking questions about healthcare, Medicare and/or long-term care</td>
<td>62%</td>
<td>48%</td>
</tr>
<tr>
<td>More clients are asking questions about Social Security</td>
<td>62%</td>
<td>46%</td>
</tr>
<tr>
<td>Spending more time talking with older clients who have more questions/needs</td>
<td>48%</td>
<td>38%</td>
</tr>
<tr>
<td>My practice is growing because more aging clients need advice longer</td>
<td>45%</td>
<td>28%</td>
</tr>
<tr>
<td>More clients are consolidating accounts</td>
<td>44%</td>
<td>34%</td>
</tr>
<tr>
<td>More clients are talking about how to handle rollovers</td>
<td>43%</td>
<td>31%</td>
</tr>
<tr>
<td>More clients are asking about annuities</td>
<td>26%</td>
<td>15%</td>
</tr>
</tbody>
</table>

BASE: FINANCIAL PROFESSIONALS WHO DISCUSS COGNITIVE DECLINE (N=131), DON'T DISCUSS COGNITIVE DECLINE (N=388)

Q33. The US is approaching the greatest surge of new retirees in history. Now 10,000 people turn 65 every day, and that number will peak at more than 12,000 a day in 2024. What changes have you noticed in your practice relative to this phenomenon?
Financial professionals who discuss cognitive decline are also more likely to identify unique challenges women face.

Unique Challenges Women Face In Retirement

- **Caregivers**: 71% (71%) vs. 57% (36%)
- **Spend longer portions of life as widows**: 51% (71%) vs. 36% (36%)
- **Make less money over lifetime**: 39% (71%) vs. 26% (36%)

Q31. When you think of retirement, what would you say are the unique challenges women in particular face?
Financial professionals who discuss declining cognitive abilities are more likely to specialize in long-term care planning.
More than half of financial professionals believe their clients could spend more money if they added an annuity to their plan.

Believe Clients Could Spend More Money if They Added an Annuity to Retirement Income Plan

- Yes: 54%
- No: 46%

Financial Professionals Who Discuss Health Needs Recognize the Importance of Adding An Annuity to a Retirement Plan

- 62% of financial professionals who discuss cognitive decline
- 52% of financial professionals who don’t discuss cognitive decline
Financial professionals who discuss cognitive decline see positive changes in relationships with clients who have purchased on annuity.

Change in Relationships with Clients After They Have Purchased an Annuity Among Financial Professionals Who Address Cognitive Decline

Multiple responses accepted

- My clients with annuities are less stressed about market fluctuations (61%)
- Clients with annuities are satisfied with their purchase (50%)
- I have stronger relationships with the client(s) (36%)
- The annuity purchase brought in more assets to my practice (22%)
- Annuity purchases have led to an increase in referrals (17%)
Recommendations
Recommendations to:
Financial Professionals

Strengthen your relationship with clients by addressing health to better support them and their families long term.

- Remind your clients that health and cognitive decline effects everybody, but there are ways to prepare.
- Help your clients understand that many people have to retire because of their health or that of a loved one.
- Talk with your clients about how important it is to organize their financial accounts.
- Encourage your clients to have a team to help them through this process.
- Encourage your clients to identify and give someone they trust access to their information, hard assets or other personal property, when needed.
- Remember to discuss longevity planning with younger clients as well.
  - The typical client in their 30’s and 40’s today can expect to live well past the traditional retirement age of 65.
  - Most younger adults will need to assume caregiving responsibilities for a loved one at some point in the future.
  - Future shortages loom in both health care (HRSA) and senior living residences (American Health Care Association).
Recommendations to:

Consumers

Health and cognitive decline happen. If you prepare early and have a plan in place, you can better protect your and your family’s financial future.

- Your retirement will likely be long – 20 years or more – and your ability to make sound financial and other decisions on your own will decline as you age.
- Know the signs of Alzheimer’s Disease and dementia. Visit the Alzheimer’s Association for early signs.
- Have a plan beyond savings and investment planning, including health risk mitigation, health costs, long-term care costs, caregiving expenses and more.
- Organize your essential documents (power of attorney, health care proxy, living will, beneficiary designations, etc.).
- Have a team of trusted family, friends, and professionals who can help you with safe financial decision-making.
- Talk to your financial advisor about protected income options, like an annuity, to lower your risk and help put your finances on autopilot as you age. Visit protectedincome.org.
Recommendations to: Caregivers

As you support your loved ones, make sure to organize and prepare for your financial future and overall well-being too.

