Health and Retirement: Planning for the Great Unknown

A Merrill Lynch Retirement Study conducted in partnership with Age Wave
# Table of Contents

Introduction ........................................................................................................................................ Page 3

Methodology ..................................................................................................................................... Page 4

Boomers Taking Charge of Their Health ......................................................................................... Page 5

The Four Boomer HealthStyles ...................................................................................................... Page 7

Double Threat of Health Challenges ............................................................................................. Page 10

Planning for Health Care Expenses: Not a Do-It-Yourself Project. .............................................. Page 13

Can the Health Care Challenges of an Aging Population be Solved? ........................................ Page 16

Preparing for a Healthier, More Financially Secure Retirement .................................................... Page 20
Today’s retirees tell us that the #1 ingredient for a happy retirement is health, which can have a far-reaching impact on quality of life, family, and financial security.

This year, the youngest baby boomers will celebrate their 50th birthdays. As boomers move into their later years, health will be the ultimate retirement wildcard. For many, health can be the difference between a retirement of opportunity, independence, and financial security – or of worry and financial challenges.

Three major forces are now converging to redefine how individuals and society plan for health and financial wellness in later life:

- **A new empowered vision of health and health care.** The boomer generation has demonstrated a tendency to take control of their health and health care throughout their lives, and they will be a new type of health care consumer as they navigate their retirement years.

- **The chronic disease challenge.** Increasing life expectancy coupled with the aging of the large boomer generation will potentially give rise to growing numbers of older adults confronting chronic diseases, such as hypertension, heart disease, diabetes, cancer, Alzheimer’s, and arthritis.

- **The health/wealth convergence.** Health care and long-term care costs can be both unpredictable and costly – in part due to rising life expectancy – and have the potential to put at risk years of retirement preparation.

*Health and Retirement: Planning for the Great Unknown* uncovers the challenges of planning for health and health care expenses in retirement, and reveals strategies to set a course for a healthier and more financially secure retirement, including the:

- Four Boomer HealthStyles - How some Boomers are on a course for a healthier and more financially sound retirement, and how others may struggle with health and health care expenses

- Double threat of retirement health care costs, and why planning for health and health care is an essential part of holistic retirement financial preparation

- Challenges people face about not just their own retirement health and health care expenses, but also the health care costs of parents, siblings, and adult children

- Five conversations regarding retirement health and health care expenses couples and families should be having – but often aren’t

- Three important solutions needed to prepare for an aging population and a healthier later life

- Five strategies to invest in a healthy retirement

The following report summarizes the key findings of our Study.
Methodology

This research study, completed in May 2014, was conducted in partnership with Age Wave and executed by TNS via online data collection methodology. The survey included 5,424 respondents. Findings in this report are based on the analysis of 3,303 respondents age 25+, representative of the U.S. national population across age, income, gender, and Census region, unless otherwise noted. The generational distribution of the 3,303 is: 785 Silent Generation (age 69-89), 2,153 Boomers (age 50-68), 192 Generation Xers (age 38-49), and 173 Millennials (age 25-37). Where noted, results from an additional sample of 2,121 affluent respondents age 50+ with at least $250,000 in investable assets (including liquid cash and investments, but excluding real estate) are included. Qualitative research (seven focus groups) was also conducted among both pre-retirees and retirees prior to the quantitative research.

About Merrill Lynch Global Wealth Management

Merrill Lynch Global Wealth Management is a leading provider of comprehensive wealth management and investment services for individuals and businesses. With 13,845 Financial Advisors and $2 trillion in client balances as of June 30, 2014, it is among the largest businesses of its kind. Merrill Lynch specializes in goals-based wealth management, including planning for retirement, education, legacy, and other life goals through investment, cash and credit management. Within Merrill Lynch Global Wealth Management, the Private Banking and Investment Group provides tailored solutions to ultra affluent clients, offering both the intimacy of a boutique and the resources of a premier global financial services company. These clients are served by more than 170 Private Wealth Advisor teams, along with specialists in areas such as investment management, concentrated stock management, and intergenerational wealth transfer strategies. Merrill Lynch Global Wealth Management is part of Bank of America Corporation. For more information, please visit www.ml.com/retire.

