

The 2011 Retirement Confidence Survey: Confidence Drops to Record Lows, Reflecting “the New Normal”

By Ruth Helman, Mathew Greenwald & Associates, and Craig Copeland and Jack VanDerhei, Employee Benefit Research Institute

RECORD-LOW CONFIDENCE: The 21st wave of the Retirement Confidence Survey (RCS) finds that Americans’ confidence in their ability to afford a comfortable retirement has plunged to a new low at the same time that the recent declines in other retirement confidence indicators appear to be stabilizing. Instead of making fundamental adjustments to their spending and saving patterns in response to the decline in confidence, workers continue to change their expectations about how they will transition from work to retirement in what has been called an age of “the new normal.”

WORKERS NOT CONFIDENT: The percentage of workers *not at all* confident about having enough money for a comfortable retirement grew from 22 percent in 2010 to 27 percent, the highest level measured in the 21 years of the RCS. At the same time, the percentage *very* confident shrank to the low of 13 percent that was first measured in 2009.

INCOME BREAKS: The increase in the percentage of workers *not at all* confident about having enough money for a comfortable retirement appears to be largely due to a loss of confidence among those who have less than \$100,000 in savings. This percentage increased sharply among those with savings less than \$25,000 (up from 19 percent in 2007 to 43 percent in 2011) and between \$25,000–\$99,999 (up from 7 percent in 2007 to 22 percent in 2011).

RETIREES: Retiree confidence in having a financially secure retirement is stable, with 17 percent saying they are *not at all* confident and 24 percent *very* confident (statistically equivalent to 2010 levels).

SAVED FOR RETIREMENT? Sixty-eight percent of workers report they and/or their spouse have saved for retirement (down from 75 percent in 2009, but statistically equivalent to the 2010 level). Fifty-nine percent say they and/or their spouse are currently saving (down from 65 percent in 2009, but statistically equivalent to earlier years).

LITTLE OR NO SAVINGS: A sizable percentage of workers report they have virtually no savings or investments. Among RCS workers providing this type of information, 29 percent say they have less than \$1,000. In total, more than half of workers (56 percent) report that the total value of their household’s savings and investments, excluding the value of their primary home and any defined benefit plans, is less than \$25,000.

NO RETIREMENT SAVINGS GOAL: Many workers continue to be unaware of how much they need to save for retirement. Only 42 percent report they and/or their spouse have tried to calculate how much money they will need to have saved by the time they retire so that they can live comfortably in retirement.

EXPECTED RETIREMENT AGE RISING: The age at which workers expect to retire continues its slow, upward trend. In particular, the percentage of workers who expect to retire after age 65 has increased over time, from 11 percent in 1991 and 1996 to 20 percent in 2001, 25 percent in 2006, and 36 percent in 2011.

MORE EXPECTING TO WORK IN RETIREMENT: More workers now expect to work for pay in retirement. Seventy-four percent report they plan to work in retirement (up from 70 percent in 2010), three times the percentage of retirees who say they actually worked for pay in retirement (23 percent).

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Report availability: This report, along with seven related 2011 RCS Fact Sheets, is available on the Internet at www.ebri.org. The RCS Fact Sheets cover such topics as changing expectations about retirement, age, and gender, and are available online at www.ebri.org/surveys/rcs/2011/

The 2010 Retirement Confidence Survey was underwritten by 26 organizations, listed on pg. 4.

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2011 Retirement Confidence Survey Underwriters

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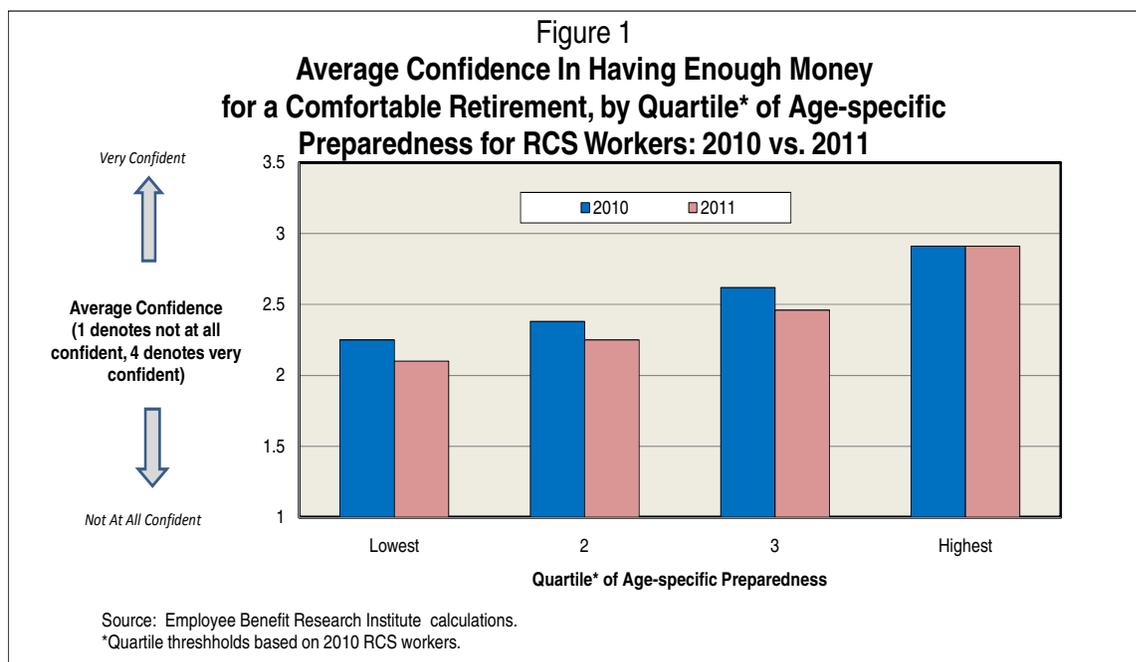
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Introduction

The 21st wave of the Retirement Confidence Survey (RCS) finds that Americans' confidence in their ability to afford a comfortable retirement has plunged to a new low at the same time that the recent declines in other retirement confidence indicators appear to be stabilizing. Instead of making fundamental adjustments to their spending and saving patterns in response to the decline in confidence, workers¹ continue to change their expectations about how they will transition from work to retirement in what has been called an age of "the new normal."

As referred to here, the "new normal" reflects the various forces causing many Americans to delay retirement: federal, state, and local government fiscal crises that are described as requiring permanent changes in programs and policies; rising health care costs with no clear path to control; lower interest rates and investment returns; longer life expectancies; later retirement ages for Social Security; less job security; and various other long-term factors—including, perhaps most importantly, the slow movement of the Baby Boom generation into the "senior" years, which will take the proportion of the population over the age of 65 from under 14 percent today to over 21 percent before the last Boomer retires.

As evidence of this proposition, Figure 1 shows a comparison of average confidence in having enough money for a comfortable retirement for workers responding to the 2010 RCS vs. this year's workers. The average confidence was plotted against the empirical age-specific retirement preparedness for each of four quartiles. Workers in the first quartile had the lowest degree of actual preparedness,² whereas those in the fourth quartile had the highest. In general, if workers whose actual preparedness was below where they should be at their age became more realistic with respect to their confidence levels, one would expect to observe a significantly lower average confidence in 2011 compared with the 2010 level. That is indeed what is observed for the first quartile in Figure 1 (an average of 2.25 in 2010 dropping to 2.11 in 2011). However those who whose age-specific preparedness is relatively high (i.e., those in the fourth quartile) would not be expected to have much of a difference between the 2010 and 2011 levels (which is precisely what is observed in Figure 1 as both years have an average fourth quartile confidence of 2.91).



Major findings in this year's RCS include:

- The percentage of workers not at all confident about having enough money for a comfortable retirement grew from 22 percent in 2010 to 27 percent, the highest level measured in the 21 years of the RCS. At the same time, the percentage very confident shrank to the low of 13 percent that was first measured in 2009.
- The increase in the percentage of workers not at all confident about having enough money for a comfortable retirement appears to be largely due to a loss of confidence among those who have less than \$100,000 in savings. This percentage increased sharply among those with savings less than \$25,000 (up from 19 percent in 2007 to 43 percent in 2011) and between \$25,000–\$99,999 (up from 7 percent in 2007 to 22 percent in 2011). At the same time, the percentage not at all confident remained low among those with savings of \$100,000 or more (5 percent, statistically equivalent to the 2 percent measured in 2007).
- Retiree confidence in having a financially secure retirement is stable, with 17 percent saying they are not at all confident (statistically equivalent to the 18 percent measured in 2010) and 24 percent very confident (statistically equivalent to the 19 percent in 2010).
- Worker confidence in other financial aspects of retirement appears to have stabilized below the levels measured in 2007. Twenty-eight percent of workers report they are very confident that they will have enough money to pay for basic expenses during retirement (statistically equivalent to the 29 percent measured in 2010, but still down from 40 percent in 2007), 12 percent are very confident about being able to pay for medical expenses (level with the 12 percent measured in 2010, but down from 20 percent in 2007), 9 percent are very confident about being able to pay for long-term care expenses (statistically equivalent to the 10 percent found in 2010, but below the 17 percent measured in 2007), and 22 percent are very confident they are doing a good job of preparing financially for retirement (statistically unchanged from 21 percent in 2010, but down from 26 percent in 2007).
- Sixty-eight percent of workers report they and/or their spouse have saved for retirement (down from 75 percent in 2009, but statistically equivalent to the 69 percent measured in 2010). Fifty-nine percent say they and/or their spouse are currently saving (down from 65 percent in 2009, but statistically equivalent to the percentages measured in other years).
- A sizable percentage of workers report they have virtually no savings or investments. Among RCS workers providing this type of information, 29 percent say they have less than \$1,000. In total, more than half of workers (56 percent) report that the total value of their household's savings and investments, excluding the value of their primary home and any defined benefit plans, is less than \$25,000.
- Yet many workers think they could save more than they are currently saving for retirement. Sixty-eight percent of savers and 48 percent of nonsavers say they think it is reasonably possible for them to save \$25 a week (more) for retirement.
- Many workers continue to be unaware of how much they need to save for retirement. Only 42 percent report they and/or their spouse have tried to calculate how much money they will need to have saved by the time they retire so that they can live comfortably in retirement.
- When workers are asked to evaluate their progress in planning and saving for retirement, 70 percent state that they are a little or a lot behind schedule. This is 15 percentage points higher than the 55 percent of workers who felt behind schedule in 2005.

- The age at which workers expect to retire continues its slow, upward trend. In particular, the percentage of workers who expect to retire after age 65 has increased over time, from 11 percent in 1991 and 1996 to 20 percent in 2001, 25 percent in 2006, and 36 percent in 2011.
- More workers now expect to work for pay in retirement. Seventy-four percent report they plan to work in retirement (up from 70 percent in 2010), three times the percentage of retirees who say they actually worked for pay in retirement (23 percent).

The large majority of Americans are concerned about possible decreases in Social Security and Medicare benefits. Specifically, they report being *very* or *somewhat* concerned that the cost of Medicare premiums will rise faster than inflation (92 percent of workers and 86 percent of retirees), that Medicare benefits will be reduced (88 percent of workers and 87 percent of retirees), and that Social Security payments will be reduced (87 percent of workers and 84 percent of retirees). In addition, 76 percent of workers are concerned that the age at which they become eligible for Social Security retirement benefits will increase before they retire.

Nine in 10 workers offered an employer-sponsored retirement savings plan say they would find statements that estimate how much they should save so that they can maintain their current lifestyle in retirement (91 percent), how much retirement income they could expect from the money they currently have in their account (91 percent), and how much retirement income they could expect from the money in the plan if they continue to save at their current rate (89 percent) to be very or somewhat valuable.

Retirement Confidence

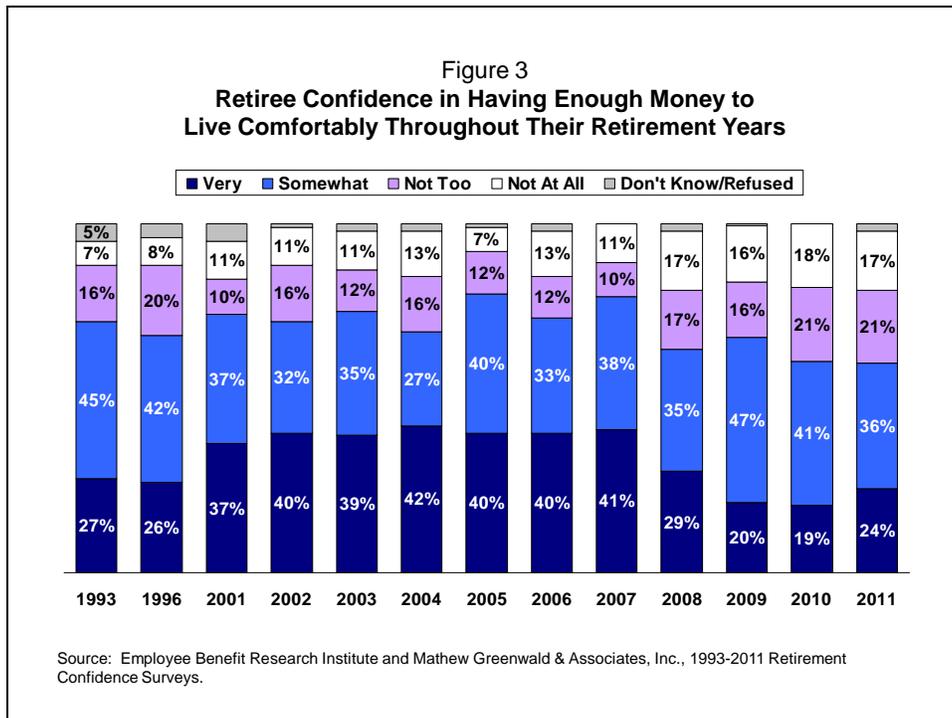
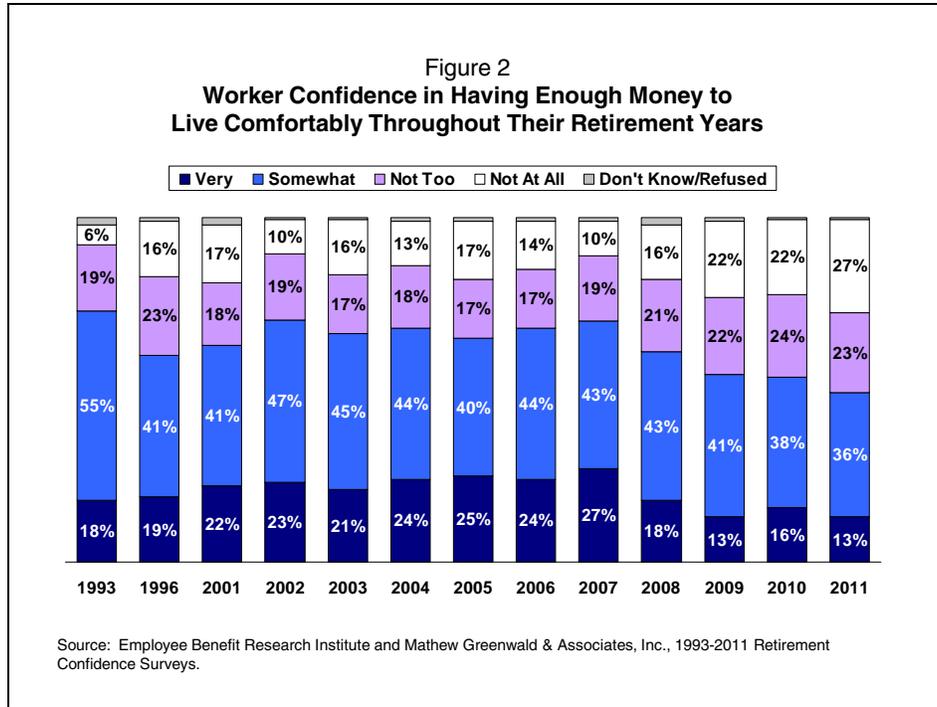
Overall Retirement Confidence

As Americans slowly adjust to a number of realities that will affect their retirement, their confidence in their ability to retire comfortably continues to fall. More than one-quarter of workers (27 percent) in the 2011 RCS say they are not at all confident that they will have enough money to live comfortably throughout their retirement years. This represents an increase of 5 percentage points from the 22 percent measured in 2010 and is the highest level ever measured in the 21 years of the RCS. Another 23 percent are not too confident they will have enough money, making half of all workers not too or not at all confident of having enough money for retirement. On the other hand, 13 percent are very confident they will have enough money to live comfortably in retirement (equivalent to the low of 13 percent measured in 2009), and 36 percent are somewhat confident. Overall retirement confidence among workers has fluctuated over the 21 years of the RCS, reaching its highest levels in 2007 (27 percent very confident and 10 percent not at all confident), but has shown a dramatic decline since that time (Figure 2).

