



To: The Members of the Stanford Center on Longevity Advisory Council

From: Steve Vernon, Research Scholar, Financial Security Division

Re: June 2018, Advisory Council Meeting Update

Since we last met in January, much of the effort of the Financial Security Division was focused on developing the Sightlines Financial Security focus report to be published later this summer and will be reported separately.

In addition to that work, Steve Vernon continued the work on projects focused on retirement plan strategies.

The Spend Safely in Retirement Strategy.

We have had continued interest and activity regarding this strategy since our January report. This project, supported by and in collaboration with the Society of Actuaries, identified a straightforward retirement income strategy that can be reasonably implemented in virtually any IRA or 401(k) plan, without buying an annuity or working with a financial adviser. The strategy should help financial institutions and employers assist their older middle-income workers make important life decisions, such as when they can afford to retire, how much they can spend on living expenses, and whether they should work part-time to help cover living expenses.

Outreach since our meeting in January has included three webinars and two conference presentations. The paper has received extensive media coverage including; *USA Today*, *New York Times*, *Washington Post*, *Chicago Tribune*, *Kiplinger's*, *Forbes*, *Fortune*, *Money Magazine*, *MSN Money*, *CNBC*, *MarketWatch*, and *Next Avenue*. The Associated Press wrote a story that was picked up by over 100 newspapers across the country.

The Society of Actuaries has approved and is funding a follow-up project for 2018 to further explore the parameters of the Spend Safely in Retirement Strategy. We've started work on this project, with an anticipated completion date in the Fall 2018.

Using behavioral interventions to improve financial and health outcomes.

We have had continued activity since our January report. In March 2018, Steve facilitated a summit hosted by the International Foundation of Employee Benefit Plans (IFEFP). This summit was attended by 200 retirement and benefits managers. It reviewed behavioral economics principles that have the potential to improve retirement and health outcomes. One outcome of the summit was a prioritization of employee decisions that these managers would like to improve through behavioral interventions; this list can serve as a guide for fruitful future research. We plan to write a white paper summarizing the ideas from this summit.

The summit was followed up in April with a companion webinar covering similar topics

Presentations, webinars, and meetings since January 2018:

- Webinars in January and February on retirement income research and the Spend Safely in Retirement Strategy for the SCL Toolkit series, Pensions and Investments, and the Society of Actuaries.
- April -- Enrolled Actuary 2018 Annual Conference:
 - presentation on retirement income research
 - panel discussion on inequalities in life expectancies with Chief Actuary of Social Security
- May -- Plan Sponsor Council of America 2018 Annual Conference: presentation on retirement income research.
- May – Institutional Retirement Income Council (IRIC) webinar on retirement income strategies.
- May -- Government Accountability Office (GAO) meeting on strategies to reduce leakage in retirement savings plans.

Future presentations and meetings

- June and July – International Retirement Resource Center webinars on retirement income strategies
- July – panel discussion on retirement income strategies in Washington DC with think tanks, Congressional staff, regulators, and media
- October – Financial Planners Association annual conference, on retirement income strategies and behavioral economics
- October – speaking at the Annual Conference of the Society of Actuaries on retirement income strategies
- October – International Foundation of Employee Benefit Plans (IFEBC) annual conference speech on retirement income strategies and behavioral economics
- October – SIEPR “Working Longer and Retirement” conference on retirement strategies
- November – Defined Contribution Institutional Investment Association (DCIIA) on retirement income strategies.

In late June, Steve will publish his latest book *Retirement Game-Changers: Strategies for a Healthy, Financially Secure, and Fulfilling Long Life*. It targets older workers to help them transition into retirement, however defined. It cites research from Stanford/SCL, including Sightlines, our work on retirement income and behavioral economics, as well as research from other respected sources.