About Age Wave

Age Wave is the nation’s foremost thought leader on population aging and its profound business, social, financial, health care, workforce, and cultural implications. Under the leadership of Founder/CEO Dr. Ken Dychtwald, Age Wave has developed a unique understanding of new generations of maturing consumers and workers and their expectations, attitudes, hopes, and fears regarding retirement. Since its inception in 1986, the firm has provided breakthrough research, compelling presentations, award-winning communications, education and training systems, and results-driven marketing and consulting initiatives to over half the Fortune 500. For more information, please visit www.agewave.com. (Age Wave is not affiliated with Bank of America Corporation.)

Source: Bank of America. Merrill Lynch Global Wealth Management (MLGWM) represents multiple business areas within Bank of America’s wealth and investment management division including Merrill Lynch Wealth Management (North America and International), Merrill Lynch Trust Company, and Private Banking & Investments Group. As of June 30, 2014, MLGWM entities had approximately $2 trillion in client balances. Client Balances consists of the following assets of clients held in their MLGWM accounts: assets under management (AUM) of MLGWM entities, client brokerage assets, assets in custody of MLGWM entities, loan balances and deposits of MLGWM clients held at Bank of America, N.A. and affiliated banks.
Boomers Taking Charge of Their Health

Retirees say health is the #1 ingredient for a happy retirement. As boomers near retirement, many are taking charge of their health and will demand more from the health care system than their parents did.

Sage Advice from Today’s Retirees: Health Tops Wealth for a Happy Retirement

Although being financially secure is very important, today’s retirees tell us that good health is the most important ingredient for a happy retirement (FIG 1).

Figure 1: Percent of retirees who say the most important ingredients for a happy retirement are...

- Having good health: 81%
- Being financially secure: 58%
- Having loving family and friends: 36%
- Having purpose: 20%
- Continually trying new things: 5%

Base: Retirees, age 50+

Boomers Taking a More Proactive Approach to Health and Health Care

As they approach retirement, boomers say they are far more likely to take charge of their health and health care than their parents’ generation. In fact, boomers have adopted a more empowered, proactive approach to health during every stage of their lives.

- Boomers catalyzed the fitness movement in the United States. In the 1960s, less than a quarter of adults exercised. By the 1980s, six in ten exercised regularly.¹
- By their early 30s, half of boomers used alternative/complementary medicine – such as acupuncture, chiropractic medicine, or herbal supplements.² Today, boomers are 30% more likely to use complementary medicine than the Silent Generation preceding them.³
- Boomers have proven to be demanding health care consumers. The vast majority (96%) say it is reasonable to expect their doctors to call them back the same day (vs. 85% of doctors who say it is reasonable), and 95% say it is reasonable to expect their doctors to ask them about their fears and concerns (vs. 10% of doctors).⁴
When they compare themselves to their parents’ generation (FIG 2), boomers are:

- More than four times more likely to say they actively research health information (79% vs. 18%)
- Two-and-a-half times more likely to say they are proactive about their health (75% vs. 30%)
- More than twice as likely to say they question doctors’ orders (70% vs. 29%)
- Less than half as likely to say they think of their doctor as an authority who gives them a plan to follow (21% vs. 52%)
- Twice as likely to say they view their doctor as an ally – a partner who works with them to optimize their health (46% vs. 23%)

“My parents believed that the doctor’s word was gospel. You didn’t question it. Now you need to be your own health advocate.” – Focus Group Participant

Boomers believe their own lifestyle decisions will be crucial for a healthy retirement. Their top strategies for maintaining health in retirement include diet, exercise, staying connected and work (FIG 3). Boomers are also highly optimistic about their health, with nearly 80 percent expecting their generation will be healthy and active at the age of 75.
Our research revealed four Boomer HealthStyles – some on a course for a healthier and more financially sound retirement, while others may face challenges with their retirement health and health care costs.

Our study uncovered four Boomer HealthStyles and revealed how these different types of boomers approach their health, health care, and preparation for health care expenses in retirement: Healthy and Proactive (29%), Lucky but Lax (10%), Course-Correcting and Motivated (29%), and Challenged and Concerned (32%) (FIG 4).

- The Healthy and Proactive take charge of their health and health finances. They are the most actively engaged in healthy behaviors such as exercise and eating well, have the most positive attitude about their health, and also feel well prepared for health care costs in retirement.

- The Lucky but Lax have been fortunate to be relatively healthy so far, but show little interest and effort in taking care of themselves or planning for their health finances, leaving them potentially vulnerable to future unexpected health disruptions.

