Are you sure you’re ready to retire?

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By Dian Vujovich

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Check out the tennis courts at Phipps Ocean Park at 8 a.m., and most mornings you’ll find 99-year-old Dick Lerner playing a game he has loved since he was a 10-year-old.

While Lerner will be the oldest player on the court, the gang he’s typically paired with are in their 70s, 80s and early 90s.

What’s unique about this longtime resident isn’t his age—after all, the fastest growing age segment are those age 85 and older—it’s that he’s out on the courts in the early-morning heat when most would prefer lounging in their air-conditioned loggia.

Health concerns, it turns out, aren’t something that has been problematic for this widower.

“I don’t worry about my health because I’ve been healthy all of my life,” he said.

Lerner is a fortunate man. Particularly since a recent study revealed a primary concern of older affluent retirees is health.

The study

Earlier this year, Merrill Lynch published the results of a retirement study, Americans’ Perspectives on New Retirement Realities and the Longevity Bonus, which it conducted with Age Wave.

“If 20 years ago you had asked me, ‘When do people retire?’ I would have said when they reach a certain age,” said Diane Bain, a wealth adviser with Merrill Lynch for 28 years. “Now there are a number of ages and reasons for retiring. But what this study showed, and what I see, is that the larger percentage of people retire not because they’ve reached a certain age but because of a health issue.”

The nationwide study surveyed more than 6,300 respondents age 45 and older, and differentiated responses between those with more than $250,000 in investable assets and those with less.
According to the research, the number of millionaire households is projected to grow 8.8 percent within the next five years. Those with investable assets of $250,000 are expected to grow by 7 percent.

Living longer brings challenges that previous generations have not had to face. In other words, retirees are no longer ending their work career with a pension and a gold watch. Instead, they are beginning a phase of life that’s often uncharted and uncertain.

David Baxter, a senior vice president at Age Wave, a research and consulting company that focuses on the age 50-plus population, oversaw the study.

“It used to be that you retired once, and it was a done thing. Now retirement is more complex, and as people move through it they need more guidance to help navigate them through all of their retirement years,” said Baxter.

“Because people are living longer than they were in previous generations, I tend to use the phrase that your next career in life is your retirement career.”

One’s retirement career requires the same amount of planning, attention and preparation as the work career did, said Baxter. “It’s increasingly common for people to spend 20, 30 or more years in retirement, and so it does take careful preparation.”

**Health, money and the future**

Pinpointing how much money a retiree will need to live in the style he or she has become accustomed to is tricky. Even with thorough planning and trusts established for generational and charitable giving, there’s no guarantee life will unfold as one hopes.

“There’s a fear of the unknown regarding the future costs of their own health care, fear about what’s going on in the financial markets, in Washington and in the geo-political world,” said Bain. “And an uncertainty about what our tax structure might be with regard to estate planning for themselves and the next generations.”

Making sure an estate plan is created and frequently reviewed is a must for the affluent.

But there is something even more important: When asked what is important to pass on to future generations, only 32 percent of all respondents answered “money and financial assets,” while 74 percent of affluent respondents said “values and life lessons.”

While the study revealed that the most important goal of the affluent is to have “financial piece of mind,” 43 percent of those interviewed also expect to have to provide support to members in their family.
Here is a bit more of that survey results:

* Biggest worries about living a long life?

Seventy-two percent said “serious health problems”; 60 percent, “not being a burden on my family”; and 47 percent of the affluent said, “running out of money to live comfortably.”

* What are the top financial worries for the affluent?

Fifty-two percent said “health expenses”; 34 percent, “outliving my money”; 4 percent, “lack of personal savings”; 6 percent, “lack of Social Security”; 2 percent, “lack of company pension.”

*What are the top reasons for working in retirement?

Sixty-eight percent of the affluent population interviewed said they worked for the “stimulation and satisfaction” and 32 percent said it was for the money.

* What retirees actually miss most about not working?

Thirty-four percent said “social connections”; 29 percent, “reliable income”; 19 percent, ”having a purpose and work goals”; 12 percent, “mental stimulation”; 7 percent, “employer health benefits.”