GENERATION X and RETIREMENT READINESS

THEY'RE (MOSTLY) DOING IT WRONG

MARCH 2018

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This is the fourth report in IRI's research series on the retirement preparedness of Generation X, which began in 2011. Approximately every two years, members of Generation X (Americans born between 1963 and 1982) are interviewed as to their overall financial condition, savings levels and habits, the steps they have taken to prepare for retirement and the resources they have engaged, and their expectations for retirement.

This year's report is notable for the oldest GenXers reaching age 55 – just 10 years from "traditional" retirement age. Time is growing short for older GenXers who haven't adequately saved, and most have some serious work to do to prepare for retirement even if they happen to have substantial savings. GenXers' expectations are poorly aligned with their financial resources, most haven't created a plan for how they'll retire – and quite a few don't even know when they may be able to retire. Few have a sufficient understanding of the income they'll need during retirement or how to generate that income from their savings in a sustainable way. In short, despite being mindful of the risks they face, such as ever-increasing health care expenses, few have a plan to manage these risks and successfully navigate their retirement years. In these respects, this year's report mirrors the previous three, but this year's report also highlights the significantly higher levels of retirement readiness and confidence displayed by GenXers who forge relationships with financial advisors versus those who go it alone.

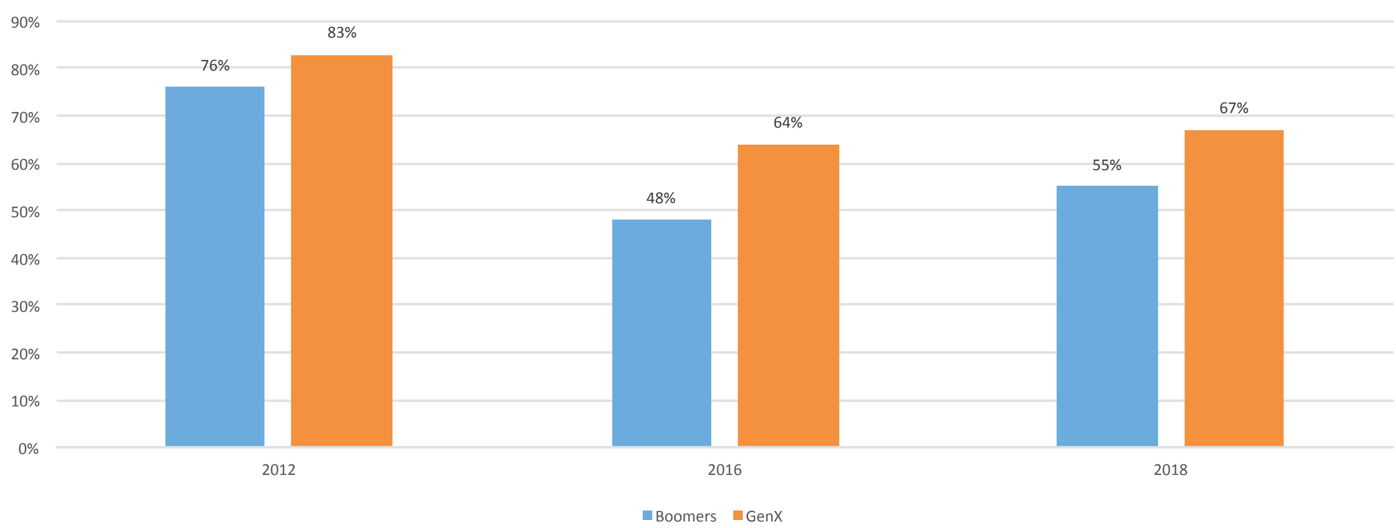
KEY FINDINGS

- Economic satisfaction is up slightly among GenXers, with 67 percent feeling satisfied with their lives from a financial standpoint versus 64 percent in 2016.
- Key financial indicators have improved in the past two years. In the past 12 months:
  - Only 25 percent of GenXers found it difficult to pay mortgage or rent, down from 35 percent in 2016.
  - Seven percent prematurely withdrew funds from a retirement account, versus 13 percent two years ago.
  - Thirty percent increased their contributions to a 401(k), IRI or similar plan, as compared to 23 percent having done so in 2016.
- Seven in 10 GenXers have less than $5,000 in an emergency fund; one-half have $1,000 or less.
- Sixty-six percent have less than $5,000 in credit card debt; four in 10 have $1,000 or less. More than six in 10 GenXers expect to retire debt-free.
- Six in 10 GenXers have money saved for retirement. This is down from 65 percent two years ago.
- Of those with retirement savings, seven in 10 have less than $250,000 saved, down from eight in 10 in 2016. However, this shift is the result of those with savings of $250,000 or more nearly doubling, from 12 percent in 2016 to 23 percent in 2018.
- In 2016, 18 percent of GenXers with a financial advisor had retirement savings of $250,000 or more. In 2018 this figure rose to 35 percent. Conversely, 45 percent of GenXers who use financial advisors have less than $150,000 saved, versus 64 percent of those who do not use an advisor.
- One-half of GenXers rarely or never rebalance their retirement accounts, or don't know when or whether they do so.
- Six in 10 GenXers believe private employers should be legally required to offer a 401(k) plan to employees, and a staggering 81 percent would like to be offered an option to take a portion of their retirement plan balance as monthly, guaranteed lifetime income.
- Only one-third of GenXers have tried to calculate how much they need to have saved in order to retire. Of these, 57 percent have considered health care costs in their calculations. Of those that did not include health care costs, the primary reason was not knowing how to calculate them.
- Only 23 percent of GenXers think it is very important to leave an inheritance for a child or grandchild.
- Only 20 percent of GenXers have consulted a financial advisor, down from 29 percent two years ago. The topics they are most likely to have discussed with an advisor are retirement (82 percent) and investing (61 percent). More than seven in 10 say their advisor has prepared a written financial plan for them.
- Three in 10 GenXers plans to work past age 65, with 21 percent planning to work until age 70 or older. One in four do not know when they will retire – this is up from 16 percent in 2016.
- Among the youngest GenXers (age 36-40), 54 percent expect 401(k) plans to be a major source of retirement income, versus 31 percent citing Social Security as a major source. For the older GenXers (age 51-55), this is reversed, with 47 percent citing Social Security as a major source of retirement income and 32 percent pointing to a 401(k).
- Nearly one-half of GenXers say they will withdraw money from their retirement savings as needed to pay for basic expenses during retirement, versus 43 percent planning to take monthly income following a written plan, and 17 percent who say they will use a portion to purchase an annuity.

- Only three in 10 GenXers who do not work with financial advisors are very or somewhat confident they will have enough money to live comfortably in retirement, or that they did or are doing a good job preparing for retirement, versus eight in 10 of those that do work with advisors.
- Saving enough to retire when, where, and how they desire (60 percent), and incurring significant medical expenses (58 percent) are the top pre-retirement issues about which GenXers are very or somewhat concerned.
- Despite their concerns regarding adequate savings and managing expenses, and most having either no savings or comparatively low retirement account balances, 60 percent of GenXers believe they will have enough money in retirement to cover their basic expenses and allow them to enjoy some (36 percent) or extensive (24 percent) travel and leisure activities.
- The top three retirement risks GenXers are most concerned about are changes to Social Security (66 percent), higher than expected health care expenses (64 percent), and running out of money (59 percent).

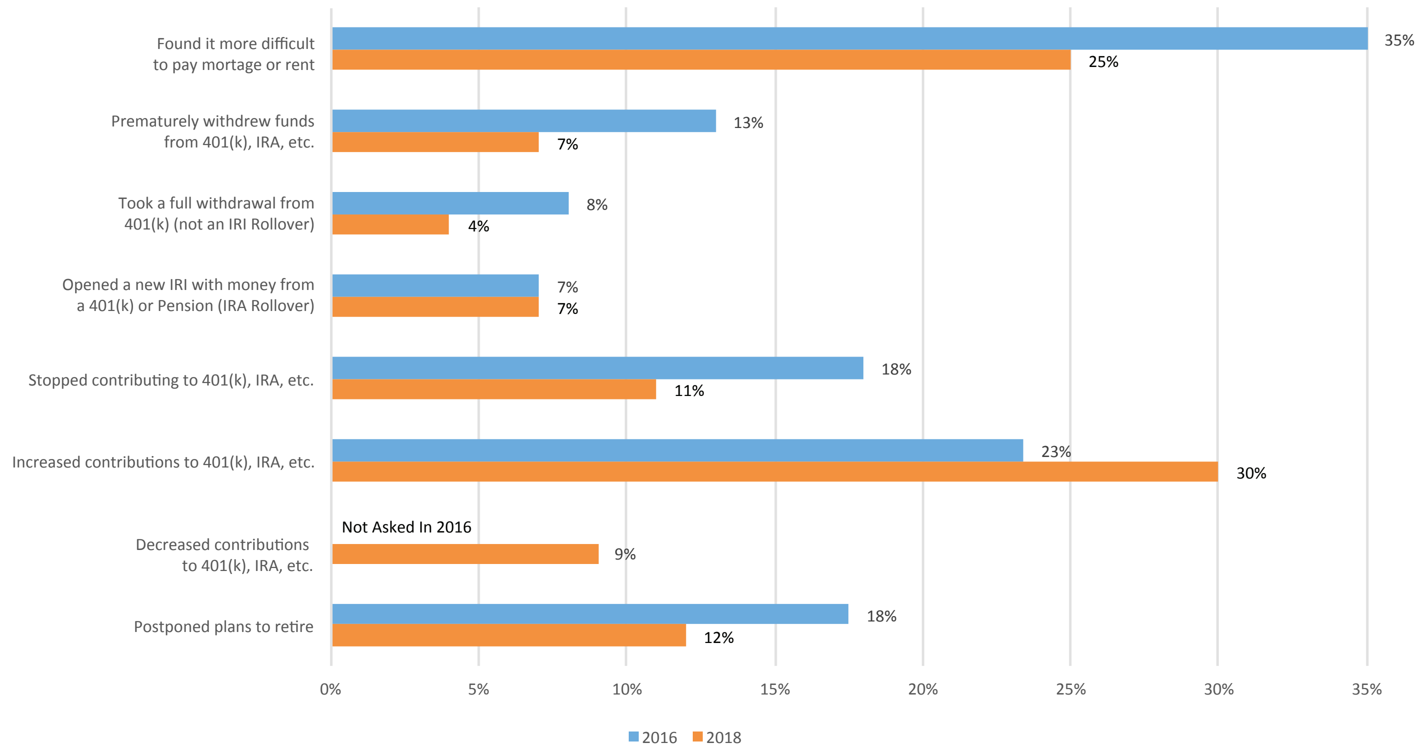
Each of the IRI generational research series looks at the overall level of satisfaction members of each cohort have with their economic and financial well-being. It is useful to compare Boomers and GenXers, with the former on the cusp of, or living in, retirement, and the latter largely in their prime earning years. GenXers, while not reporting being as satisfied from an economic standpoint as they did in earlier studies, are significantly happier with how things are going than Boomers. While this is not necessarily a "canary in the coal mine," it is a useful trend to watch as Boomers move further into their retirement years, and GenXers move inexorably closer.

Figure 1: Economic Satisfaction



Members of Generation X seem to be enjoying some improvement in financial stability, with negative measures retreating and positive ones gaining tractions. For example, **Figure 2** shows that only one in four GenXers had difficulty making mortgage or rent payments in the past 12 months, versus more than one in three two years ago. The percentage of GenXers withdrawing funds from a 401(k) or IRA nearly halved, falling from 13 percent in 2016 to 7 percent this year. On the positive indicator side, 30 percent of GenXers increased their 401(k) and/or IRA contributions in the past year, versus 23 percent reporting increases to contributions in the prior study.

Figure 2: Financial Changes in the Past 12 Months



Figures 3 and 4 are good news and not so good news. On the plus side, as **Figure 3** shows GenXers claim to have a pretty good handle on their revolving debt, with two-third of GenXers reporting credit card balances of less than $5,000, and the majority of them owing less than $1,000. On the negative side, **Figure 4** reveals that about the same number have less than $5,000 in an emergency fund, with the majority having less than $1,000 set aside. These measures are potentially linked, as a constricted ability to pay in cash for unexpected expenses can rapidly increase credit card debt.

Figure 3: Credit Card Debt

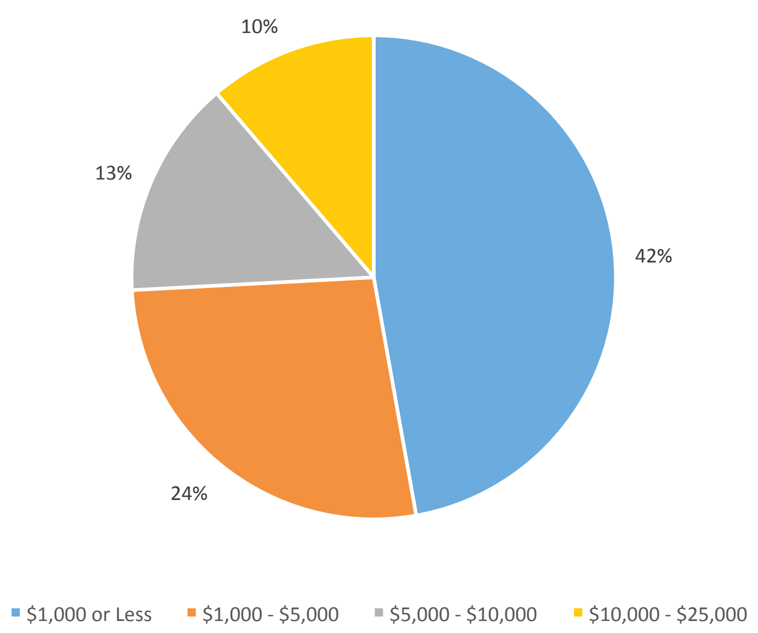
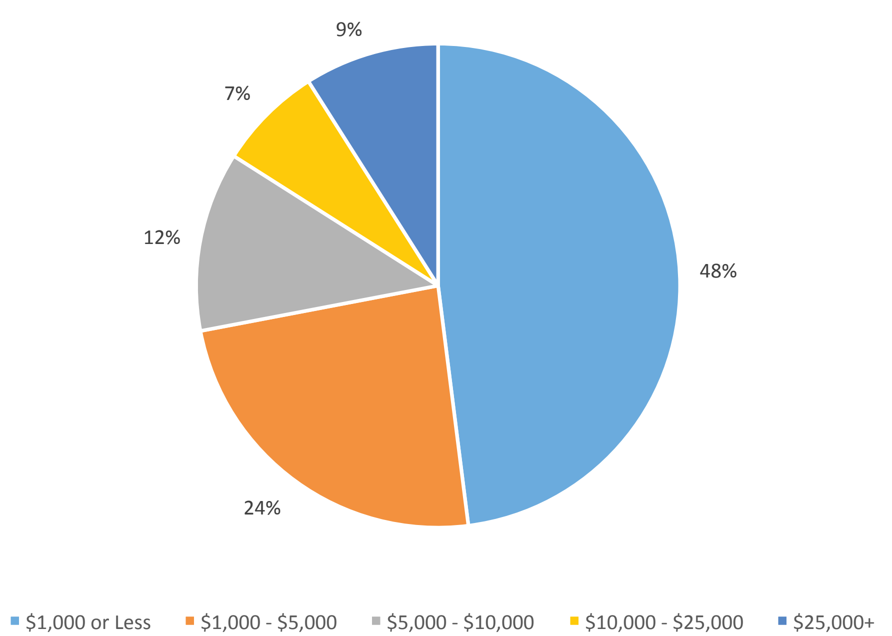
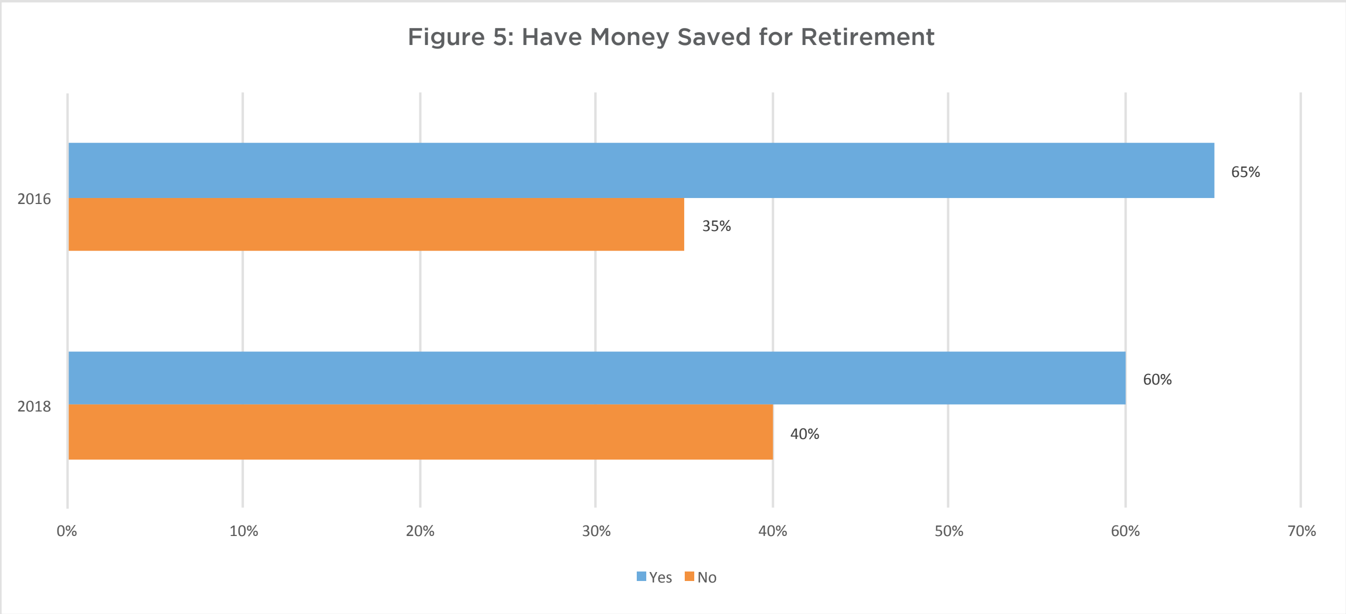