- The Course-Correcting and Motivated have experienced a health “wake-up call,” such as an illness or diagnosis, and are now trying to improve their health by seeking out information and tools as well as adopting healthier behaviors.

- The Challenged and Concerned are struggling with health challenges, yet many are not actively taking good care of their health. They are the most worried about the impact of illness on their finances, and are the most likely to say health care costs and insurance information are overwhelming and confusing.

Figure 4: The Four Boomer HealthStyles
Healthy and Proactive (29%)

- Actively engage in key health behaviors such as exercising and eating well (73%)
- Few allow things to get in the way of taking care of their health (25%)
- 93% say that staying healthy is a source of pride
- Few see themselves as limited by a chronic condition (20%)
- Have proactively researched retirement-related health care costs and insurance options (49%)
- If married, many have had discussions with their spouse about retirement health care topics
- 55% female, 45% male

Lucky but Lax (10%)

- Only about a third engage in key health behaviors (35%), yet compared to others their age, fewer currently have a chronic condition
- Rarely seek out information to improve their health (37%)
- Feel some concern about the impact an illness could have on their financial situation (62%)
- Few research retirement-related health care costs and insurance options (23%)
- Among those who are married, fewer than a quarter have had discussions with their spouse about retirement health care topics
- 41% female, 59% male
Course-Correcting and Motivated (29%)

- Four out of five say having a chronic condition was a wake-up call for them to take better care of their health (82%)
- Many now engage in healthier behaviors (55%), actively seek out information about how to improve their health (80%), and are very interested in technology that can help them better manage their health
- Are very concerned about the impact illness could have on their financial situation (68%)
- Many have researched retirement-related health care costs and insurance (46%)
- If married, about four in ten have discussed retirement health care topics with their spouse
- 53% female, 47% male

Challenged and Concerned (32%)

- Many have chronic conditions, which keep them from doing the things that they enjoy (48%), and only about two out of five engage in key health behaviors (42%)
- Many say other life worries and responsibilities get in the way of taking care of their health (58%)
- Are seriously concerned about the impact illness could have on their financial situation (72%)
- Only about a third have researched retirement-related health care costs and insurance options (36%)
- Among those who are married, less than one-third have discussed retirement health care topics with their spouse
- Feel very overwhelmed (58%) and confused (54%) by retirement health care cost and insurance information
- 57% female, 43% male
Double Threat of Health Challenges

Health challenges can impact both retirement savings and timing. Health care costs are now the top retirement financial worry.

A Double Threat

Health challenges can be a double threat to retirement financial security. First, health care expenses can be unpredictable and costly, therefore draining retirement savings. Second, unexpected early retirement due to health problems can reduce earning years and retirement savings potential.

Potential Threat #1: Unpredictable Retirement Health Care Costs

Health care expenses are people’s top financial concern in retirement (FIG 5). Wealthier pre-retirees and retirees are even more likely to rank health care expenses as their top financial worry in retirement.

With rising life expectancy, many retirees can face substantial health care expenses (FIG 6). Health care costs over the previous decade have risen at double the rate of inflation. And today’s pre-retirees and retirees can count on less help from employers when facing health care costs. Twenty-five years ago, two-thirds of large companies offered health benefits to retirees. Now, just one-third of these companies offer retirement health benefits.

“I’ve seen the numbers about what health care can cost and it’s hard to wrap your head around. I haven’t even started thinking about that when saving for retirement.” – Focus Group Participant

Figure 5: Greatest retirement financial worry by investable assets

Figure 6: Estimated out-of-pocket health care costs if retirement lasts...
Among people age 50+, the greatest retirement health worry is not being able to afford health care and long-term care expenses (FIG 7). In addition, long-term care can be expensive and is largely not covered by Medicare. While only 37% of people age 50+ believe they may need long-term care during their lifetime, the reality is that 70% will, in fact, need long-term care at some point during their later years.7

Helping Family in Need: Health Care Costs Can Impact Multiple Family Generations

Many people age 50+ anticipate they would help out other family members facing health problems and health care costs – which could hurt their own financial security and retirement preparation. In fact, more people are more concerned about the financial impact of a spouse’s serious illness (66%) than their own illness (62%). Women – who are likely to outlive their spouse and may spend down savings on their spouse’s health care – are even more concerned than men (70% vs. 62%) about the financial impact of their spouse developing a serious health problem.

