



... Retirees Won't Tell You

By CATEY HILL

There are more retirees in America than ever before—and their problems are becoming everybody's problems.

1 'We're broke.' Each day, roughly 10,000 boomers turn 62—the average age at which people retire. By around 2030, nearly one in five Americans will be 62 or older. As retirees make up an ever-greater share of the population, they're having a major impact on the economy—and commanding attention from companies eager to market to a graying nation.

But many retirees don't have much money to spend. According to the Census Bureau, roughly 15% of people over 65, or 6.1 million people in all, have incomes below the poverty line.

And tomorrow's retirees aren't in much better financial shape. Among "pre-retirees"—workers age 55 and older—nearly 80% have saved less than \$100,000 for retirement, while 24% have saved less than \$1,000, according to the non-profit Employee Benefit Research Institute.

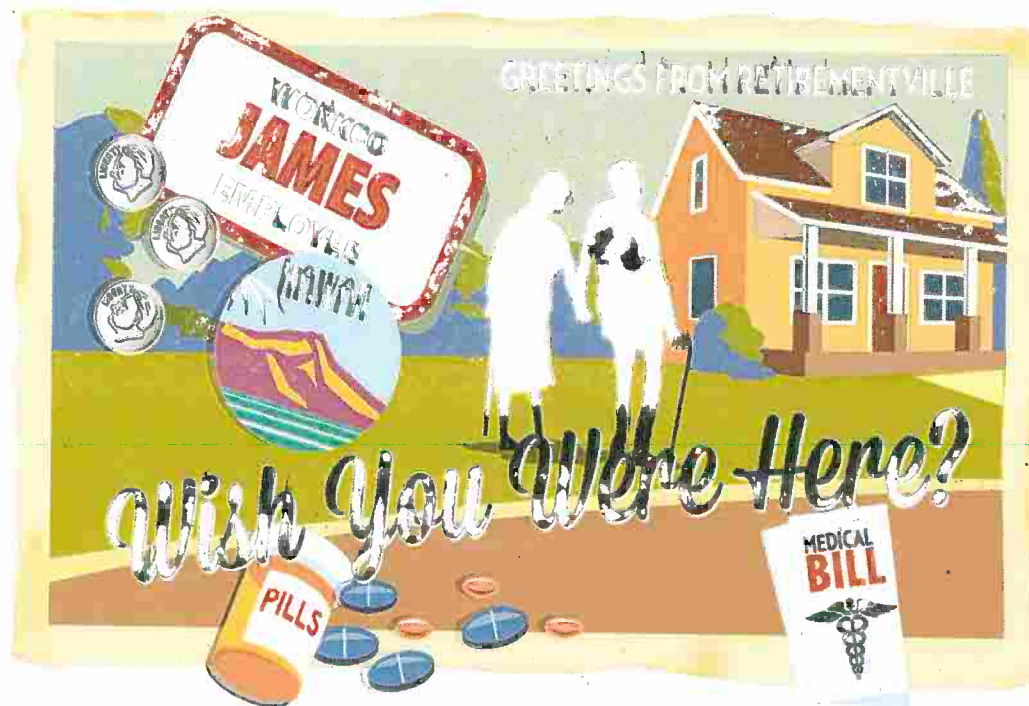
2 'Retirement is more stressful than it looks.'

Retirement is supposed to be relaxing, but for many it's just the opposite. Only 39% of retired people say retirement is less stressful than their lives during the five years before they retired, according to a survey by National Public Radio, the Robert Wood Johnson Foundation and the Harvard School of Public Health.

Money is the No. 1 stressor for retirees, along with the worry that they might become a burden to their family. And many find it's difficult to stop working. "We get a lot of our happiness from purpose and meaning in our lives—and jobs give us that," says Chicago psychologist Elizabeth Lombardo.

3 'We're alone too much.'

Roughly one in 10 people aged 65 and older report being



severely lonely, according to a 2012 study in the Journal of Psychology: Interdisciplinary and Applied. Loneliness, too, is exacerbated by leaving work, and data suggest that retirees get lonelier as they get older, as spouses and friends pass away.