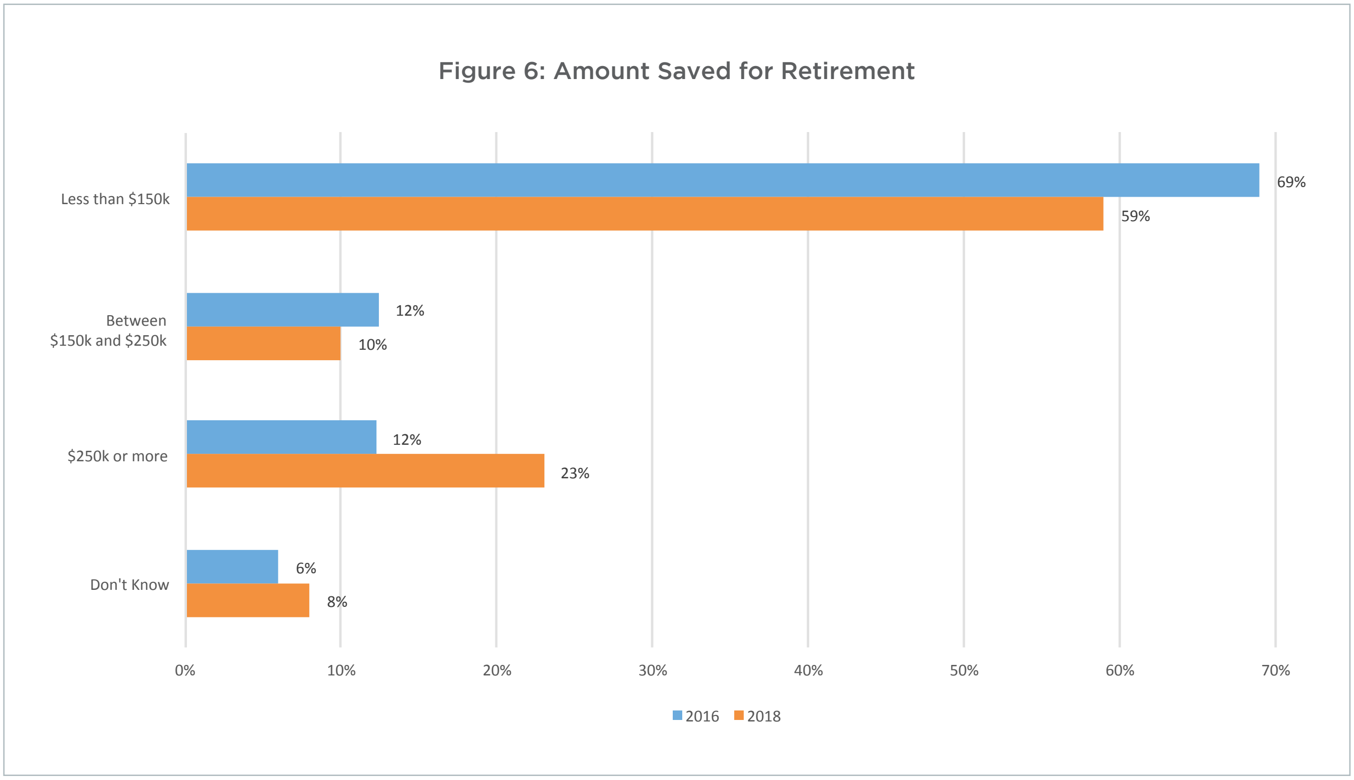
Figure 4: Emergency Fund Balance



A concerning finding in this year's GenX survey is the drop in respondents reporting that they have anything at all saved for retirement. While GenXers are doing marginally better than Baby Boomers in this regard, only 54 percent of Boomers reporting having retirement savings in 2017, but with the drop from 65 percent to 60 percent GenXers are closing the gap, and not in a good way.

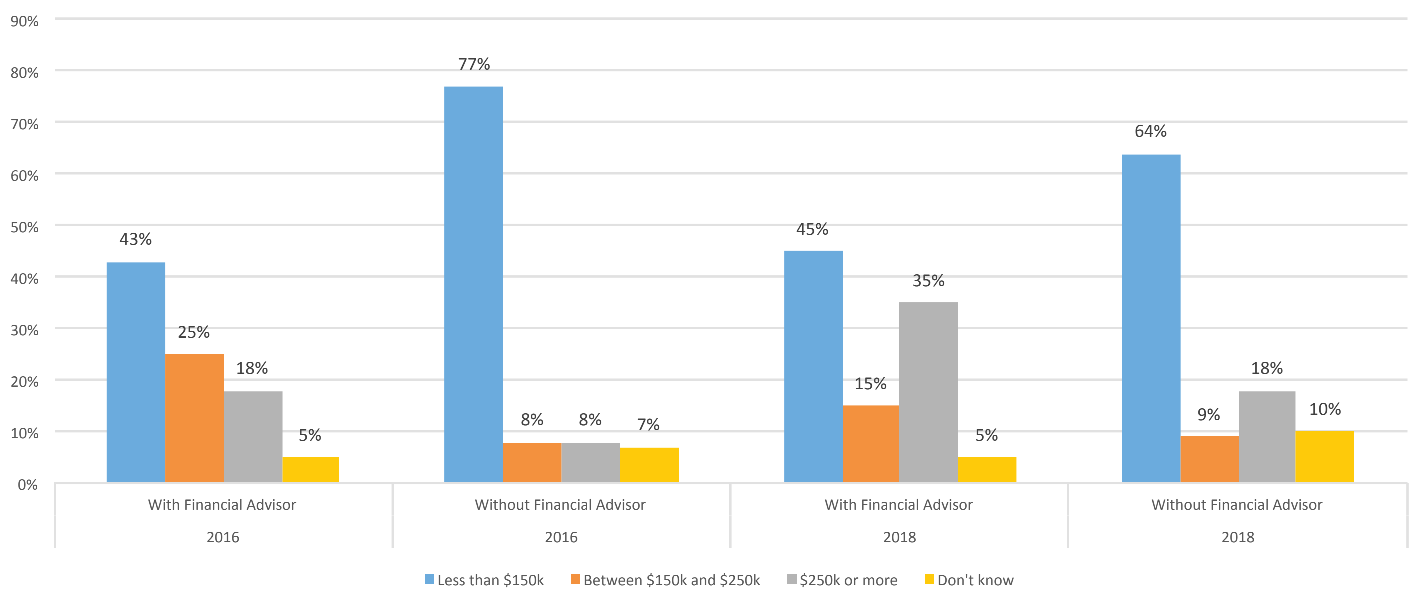


However, among those GenXers that do have savings, balances are on the rise. **Figure 6** reveals that in 2016, 69 percent of GenXers with retirement savings had total savings of less than $150,000. In 2018 this dropped to 59 percent, with increases in the numbers of those with higher balances. It is notable that the $150,000 to $250,000 range only increased from 10 percent to 12 percent, while a whopping 23 percent reported having retirement savings of $250,000, nearly double the 12 percent reporting balances in this range two years ago. Two years of extraordinary stock market returns, and as noted in Figure 2 increasing 401(k) and IRA contributions, have helped propel the balances of many with retirement savings upward.



It is also instructive to take a look at how retirement savings balances compare between those who work with a financial advisor and those who do not. **Figure 7** shows a high degree of correlation between working with a financial advisor and the accumulation of higher levels of retirement savings, and this relationship holds true for the current study as well as for the study conducted in 2016. In both time periods, the percentage of GenXers working with an advisor that have $250,000 or more in retirement savings is roughly double the percentage of those who do not have an advisor: 18 percent versus 8 percent in 2016, and 35 percent versus 18 percent in 2018. Conversely, those without advisors are more likely to have less than $150,000 in retirement savings in both years: 77 percent versus 43 percent in 2016, and 64 percent versus 45 percent in 2018. So while the rising tide has lifted all boats, GenXers with financial advisors are apparently catching the bigger waves.

Figure 7: Amount Saved for Retirement With/Without Financial Advisor



GenXers may need to engage more with their retirement accounts. **Figure 8** shows that more than three quarters of GenXers check their retirement account balances at least on a quarterly basis, and more than half check monthly. **Figure 9** does show that only one-third are rebalancing their retirement portfolios at least annually. However, **Figure 10** reveals that 47 percent of GenXers in general, and 66 percent of those with financial advisors, believe their investable retirement assets are primarily held in balanced portfolios, which may be automatically rebalanced; some of those with automatic rebalancing in place may have responded that they never rebalance or that they don't know, simply because they did not "do anything." This is an area for further exploration and refinement in future studies, for example ferreting out whether participants are continuously rebalancing back to a static model or altering their allocations as they age.