People’s concerns spread beyond the impact of their own or even a spouse’s illness on their financial security. Half (50%) would be very concerned about the impact on their own financial security if their children have health problems, and one-third would be very concerned about their own financial security if their parents (32%) or siblings (29%) have serious health problems (FIG 8).

Figure 7: Greatest retirement health worries

<table>
<thead>
<tr>
<th>Worry</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not being able to afford health care and</td>
<td>63%</td>
</tr>
<tr>
<td>long-term care expenses</td>
<td></td>
</tr>
<tr>
<td>Side effects of taking multiple</td>
<td>39%</td>
</tr>
<tr>
<td>medications</td>
<td></td>
</tr>
<tr>
<td>Not being able to manage chronic pain</td>
<td>37%</td>
</tr>
<tr>
<td>Not finding doctors who can effectively</td>
<td>34%</td>
</tr>
<tr>
<td>meet my needs as I grow older</td>
<td></td>
</tr>
<tr>
<td>Working with multiple doctors who don’t</td>
<td>27%</td>
</tr>
<tr>
<td>effectively coordinate my care</td>
<td></td>
</tr>
</tbody>
</table>

Figure 8: Percent who are very concerned about the impact on their own financial security if the following family members developed a serious health condition...

<table>
<thead>
<tr>
<th>Family Member</th>
<th>Concerned Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>My spouse</td>
<td>66%</td>
</tr>
<tr>
<td>Myself</td>
<td>62%</td>
</tr>
<tr>
<td>My children</td>
<td>50%</td>
</tr>
<tr>
<td>My parents</td>
<td>32%</td>
</tr>
<tr>
<td>My siblings</td>
<td>29%</td>
</tr>
</tbody>
</table>

Base: Age 50+
Potential Threat #2: Unexpected Early Retirement Due to Health Problems

The majority of retirees surveyed (55%) retired earlier than they had expected, while 38% retired when they planned to, and just 7% later than they expected (FIG 9). Although early retirement used to be equated with financial success, today’s retirees say health problems – which are almost always unexpected – are now the top reason for their early retirement (FIG 10). Many pre-retirees plan to delay retirement and work a few additional years to shore up their retirement savings, or simply because they enjoy what they are doing. However, health problems can cut careers short, reduce anticipated earnings and retirement savings, and force them to crack into their nest egg earlier than expected.

Figure 9: Percent of retirees who retired earlier, on schedule, or later than expected

![Graph showing retirement timing distribution](image)

Base: Retirees, age 50+

Figure 10: Reasons for early retirement

![Bar chart showing reasons for early retirement](image)

Base: Retirees, age 50+ who retired earlier than planned
Planning for Health Care Expenses: Not a Do-It-Yourself Project

Planning for retirement health care expenses can be both confusing and overwhelming. Pre-retirees are in need of guidance to help them make appropriate decisions.

The Missing Link in Retirement Planning

Any holistic financial planning for retirement should include anticipating and preparing for health care costs. However, less than one out of six pre-retirees (15%) has ever attempted to estimate how much money they might need for health care and long-term care in retirement. Lack of clear information remains a significant barrier to planning for retirement health care costs. Many pre-retirees say the information available to them when they are trying to determine how much they might need to cover health care costs in retirement – and how they can best prepare for and insure against these costs – is overwhelming, confusing, and frustrating (FIG 11). A mere 7% of people age 55–64 say they feel very knowledgeable about Medicare coverage options. Even among actual Medicare recipients, only about one in five (19%) say they are very knowledgeable about Medicare offerings.

“It’s all overwhelming. No one is telling you what the right information is. There is no Library of Congress for medical information.” – Focus Group Participant

In fact, few pre-retirees feel they have a trusted resource to help them understand, prepare for, or manage retirement health-related expenses. Just 14% say they feel they have a trusted resource to help them understand Medicare options. Just 12% feel they have a trusted resource or advisor for information regarding long-term care insurance, and only 11% feel they know where to turn to figure out how to cover health care costs in retirement.