Retiree confidence about having a financially secure retirement appears to be more stable. Seventeen percent say they are not at all confident about having enough money to live comfortably throughout their retirement years (statistically equivalent to the 18 percent measured in 2010). Another 21 percent of retirees are not too confident. At the same time, 24 percent are very confident (statistically equivalent to 19 percent in 2010) and 36 percent are somewhat confident. Like worker confidence, retiree confidence in having enough money for retirement has varied over the 21 years of the RCS. It remained fairly steady at roughly 40 percent very confident and 10 percent not at all confident from 2001 through 2007, but the percentage very confident declined in 2008 and 2009 and the percentage not at all confident increased (Figure 3).

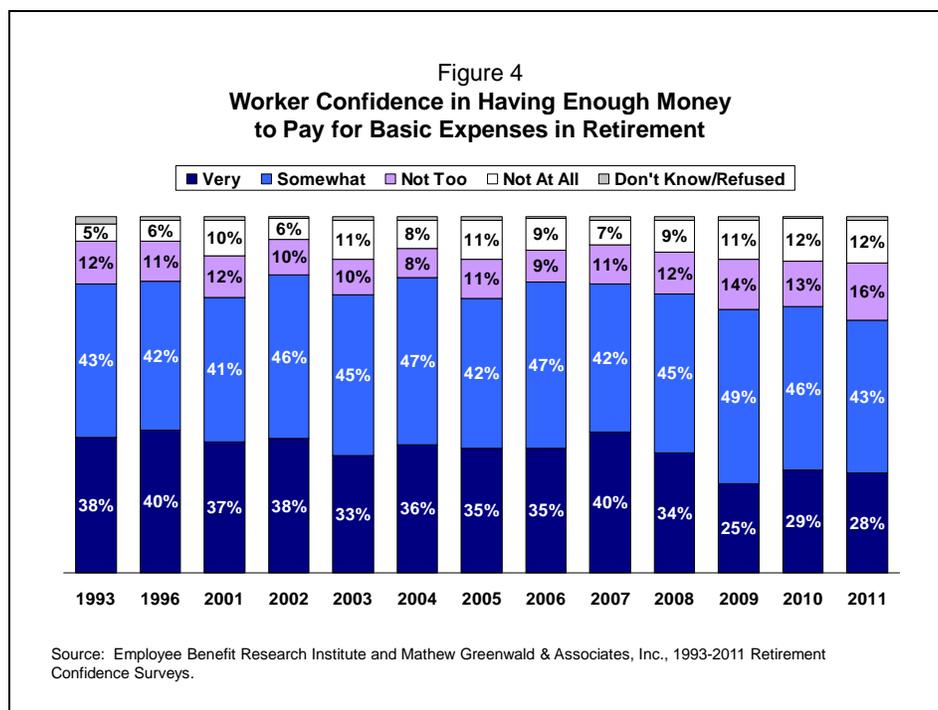
As would be expected, worker confidence in having enough money for a comfortable retirement increases with household income. Worker confidence also increases with savings and investments, education, and improved health status. Others more often confident are men (compared with women), married workers (compared with those not married), those who participate in a defined contribution retirement plan (compared with those who

do not), those who report they or their spouse currently have benefits from a defined benefit retirement plan (compared with those who do not), those who expect to have access to employer-provided health insurance (compared with those who do not), and those who say they do not have a problem with debt (compared with those who have a major or minor problem).



Confidence in Other Financial Aspects of Retirement

Although overall retirement confidence among workers has declined sharply in the past year, confidence about other financial aspects of retirement has remained relatively stable after declining through 2010 from highs in 2007. In particular, 28 percent of workers are now very confident that they will have enough money to pay for basic expenses during retirement (down from 40 percent in 2007, but statistically equivalent to the 29 percent measured in 2010). Twelve percent say they are not at all confident about their ability to pay for basic expenses (up from 7 percent in 2007, but level with the 12 percent in the 2010 RCS) and another 16 percent indicate they are not too confident (up from 11 percent in 2007) (Figure 4).



The declines in worker confidence about having enough money to pay for medical expenses and long-term care expenses in retirement also appear to have halted. The percentages of workers who are very confident about being able to pay for medical expenses (12 percent, down from 20 percent in 2007 but level with the 12 percent in 2010) and long-term care expenses (9 percent, down from 17 percent in 2007 but statistically equivalent to the 10 percent measured in 2010) are unchanged from 2010. Similarly, the percentages who are not at all confident have remained stable, with 23 percent now not at all confident about having enough money for medical expenses (up from 14 percent in 2007, statistically equivalent to the 26 percent measured in 2010) and 33 percent not at all confident about having enough money for long-term care expenses (up from 21 percent in 2007, statistically equivalent to the 31 percent measured in 2010). Another 27 percent each are not too confident about covering medical and long-term care expenses in retirement (Figures 5 and 6).

Worker confidence that they are doing a good job of preparing financially for retirement is perhaps the most stable confidence indicator of all. The percentage very confident remained at roughly 25 percent between 2003 and 2007, and has since remained steady at roughly 22 percent (21 percent in 2010 and 22 percent in 2011). The percentage not at all confident rose slightly from 12 percent in 2008 to 17 percent in 2011 (statistically equivalent to the 16 percent measured in 2010). Together with the 19 percent of workers who say they are not too confident, this means that 36 percent indicate they lack confidence in their financial preparations for retirement (Figure 7). Doubts among workers about the adequacy of their financial

preparations for retirement may be good news: Workers who admit to uncertainty about their retirement preparations may be more willing to make corrections and accept advice than are those who are convinced that their retirement preparations are likely to provide them with a comfortable retirement.

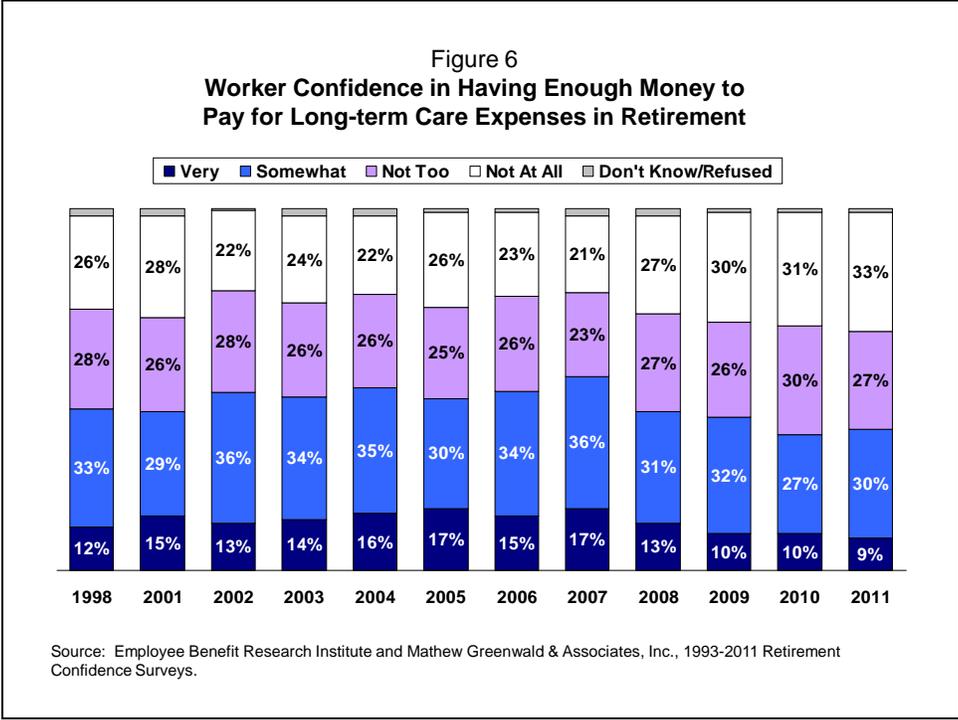
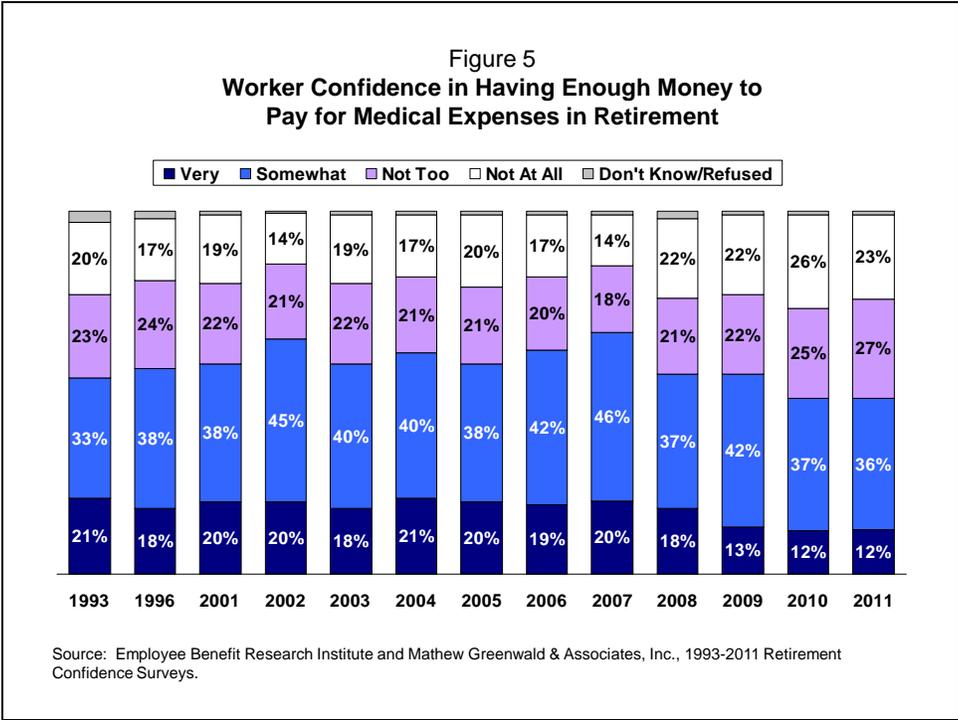
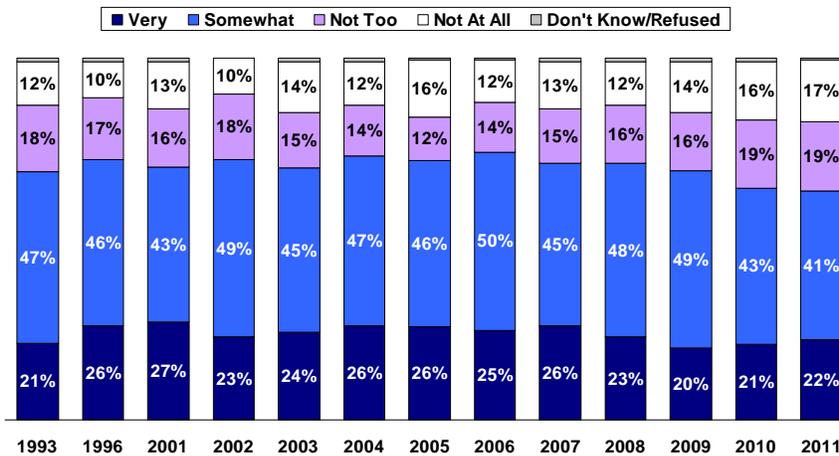


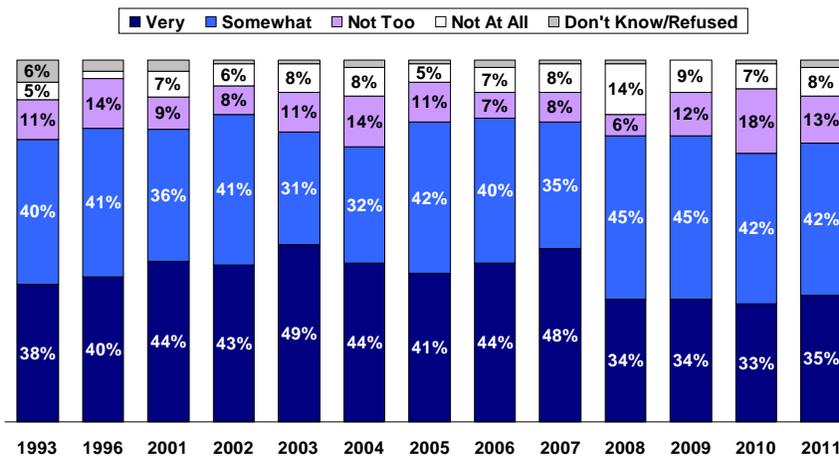
Figure 7
**Worker Confidence in Doing a Good Job of
 Preparing Financially for Retirement**



Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

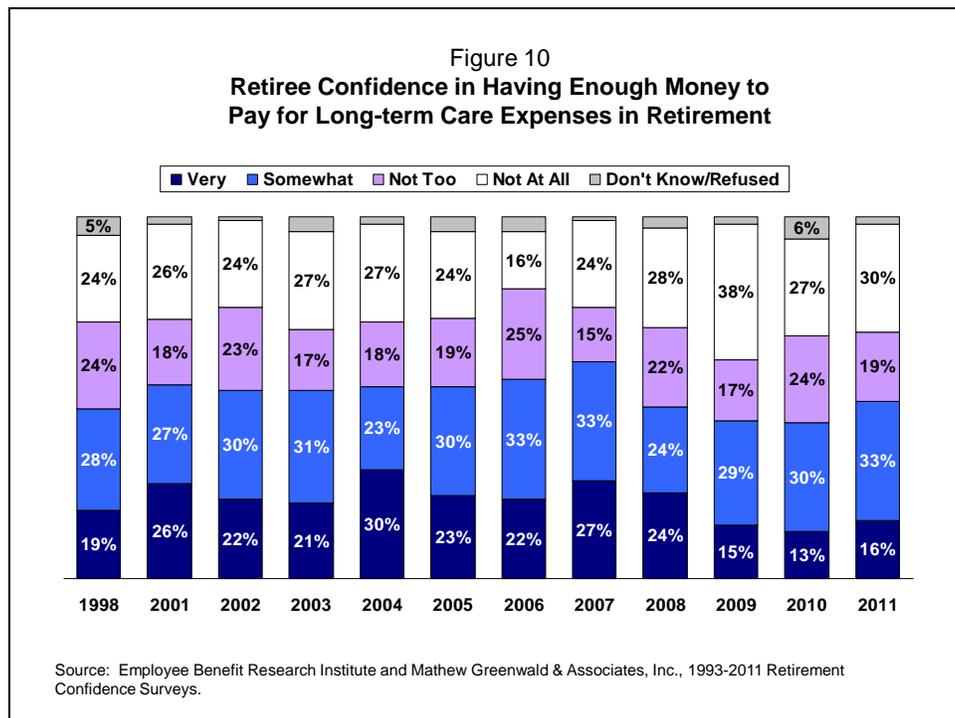
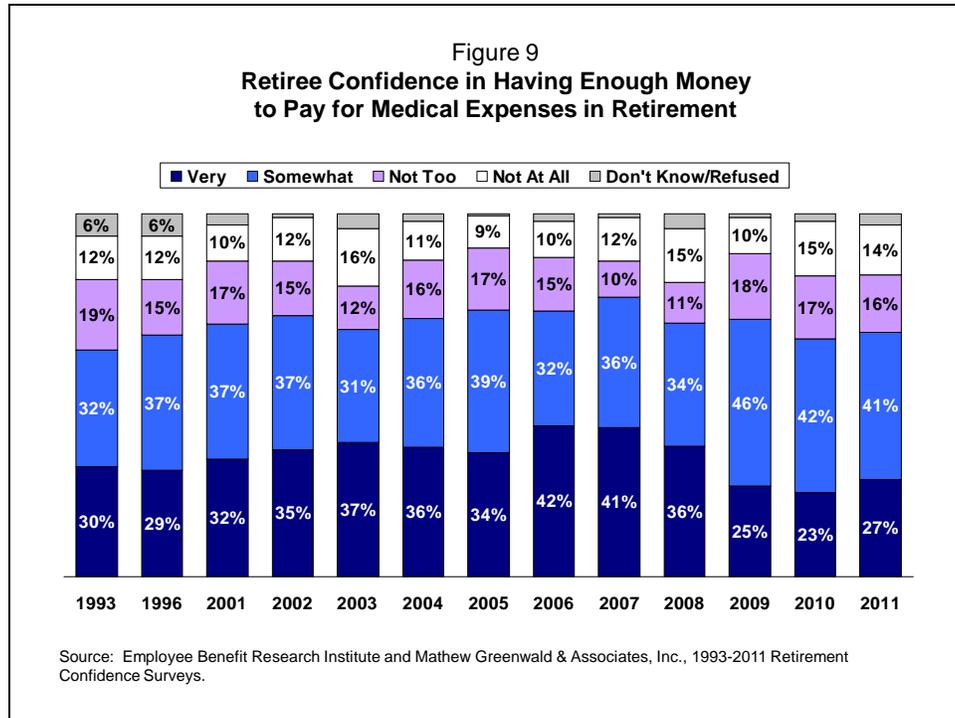
Retirees tend to express higher levels of confidence than workers about each of these financial aspects of retirement, and the 2011 RCS shows little change from the levels measured for retirees in 2009 and 2010. After decreasing from 48 percent in 2007 to 34 percent in 2008, the percentage of retirees very confident in having enough money to pay for basic expenses continues steady at 35 percent in 2011. At the same time, 8 percent continue to be not at all confident about paying for basic expenses (statistically unchanged from 9 percent in 2009 and 7 percent in 2010) (Figure 8).