Figure 8: Frequency of Checking Retirement Account Balance

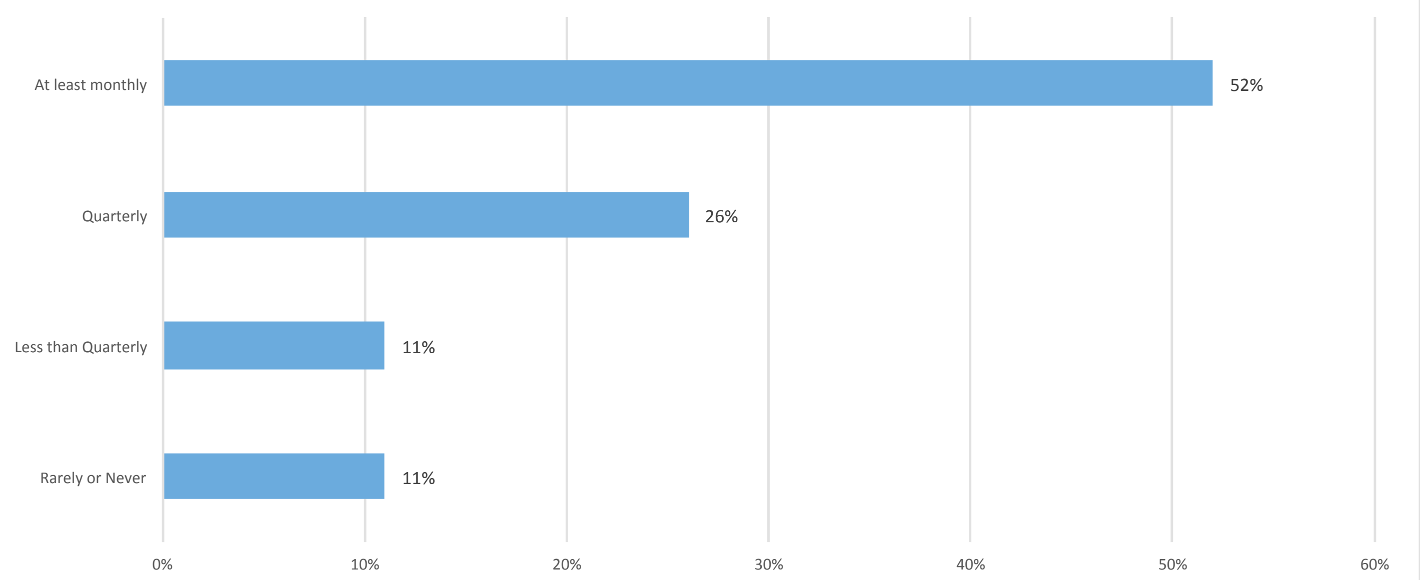


Figure 9: Frequency of Retirement Account Rebalancing

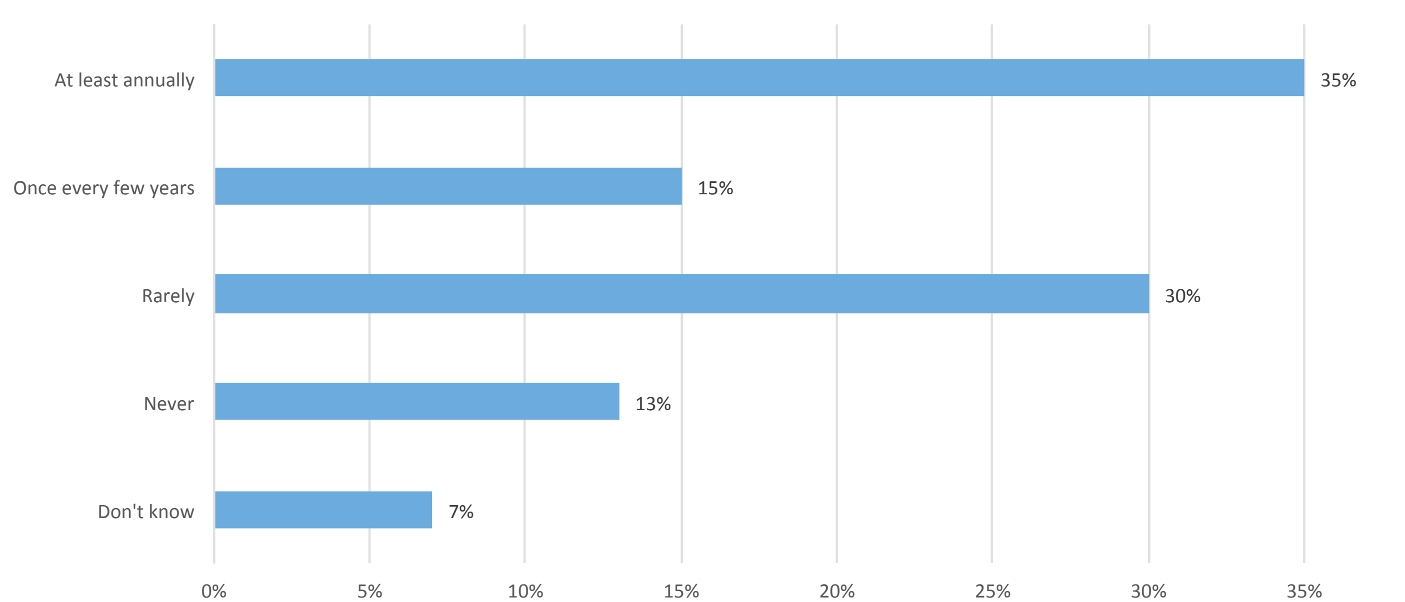
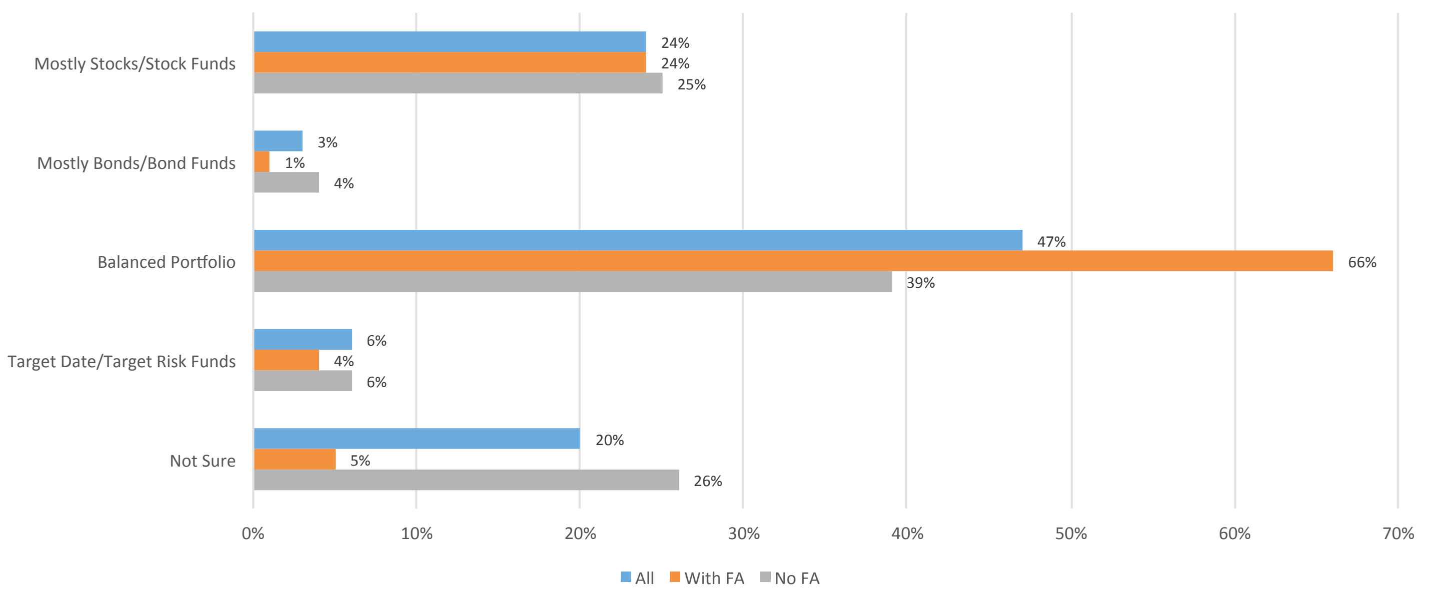


Figure 10 also shows that very few GenXers report holding their retirement savings in target date funds. This is curious given the popularity of such funds, both as plan options and as Qualified Default Investment Alternatives (QDIAs). A 2016 survey by the Plan Sponsor Council of America and Principal Financial Group found that 76.9 percent of plans offered a target date fund in 2016, up from 70.3% in 2015. Further, target date funds accounted for 85 percent of QDIAs in plans offering auto enrollment. It is quite possible that some, and perhaps many, GenXers do not understand the difference between a balanced fund and a target date fund, and thus target date funds may be in use by more GenXers than Figure 10 indicates.

Figure 10: Retirement Assets



Three quarters of GenXers with retirement savings contributed to their retirement accounts in the past 12 months.

Figure 11: Contributed to Retirement Savings in Past 12 Months

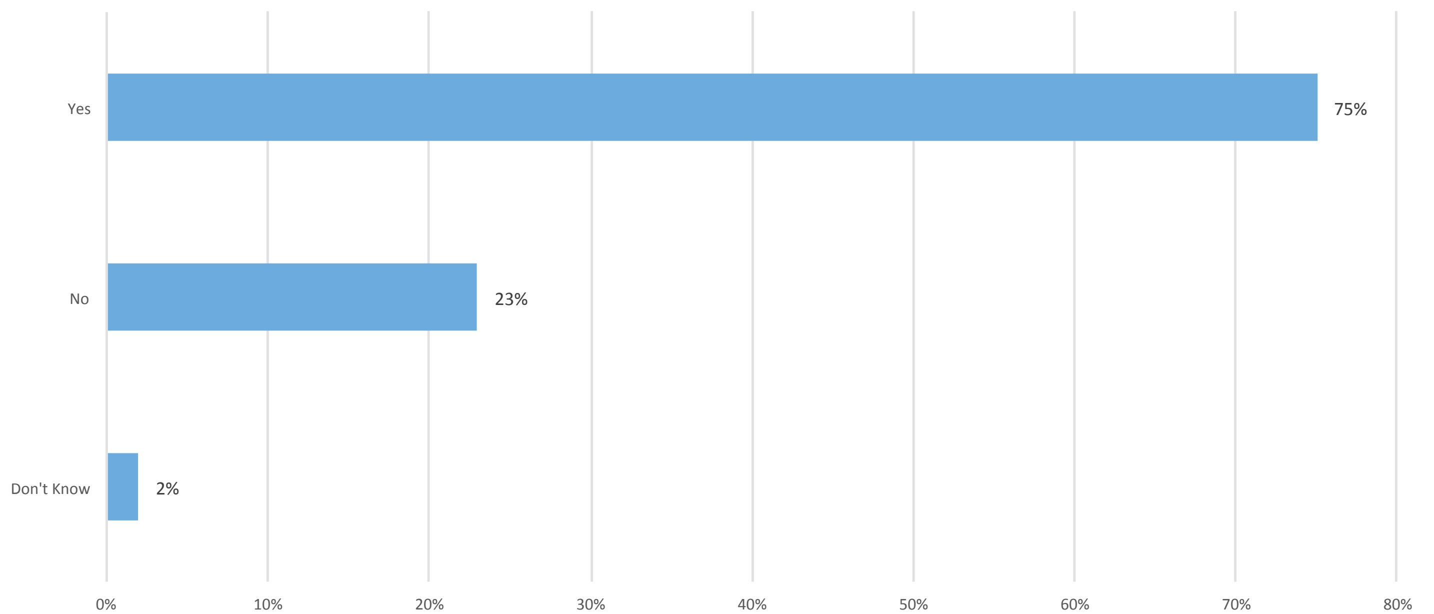


Figure 12 and **13** show that GenXers are in favor of both a legal requirement for employers to offer 401(k) or similar plans to their employees, and would like those plans to include an option that would allow them to take a portion of their 401(k) balance as a guaranteed lifetime income annuity when they retire.

Figure 12: Should Private Employers be Legally Obligated to Offer 401(k) Plans?

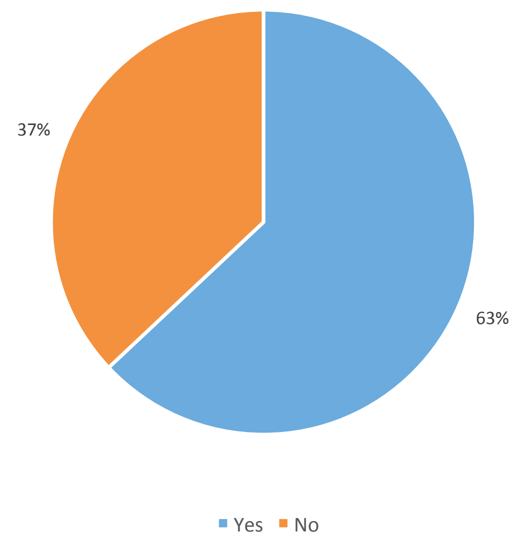
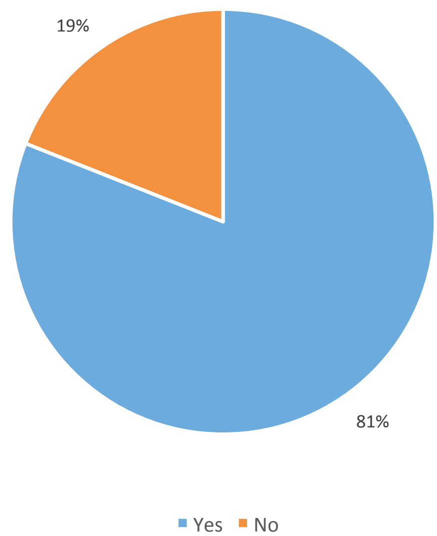
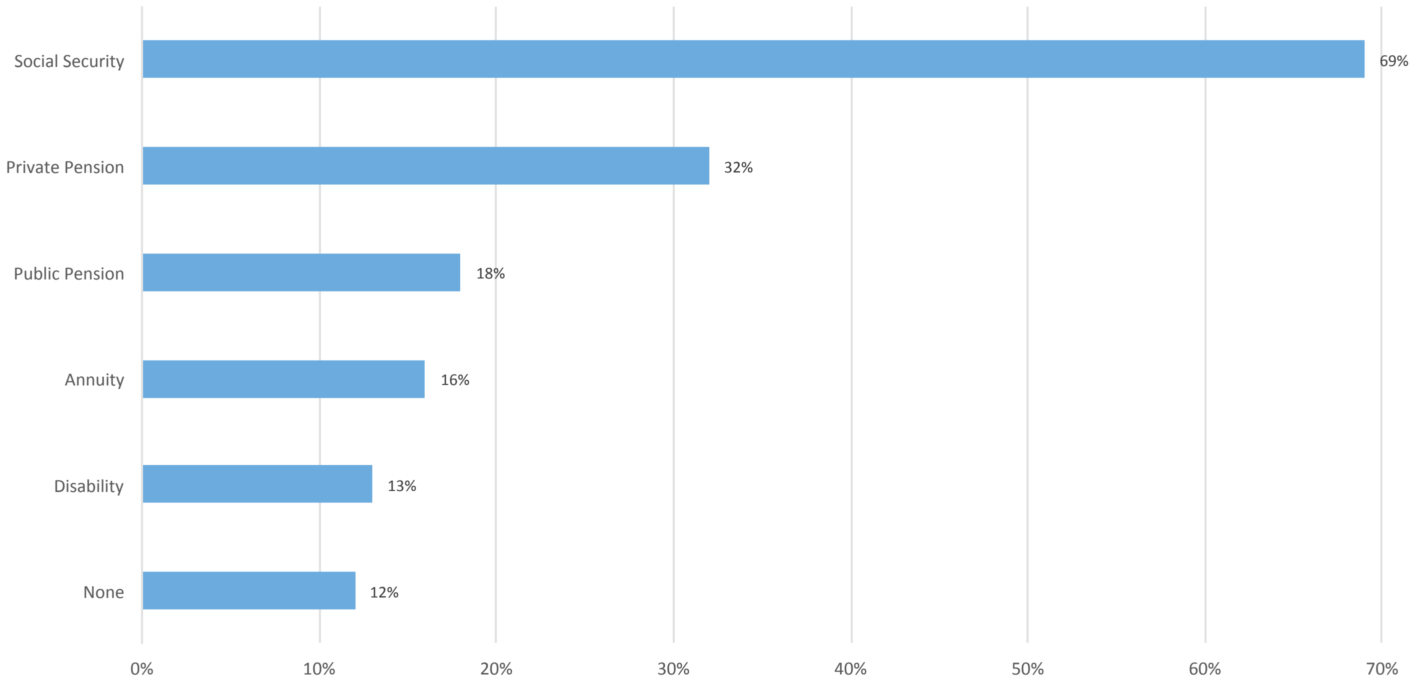


Figure 13: Desire Option to Take Portion of 401(k) as Guaranteed Lifetime Retirement Income

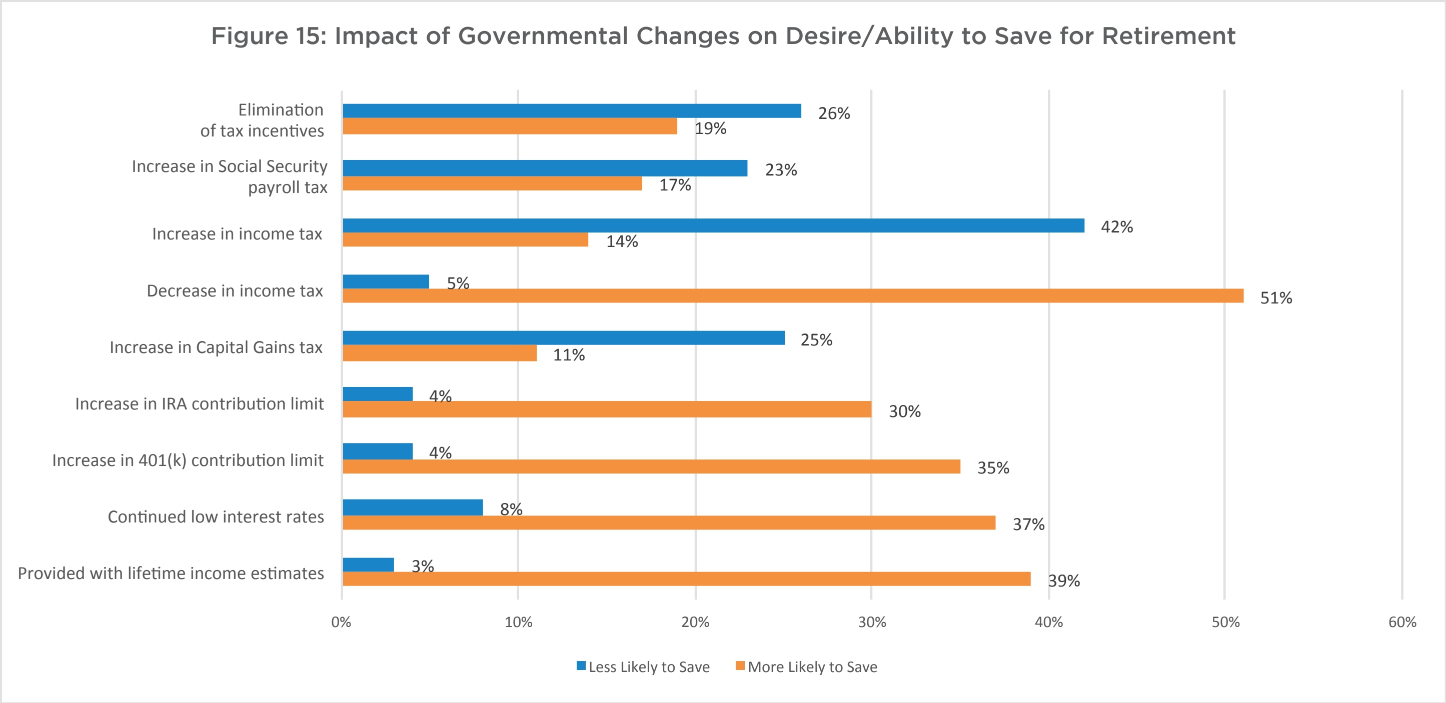


That more than eight in 10 GenXers want a guaranteed lifetime income option in their 401(k) plans is not surprising given that most look to Social Security as their only source of income they can't outlive during retirement. In **Figure 14,** seven in 10 GenXers cite Social Security as their expected source for lifetime retirement income, versus one-third expecting a pension from a private employer and fewer than one in five expecting a public pension, such as retirement benefits from military service or government employment. Only 16 percent expect income from an annuity; however, as noted in **Figure 13,** 81 percent would like to be able to use a portion of their retirement savings to create guaranteed lifetime income. The primary difference between these two survey questions is that one asked whether they want to be able to convert savings into income, while the other asks if they expect to use an annuity. This phenomenon is explained in "The Language of Retirement," a 2017 research study from IRI and Jackson: when consumers are asked if they want guaranteed lifetime income, most hands go up. Mention annuity, and the hands raised are far fewer. A clear opportunity for advisors to educate consumers.