![Figure 11: Percent of pre-retirees who feel retirement-related health care costs and insurance information is...](image-url)
**Conversations about Health Topics: Critical, Though Not Happening**

There are at least five conversations couples or families should have to help them effectively prepare for retirement health care:

1. How to identify and select the best doctors and health care providers
2. How much should be saved to pay for health care throughout retirement
3. Choices regarding Medicare and supplemental plans
4. Preferences about how to receive long-term care, if needed
5. How to pay for any long-term care that may be needed

However, less than one-third of married pre-retirees age 50+ have discussed these important retirement health care topics with their spouse (FIG 12). Even fewer pre-retirees have discussed with other family members how key health care decisions may be coordinated. For example, just one in five (20%) have discussed with their adult children what might be the best strategy for long-term care, if needed.

**Figure 12: Percent of pre-retirees who had in-depth discussions with their spouse regarding...**

- How to identify and select the best doctors and health care providers: 32% have discussed, 68% have not discussed
- How much should be saved to pay for health care throughout retirement: 29% have discussed, 71% have not discussed
- Preferences about how to receive long-term care, if needed: 29% have discussed, 71% have not discussed
- How to pay for any long-term care that may be needed: 28% have discussed, 72% have not discussed
- Choices regarding Medicare and supplemental plans: 25% have discussed, 75% have not discussed

*Base: Married pre-retirees, age 50+*
The Widespread Need for Trusted Retirement Health Care Guidance

Today’s pre-retirees increasingly recognize the need for guidance on how to plan and financially prepare for retirement health care expenses. When asked what advice and guidance would be most valuable to them regarding retirement health care, pre-retirees reveal they are seeking help on a wide range of topics (FIG 13). Topping the list are guidance on how to select the best Medicare and supplemental plans, and how to save and prepare for health care and long-term expenses.

Figure 13: Most valuable advice and guidance regarding retirement health care

- Choices regarding Medicare and supplemental plans: 50%
- How to pay for any long-term care that may be needed: 49%
- How much should be saved to pay for health care throughout retirement: 38%
- Preferences about how to receive long-term care, if needed: 25%
- How to identify and select the best doctors and health care providers: 20%
Can the Health Care Challenges of an Aging Population be Solved?

Rising life expectancy and the aging of the boomers will create new health challenges. We believe three important changes are needed to achieve a healthier and more secure retirement.

Preparing for the Unique Health Challenges of Retirement

With greater life expectancy and the aging of the boomer generation, the number of older adults in the United States is expected to dramatically escalate. While younger populations will grow very little between 2010 and 2030, the age 65+ population will increase by 80% (FIG 14).

Three quarters of retirees (76%) rate their health as good-to-excellent, and retirees today can expect to live more of their retirement in greater health than prior generations. In fact, the majority of retirees say they are optimistic about their health (83%).

When retirees have health problems, they are often different from the health challenges of younger adults. Younger adults more often have short-term acute health problems, such as a flu or sprained ankle. Older adults, however, are much more likely to have chronic health problems (FIG 15), such as hypertension, heart disease, diabetes, cancer, Alzheimer’s, or arthritis. These conditions can be of longer duration and more expensive to manage.

Figure 14: Change in population by age, 2010-2030


Figure 15: Percent with chronic conditions, by age

Alzheimer’s: The Most Worrisome Disease of Later Life

While chronic diseases can disrupt both health and wealth in retirement, our study revealed that one aging-related disease now stands out from the rest. Overwhelmingly, people of all ages say the scariest disabling condition in later life is Alzheimer’s disease. In fact, people are now more worried about Alzheimer’s than cancer, stroke, heart disease, diabetes and arthritis combined (FIG 16).

Alzheimer’s can impact not just individuals but also their families, and can require years of caregiving and financial help from family members. When asked why they are most worried about Alzheimer’s, people say they are concerned about the potential impact on family, independence and dignity (FIG 17).

Figure 16: Percent who say the scariest disabling condition of later life is...

![Graph showing the percentage of the population who say the scariest disabling condition of later life is Alzheimer's disease.](image)

Figure 17: Top worries about Alzheimer’s disease/dementia

![Graph showing the top worries about Alzheimer’s disease/dementia.](image)
Three Critical Solutions for Healthier Aging

Two-thirds of adults age 50+ (67%) believe today’s health care system is ill-prepared for our aging population. As the numbers of older adults escalate in the coming years, we believe three important changes are needed:

1. Retirees must take greater charge of their own health to achieve the retirement and lifestyle they aspire to in later life.
2. Health care system must enhance resources, skills, and knowledge to be more aging-ready.
3. Both the government and scientific communities must increase research to eliminate and manage the diseases of aging.