Figure 8
**Retiree Confidence in Having Enough Money
 to Pay for Basic Expenses in Retirement**

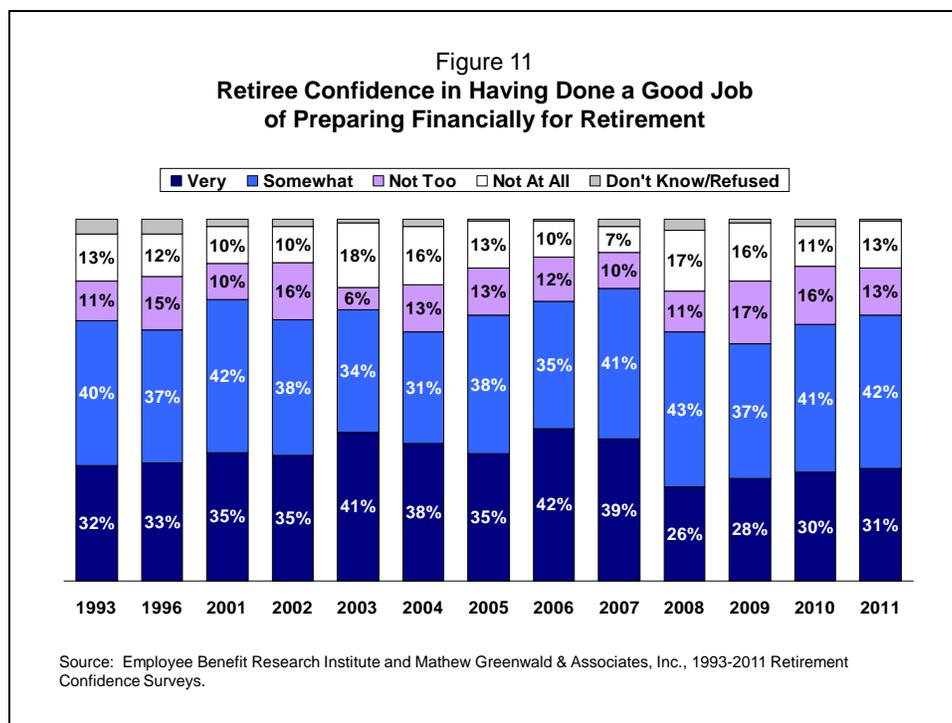


Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

Similarly, the percentages of retirees very confident about having enough money to cover medical expenses (27 percent, statistically unchanged from 23 percent in 2010) and long-term care expenses (16 percent, statistically unchanged from 13 percent in 2010) are stable. The percentages not at all confident about medical (14 percent in 2011 and 15 percent in 2010) and long-term care (30 percent in 2011 and 27 percent in 2010) expenses also do not show any statistically meaningful changes (Figures 9 and 10).



Although the percentage of retirees who are very confident that they had done a good job of preparing for retirement fell from 39 percent in 2007 to 26 percent in 2008, it has remained steady since that time (31 percent in 2011). Likewise, 13 percent of retirees continue to be not confident about having done a good job (statistically unchanged from 16 percent in 2009 and 11 percent in 2010) (Figure 11).



Overconfidence?

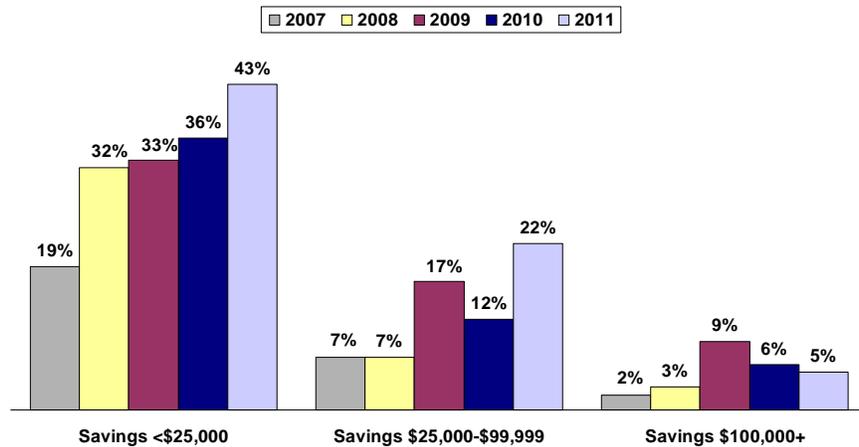
One possible explanation for the continuing decrease in overall retirement confidence among workers is that workers are becoming more realistic about their prospects for a financially comfortable retirement given their current level of retirement preparations. This is supported by the fact that the increase in the percentage of workers not at all confident about having enough money for a comfortable retirement appears to be largely the result of loss of confidence among those who have less than \$100,000 in savings. This percentage increased sharply among those with savings less than \$25,000 (up from 19 percent in 2007 to 43 percent in 2011) and between \$25,000–\$99,999 (up from 7 percent in 2007 to 22 percent in 2011), while the percentage not at all confident among those with savings of \$100,000 or more remains low (5 percent, statistically equivalent to the 2 percent measured in 2007) (Figure 12).

Although this would suggest that younger workers are also more likely than older workers to have lost confidence (because the amount of accumulated savings tends to increase with age), this is not the case. Younger workers are statistically no more likely than older workers to state they are not at all confident (Figure 13). This might seem counter-intuitive given the positive relationship between age and accumulated savings, but it is likely due to the sizable minority of older workers who have very little savings. While it is reasonable for many younger workers to expect their accumulated savings will grow substantially before they retire, these expectations may not be reasonable for the 29 percent of workers age 55 or older who still have less than \$10,000 in savings.

Despite the increasing realism, some workers still appear to provide conflicting responses with respect to confidence and retirement preparation. Sixteen percent of very confident workers are not currently saving for

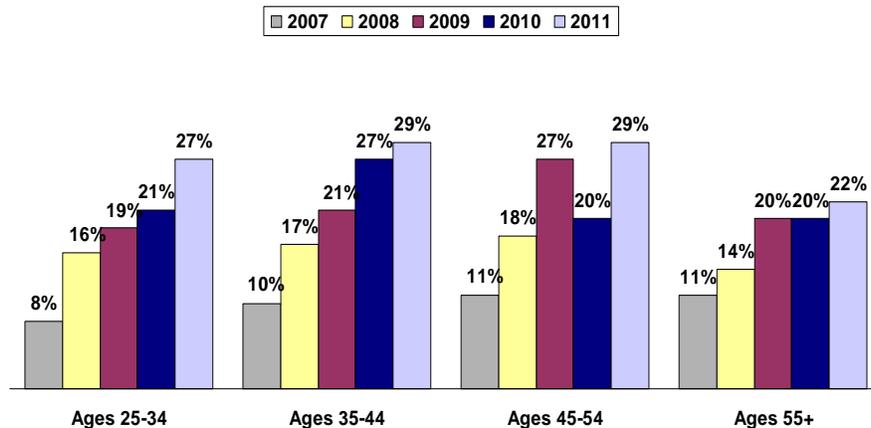
retirement (down from 24 percent in 2007), 28 percent have less than \$25,000 in savings (down from 35 percent), and 33 percent have not done a retirement needs calculation (statistically equivalent to the 37 percent measured in 2007). In addition, 10 percent of very confident workers who are offered a retirement savings plan by their current employer are not contributing to the plan (statistically equivalent to the 14 percent measured in 2007).

Figure 12
Workers Not at All Confident in Having Enough Money to Live Comfortably Throughout Their Retirement Years, by Household Savings



Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

Figure 13
Workers Not at All Confident in Having Enough Money to Live Comfortably Throughout Their Retirement Years, by Age

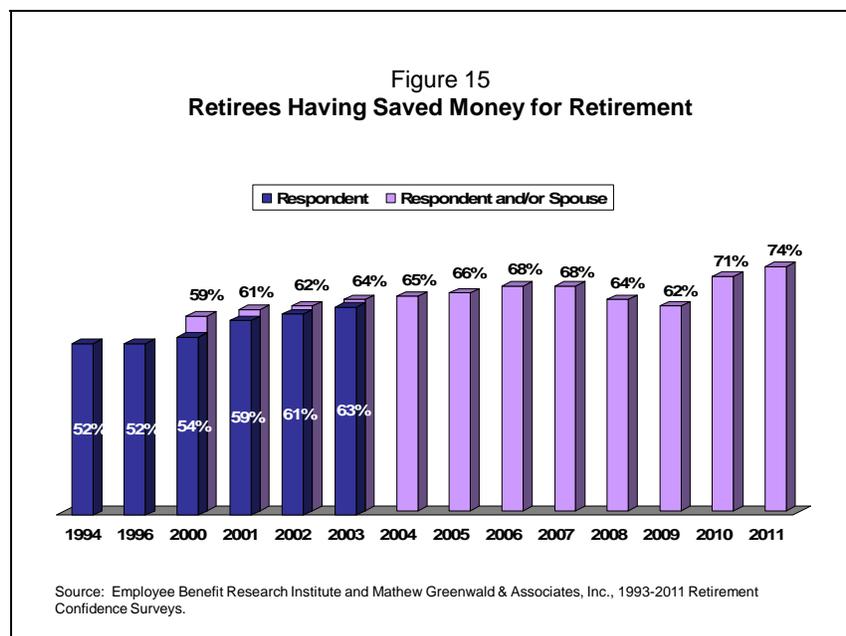
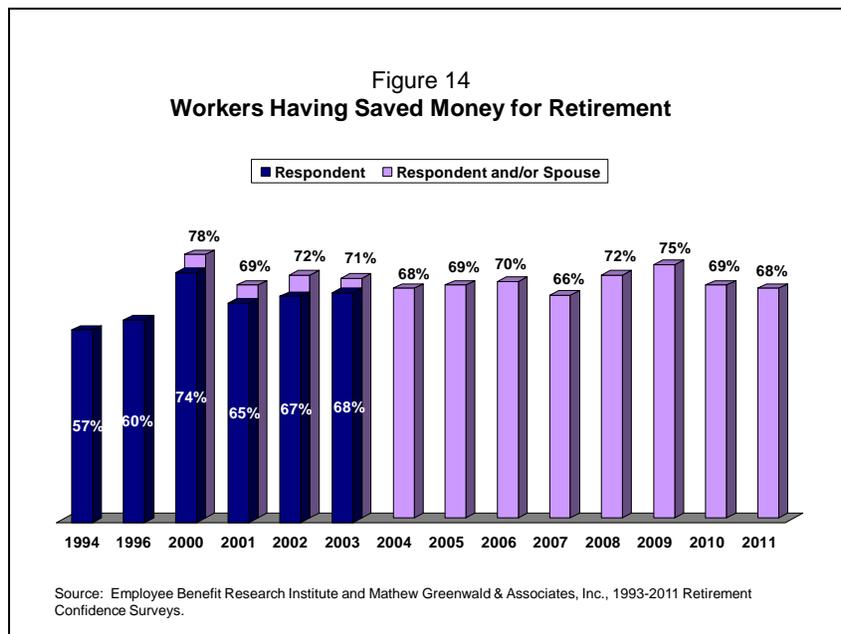


Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

Preparing for Retirement

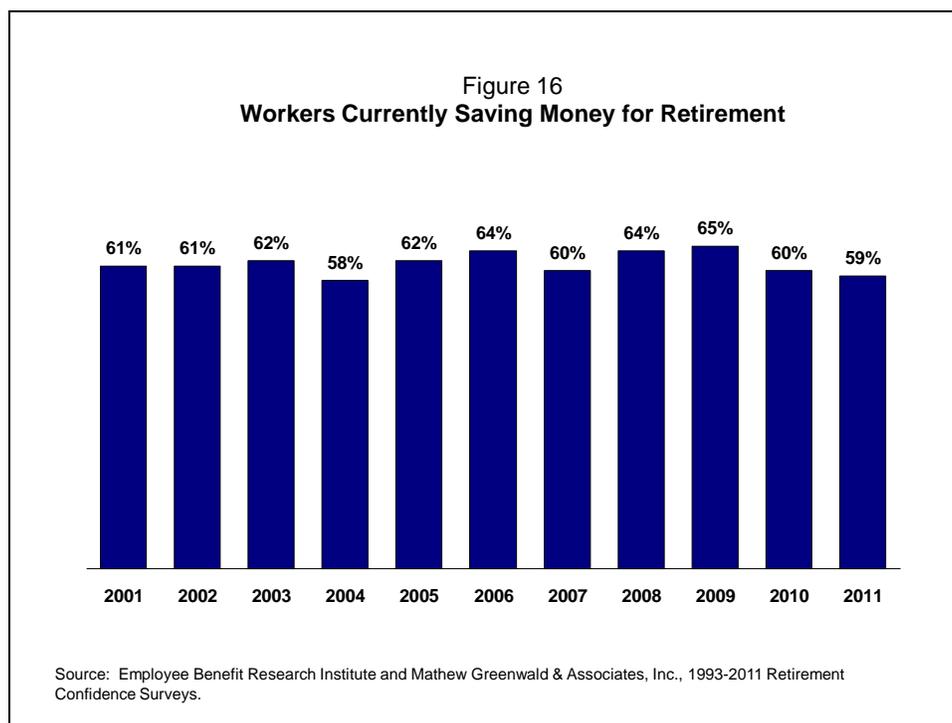
Saving for Retirement

It would be heartening if American workers reacted to their decline in confidence by improving their preparations for retirement, but this does not appear to be happening. Although the percentage of workers who reported they and/or their spouse had saved for retirement increased briefly in 2009 (to 75 percent), it dropped in 2010 to 69 percent and is now 68 percent. The percentage of workers having saved for retirement increased from 1996 through 2000, declined significantly in 2001, and hovered around 70 percent for most of the subsequent decade (Figure 14). The percentage of retirees having saved for retirement climbed slowly from 52 percent in 1996 to 68 percent in 2006 and 2007 and now stands at 74 percent (up from 62 percent in 2009) (Figure 15).



Not all workers who have saved for retirement are currently saving for this purpose. Fifty-nine percent of workers in the 2011 RCS report that they and/or their spouse are currently saving for retirement (down from 65 percent in 2009, but statistically equivalent to the percentages measured in other years) (Figure 16).

Not surprisingly, the likelihood of having saved for retirement among both workers and retirees is strongly related to household income. The proportion saying they have saved for retirement also increases as education levels rise or health status improves. In addition, married workers are more likely than those not married to have set money aside. Other groups of workers more likely to have saved for retirement include those age 45 and older (compared with workers age 25–44), those currently participating in a work-place retirement savings plan (compared with those not participating), those having attempted a retirement savings needs calculation (compared with those who have not), and those who currently have a defined benefit plan (compared with those who do not).