- Stay in regular contact with older loved ones, check on their overall well-being, physical and financial health.
- Help loved ones establish a plan, beyond saving and investing, to address future health costs as well as long-term planning needs. Ask about a power of attorney, living will and other documents they need to have in order.
- Ask about their support system – financial professionals, health care team, family members – or help them make one.
- Help your loved one automate their finances to avoid over or underpaying, save money and more. Visit Carefull.
- Explore protected income options to prevent them from running out of money. Visit protectedincome.org.
- Be careful to protect your own physical and financial well-being while caring for others.
  - 70% of caregivers provide direct financial support. Establish your own team to prepare for retirement, health costs, long-term care needs and other events.
  - Take care of your own mental, emotional and physical health as much as possible while caregiving. Access caregiver resources.
Supporting Research
Chronic Conditions
- Almost 95% of people 65 or older have at least one chronic condition, like heart disease, diabetes or Alzheimer’s Disease (National Council on Aging)

Cognitive Decline & Dementia
- Many people begin to notice changes in memory by around age 50. (Harvard Health Publishing)
- Nearly 11% of Americans 65 and older have Alzheimer’s Disease (Alzheimer’s Association) and up to 18% of people 60 and older live with Mild Cognitive Impairment (Alzheimer’s Association)
- Around half of all nursing home residents live with Alzheimer’s or other dementias (Alzheimer’s Association)

Financial Management & Literacy
- According to studies, the peak age of financial decision-making occurs at around age 53. (Brookings Institution study, as quoted in Alliance for Lifetime Income Retirement Income Institute report)
- Older adults with dementia exhibit financial symptoms up to six years before diagnosis – and for many people, payment delinquency is often the first sign (Johns Hopkins Bloomberg School of Public Health)
Long-term Care and Planning

- 69% of adults are expected to need at least 3 years of long-term care (U.S. Dept. of Health & Human Services)
- 89% of Americans over 55 want to age in place, but only 34% currently believe they will be able to prepare their home to support future health issues (Today's Homeowner)
- Only 34% of adults in the US have a will and 2 out of 3 Americans (66%) do not have any type of estate planning document (Caring.com, 2023)

Cost of Elder Care

- The cost of elder care is rising rapidly – July had the largest single-month increase in the price of nursing homes and adult day services since 1997 (U.S. Bureau of Labor Statistics)
- 67% of bankruptcies in U.S. are caused by the inability to pay medical bills (American Journal of Public Health)

Caregivers

- 92% of caregivers say they are financial caregivers – of these, 88% act as financial coordinators (i.e., help with paying bills, managing investments, etc.) and 68% provide direct financial support (Merrill Lynch study)
APPENDIX
Methodology

This online survey of 2,507 Consumers includes 2,000 Consumers and an oversample of 507 respondents ages 61 to 65. The study was conducted by Artemis Strategy Group March 1 to 31, 2023. Respondents include people ages 45 to 75.

Data is weighted to align with the population on age, income by gender, race/Hispanic ethnicity, region, work and retirement status, assets, and education. The oversample of ages 61 to 65 is weighted down to reflect their proportion in the population.
Methodology

- This online survey of 519 financial professionals was conducted by Artemis Strategy Group February 27 to March 7, 2023, and represents major segments of professionals: (Unweighted n’s)
  - **RIA**: Registered investment advisor (n=136)
  - **IBD**: Independent broker-dealer (n=136)
  - **Nat BD**: National wirehouse or full-service broker-dealers (n=122)
  - **Reg BD**: Regional broker-dealers (n=50)
  - **Ins BD**: Insurance broker-dealers (n=51)
  - Bank broker dealers are included in the total but not broken out separately due to the base of N=24, which is too small for analysis

- Data is weighted on advisor type to match the proportions of the PRIP Spring 2021 study.
## Consumer Respondent Profile (n=2,507)