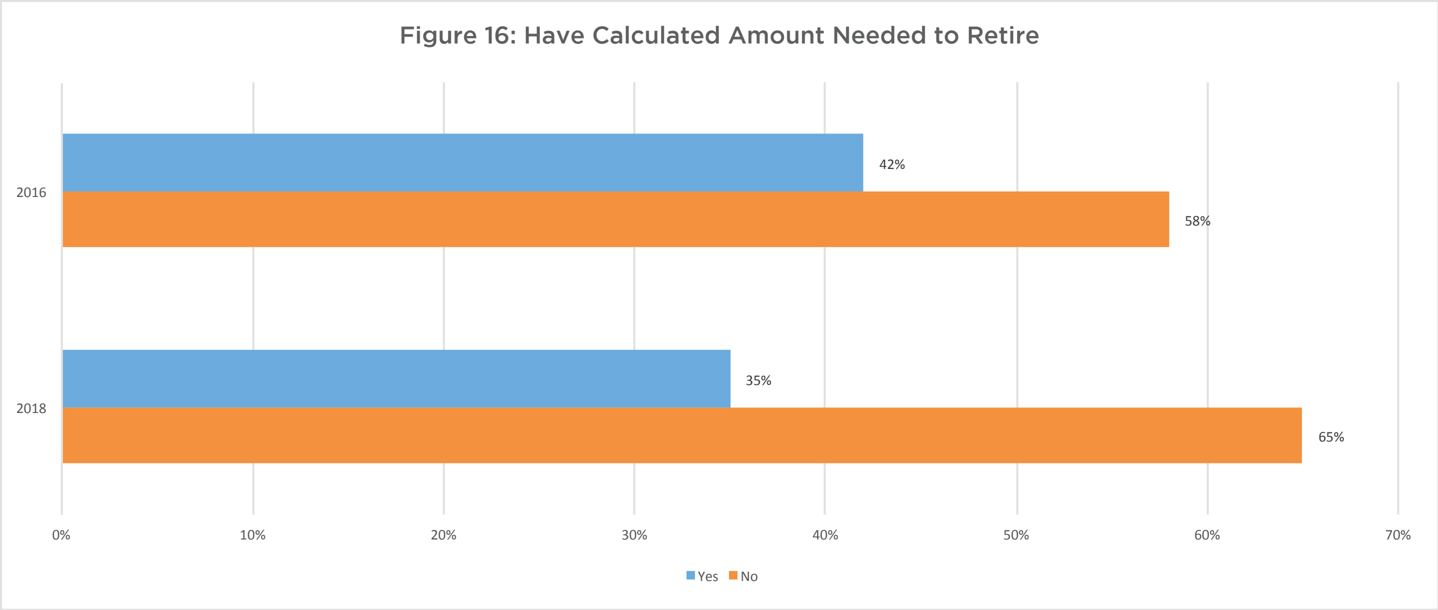
Figure 14: Expected Sources of Guarantee Lifetime Income



Saving adequately for retirement is critical to ensuring that GenXers will be able to retire, and live with dignity in retirement. Government has a key role to play in helping all generations save, and save more, by first doing no harm. **Figure 15** shows that reductions in the deductibility of retirement plan contributions or increases in taxes are more likely to drive consumers to save less than to save more, while tax reductions are more likely to promote positive savings behaviors. GenXers also want to know what their savings will mean to them when they retire, and this can promote positive behaviors as well: four in 10 GenXers believe they would increase their retirement savings if they were provided with estimates of the lifetime income their savings would produce when they retire.



When it comes to approaching retirement armed with information, GenXers fall short. **Figure 16** shows that only 35 percent have tried to calculate the amount they need to have saved in order to retire, down from an already too low 42 percent two years ago. This highlights the need for plan participants to receive estimates of the monthly lifetime income their retirement savings will produce on their account statements. While not comprehensive or tailored to individual situations, such illustrations would provide GenXers with a meaningful, useful gauge of their progress. Paired with links to more robust planning tools, such illustrations would likely prompt more GenXers to create savings targets, increase contributions, and seek advice from financial professionals.



Within the relatively small group of GenXers that have tried to calculate needed retirement savings, **Figure 17** shows that a decent number, 61 percent, have tried to consider health care costs in those calculations. Of course this should be 100 percent, as health care will be a significant expense category for most people during their retirement years. In 2017 Fidelity estimated that a couple retiring that year would need an average of $275,000 (in 2017 dollars) to cover medical expenses throughout retirement, up from $260,000 in 2016. This represents a 5.8 percent increase, more than double the 2.5 percent increase in the Consumer Price Index for All Urban Consumers (CPI-U) in 2017.

Figure 17: Retirement Calculation Includes Health Care Costs

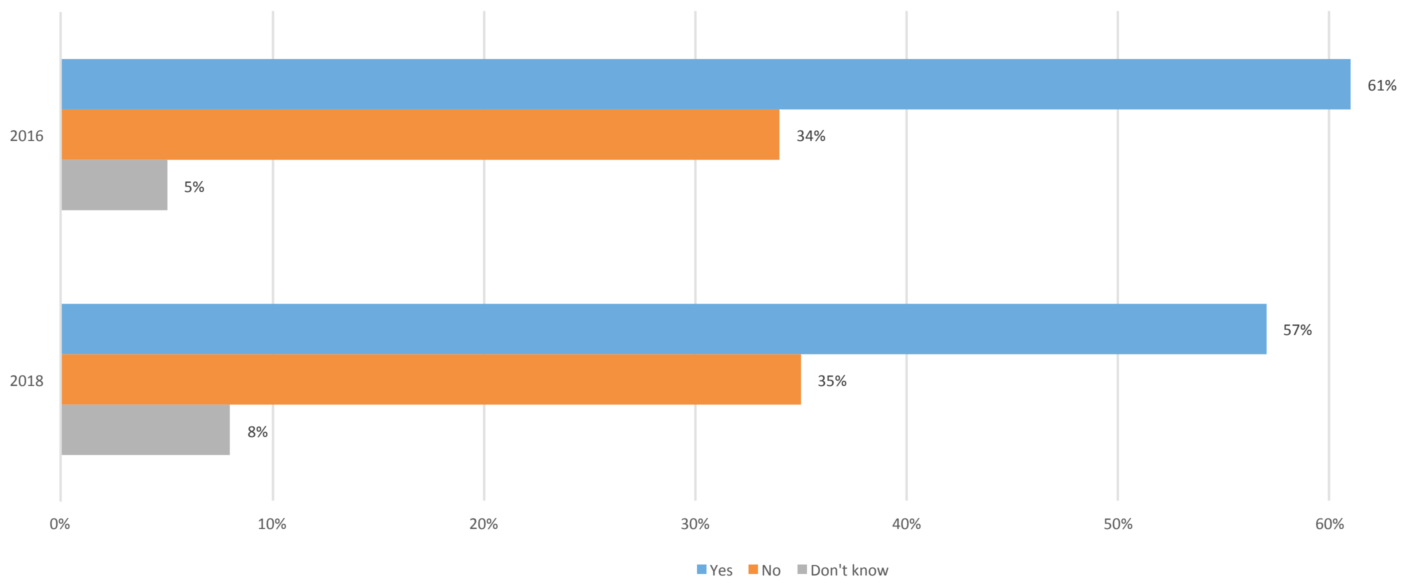


Figure 18 further highlights the importance of including health care costs in retirement saving and income calculations. GenXers may be underestimating how much of their income they'll need to spend on health care. Four in 10 GenXers believe health care expenses will consume 20 percent, or less, of their income in retirement. However, data on household income and the out-of-pocket (OOP) expenses of Medicare recipient average household heath care costs suggests the percentage of income spent on health care during retirement could be higher, particularly for those with one or more chronic medical conditions.[1,2]

Table 1: Annual Health Care Costs as a Percentage of Income

	Age 65-74 Median Household Income	High Range Medicare Recipient Annual Out-of-Pocket (OOP) Expense	OOP Expense as a Percent of Annual Income
Good Health	$47,432	$7,620	16%
Diabetes	$47,432	$10,200	22%
Congestive Heart Failure	$47,432	$11,400	24%
Had a Heart Attached	$47,432	$12,012+	25%+

So are the one-third of GenXers in **Figure 18** estimating health care expenses between 21 and 30 percent correct? Maybe, but with variability in the thousands of dollars per year estimating health care expenses is an important, and personal, component of calculating how much one needs to save in order to retire. It can also be a complex exercise, requiring a thorough knowledge of Medicare and supplemental medical insurance, and the potential financial impact of health issues, making this an excellent area where financial advisors can provide substantial value to their clients.

Figure 18: Expectation of Health Care Costs as a Percentage of Retirement Income

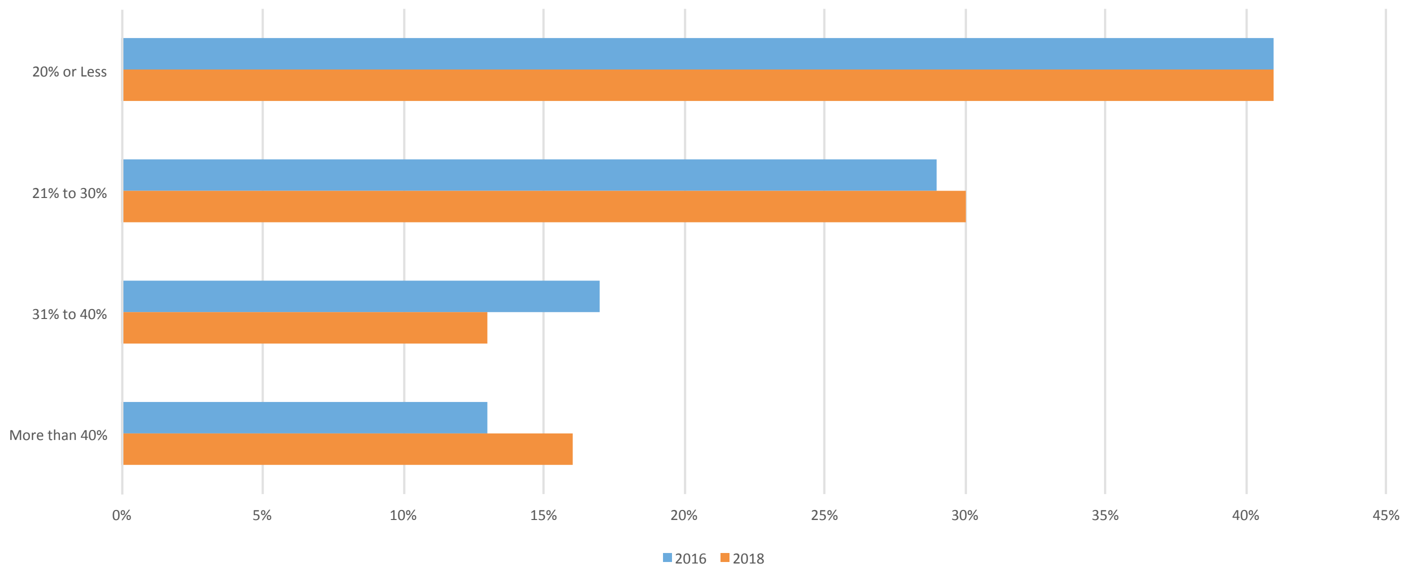


Figure 19 emphasizes the need for professional assistance in estimating health care expenses: 60 percent of those who did not include health care in their retirement calculations omitted them due to lack of knowledge as to costs and/or how to perform the calculations.

Figure 19: Reasons for Omitting Health Care Costs from Retirement Calculations

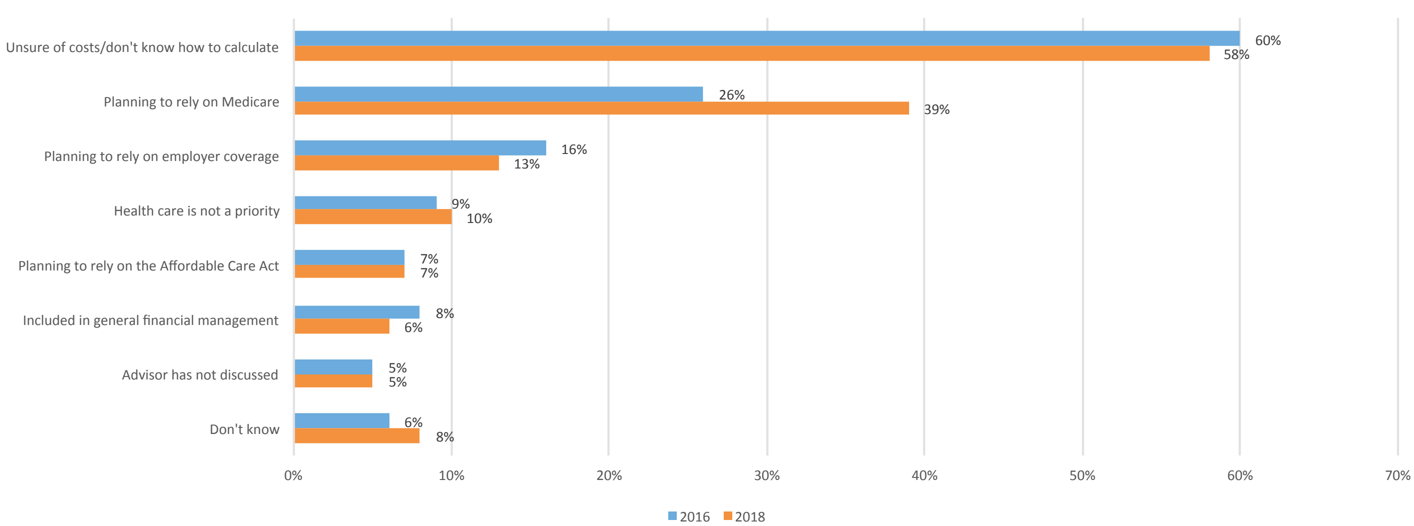
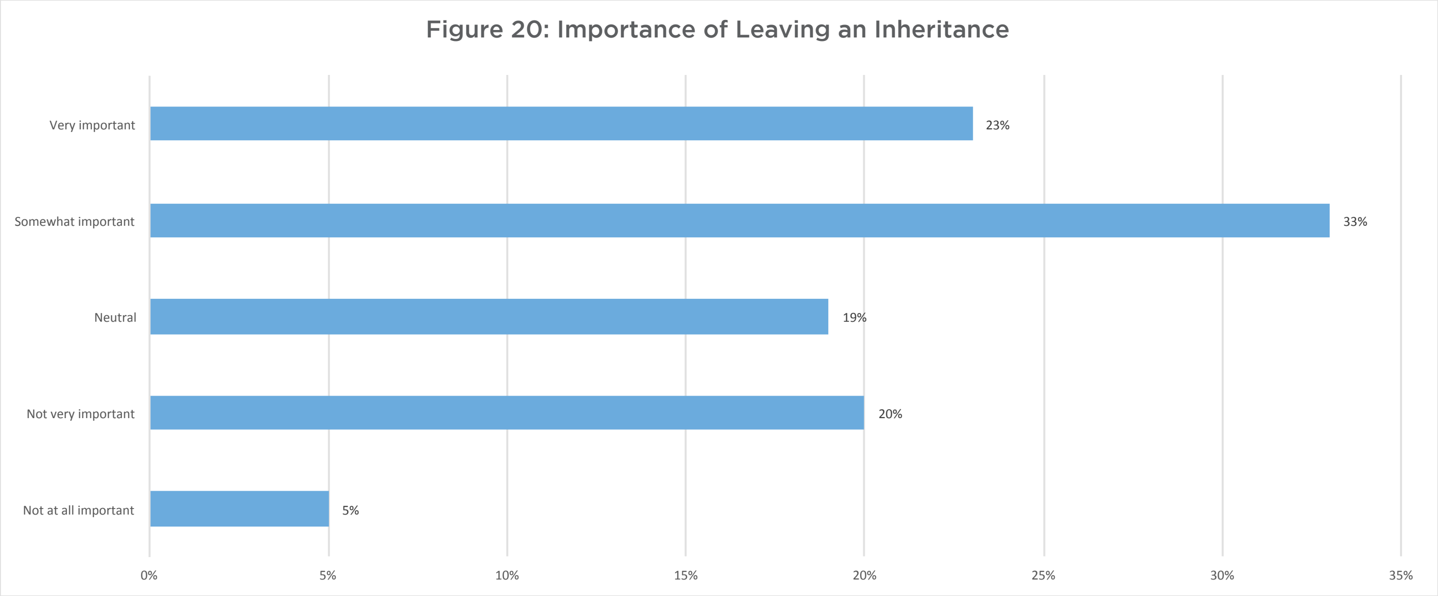


Figure 20 reflects the sense GenXers have that they're going to be needing their money, with only 23 percent saying they think it is very important to leave an inheritance. This has potential implications for Millennials and Generation Z workers – it might not be a good idea for them to include an inheritance as part of their retirement strategies!