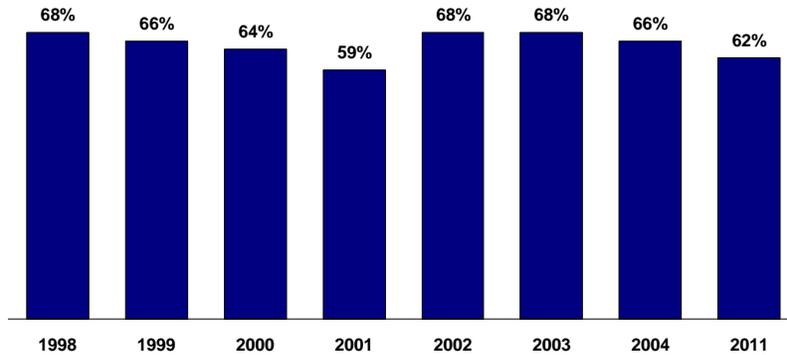


Regardless of whether they are currently saving for retirement, workers were asked if they thought it was reasonably possible for them to save \$25 a week (more) for retirement. Sixty-two percent of workers indicate that they could save \$25 a week (more), down from the 68 percent who reported they could save (an additional) \$20 a week in 2002 and 2003 (Figure 17).

While \$25 a week may not seem to be a significant amount of money, someone who managed to save this amount for a year would accumulate \$1,300, which is more than 29 percent of workers report having accumulated in total. However, those who have already saved for retirement are more likely than those who have not saved to report they can save this money. In addition, the likelihood of feeling able to save this (additional) money increases as the amount already saved or household income rises.

How would workers save this \$24 a week? Most often, workers who report they could save this money say they would cut back or give up dining out (34 percent). Others say they would give up or cut back on entertainment or leisure activities (22 percent) smoking or cigarettes (10 percent), groceries (10 percent), or impulse buying (9 percent). One in 10 (9 percent) state they would not need to give up or cut back on anything in order to save \$25 a week.

Figure 17
**Workers Who Think It Reasonably Possible
to Save \$25 a Week for Retirement**



*In 1998-2004, the dollar amount cited in the question was \$20.

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

Retirement Savings

A sizable percentage of workers have virtually no money in savings and investments. Among RCS workers providing this type of information, 56 percent report that the total value of their household's savings and investments, excluding the value of their primary home and any defined benefit plans, is less than \$25,000. This includes 29 percent who say they have less than \$1,000 in savings (up from 20 percent in 2009, but statistically equivalent to the 27 percent measured in 2010). Approximately 1 in 10 each report totals of \$25,000–\$49,999 (11 percent), \$50,000–\$99,999 (9 percent), \$100,000–\$249,999 (14 percent), and \$250,000 or more (10 percent) (Figure 18). Retirees provide similar estimates of total household savings (Figure 19).

Figure 18
**Total Savings and Investments Reported by Workers,
Among Those Providing a Response**
(not including value of primary residence or defined benefit plans)

	<u>2002</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Less than \$1,000	50%	39%	35%	36%	20%	27%	29%
\$1,000 - \$9,999					19	16	17
\$10,000 - \$24,999					13	11	10
\$25,000 - \$49,999	13	12	10	12	11	12	11
\$50,000 - \$99,999	15	12	13	12	12	11	9
\$100,000 - \$249,999	15	11	15	15	12	11	14
\$250,000 or more	7	12	14	12	12	11	10

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

Figure 19
**Total Savings and Investments Reported by Retirees,
 Among Those Providing a Response**
 (not including value of primary residence or defined benefit plans)

	2002	2006	2007	2008	2009	2010	2011
Less than \$1,000	45%	30%	32%	51%	23%	27%	28%
\$1,000 - \$9,999					17	15	14
\$10,000 - \$24,999		12	13	9	16	14	12
\$25,000 - \$49,999	7	14	10	9	13	11	6
\$50,000 - \$99,999	14	11	12	6	9	6	11
\$100,000 - \$249,999	19	13	20	13	10	15	12
\$250,000 or more	15	21	14	12	12	12	17

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

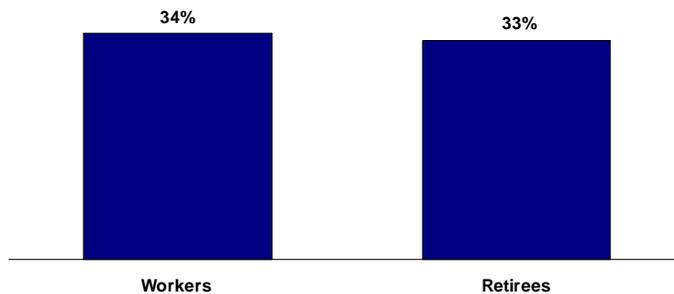
These findings are similar to some other estimates of American household financial assets. Quantifiable data from the 2007 Survey of Consumer Finances (conducted by the U.S. Federal Reserve Board) found that the median (midpoint) level of household financial assets of the American households having these assets was \$25,300.³

Older workers tend to report higher amounts of assets. Seventy-one percent of workers age 25–34 have total savings and investments of less than \$25,000, compared with 46 percent of workers age 45 and older. At the same time, 17 percent of workers age 45 and older cite assets of \$250,000 or more (versus 3 percent of workers age 25–34). As one might suspect, total savings and investments increase sharply with household income, education, and health status. Workers who have done a retirement savings needs calculation (compared with those who have not) tend to have higher levels of savings. In addition, those who have saved for retirement are more likely than those who have not saved to have substantial levels of savings. In fact, 68 percent of those who have not saved for retirement say their assets total less than \$1,000.

Thirty-four percent of workers report they had to dip into their savings to pay for basic expenses within the past 12 months. A similar percentage of retirees (33 percent) say they had to take more than planned from their savings and investments to pay for basic expenses (Figure 20). The reported likelihood of dipping into savings and investments decreases as savings and investments or household income rise.

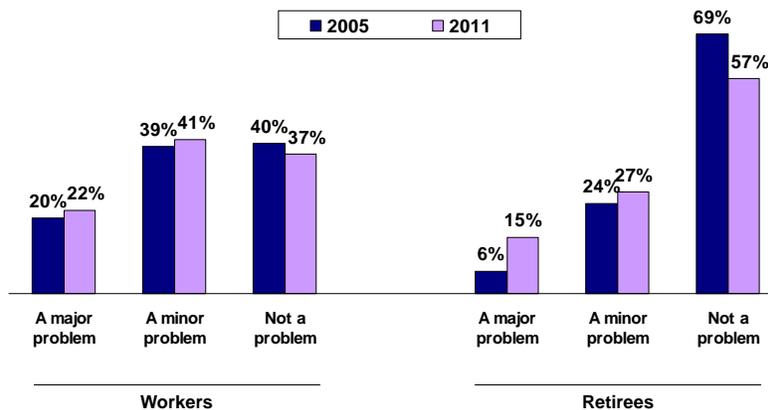
Debt is also a problem for a significant number of workers. Twenty-two percent report their level of debt is a major problem, and an additional 41 percent describe it as a minor problem. Retirees are less likely than workers to report debt is a major (15 percent) or a minor (27 percent) problem. However, while workers' evaluation of their debt problem does not appear to have increased in severity since the question was last asked in the 2005 RCS, retirees are now more likely to say debt is a major problem (15 percent, up from 6 percent) (Figure 21).

Figure 20
Americans Reporting They Dipped Into Savings to Pay for Basic Expenses



Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

Figure 21
Assessment of Current Level of Debt

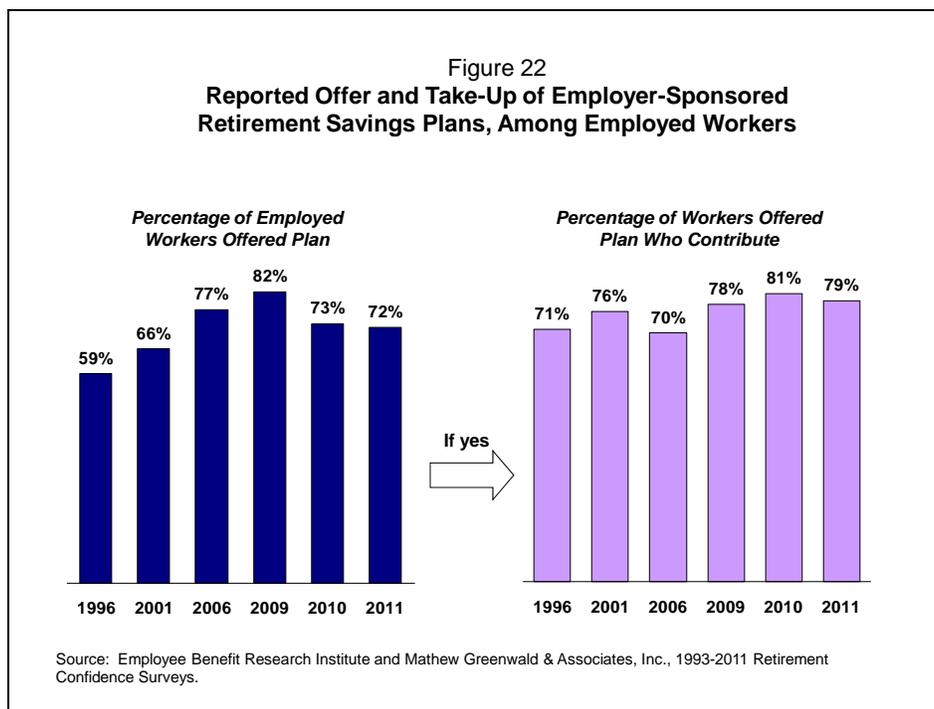


Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

Retirement Savings Plans

One of the primary vehicles that workers use to save for retirement is an employer-sponsored retirement savings plan, such as a 401(k). Seventy-nine percent of eligible workers (36 percent of all workers) say they participate in such a plan with their current employer (Figure 22). Furthermore, 28 percent of participants report that they have increased the percentage of their salary that they contribute to the plan in the past year,

and just 4 percent report they decreased the percentage. While 3 percent of workers offered a plan say they stopped contributing in the past year, this is offset by the 2 percent who say they started or restarted their contributions (included in the 28 percent of participants reporting an increase, as noted above).



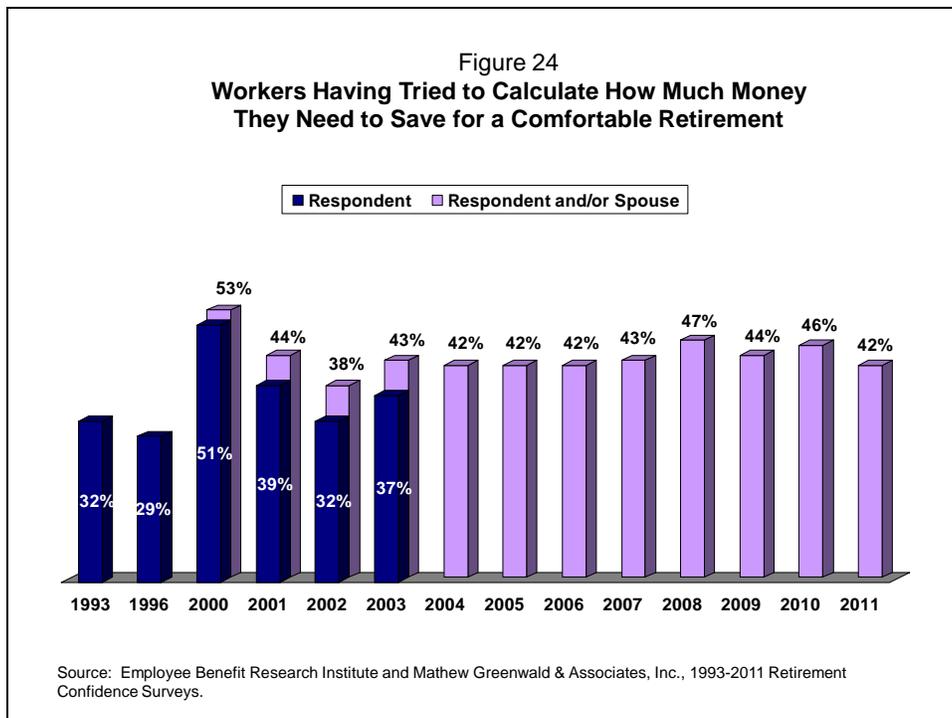
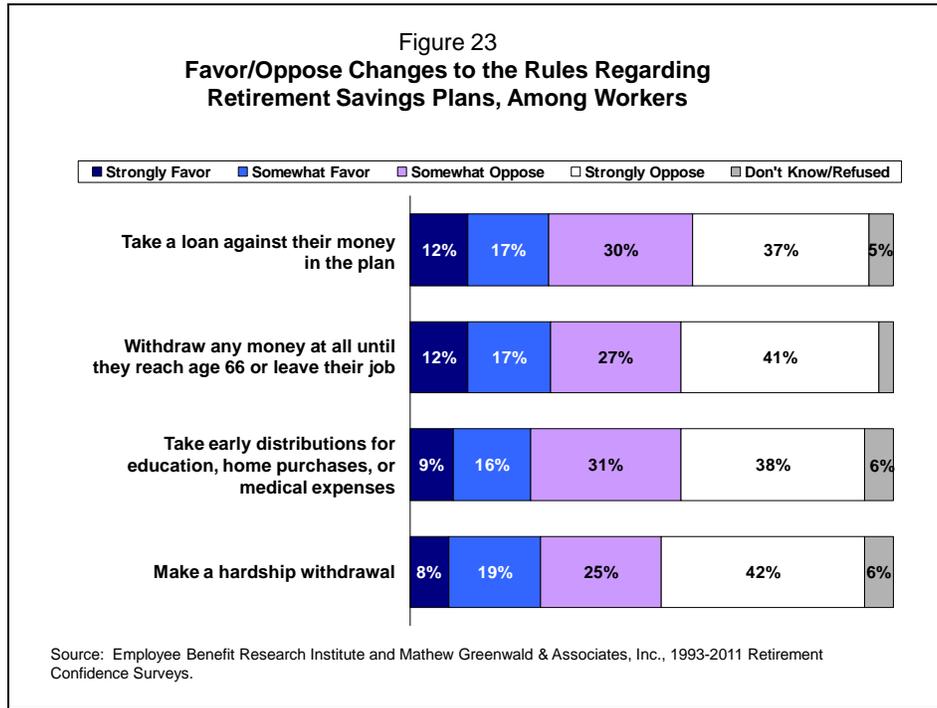
Employer-sponsored retirement savings plans may be among the most effective vehicles available for encouraging workers to save for retirement. While the RCS does not distinguish how much money is saved in each type of savings vehicle, workers who currently participate in this type of plan are more than twice as likely as those who do not to report savings and investments of at least \$50,000 (52 percent vs. 23 percent). Furthermore, workers are more likely to report they have money in an employer-sponsored retirement savings plan with a current or previous employer (59 percent) than to say they have an individual retirement account or IRA (including a rollover IRA) (45 percent).

While many policy makers consider it to be desirable to limit access to the money contributed to retirement savings plans, such as 401(k)s or IRAs, so that plan money is not depleted before retirement, only a minority of workers favor restrictions to the way withdrawals are made from these accounts. Less than 3 in 10 workers each say they favor changing retirement savings plans so that workers would be prohibited from taking a loan against the money in the plan (29 percent), withdrawing any money until they reach age 66 or leave their job (29 percent), or taking a hardship withdrawal (27 percent). One-quarter (25 percent) say they favor eliminating early distributions for education, home purchases, or medical expenses (Figure 23). Workers age 55 and older are more likely than younger workers to favor eliminating early distributions for education, home purchases, or medical expenses.