Worse, loneliness can lead to health problems. Older adults who reported extreme loneliness had a 14% greater risk of premature death than those who didn't, according to researchers at the University of Chicago.

4 'We're in denial about our health problems.'

It's a seemingly obvious observation: Our health declines as we get older. But when asked to predict how their health after retirement would compare with their health beforehand, just 13% of pre-retirees said they expected their health would be worse. In contrast, nearly 40% of those who have actually retired said it was worse, according to the NPR/

Harvard/RWJF survey.

Why the disconnect? Justin Sayde, a research manager at the Harvard School of Public Health, notes that general health improvements in recent decades among people in their 60s may make pre-retirees overly optimistic about what to expect in the long run.

Some studies show that, compared with those who keep working, retirees have worse health. A recent study followed more than 5,400 men and women 50 and older over a 10-year period, and found that those who had retired had a 40% greater risk of stroke and heart attack than those who kept working—and that this effect was most pronounced in the first year after retirement. (To be sure, other studies show a health benefit to retirement, and some researchers believe that health results largely depend on how a given individual adjusts to retirement.)

Many retirees aren't getting

the health care they need. The NPR/Harvard/RWJF survey suggested that 13% of retirees have trouble finding quality health care, and 13% had trouble seeing the doctor of their choice.

5 '...and our health-care costs are huge.'

While Medicare covers many health-care expenses for people 65 and over, it doesn't cover everything—for example, hearing aids, eye exams and most dental care are excluded.

Add in various copayments and premiums, and a couple who retire at 65 need an average of \$220,000 to cover future out-of-pocket medical expenses, according to Fidelity Investments.

And that doesn't count the costs of long-term care, which Medicare rarely covers. A semi-private room in a nursing home costs a median of \$77,000 a year, according to insurer Genworth.

6 'We're after your job.'

The percentage of workers 65 and older who are in the labor force rose from 11.5% in 1992 to 18.5% in 2012 and is projected to hit 23% by 2022, according to the Census Bureau.

For some younger workers, this isn't good news. A 2012 survey of hiring managers by consulting firm Adecco found that companies were about three times as likely to hire a worker 50 and older as they were to hire a millennial, in part because older workers were perceived as more reliable and professional.

7 'We still get frisky.'

It may come as a shock to younger generations, but nearly three in four men and about half of women age 57 to 72 report that they are sexually active, having sex an average of about four times a month, according to a 2011 study in The Journals of Gerontology.

The frisky behavior can have

some negative consequences: The cohort aged 55 and up saw an uptick in rates of some sexually transmitted diseases between 2007 and 2011, according to the Centers for Disease Control and Prevention.

8 'We're planning to move in with you.'

An estimated 43 million Americans are caring for someone 50 or older, usually a parent or other relative, according to the National Center on Care giving. And about one in five of these older recipients lives with the care giver. Elder care can be a financial drain on the care givers, not only because the care and medications are expensive, but because it can force them to take time off work, reducing their pay and their future Social Security benefits.

9 'Traveling the globe? We wish.'

About 59% of older workers say they plan to travel more in retirement, according to the NPR/Harvard/RWJF survey. But only 31% actually do so. By contrast, 34% of retirees say they take fewer trips than they did in the five years before retiring.

Finances are one limit to globe-trotting; health issues are another. Traci Lowenthal, a California-based psychologist, notes that spending time with grandchildren, another goal for many retirees, often competes for time and money with more ambitious travel plans.

10 'We're scam magnets.'

Dementia, declining health and loneliness can make retirees particularly vulnerable to fraud. A study published in 2011 by insurer MetLife estimated that "elder financial abuse" costs older people \$2.9 billion annually.

The most vulnerable were between 80 and 89 years old and lived alone; women were nearly twice as likely as men to be victimized. The consequences of fraud can be more than just financial: The MetLife study linked fraud to increased rates of depression. As Ms. Lombardo says, being defrauded "puts you in the mind-set of 'I am old, frail and a victim.'"

David Moore