There are several findings in this report that demonstrate either the need for, or the benefit of, engaging a financial professional to help with navigating toward and through retirement. Unfortunately, only 20 percent of GenXers have taken this step, down from 29 percent in 2016.

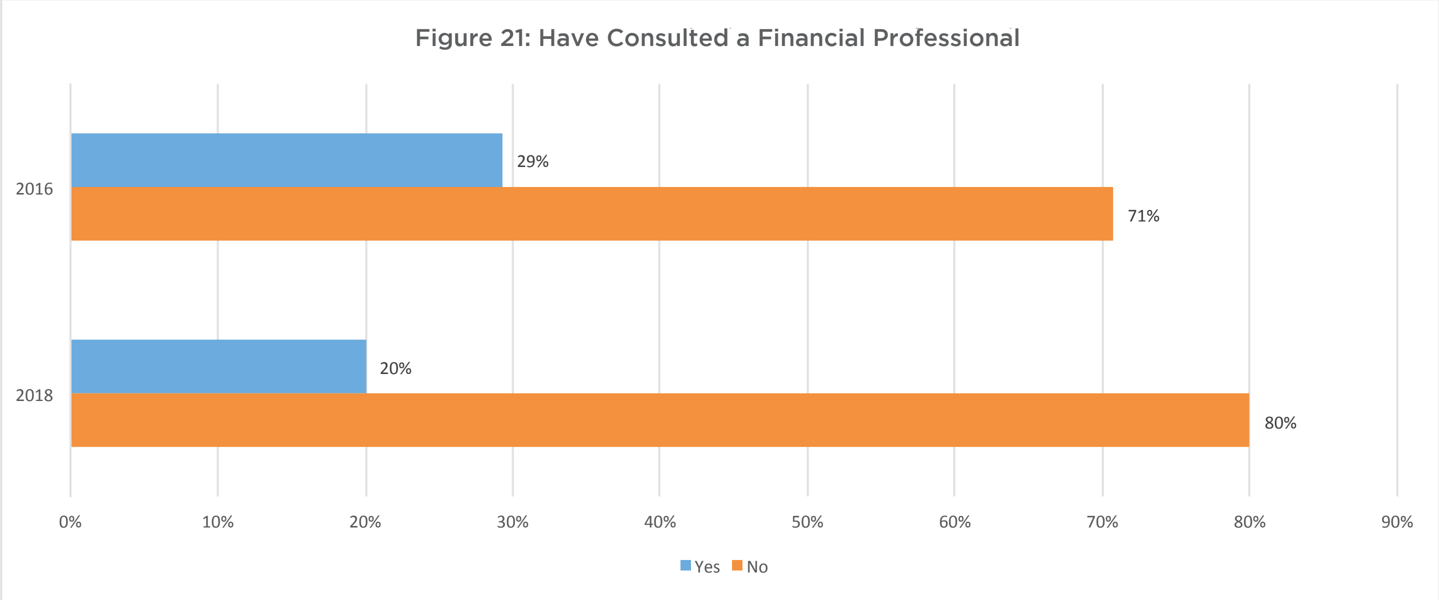
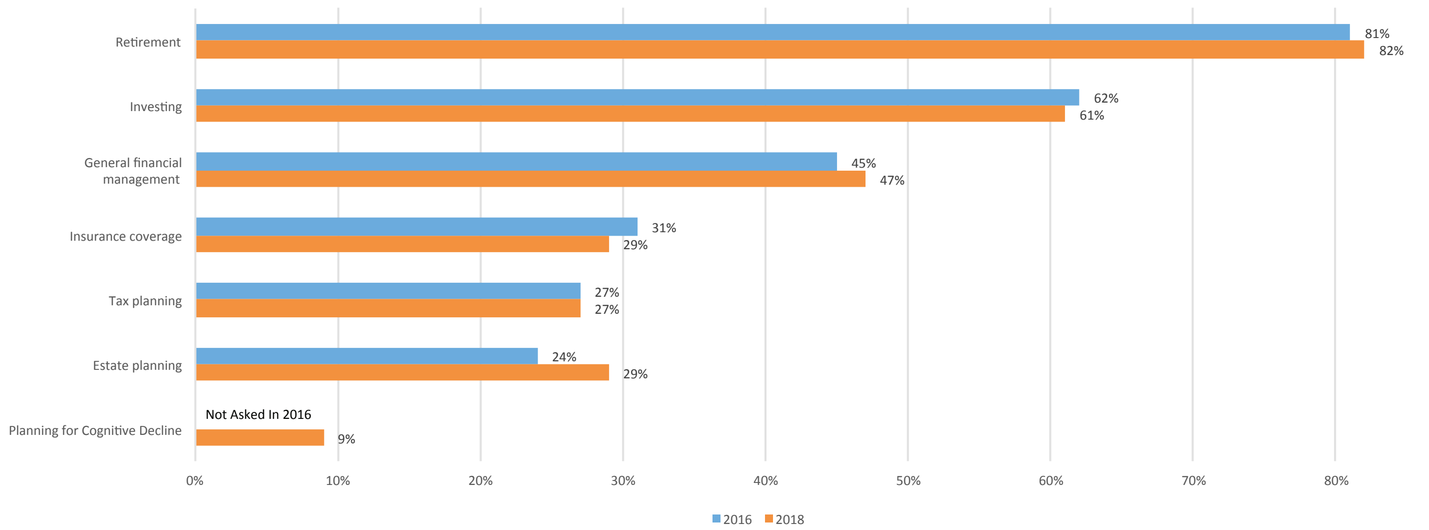


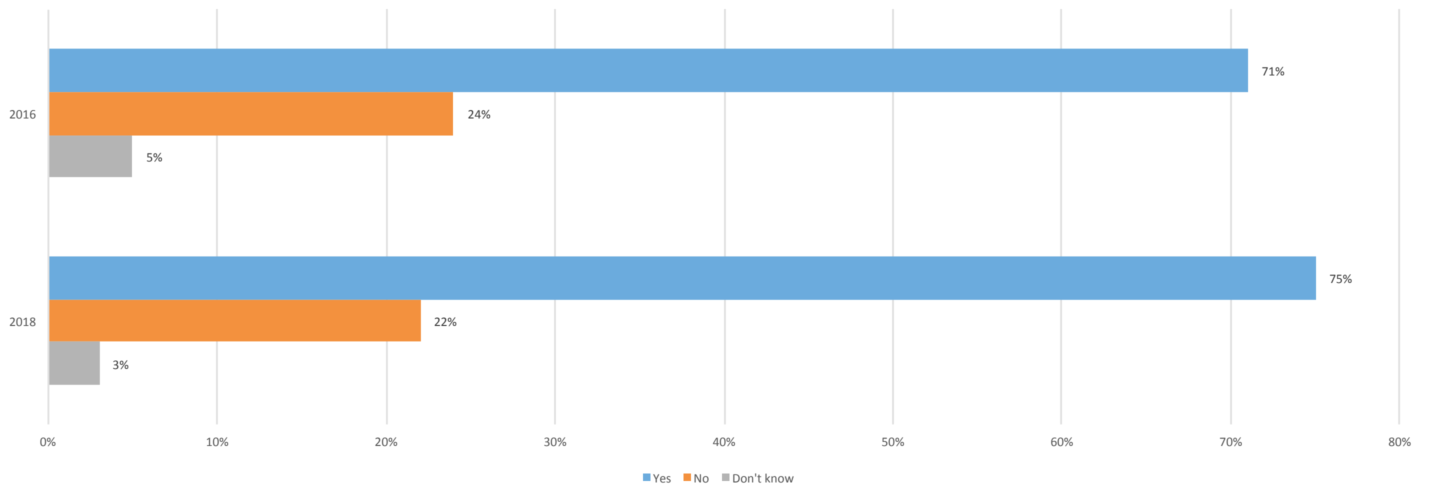
Figure 22 shows that for those that do have a relationship with a financial professional, retirement and investing remain the top planning areas GenXers are discussing with their advisors. Eight in 10 have discussed retirement, and six in 10 have discussed investing. New in this year's report is cognitive decline, which only nine percent of GenXers say they have discussed with their advisors. Especially for older GenXers, this is an important aspect of wealth protection and should be integral to the planning process.

Figure 22: Planning Areas Discussed with Financial Professional



Reflecting the high incidence of retirement discussion, **Figure 23** shows that 75 percent of GenXers with financial advisors have had a written retirement plan prepared for them.

Figure 23: Financial Professional Has Prepared a Retirement Plan



Many GenXers have aging parents, who may value their assistance in helping them make good financial, health and other decisions during retirement. **Figure 24** reveals that not too many GenXers are providing this type of assistance to their parents, with health care and related issues like long-term care and end of life planning being the most likely areas where GenXers are assisting their parents. This makes intuitive sense, as children tend to be involved in some manner when a parent falls ill. Other areas, such as retirement planning and investing, may in many cases be more awkward, and be areas where parents are uncomfortable sharing details with children, and vice-versa. However, trusted family members having knowledge of financial affairs is a key aspect of protecting against poor financial decision making, fraud, and elder abuse. This is another area where financial advisors can help, by encouraging and facilitating the sharing of information and the implementation of processes to prevent financial mistakes and fraud, such as alerts going to a family member, advisor, or trusted associate if there is unusual activity in an account.

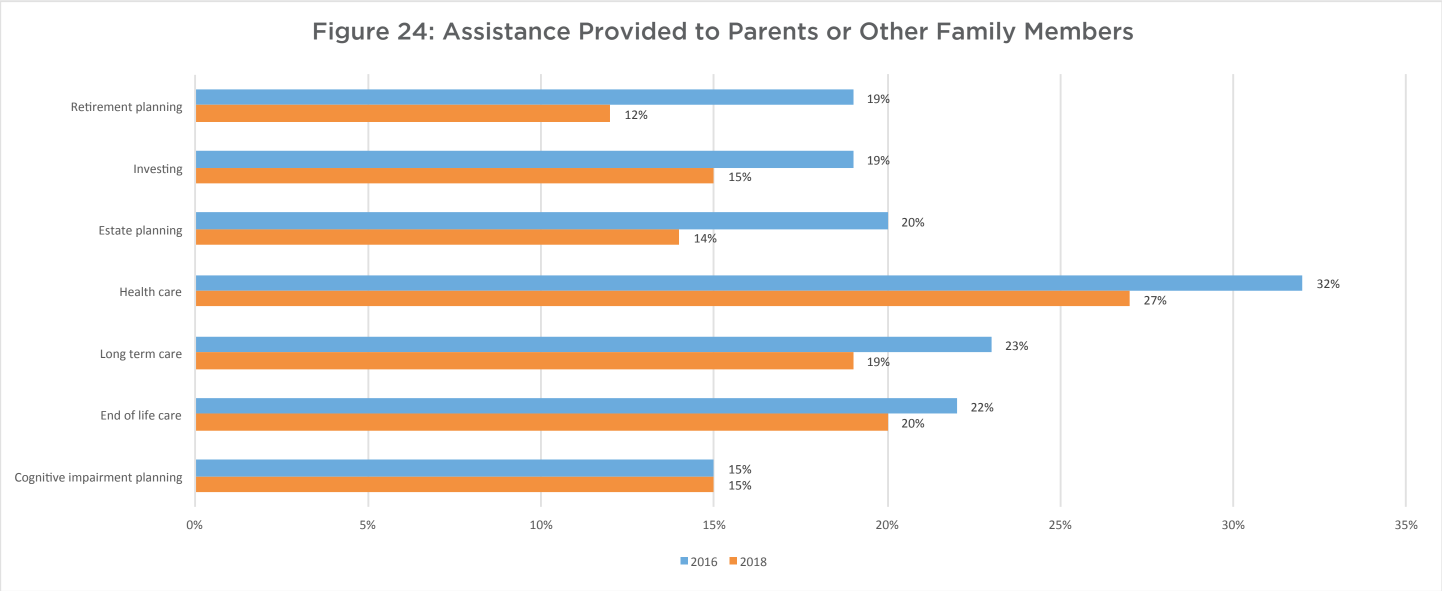
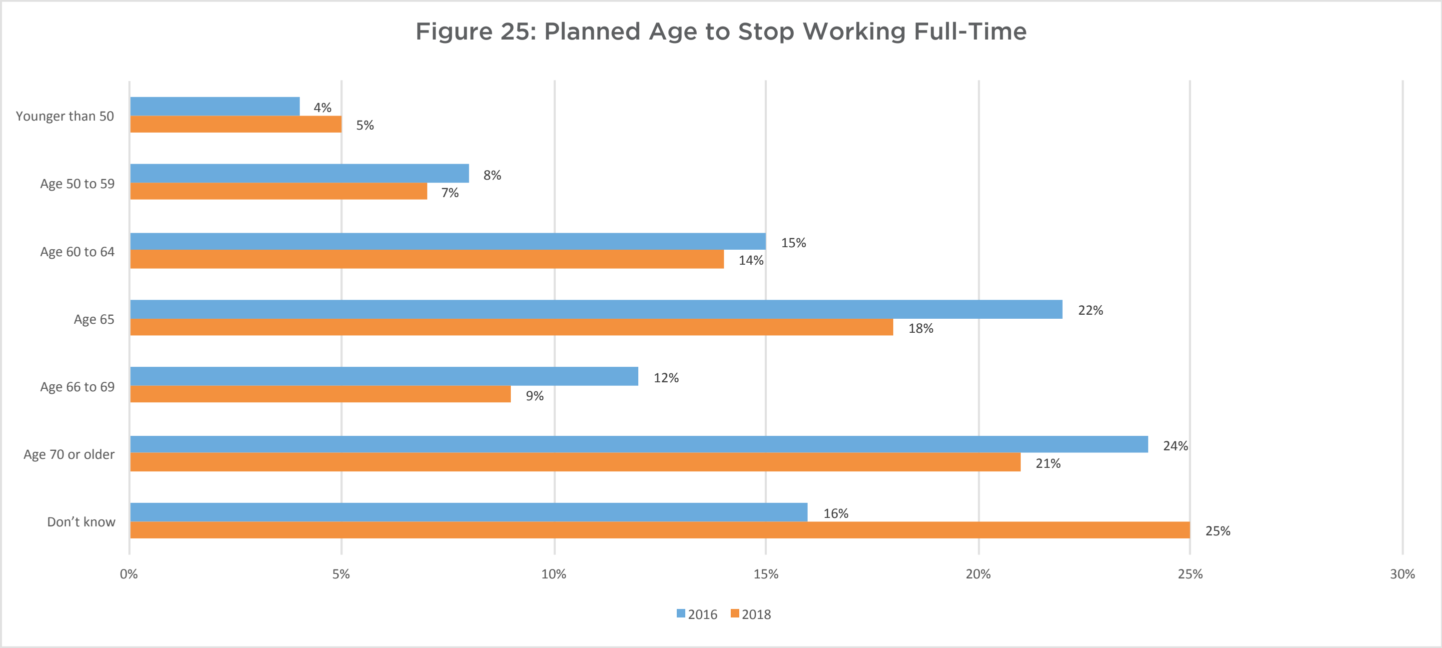
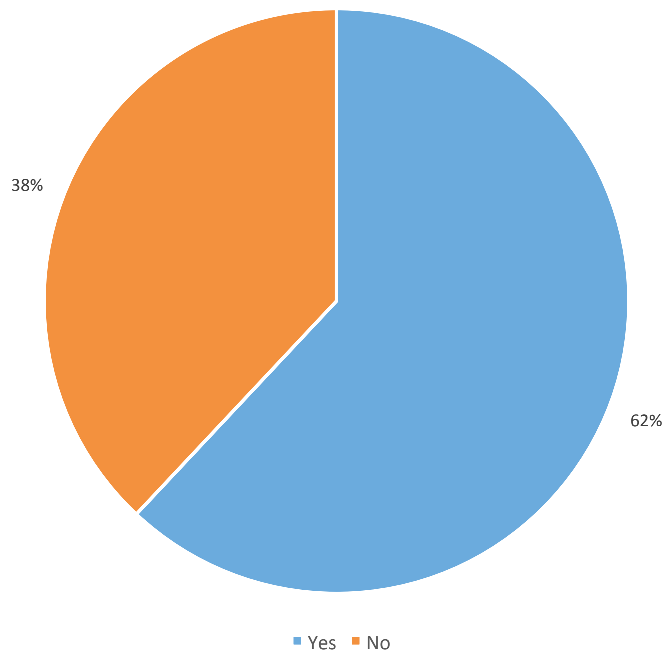