Retirement Savings Needs

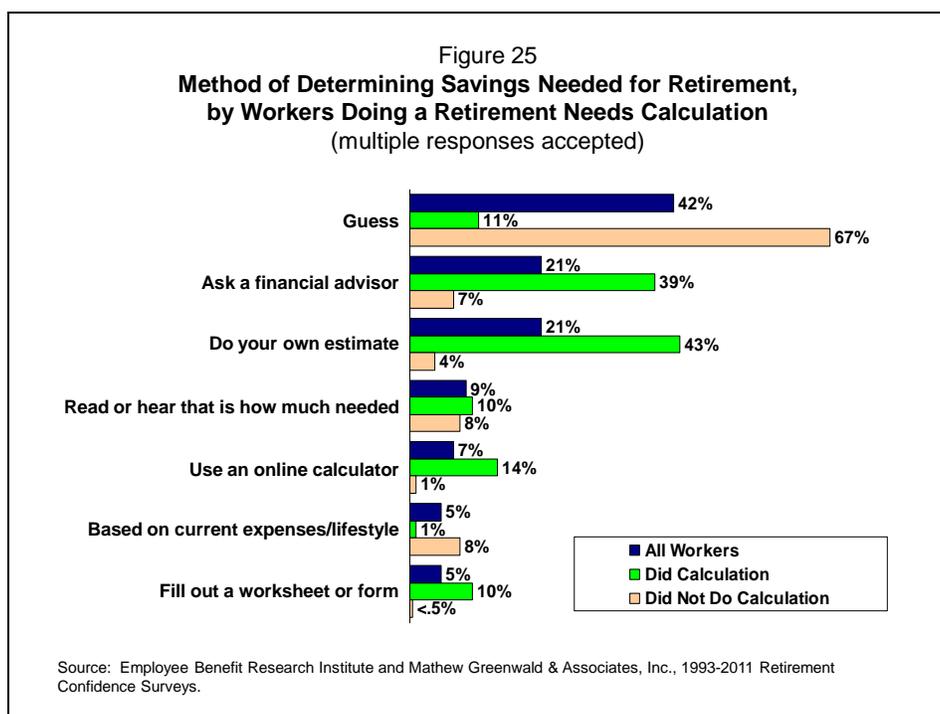
Many workers continue to be unaware of how much they need to save for retirement. Less than half of workers (42 percent) report they and/or their spouse have tried to calculate how much money they will need to have saved by the time they retire so that they can live comfortably in retirement. This is comparable to

most of the percentages measured from 2003–2010, but lower than the 53 percent recorded in 2000 and the 47 percent in 2008 (Figure 24).



The likelihood of doing a retirement savings needs calculation increases with household income, education, and financial assets. In addition, married workers (compared with unmarried workers), those age 35 and older (compared with those age 25–34), retirement savers (compared with nonsavers), and participants in a defined contribution plan (compared with nonparticipants) more often report trying to do a calculation.

Instead of doing a systematic retirement needs calculation, workers often guess at how much they will need to accumulate. Forty-two percent of workers report they guessed at the amount they need to save, including 11 percent of those who report having done a calculation. Twenty-one percent each report asking a financial advisor and doing their own estimate. Others read or hear how much is needed (9 percent), use an online calculator (7 percent), base their estimate on their current expenses or lifestyle (5 percent), or fill out a worksheet or form (5 percent) (Figure 25).

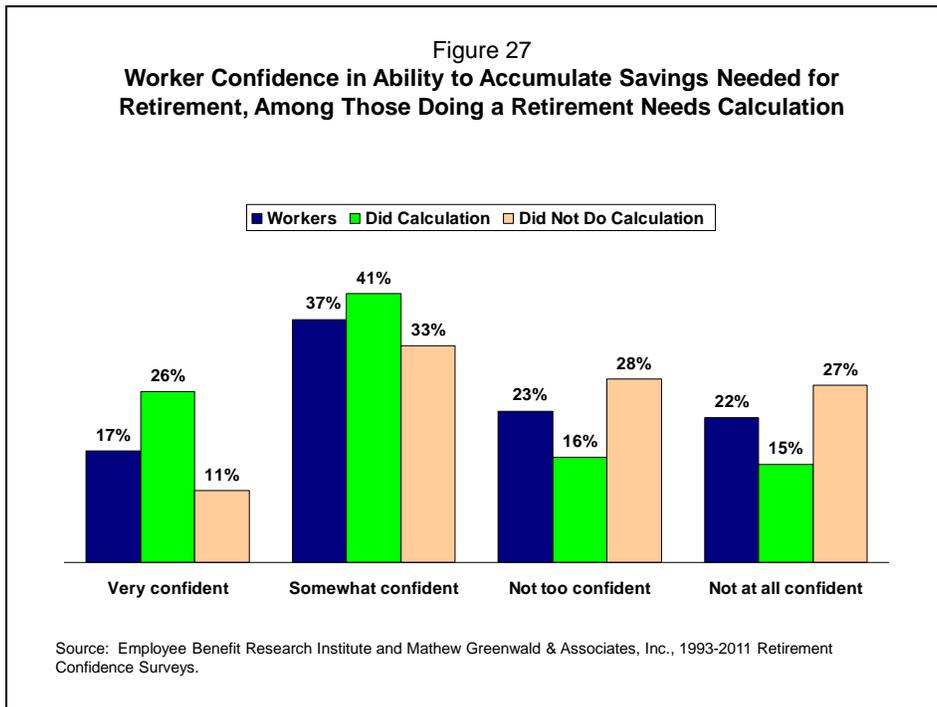
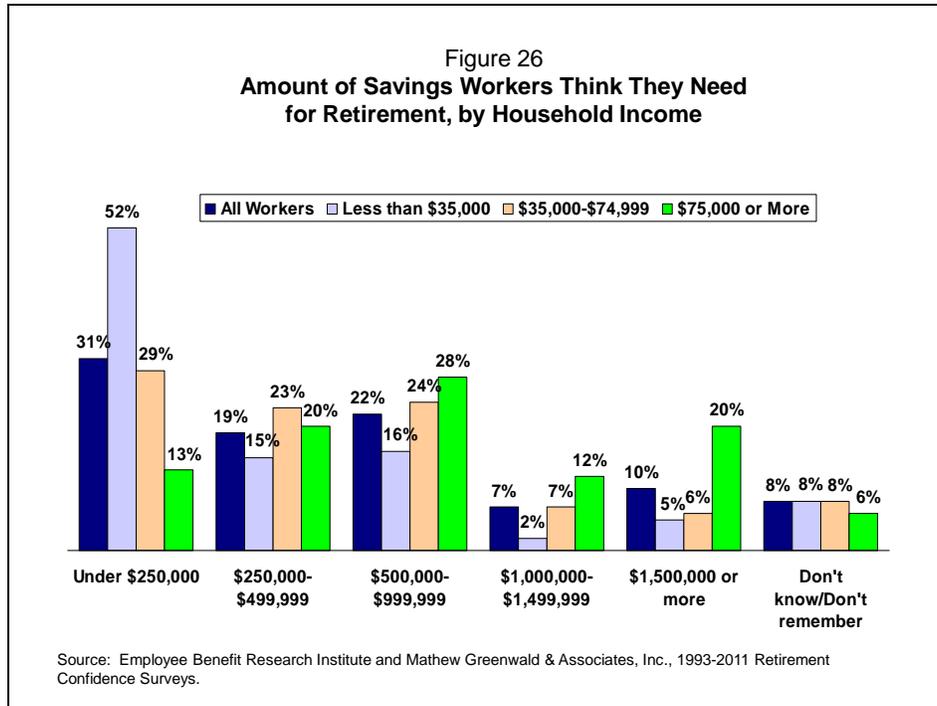


The propensity to guess or do their own calculation may help to explain why the amounts that workers say they need to accumulate for a comfortable retirement appear to be rather low. Thirty-one percent of workers say they need to save less than \$250,000, and another 19 percent mention a goal of \$250,000–\$499,999. Twenty-two percent think they need to save \$500,000–\$999,999, while about 1 in 10 each believe they need to save \$1 million–\$1.49 million (7 percent) or \$1.5 million or more (10 percent). However, savings goals tend to increase as household income rises (Figure 26).

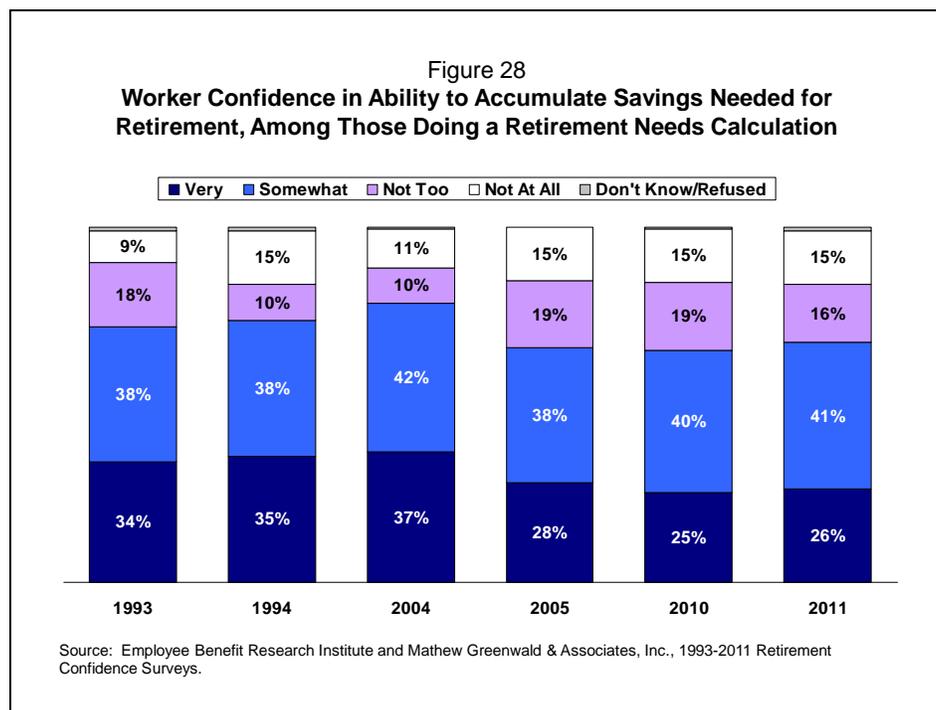
Workers who have done a retirement savings needs calculation also tend to have higher savings goals than do workers who have not done the calculation. Twenty-five percent of workers who have done a calculation, compared with 10 percent of those who have not, estimate they need to accumulate at least \$1 million for retirement. At the other extreme, 24 percent of those who have done a calculation, compared with 36 percent who have not, think they need to save less than \$250,000 for retirement.

Despite these higher goals, workers who have done a retirement needs calculation are more likely than those who have not to feel confident that they will be able to accumulate the amount they need for retirement. Twenty-six percent of those who have done a calculation report they are very confident that they will be able

to accumulate the amount they need, compared with just 11 percent of those who have not done a calculation. At the other extreme, only 15 percent of those who have done a calculation are not at all confident they will reach their goal, compared with 27 percent of those who have not done a calculation. Overall, 17 percent of workers are very confident, 37 percent are somewhat confident, and 45 percent are not too or not at all confident that they will be able to accumulate the amount they need by the time they retire (Figure 27).



Furthermore, among those who have taken the retirement planning step of doing a retirement needs calculation, confidence in achieving their retirement savings goal has remained level since 2005 (Figure 28).



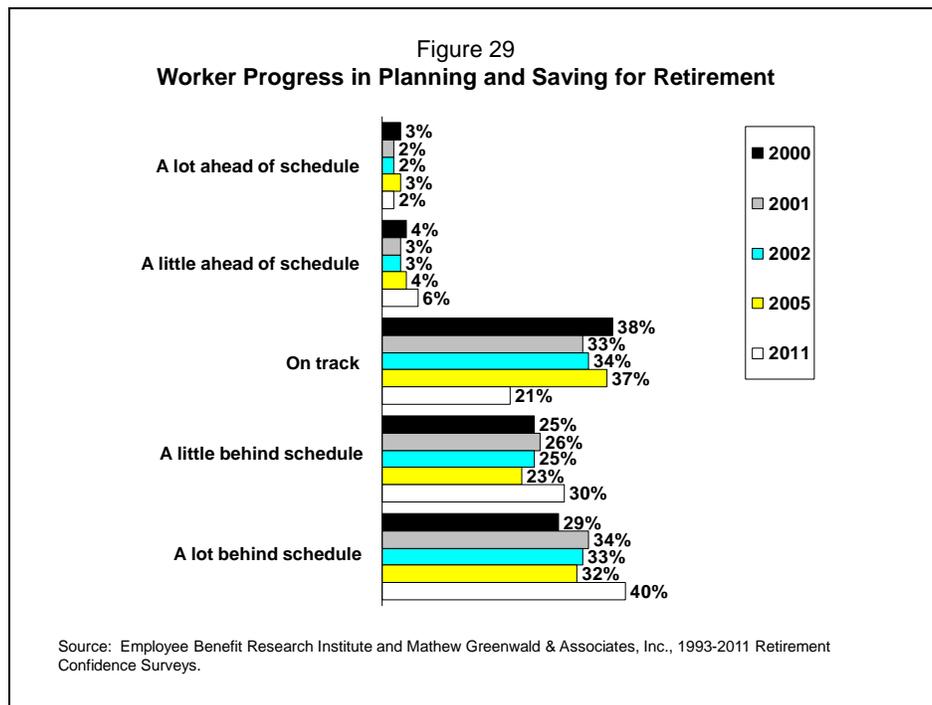
The RCS provides little support for speculation that workers who do a retirement savings calculation are discouraged by the results. Those who have done a retirement needs calculation continue to be more likely than those who have not to say they are very confident about having enough money for a comfortable retirement (20 percent vs. 8 percent). In addition, those who think they need to accumulate at least \$1 million in retirement savings are almost five times as likely as those who think they need less than \$250,000 to be very confident (33 percent vs. 7 percent). Finally, those who name a goal of under \$250,000 are almost twice as likely as those who name a goal of \$1 million or more to feel a lot behind schedule in planning and saving for retirement (50 percent vs. 27 percent).

In the end, the retirement savings calculation appears to be a particularly effective tool for changing retirement planning behavior. Forty-four percent of workers who calculated a goal amount report having made changes to their retirement planning as a result. Most often, these workers say they started saving or investing more (59 percent). Other actions reported include:

- Changing their investment mix (19 percent).
- Reducing debt or spending (16 percent).
- Researching other ways to save for retirement (7 percent).
- Deciding to work longer (5 percent).
- Deciding to work more hours or a second job (3 percent).
- Enrolling in a retirement savings plan at work (3 percent).

Evaluation of Progress in Planning and Saving for Retirement

When workers are asked to evaluate their progress in planning and saving for retirement, 70 percent state that they are a lot (40 percent) or a little (30 percent) behind schedule. This is 15 percentage points higher than the 55 percent of workers who felt behind schedule in 2005, when this question was last asked in the RCS. While the percentage of workers who say they are ahead of schedule has changed little (7 percent in 2005, 8 percent in 2011), the percentage who indicate they are on track has declined from 37 percent in 2005 to 21 percent in 2011 (Figure 29).

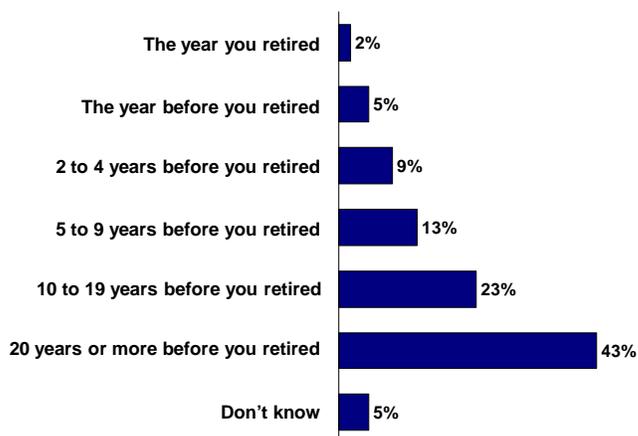


The likelihood of feeling a lot behind schedule is inversely related to household income, household assets, health status, and education. Among others more likely to describe themselves as a lot behind schedule are single workers (compared with married workers), those who have not saved for retirement (compared with savers), those who have not done a retirement needs calculation (compared with those who have), those who are not participating in a retirement savings plan at work (compared with participants), and those who do not currently have benefits from a defined benefit plan (compared with those who are entitled to benefits). In addition, those who do not expect employer-provided health insurance in retirement are more likely than those who do to say they are a lot behind schedule, suggesting that more workers could find themselves in this category if they begin to more realistically assess their chances of receiving this benefit. Workers who are a lot behind schedule may plan to make up for their planning and saving deficiencies in other ways, as they are more likely than better prepared workers to say they will retire at older ages and work for pay in retirement.