<table>
<thead>
<tr>
<th>Gender</th>
<th>Male 48%</th>
<th>Female 52%</th>
<th>Other, non-binary/-conforming, prefer not to say &lt;1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>45-54 37%</td>
<td>55-64 36%</td>
<td>65-75 27%</td>
</tr>
<tr>
<td>Region</td>
<td>Northeast 20%</td>
<td>South 35%</td>
<td>Midwest 22%</td>
</tr>
<tr>
<td>Race/Ethnicity</td>
<td>White/Caucasian 80%</td>
<td>Black/African American 12%</td>
<td>Asian 5%</td>
</tr>
<tr>
<td>Marital Status</td>
<td>Married 57%</td>
<td>Living with partner 6%</td>
<td>Single, never married 13%</td>
</tr>
<tr>
<td>Education</td>
<td>High school or less 38%</td>
<td>Some college/Assoc. degree 32%</td>
<td>College graduate 16%</td>
</tr>
<tr>
<td>Current Employment Status</td>
<td>Employed (full or part-time) 51%</td>
<td>Unemployed 7%</td>
<td>Homemaker or other 7%</td>
</tr>
<tr>
<td>Household Income for 2022</td>
<td>Less than $50K 32%</td>
<td>$50K &lt; $100K 29%</td>
<td>$100K &lt; $250K 36%</td>
</tr>
<tr>
<td>Household’s Total Investable Assets</td>
<td>&lt;$100K 51%</td>
<td>$100K &lt; $150K 11%</td>
<td>$150K &lt; $500K 12%</td>
</tr>
<tr>
<td>Works with a Financial Professional</td>
<td>Yes 32%</td>
<td>No or Uncertain 68%</td>
<td></td>
</tr>
</tbody>
</table>
Financial Professional Respondent Profile (n=519)

**FP’s Assets Under Management (AUM)**

- $15 to $24 million: 12%
- $25 to $49 million: 13%
- $50 to $74 million: 14%
- $75 to $99 million: 19%
- $100 to $149 million: 15%
- $150 to $249 million: 20%
- $250 million or more: 6%

Mean: $148.4 million - Median: $125 million

**Average HH Investable Asset Level of FP’s Clients**

- Mean: $846,100
- Median: $625,000

**Percent of 2021 Cash Compensation of FP by Category**

- Fees from AUM: 54%
- Commissions from new sales: 18%
- Trailer fees: 8%
- Renewal commissions: 6%
- Salary: 5%
- Planning and consulting fees: 4%
- Other advisory fees: 2%
- Bonus: 2%
- Other: <1%

**FP's Assets Under Management (AUM)**

- $15 to $24 million: 12%
- $25 to $49 million: 13%
- $50 to $74 million: 14%
- $75 to $99 million: 19%
- $100 to $149 million: 15%
- $150 to $249 million: 20%
- $250 million or more: 6%

Mean: $148.4 million - Median: $125 million

**FP's Gender**

- Male: 88%
- Female: 11%
- Other: <1%
- Prefer not to say: 1%

**FP's Age**

- Less than age 35: 7%
- Age 35 to 44: 19%
- Age 45 to 54: 30%
- Age 55 to 64: 30%
- Age 65 or older: 15%

Mean Age: 52 - Median Age: 53

**Percent of 2021 Cash Compensation of FP by Category**

- Less than $250,000: 5%
- $250,000 to $499,999: 32%
- $500,000 to $749,999: 28%
- $750,000 to $999,999: 17%
- $1 million to $1.9 million: 13%
- $2 million or more: 7%

Mean: $846,100 - Median: $625,000

**Number of HHs FP Actively Serves (Est.)**

- Less than 100: 21%
- 100 to 199: 31%
- 200 to 299: 21%
- 300 to 399: 15%
- 400 to 489: 6%
- 500 or more: 7%

**FP Gender**

- Male: 88%
- Female: 11%
- Other: <1%
- Prefer not to say: 1%

**FP Age**

- Less than age 35: 7%
- Age 35 to 44: 19%
- Age 45 to 54: 30%
- Age 55 to 64: 30%
- Age 65 or older: 15%

Mean Age: 52 - Median Age: 53
ABOUT THE ALLIANCE FOR LIFETIME INCOME

A non-profit 501(c)(6) educational organization that creates awareness and educates Americans about the value and importance of having protected income in retirement.
THANK YOU!