Figure 25 shows trends in the planned retirement ages of GenXers. The most significant change from 2016 is the increase in GenXers that don't know when they plan to retire. It's tempting to assume that the "don't know" responders would be younger GenXers, but in fact the "don't knows" are distributed fairly evenly across age groups, with those in the middle (ages 41-50) being slightly more likely to say they don't know when they will retire than the youngest or the oldest. This greater uncertainty could be related to the "sandwich generation" status of the middle group, with some of those GenXers caring for younger children or paying for college for older ones, at the same time as they are caring for aging parents, creating greater uncertainty around the financial ability to retire.



When they retire, most GenXers plan to retire debt-free. **Figure 26** shows that almost two-thirds of GenXers believe they will retire without debt.

Figure 26: Expect to Retire Debt-Free



In **Figure 27,** the 38 percent of GenXers who expect to carry debt into retirement are most likely to continue paying off mortgages and credit cards, with about one in four expecting to continue to making payments on asset-backed debt such as car or boat loans.

Figure 27: Types of Debt Carried Into Retirement

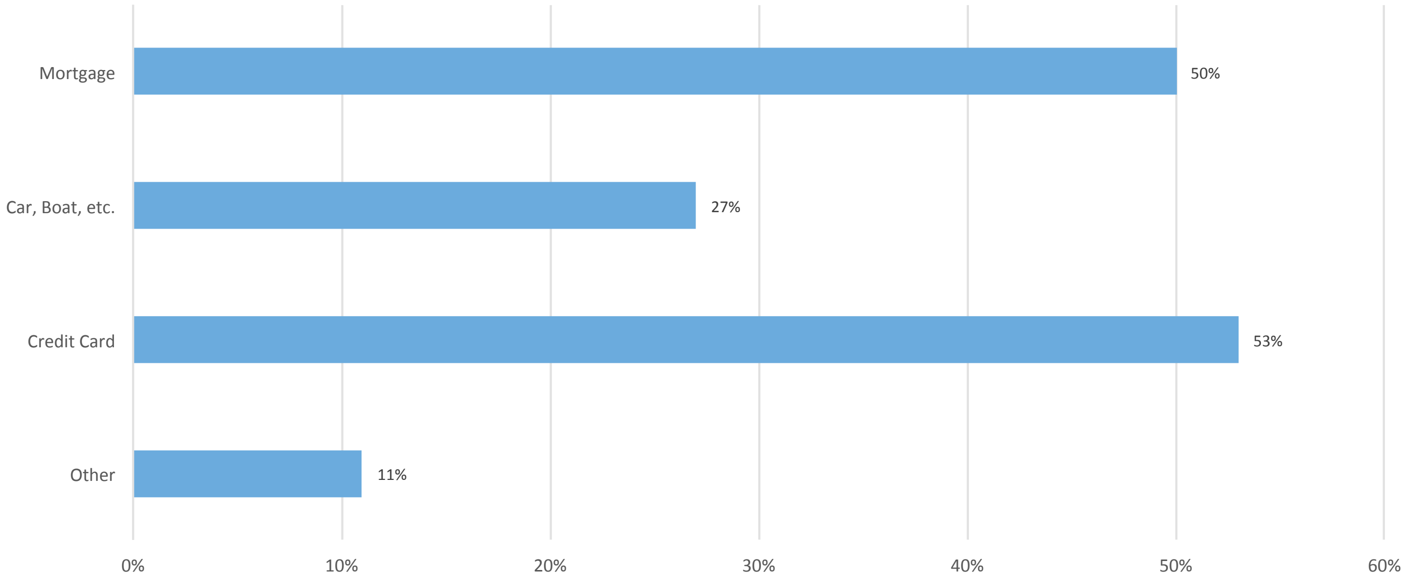
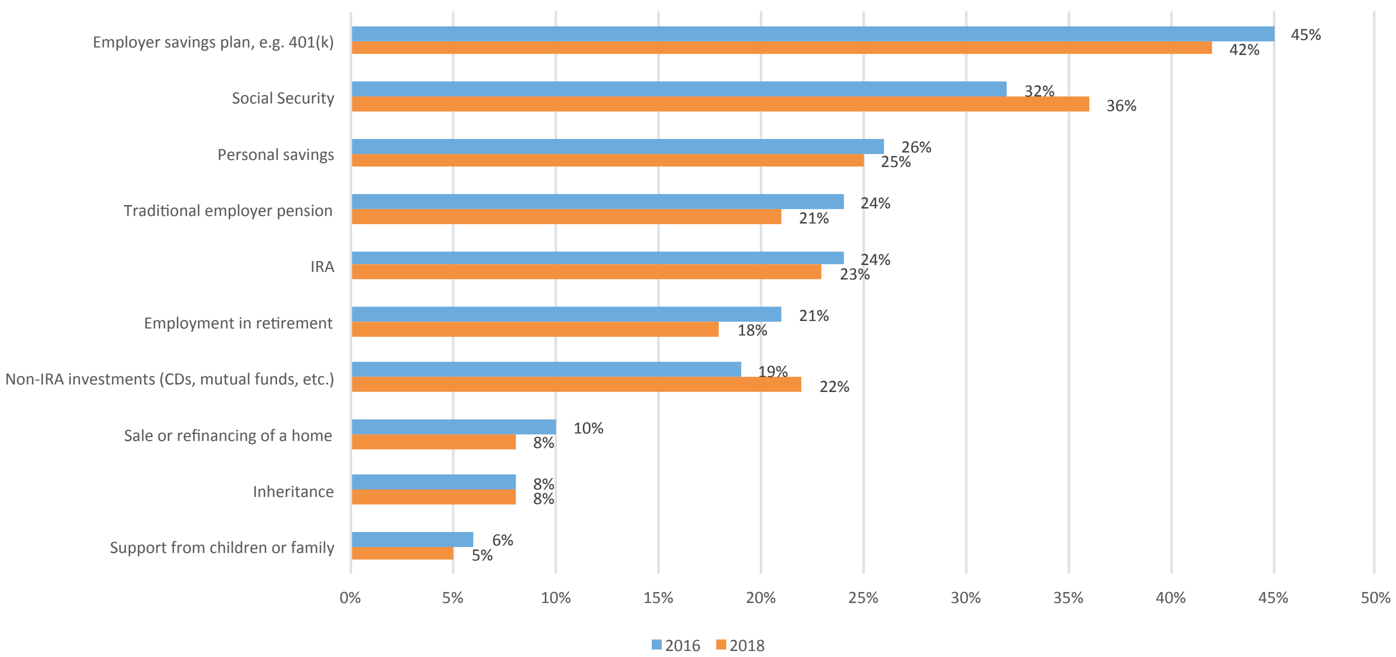


Figure 28 breaks down expected sources of income for GenXers. Savings in an employer provided savings plan such as a 401(k) are the most common source, with 42 percent of GenXers saying these accounts will be a major source of income. Social Security is right behind with 36 percent saying it will be a major source. Other sources, such as personal savings and traditional employer pensions, are less common among survey respondents, but no less important to those who plan to depend on them.

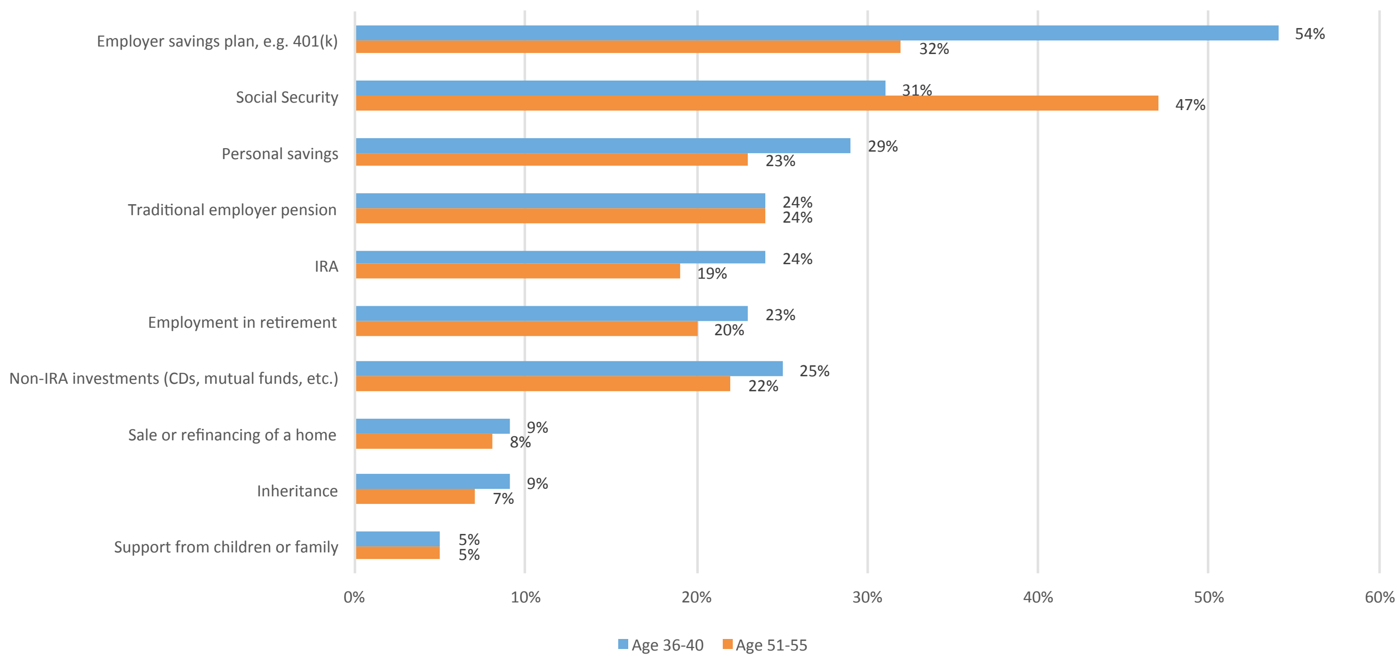
Figure 28: Major Expected Sources of Income in Retirement



> **...personal savings and traditional employer pensions, are less common among survey respondents, but no less important to those who plan to depend on them.**

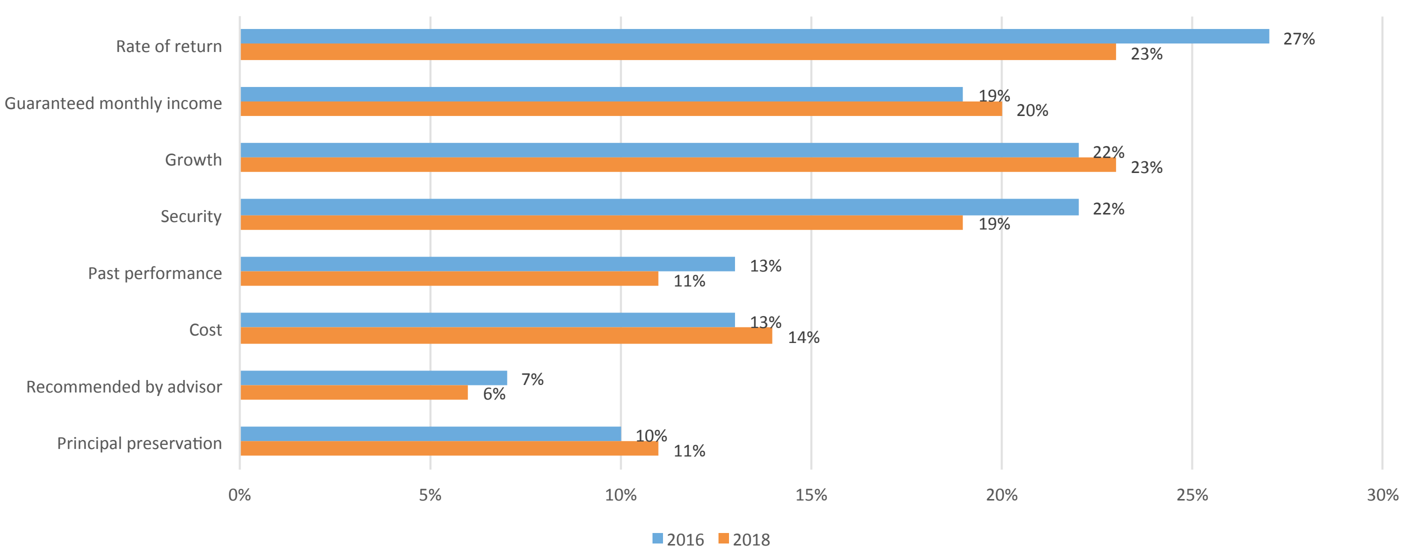
Figure 29 breaks down expected income sources between the oldest and youngest GenXers. Given media reports about the looming insolvency of Social Security, it is not surprising that the oldest GenXers (age 51-55) are much more likely to point to Social Security than the youngest (age 36-40), and conversely the youngest are more likely to think of their 401(k) as their major source of retirement income.

Figure 29: Major Expected Sources of Retirement Income - Youngest v. Oldest GenXers



In **Figure 30,** GenXers are most likely to select rate of return and guaranteed monthly income as either the most important, or second most important, trait of a retirement investment. In comparison to 2016, rate of return was selected by fewer survey respondents, while guaranteed monthly income was slightly more likely to be selected as number one or number two.

Figure 30: Important Traits of a Retirement Investment: Ranked First or Second



Tax deferral is consistently ranked as an important aspect of retirement investments in IRI survey based research. **Figure 31** shows seven in 10 GenXers citing tax deferral as very or somewhat important.