Planning by Retirees

Seven in 10 retirees (69 percent) indicate they did some type of financial planning for retirement. Forty-three percent of these retirees say they began to plan 20 years or more before they retired and 23 percent report beginning to plan between 10 and 19 years before retirement. However, 13 percent say they started planning five to nine years before retirement and 16 percent started less than five years before retirement (Figure 30).

Figure 30
**Timeframe When Retirees Began to Plan Financially
 for Retirement, Among Retirees Who Planned for Retirement**



Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

Financial Advice

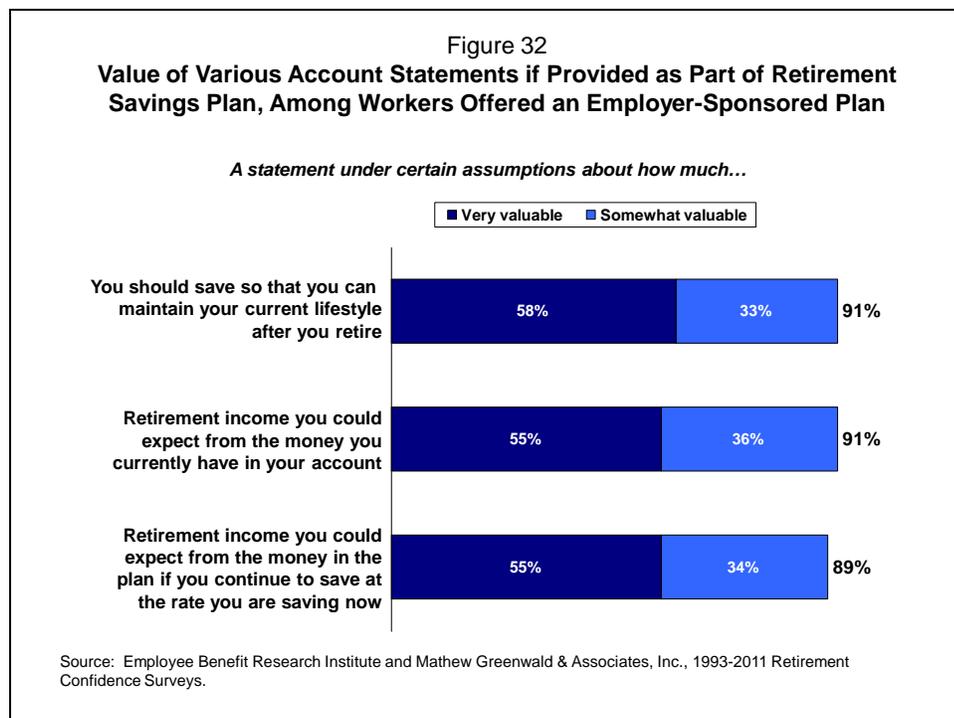
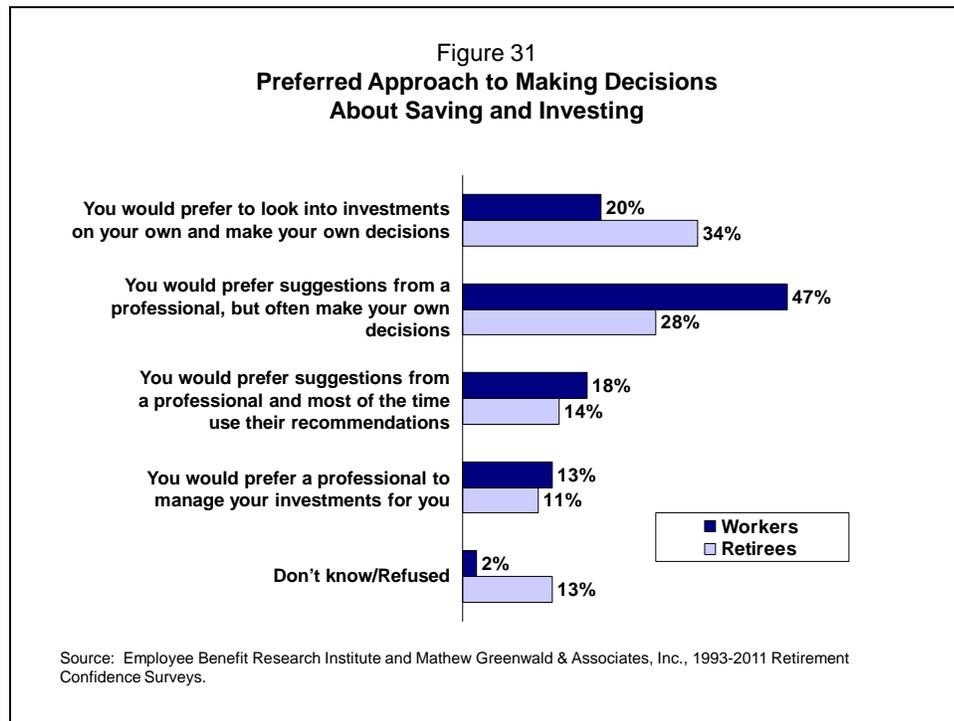
Almost one-quarter of workers and retirees (23 percent each) report they have obtained investment advice from a professional financial advisor who was paid through fees or commissions. Those with higher levels of financial assets are more likely than those with lower levels of assets to seek this advice, but whether this is because higher-asset individuals feel a greater need for investment advice or because professional advice increases the likelihood of building asset levels is unclear.

Despite increased efforts to introduce financial products that work without direct investor management, such as managed funds and annuity options within defined contribution plans, workers and retirees say they prefer a hands-on approach to managing their savings and investments. When asked about their preferred approach to making decisions about saving and investing, 20 percent of workers and 34 percent of retirees say they prefer to look into investments on their own and make their own decisions. Forty-seven percent of workers and 28 percent of retirees prefer to receive suggestions from a professional, but would often make their own decisions. Smaller percentages would prefer suggestions from a professional and use these recommendations most of the time (18 percent of workers and 14 percent of retirees) or would prefer a professional to manage their investments for them (13 percent of workers and 11 percent of retirees) (Figure 31).

However, there are some types of advice that workers would clearly value. Virtually all those offered an employer-sponsored retirement savings plan say they would find each of the following very or somewhat valuable if it were provided as part of their plan (Figure 32):

- A statement under certain assumptions about how much they should save so that they can maintain their current lifestyle after they retire (91 percent).
- A statement under certain assumptions about how much retirement income they could expect from the money they currently have in their account (91 percent).

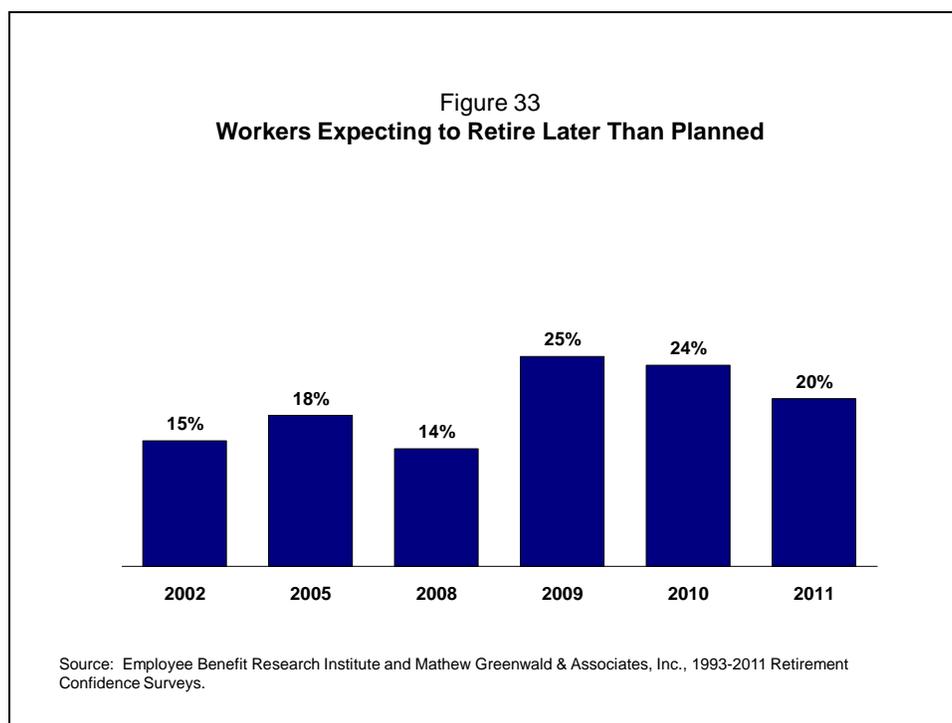
- A statement under certain assumptions about how much retirement income they could expect from the money in the plan if they continue to save at the rate they are saving now (89 percent).



Expectations About Retirement

Retirement Age

Many workers are adjusting some of their expectations about retirement, perhaps in response to their reduced level of confidence about their retirement finances. Twenty-three percent of workers in the 2011 RCS say the age at which they expect to retire has changed in the past year. Of those, the vast majority (89 percent) report that their expected retirement age has increased. This means that 20 percent of all workers planned to postpone their retirement in 2011 (down from 25 percent in 2009 and 24 percent in 2010) (Figure 33).

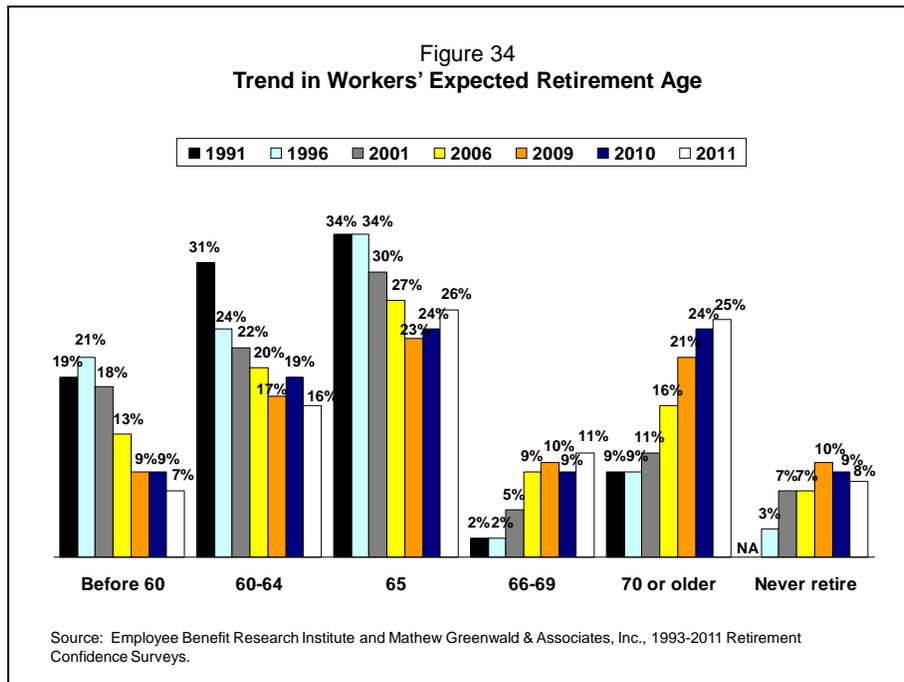


Among the reasons given for the change by workers postponing retirement in the 2011 RCS are:

- The poor economy (36 percent).
- Lack of faith in Social Security or government (16 percent).
- A change in employment situation (15 percent).
- Inadequate finances or cannot afford to retire (13 percent).
- The cost of living in retirement will be higher than expected (10 percent).
- Wanting to make sure they have enough money to retire comfortably (10 percent).
- Needing to pay current expenses first (9 percent).
- Needing to pay for health care costs (7 percent).
- Needing to make up for losses in the stock market (6 percent).
- A change in the minimum retirement age for Social Security (5 percent).

At the same time, 10 percent of workers changing their retirement age in the past year (2 percent of all workers) report they will retire sooner than they had planned, primarily due to poor health or disability.

While responses to a question asking the age at which workers expect to retire shows little change from one year to another, the long-term trend shows that the age at which workers plan to retire has crept upward incrementally over time. In particular, the percentage of workers who expect to retire after age 65 has increased, from 11 percent in 1991 and 1996 to 20 percent in 2001, 26 percent in 2006, and 36 percent in the 2011 RCS (Figure 34). Nevertheless, the median (midpoint) age at which workers expect to retire has remained stable at 65 for most of this time.



The retirement age reported by retirees has changed even more slowly. In 1991, only 19 percent of retirees said they retired at age 65 or later. This percentage reached 32 percent in 2010, but has returned to 25 percent in the 2011 RCS (Figure 35). The median (midpoint) age at which retirees report they retired has remained at age 62 throughout this time.

The differences between workers' expected age of retirement and retirees' actual age of retirement mean that a considerable gap exists between workers' expectations and retirees' experience. Just 7 percent of workers say they plan to retire before age 60, compared with 30 percent of retirees who report they retired that early. Sixteen percent of workers plan to retire at age 60–64, although 38 percent of retirees retired at these ages. On the other hand, 25 percent of workers (compared with 7 percent of retirees) plan to wait at least until age 70 to retire and 8 percent indicate they will never retire (Figure 36). Workers who are not confident about their financial security in retirement plan to retire later, on average, than those who express confidence. Those not expecting to receive retiree health insurance from an employer (compared with those who do) also plan to retire later.

One reason for the difference between workers' expectations and retirees' experience of retirement age is that many Americans find themselves retiring unexpectedly. The RCS has consistently found that a large percentage of retirees leave the work force earlier than planned (45 percent in 2011) (Figure 37). Many retirees who retired earlier than planned cite negative reasons for leaving the work force before they expected, including health problems or disability (63 percent), changes at their company, such as downsizing or closure

(23 percent), and having to care for a spouse or another family member (18 percent). Others say changes in the skills required for their job (8 percent) or other work-related reasons (20 percent) played a role. Some retirees mention positive reasons for retiring early, such as wanting to do something else (25 percent) or being able to afford an early retirement (22 percent), but just 6 percent of the total offer *only* positive reasons.