Solution #1: Retirees Need to Take Charge of Their Own Health – Five Strategies for Healthier Aging

Investing in health can be just as important – to retirement happiness and even financial security – as investing in a financial portfolio. Even small proactive improvements in health behaviors can create a lifetime of health dividends. In fact, retirees who have achieved high levels of health actively engage in healthy lifestyles and habits (FIG 18). Five important strategies to prepare for healthy aging include:

1. **Exercising.** People who begin exercising in their 60s or 70s are three times more likely than those who don’t exercise to age healthfully – and not develop a major chronic disease, depression, physical or cognitive impairment.8

2. **A nutritious diet.** A healthy diet can improve heart health, fortify bones, and reduce the risk of stroke, type 2 diabetes and cancer.9

3. **Maintaining a healthy weight.** People age 45-64 who eat better, maintain a healthy weight, and exercise a few hours a week can reduce the risk of cardiovascular disease by 35%.10

4. **Staying socially connected.** Studies show that having a low level of social interaction is just as unhealthy as smoking and can be even unhealthier than lack of exercise or obesity.11

5. **Maintaining healthy lifestyle habits.** This includes the avoidance of smoking, stress, and excessive drinking. It’s never too late to quit smoking. The benefits are almost immediate, and quitting at age 65 adds two to four years on your life.12 People who drink two or more drinks per day have a 62% higher chance of having a stroke.13

Solution #2: Better Prepare Health Care Professionals for an Aging Population

Our current health care system is highly adept in the diagnosis and treatment of the acute health conditions of younger populations. But how prepared is our health care system for an aging population?

Today, there is only one physician trained and certified as a geriatrician to every 13 pediatricians (FIG 19). Another way to consider this is one trained pediatrician today for every 1,200 children age 15 or younger, compared to just one geriatrician for every 9,400 adults age 65+.14

We are also ill-prepared to increase the number of geriatricians in the future, despite the tremendous growth in the age 65+ population in the coming decades. Only 14 of the 159 medical schools surveyed in the United States have a full department of geriatrics.15

Figure 18: Health behaviors among retirees, by health level

Figure 19: Total number of active physicians by specialty

Source: AMA Master Datafile, 2010. Active physicians are those licensed by a state and working at least 20 hours per week. Physicians who are retired, semiretired, or are not active for other reasons are excluded. Active physicians include those working in direct patient care, administration, medical teaching, research, or other nonpatient-care activities. Active physicians include physicians with a Doctor of Medicine (MD) and physicians with a Doctor of Osteopathy (DO).
Future technology and medical breakthroughs have the potential to make aging far healthier. For example, if we could find an effective treatment or cure for Alzheimer’s, the future health and financial landscape for many families may be dramatically improved. The goal is to match our healthspans (how long we can expect to be healthy) with our increasing lifespans. There is considerable optimism among all generations regarding the potential of scientific advancements. And, on average, people age 50+ believe future medical innovations and technologies could add another eleven years to their lives.

People of all generations express overwhelming interest in a wide range of potential innovations to help them age with greater health and vitality. Millennials – perhaps due to their longer time horizon and comfort and familiarity with technology – express the highest levels of interest (FIG 20). At the top of the list is “therapies to slow down the aging of the brain.”

Figure 20: Percent interested in potential breakthrough health innovations
Retirees tell us maintaining health and preparing for retirement health care expenses are most important for a happy, fulfilling, and financially secure retirement. This study reveals important steps pre-retirees and retirees can take, including:

- Invest in your health by maintaining healthy lifestyle habits and strong social connections. Even when started later in life, healthy habits can significantly improve well-being and vitality during your retirement years.
- Take proactive steps to be financially prepared for health care expenses in retirement:
  - Estimate and prepare for out-of-pocket health care expenses such as insurance co-pays and Medicare premiums.
  - Educate yourself about Medicare, including new preventative care and recent eligibility changes for therapy and home care.
  - Plan for the possibility of lost income should an unexpected illness force you to retire earlier than you expected.
  - Discuss critical retirement health and health care topics and decisions with your spouse, along with other family members and trusted advisors.
  - Create contingency plans for unexpected health problems and health care expenses, for yourself, your spouse, and even other family members.
  - Prepare for long-term care by researching long-term care options you would most prefer and planning for their costs.
Endnotes

14 Age Wave calculations based on U.S. Census figures, 2010-2012.