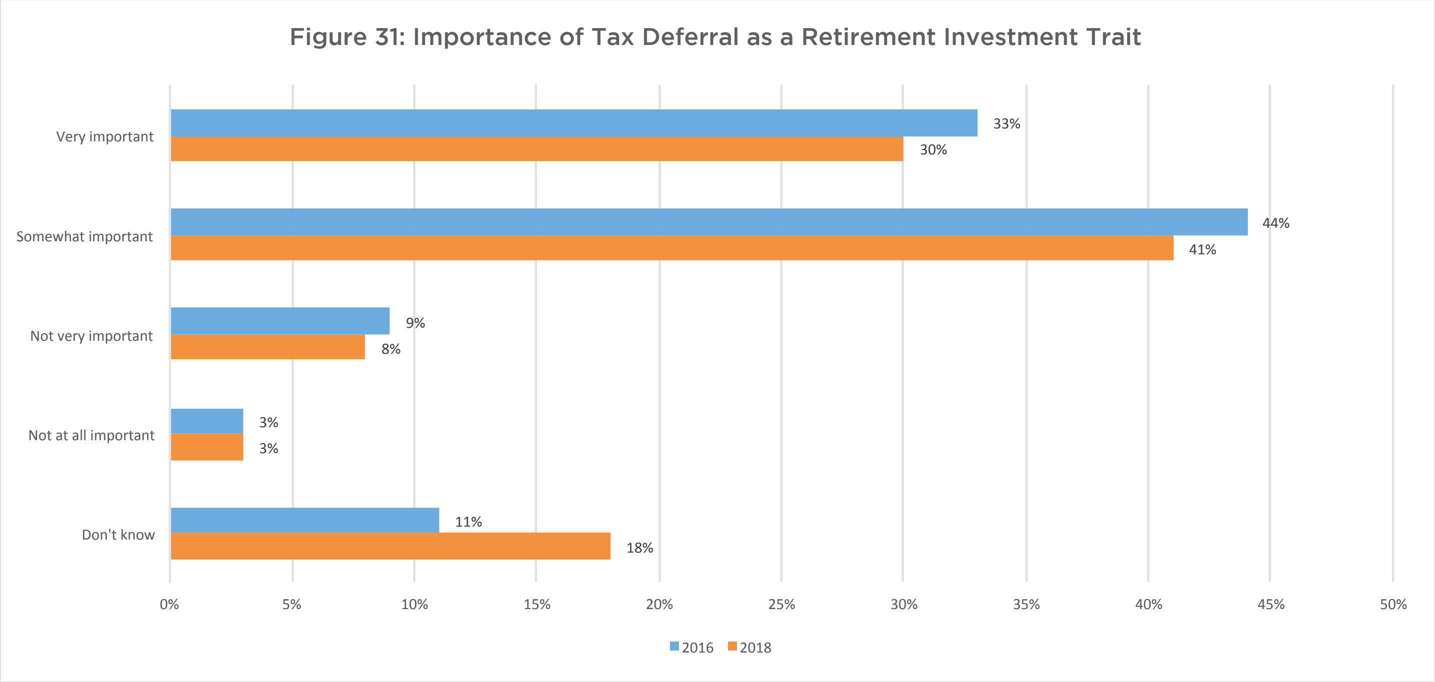


Figure 32 is indicative of the need for GenXers to create plans for the efficient use of their retirement savings. More GenXers plan to simply "withdraw as needed" than plan to use a written plan to take regular monthly income, and fewer than one in five plan to use a portion of their 401(k) or IRA to purchase an annuity to provide guaranteed lifetime income. This is an area where financial professionals can help tremendously, creating sustainable retirement income plans, including annuities, to help ensures retirees don't outlive their savings.

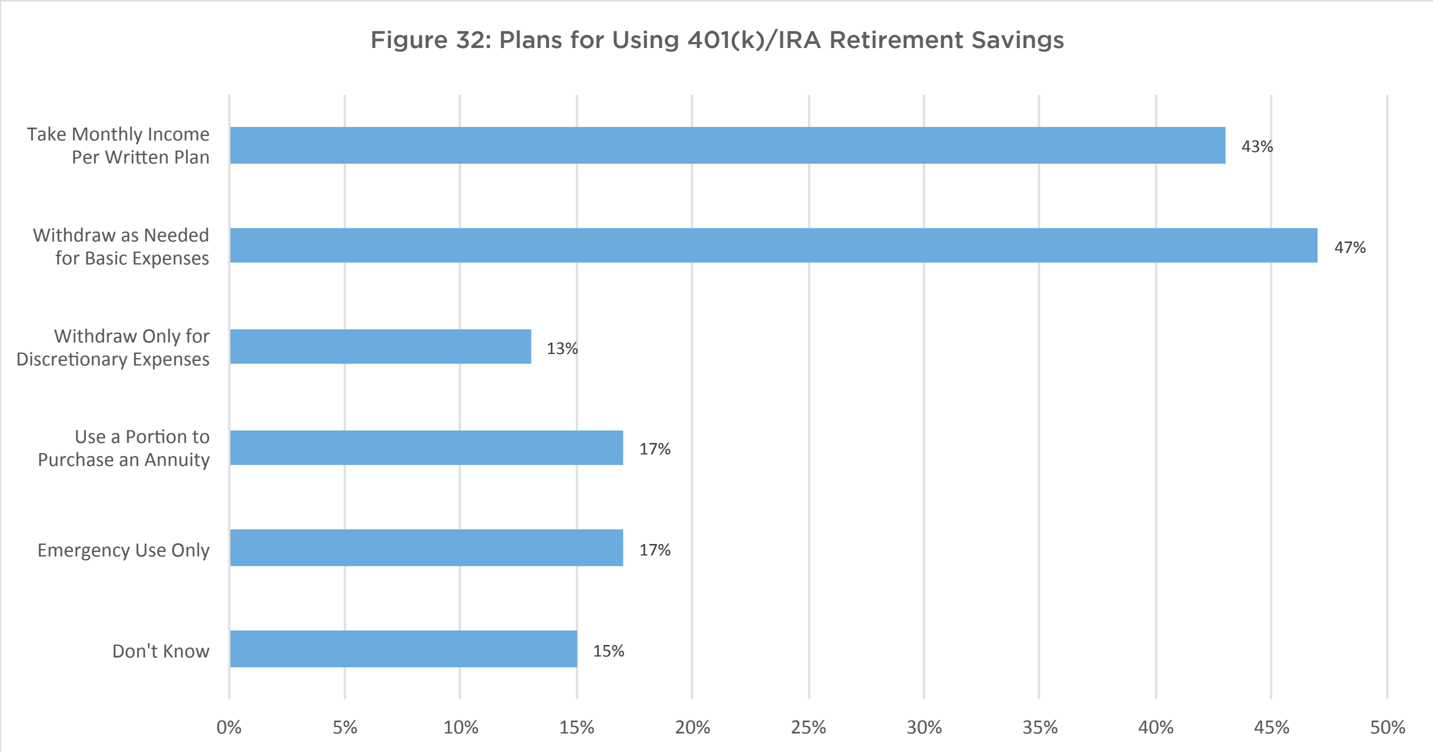
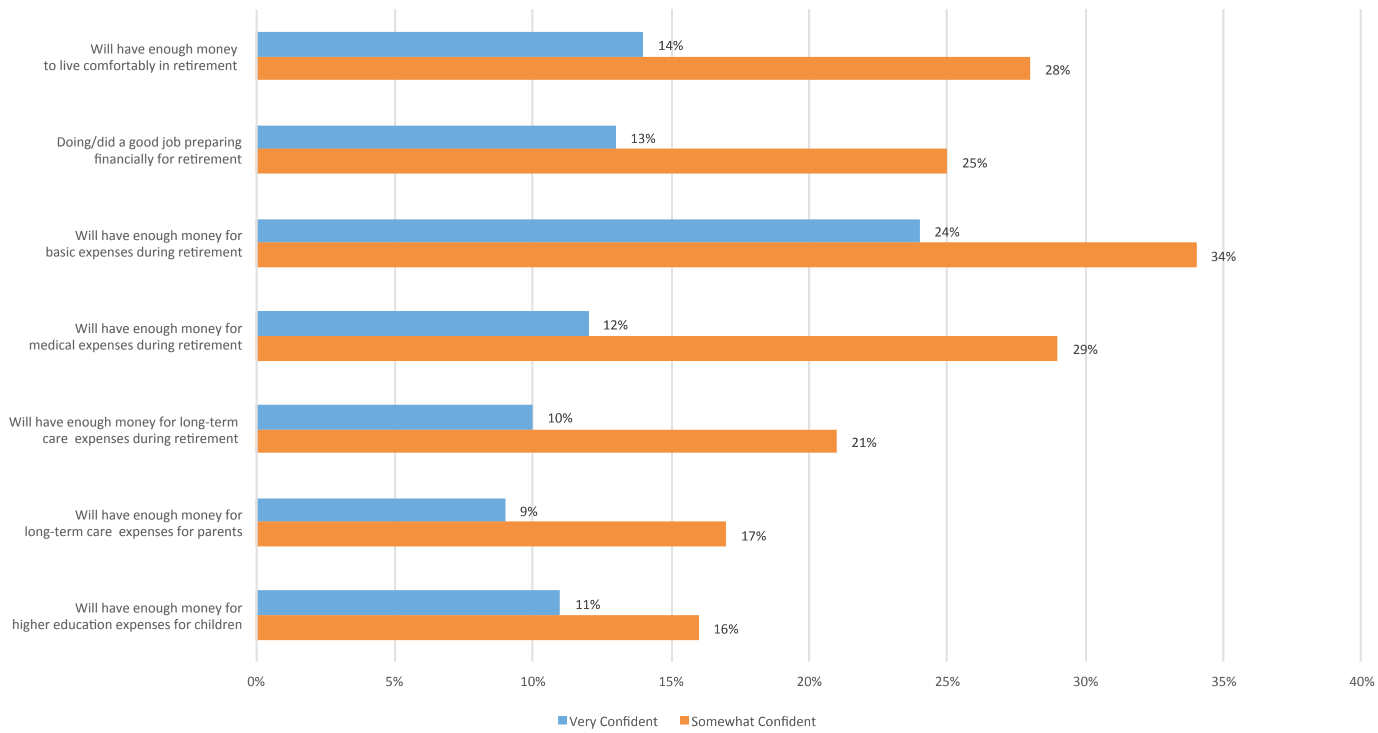


Figure 33 reveals the anxiety GenXers have about their ability to successfully navigate their retirement years. Only four in 10 GenXers are confident they will have enough money to live comfortably in retirement, and only 14 percent say they are very confident. Similarly, most GenXers don't believe they've done a good job preparing financially for retirement, or that they will be able to manage health care and long-term care expenses. Interestingly, GenXers are the most confident in their ability to meet their basic expenses during retirement, but given their concern in the others areas this may be wishful thinking, or an expectation that Social Security will provide enough income for basic needs.

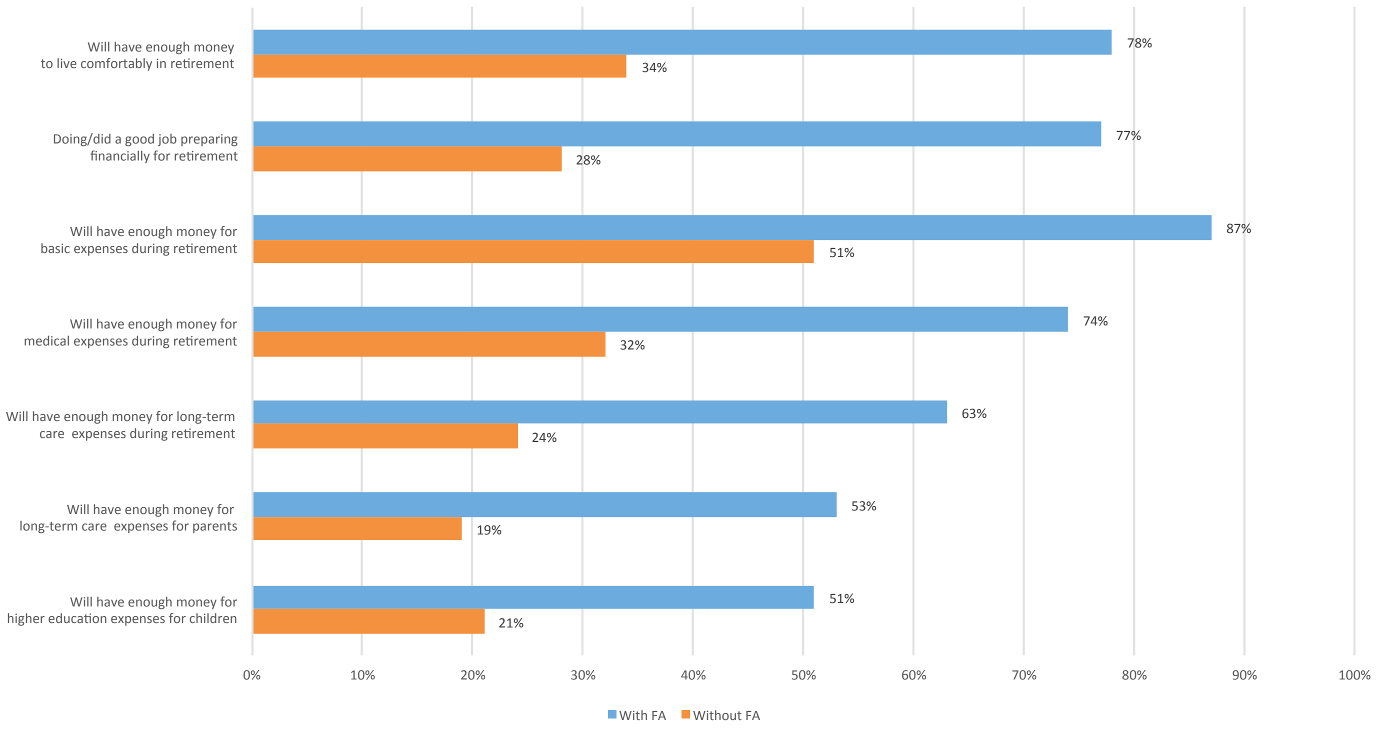
Figure 33: Confidence in Retirement Preparedness



...most GenXers don't believe they've done a good job preparing financial for retirement, or that they will be able to manage health care and long term care expenses.

Figure 34 shows a very different perception among GenXers who work with financial advisors. Across the board, GenXers with advisors are more confident that they are, or will be, prepared for retirement.

Figure 34: Very/Somewhat Confident in Retirement Preparedness - With/Without A Financial Advisor



GenXers top concerns in the present mirror their concerns about retirement and retirement planning. **Figure 35** shows six in 10 GenXers are concerned about their ability to save enough to realize their vision of retirement, and the possibility of incurring significant medical expenses. Other concerns, such as paying for basic living expenses, paying off debt and losing employment are definitely on their radar but don't loom as large.