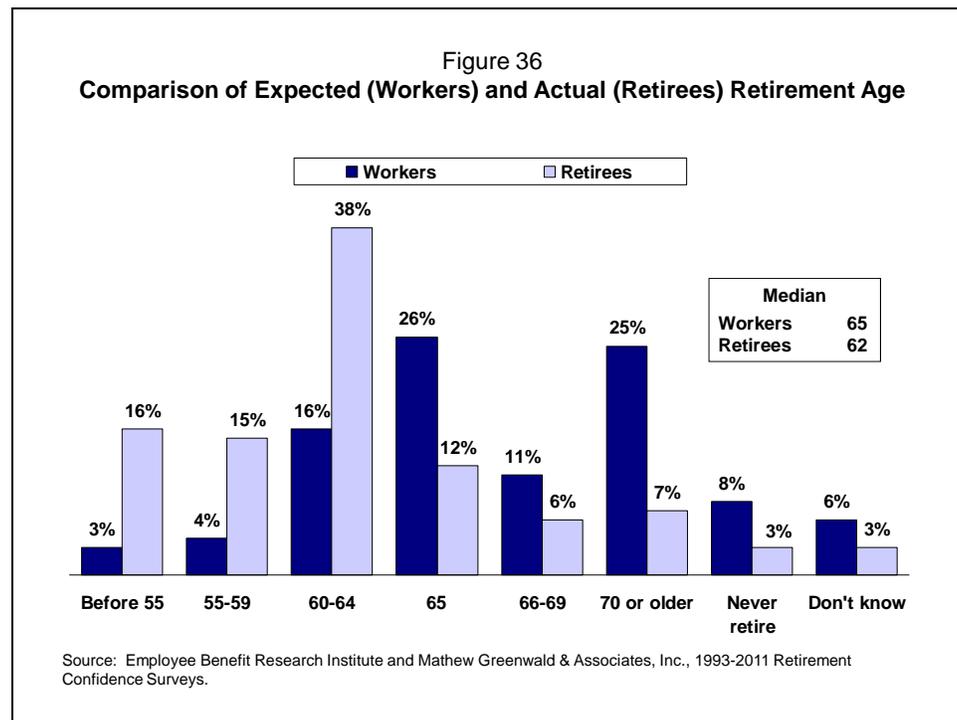
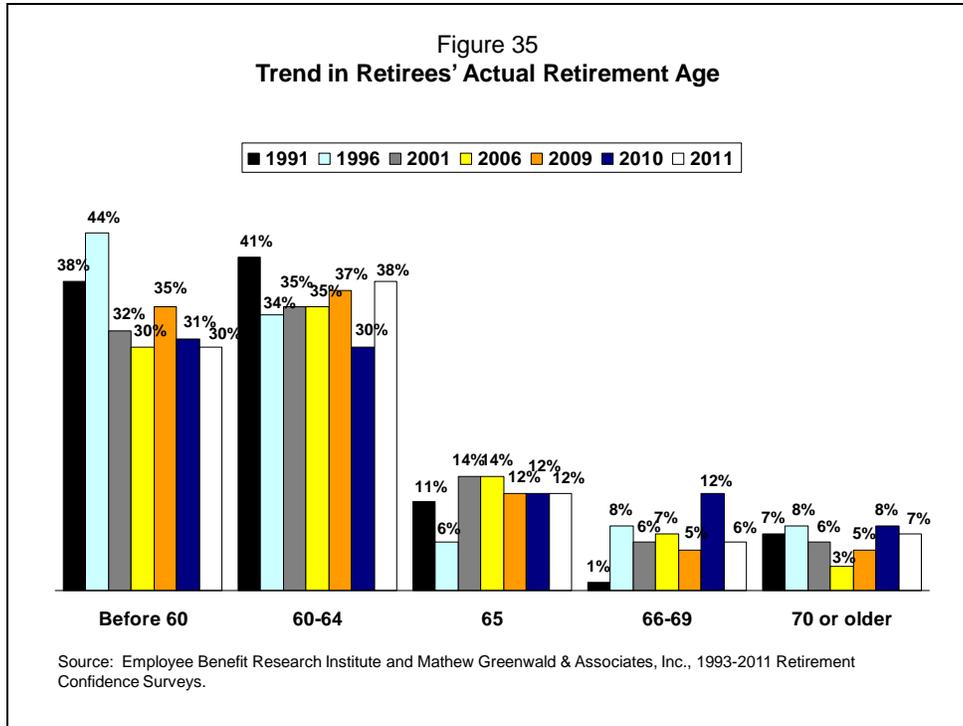
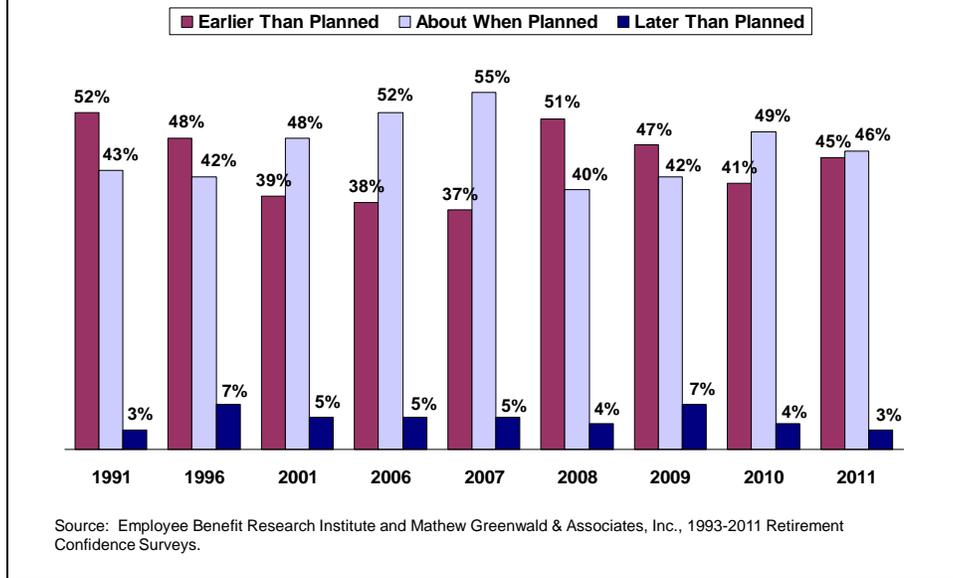


Figure 37
Timing of Retirement, Among Retirees



Like retirees, some workers are likely to find themselves vulnerable to an unplanned early retirement. The consequences can be heavy. Retirees who retire earlier than planned are more likely than those who retire on time or later to say they are not confident about having enough money for a comfortable retirement or about paying for basic expenses, medical expenses, and long-term care expenses.

Working for Pay in Retirement

The RCS has consistently found that workers are far more likely to expect to work for pay in retirement than retirees are to have actually worked. The percentage of workers planning to work for pay in retirement now stands at 74 percent (up from 70 percent in 2010), compared with just 23 percent of retirees who report they worked for pay in retirement (Figure 38).

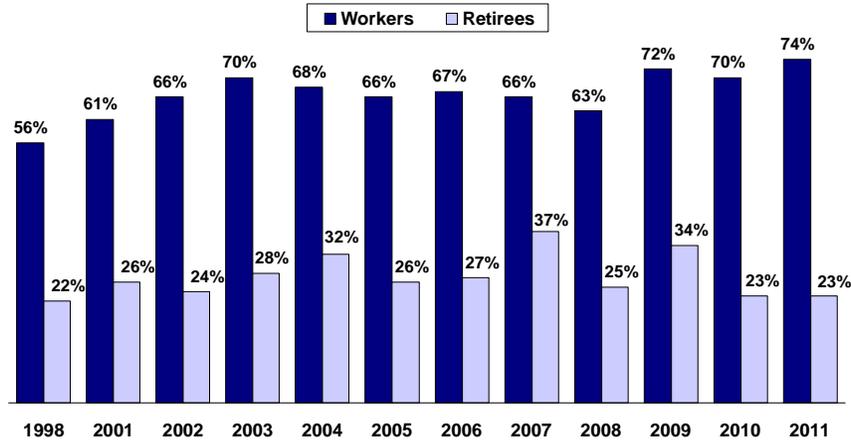
Almost all retirees who worked for pay in retirement in the 2010 RCS gave a positive reason for doing so, saying they did so because they wanted to stay active and involved (92 percent) or enjoyed working (86 percent). However, the percentage who report working *solely* for nonfinancial reasons is small. Ninety percent identify at least one financial reason for having worked, such as wanting to buy extras (72 percent), a decrease in the value of their savings or investments (62 percent), needing money to make ends meet (59 percent), or keeping health insurance or other benefits (40 percent) (Figure 39).

Few retirees who have not already worked for pay in retirement anticipate returning to paid employment. Just 2 percent say it is very likely they will work for pay some time in the future, and only 8 percent say it is somewhat likely. Instead, virtually all say a return to paid employment is not too (19 percent) or not at all (68 percent) likely.

Sources of Retirement Income

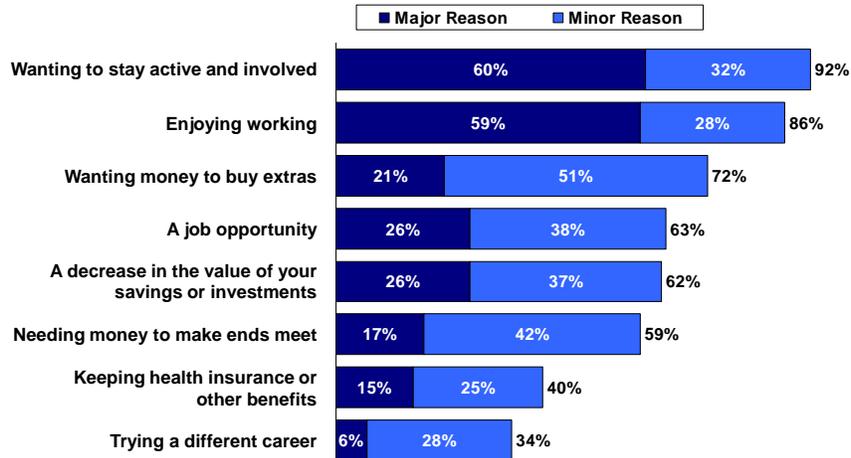
Although the vast majority of retirees (91 percent) report that Social Security provides a source of income for their and their spouse's retirement (68 percent say it is a *major* source of income), workers and their spouses

Figure 38
Comparison of Expected (Workers) and Actual (Retirees) Work for Pay in Retirement



Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

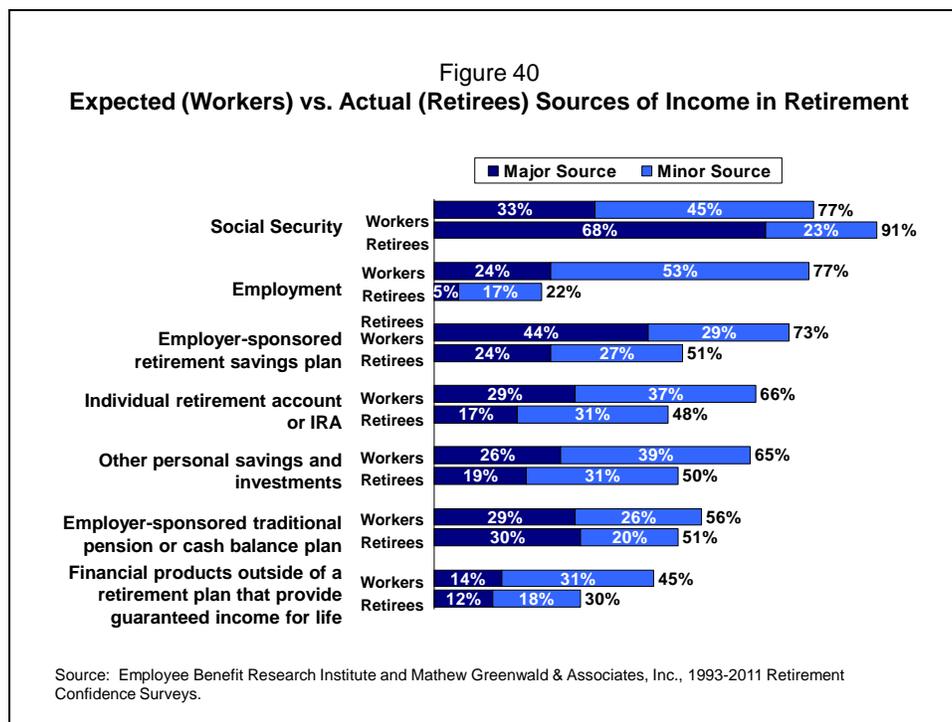
Figure 39
Reasons for Working for Pay in Retirement, Among Retirees Who Worked for Pay: 2010



Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

continue to expect to piece together their retirement income from a wide variety of sources. Seventy-seven percent of workers expect Social Security to be a major or minor source of income in retirement, but they believe that personal savings will also play a large role. Roughly 7 in 10 each say they anticipate receiving retirement income from an employer-sponsored retirement savings plan (73 percent), an individual retirement account or IRA (66 percent), and other personal savings and investments (65 percent). Seventy-seven percent expect employment to provide them with a source of income in retirement, 56 percent expect to receive

income from an employer-sponsored traditional pension or cash balance plan, and 45 percent expect to receive income from a payout annuity. In contrast to worker expectations, retirees are less likely to rely on any form of personal savings, on employment, or on an annuity for their income in retirement (Figure 40).



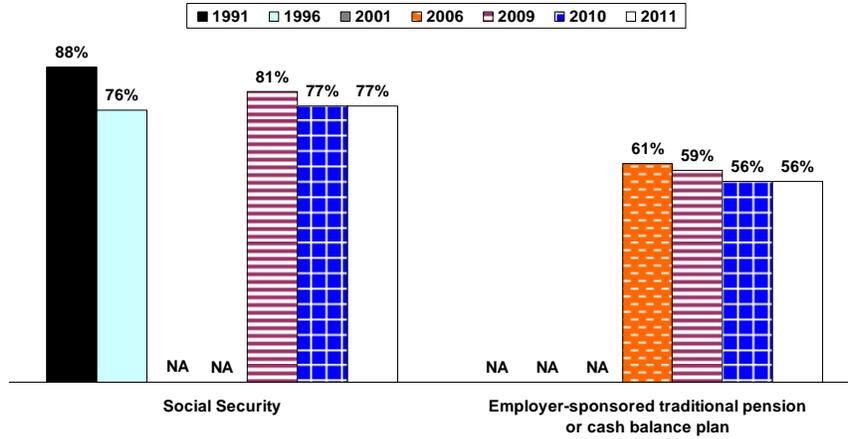
Expected sources of income in retirement among workers, and actual sources of retirement income among retirees, have changed slightly over time. Although virtually all retirees continue to report receiving income from Social Security, the percentage of workers expecting income from this source has declined from 88 percent 1991 to 77 percent in 2011. The percentage of workers expecting to receive benefits from a defined benefit plan has also decreased slightly from 61 percent in 2006 to 56 percent in 2011. At the same time, the percentage of retirees reporting they actually receive such benefits has decreased from 62 percent to 51 percent (Figures 41 and 42).

It should be noted that although 56 percent of workers expect to receive benefits from a defined benefit plan in retirement, only 37 percent report that they and/or their spouse currently have such a benefit with a current or previous employer. Therefore, up to 19 percent of workers may be expecting to receive the benefit from a future employer—a scenario that is becoming increasingly unlikely, since private-sector employers, in particular, have been cutting back on their defined benefit offerings.

Health Care Expenses in Retirement

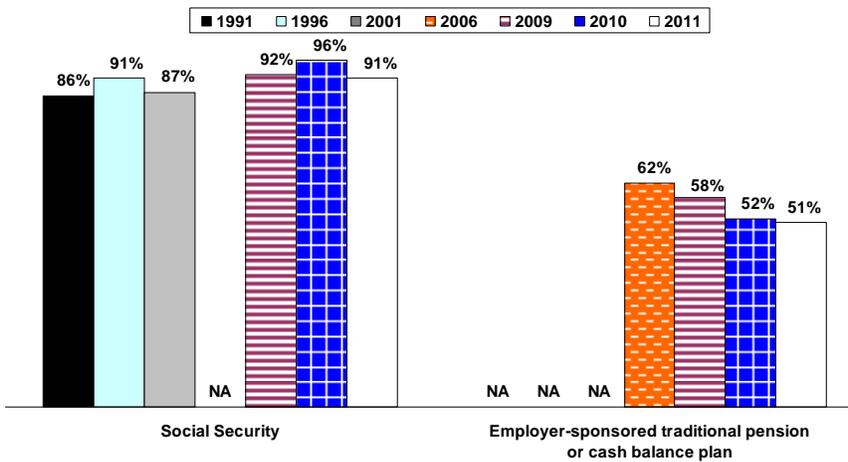
In the 2009 RCS, 40 percent of retirees indicated that, so far in their retirement, their spending on health care has been higher than expected. Workers may also be failing to take health care costs sufficiently into account when estimating their retirement needs. Workers are now more likely to expect (36 percent) than retirees are to report having (27 percent) access to employer-provided health insurance when they retire (Figure 43). However, many employers are eliminating health care coverage for future retirees, so some workers may find their expectations to be unrealistic.