Figure 35: Pre-Retirement Financial Concerns

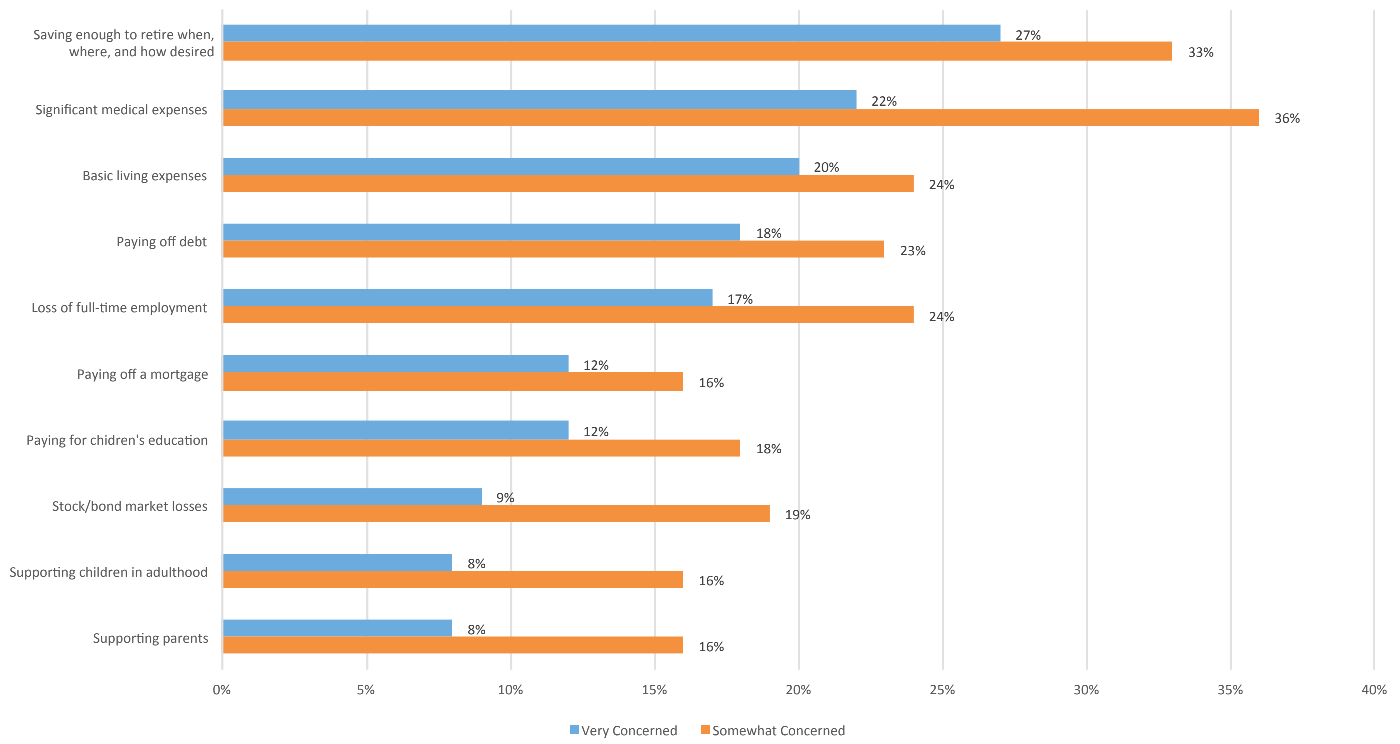
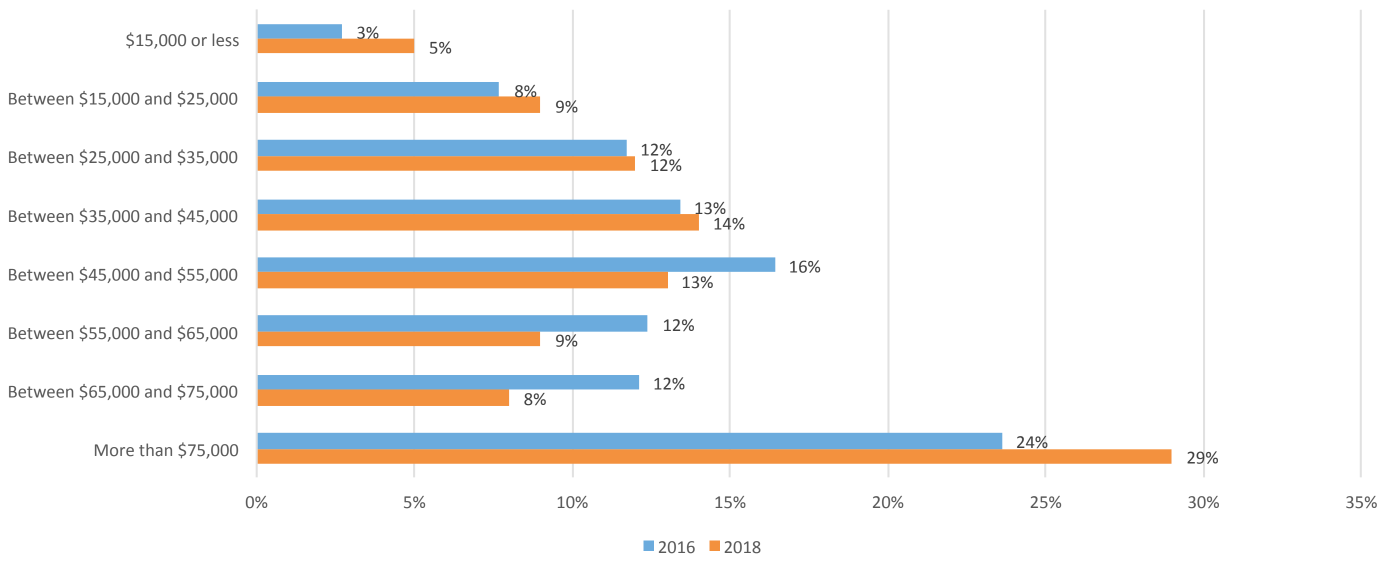


Figure 36 indicates that six in 10 GenXers believe they will need more than $45,000 in annual income, in today's dollars, during retirement, and three in 10 think they will need more than $75,000. The average monthly Social Security benefit in January, 2018 was $1,404.[3] A married couple in retirement, both receiving the average benefit, would be drawing $33,696 in annual Social Security benefits. Assuming no additional income from a public or private pension, savings of $1,032,600 would be required to generated the additional $41,304 needed to reach $75,000 in total annual income, assuming a 4% withdrawal rate. Alternatively, an immediate annuity providing $41,304 in annual lifetime income for a 65-year-old married couple would cost approximately $745,000. In either case, current savings levels for most GenXers fall far short of what would be required to generate the income they think they need, again highlighting the need to calculate goals and create plans.

Figure 36: Anticipated Retirement Income Need



Current savings levels for most GenXers fall far short of what would be required to generate the income they think they need.

Figure 37 highlights the disconnect between savings levels, potential income sources, financial concerns and lifestyle expectations. Six in 10 GenXers believe they will have enough income during retirement to pay for their basic expenses, and enjoy at least some travel and leisure. While the number of GenXers with higher levels of savings has increased in the past two years, most will be challenged to realize these lifestyle expectations without growing their retirement savings significantly; fortunately, they have time to do so.

Figure 37: Lifestyle and Budget Expectations in Retirement

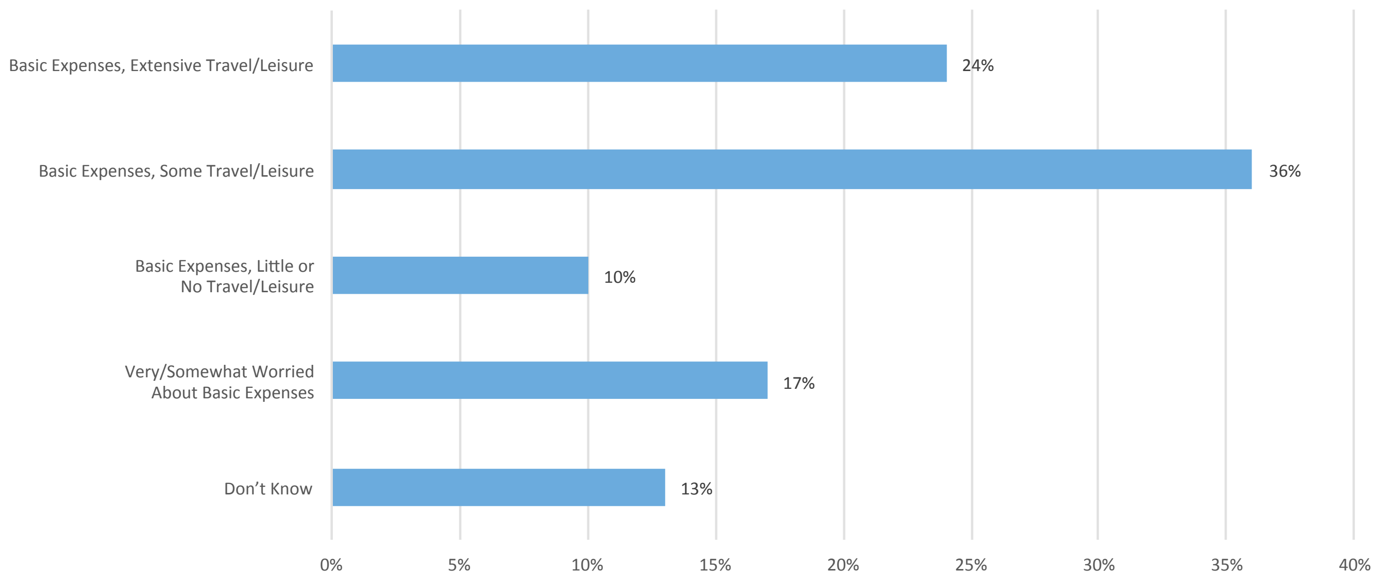
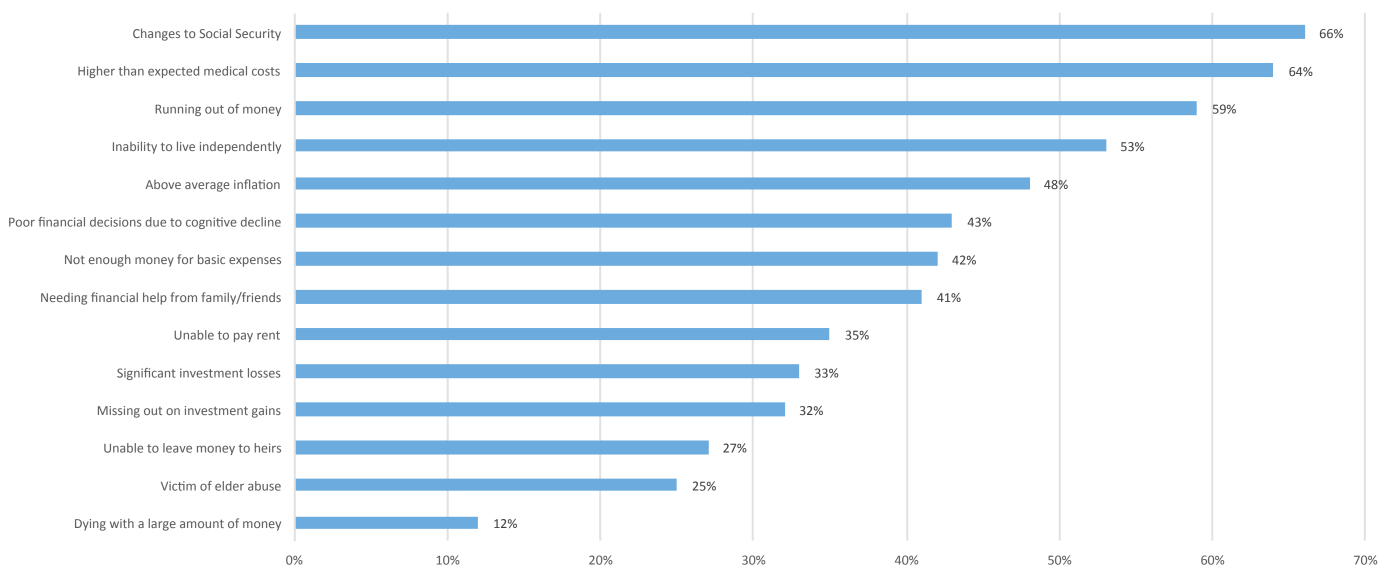


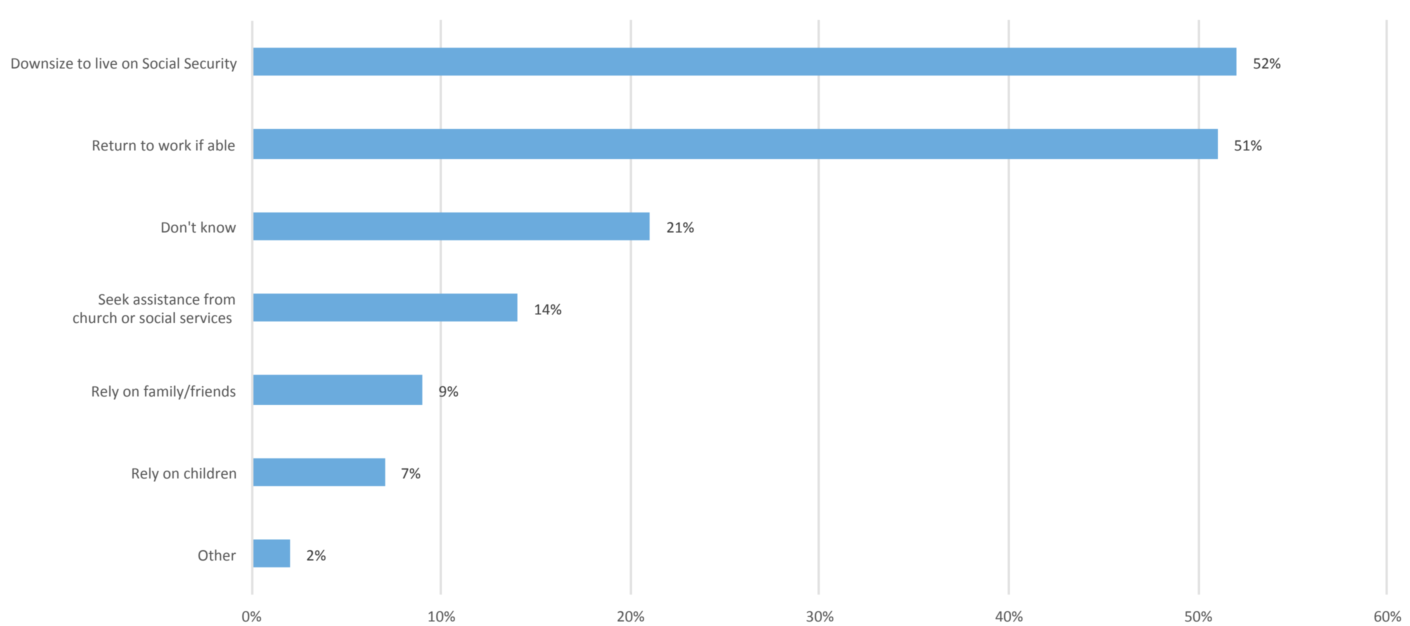
Figure 38 explores GenXers' level of concern about various negative events that could potentially occur during their retirement years. No doubt fueled by the volume of press coverage regarding its projected insolvency, changes to Social Security are their number one concern, with almost seven in 10 saying they are concerned changes could occur that would affect the income they receive. This is followed closely by higher than expected medical costs (64 percent) and running out of money (59 percent). Only one in four is concerned about becoming a victim of elder abuse, despite the growth in reported cases.

Figure 38: Retirement Fears (Very/Somewhat Concerned)



Finally, **Figure 39** reveals what GenXers think they will do if they run out of money during retirement. Most believe they will either downsize so they can survive on Social Security alone, or return to work. Neither may be a viable option – it's easier to talk about downsizing in the abstract than to do it, and returning to work requires both the opportunity, and the physical and mental capacity, to do so. These are more hope than strategy, and the eventuality of either may be avoided with a solid retirement plan.

Figure 39: Dealing with Exhausting Financial Resources in Retirement



SUMMARY

Summary: Most of Generation X is on shaky ground with regard to retirement readiness and awareness. Many have no savings, and those that do have a long way to go to reach savings levels that will support their retirement income and lifestyle expectations. Expectations which, in most cases, are little more than wishful thinking, as relatively few have a formal plan for how to get to and through retirement, or even a savings goal to get started. And despite expectations of a retirement lifestyle that covers the basics and also allows for travel and leisure, they are concerned about both their income and expenses, fearing changes to Social Security, unexpected or higher than expected health care expenses, and running out of money during retirement. GenXers who have worked with a financial professional, setting financial goals and developing a retirement plan, have saved significantly more and are far more confident that they'll enjoy a successful, well-funded retirement.

METHODOLOGY

Methodology: This report is based on an online survey conducted by Woelfel Research, Inc. A total of 802 respondents completed the survey between February 1, 2018 and February 4, 2018. Survey respondents were Americans ages 36 to 55, and the results were weighted by age and gender to the 2012-2016 American Community Survey. The margin of error for the survey was +/-3.5% at the 95% confidence level.

[1] "The Financial Future of Social Security and Medicare," (Shaw and Rametta, 2017)

[2] "National Health Expenditure Projections, 2016–25: Price Increases, Aging Push Sector To 20 Percent of Economy," (Centers for Medicare and Medicaid Services, 2017)

[3] Social Security Administration

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