Figure 41
**Workers Expecting Retirement Income From
 Social Security and Defined Benefit Plans**



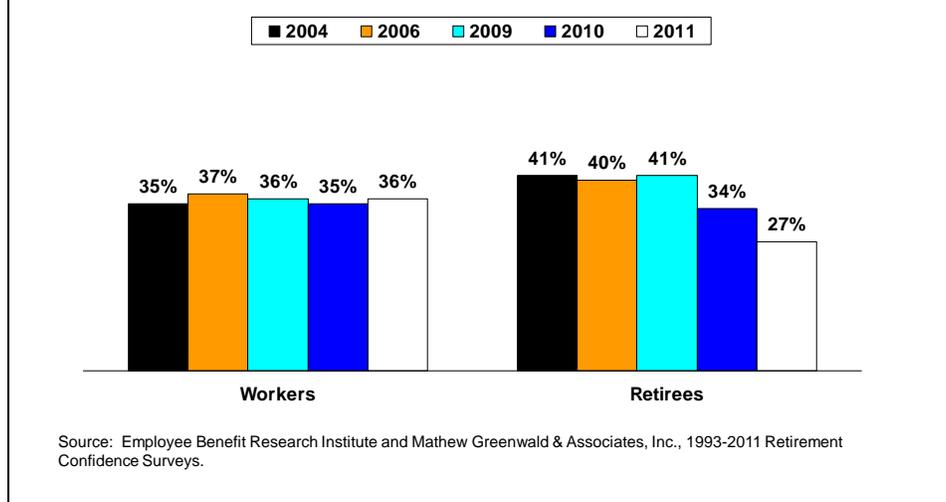
Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

Figure 42
**Retirees Expecting Retirement Income From
 Social Security and Defined Benefit Plans**



Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

Figure 43
**Expected (Workers) vs. Actual (Retirees) Participation
 in Employer-Provided Retiree Health Insurance**



Moreover, among workers who do not expect to receive retiree health insurance from an employer, many do not appear to be taking health costs sufficiently into account when estimating how much they will need for retirement. Thirty-three percent of workers who do not expect employer-provided health insurance in retirement believe they need to accumulate a total of less than \$250,000 for retirement, and an additional 17 percent think they will need \$250,000–\$499,999. An Employee Benefit Research Institute study finds that a man with median drug expenditures would need \$65,000 in savings and a woman would need \$93,000 if they want an average (50 percent) chance of having enough money to cover health care expenses in retirement. For a higher (90 percent) chance of having enough, a man would need \$124,000 and a woman \$152,000. A couple both with median drug expenses would need \$158,000 for a 50 percent chance of having enough money, and \$271,000 for a 90 percent chance. At the highest (90th percentile) level of drug spending, a man would need \$187,000 and a woman \$213,000 to have a 90 percent chance of having enough money to cover health care expenses in retirement.⁴

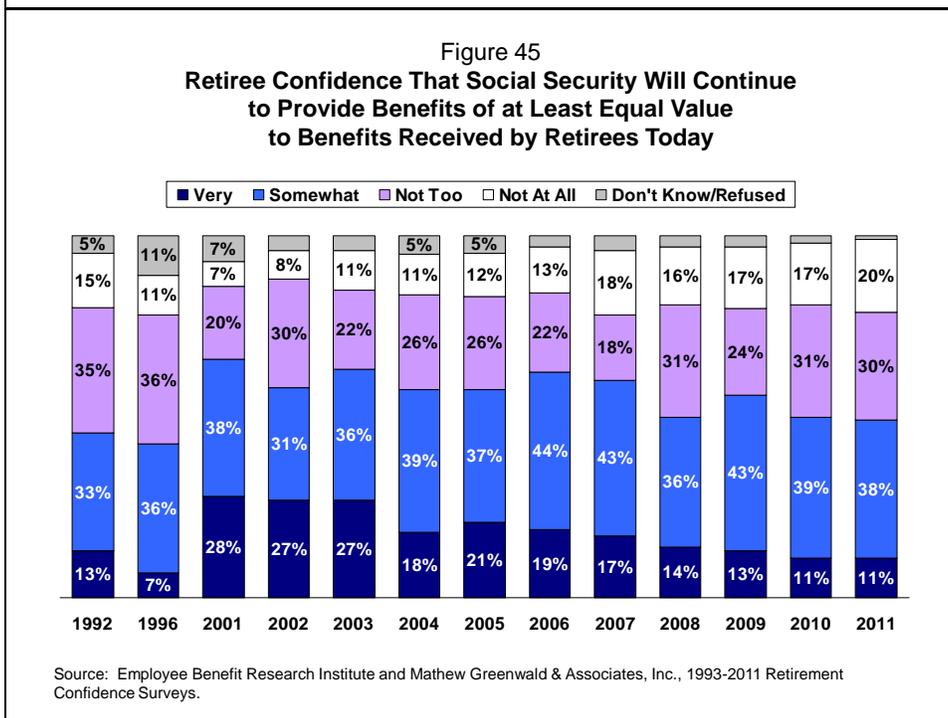
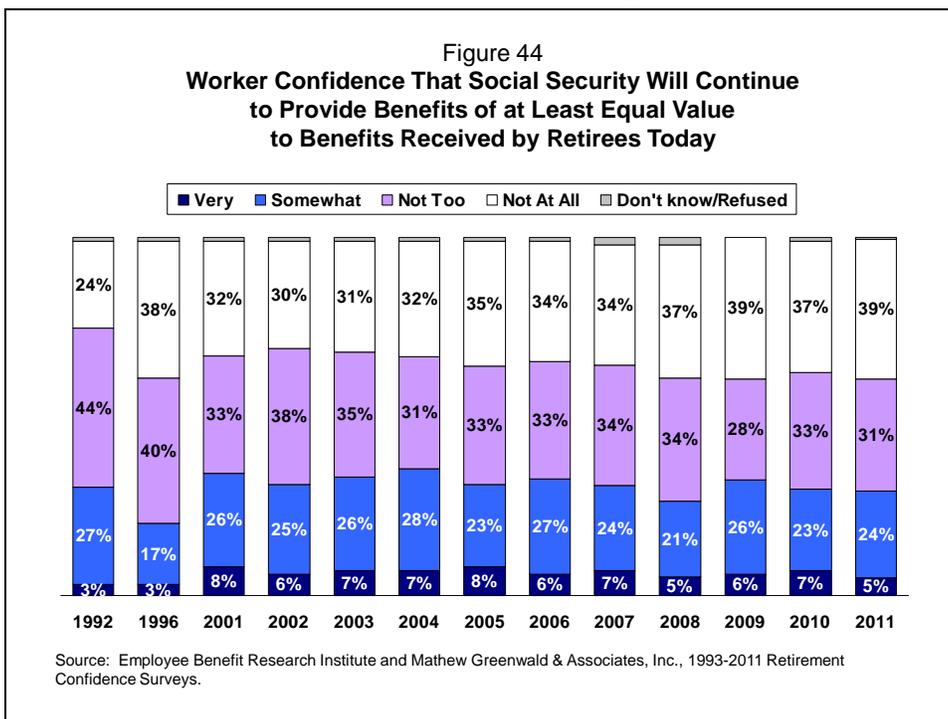
Workers expecting benefits from a defined benefit plan are more apt than those not expecting such benefits to think they will have retiree health coverage through an employer. Others who more often say they will receive retiree health coverage include workers with income of at least \$75,000 (compared with lower-income workers) and workers age 25–34 (compared with older workers).

Confidence in Entitlement Programs

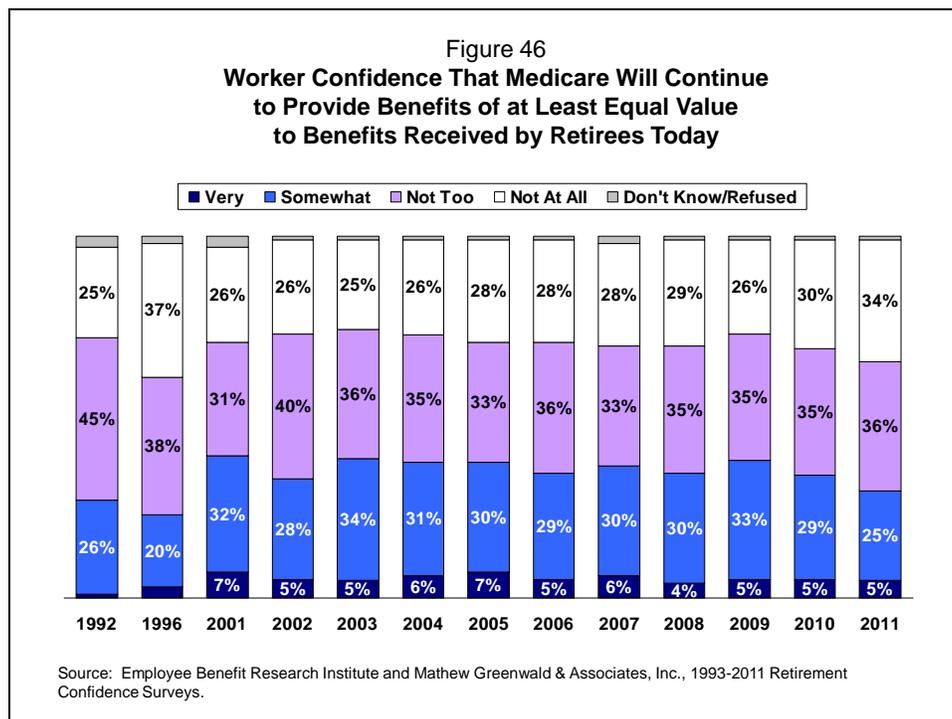
The reason that workers may be less likely to expect than retirees are to receive income from Social Security is because confidence in Social Security’s ability to maintain the value of benefits paid to retirees is low (Social Security is the federal program that provides income support for the aged and disability coverage for eligible workers and their dependents). Five percent of workers are very confident that the Social Security system will continue to provide benefits of at least equal value to the benefits received by retirees today, and 24 percent are somewhat confident. Nevertheless, 39 percent of workers are not at all confident that future Social Security benefits will match or exceed the value of today’s benefits, and uncertainty about the future of Social

Security has gradually increased from 30 percent not at all confident in 2002 to 39 percent in 2009 and 2011 (Figure 44).

Confidence that Social Security will continue to provide benefits that are at least equal to today's value is higher among workers age 45 and older than among younger workers, and retirees are more likely than workers to be confident about the future value of Social Security benefits. However, the percentage of retirees saying they are very confident about the future value of Social Security benefits has gradually decreased from a high of 28 percent in 2001 to just 11 percent in 2010 and 2011 (Figure 45).



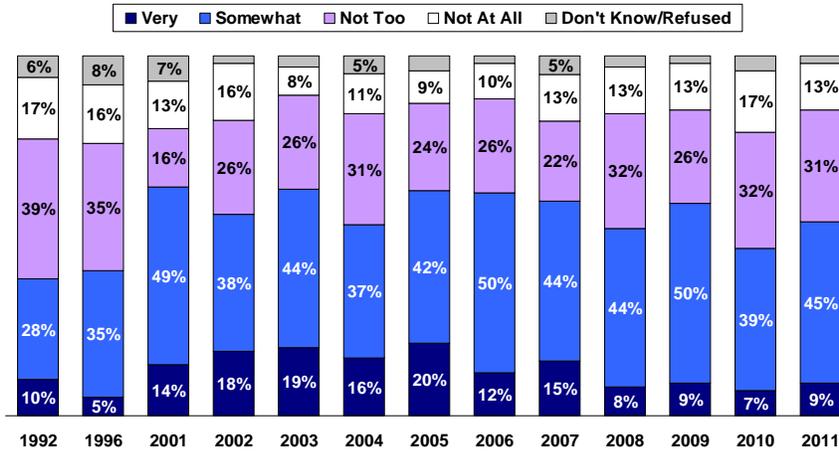
Worker concern about Medicare’s level of benefits was relatively stable from 2003 to 2009, but has increased in recent years (Medicare is the federal health care insurance program for the elderly and disabled). Five percent of workers are very confident that the Medicare system will continue to provide benefits of at least equal value to the benefits received by retirees today, while 25 percent are somewhat confident in the system (down from 34 percent in 2003). Thirty-four percent are not at all confident that Medicare’s benefits will continue to equal or exceed the benefits received by beneficiaries today, an increase from 29 percent in 2008 and 26 percent in 2009 (Figure 46).



Again, worker confidence about the future value of Medicare benefits is higher among those age 45 and older, and retirees are more likely than workers to be confident. Even so, the percentage of retirees very confident in the value of the future benefits paid by Medicare remains below the level measured in 2007 (9 percent in 2011, down from 15 percent in 2007) and 44 percent of retirees report they are not too or not at all confident (Figure 47).

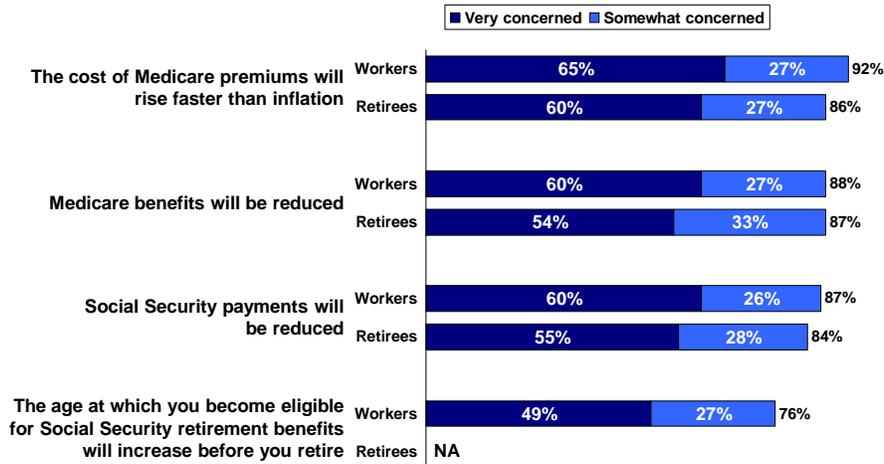
In an effort to determine Americans’ specific concerns about Social Security and Medicare, workers and retirees were asked to rate their level of concern about several possible scenarios regarding these programs. Roughly 9 in 10 workers and retirees say they are very or somewhat concerned that the cost of Medicare premiums will rise faster than inflation (92 percent of workers and 86 percent of retirees) and Medicare benefits will be reduced (88 percent of workers and 87 percent of retirees). Almost as many say they are concerned that Social Security payments will be reduced (87 percent of workers and 84 percent of retirees). Three-quarters of workers (76 percent) are concerned that the age at which they become eligible for Social Security retirement benefits will increase before they retire (Figure 48).

Figure 47
Retiree Confidence That Medicare Will Continue to Provide Benefits of at Least Equal Value to Benefits Received by Retirees Today



Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

Figure 48
Concerns Regarding Social Security and Medicare



Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1993-2011 Retirement Confidence Surveys.

RCS Methodology

These findings are part of the 21st annual Retirement Confidence Survey (RCS), a survey that gauges the views and attitudes of working-age and retired Americans regarding retirement, their preparations for retirement, their confidence with regard to various aspects of retirement, and related issues. The survey was conducted in January 2011 through 20-minute telephone interviews with 1,258 individuals (1,004 workers and 254 retirees) age 25 and older in the United States. Random digit dialing was used to obtain a representative cross section of the U.S. population. To further increase representation, a cell phone supplement was added to the sample. Starting with the 2001 wave of the RCS, all data are weighted by age, sex, and education to reflect the actual proportions in the adult population. Data for waves of the RCS conducted before 2001 have been weighted to allow for consistent comparisons; consequently, some data in the 2011 RCS may differ slightly with data published in previous waves of the RCS. Data presented in tables in this report may not total to 100 due to rounding and/or missing categories.

In theory, the weighted sample of 1,258 yields a statistical precision of plus or minus 3 percentage points (with 95 percent certainty) of what the results would be if all Americans age 25 and older were surveyed with complete accuracy. There are other possible sources of error in all surveys, however, that may be more serious than theoretical calculations of sampling error. These include refusals to be interviewed and other forms of nonresponse, the effects of question wording and question order, and screening. While attempts are made to minimize these factors, it is impossible to quantify the errors that may result from them.

The RCS was co-sponsored by the Employee Benefit Research Institute (EBRI), a private, nonprofit, nonpartisan public policy research organization, and Mathew Greenwald & Associates, Inc., a Washington, DC-based market research firm. The 2011 RCS data collection was funded by grants from more than two dozen public and private organizations, with staff time donated by EBRI and Greenwald. RCS materials and a list of underwriters may be accessed at the EBRI Web site: www.ebri.org/rcs/2011/

Endnotes

¹ In the RCS, *retiree* refers to individuals who are retired or who are age 65 or older and not employed full time. *Worker* refers to all individuals who are not defined as retirees, regardless of employment status.

² Actual preparedness is proxied by the ratio of: (1) the midpoint of the range of current savings divided by the midpoint of the range of current income divided by (2) the predicted savings/income ratio needed to produce a 75 percent nominal replacement ratio when combined with average current Social Security replacement ratios. The calculation assumes the worker starts saving at age 25 and retires at age 65. A linear trend is assumed for the predicted savings/income ratio during the working career although more technically correct approximations (e.g., exponential curves) produce a similar conclusion.

³ Brian K. Bucks, Arthur B. Kennickell, Traci L. March, and Kevin B. Moore, "Changes in U.S. Family Finances from 2004 to 2007: Evidence from the Survey of Consumer Finances," *Federal Reserve Bulletin*, Vol. 95 (February 2009): A1–A55.

⁴ See Paul Fronstin, Dallas Salisbury, and Jack VanDerhei, "Funding Savings Needed for Health Expenses For Persons Eligible for Medicare," *EBRI Issue Brief*, no. 351 (Employee Benefit Research Institute, December 2010).

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