

Planning For Retirement

Worried About Outliving Your Retirement Nest Egg?

(NAPSA)—On average, boomers—an estimated 74.9 million Americans aged 53 to 71 in 2017—can expect to live to around age 85, according to the Social Security Administration.

A Problem

This good news can come at a steep financial cost, however. According to a study commissioned by Bankers Life Center for a Secure Retirement (CSR), 69 percent of boomers admit they don't have or don't know whether they have the financial resources to live comfortably in retirement to age 85.

In fact, many boomers save less as their age increases. Data from the latest CSR report reveals that 21 percent of middle-income baby boomers now save a smaller percentage of their paycheck than they did before the financial crisis of 2007. In addition, 24 percent say they no longer save at all, putting them at greater risk of outliving their savings.

When it comes to living longer, retirees can't depend on personal savings alone or expect to stay in the workforce, as unexpected health issues associated with age can make stretching savings difficult and working even part-time untenable.

An Answer

In recognition of National Annuity Awareness Month this June, boomers might want to look into annuities. Annuities are designed to help you accumulate money for retirement or turn your retirement savings into a steady income stream. You pay a lump sum into the annuity and get regular payouts, even in the best-case scenario that you outlive your planned retirement.

Boomers worried about outliving their nest eggs could consider indexed annuities. These provide opportunities to earn interest based on changes in an external market index while protecting existing retirement funds from downside market risk. The product doesn't pay out until later in life and helps pro-



An annuity can help provide additional peace of mind for living longer.

vide additional peace of mind for an extended life span.

Understanding Annuities

Here are some additional points to consider when deciding whether annuities are right for you:

Know the basics: The primary goal of an annuity is to provide a steady stream of income during retirement. Your principal is traditionally not affected by market gains or losses; your interest accumulates on an income-tax-deferred basis and will not affect your Social Security benefits.

Do your research: Bear in mind that different annuities can carry management fees from the insurance companies involved and you should make a point to ask if the annuities you're interested in carry any fees. You don't want to be surprised by any hidden costs as you consider these options.

Talk to a financial advisor: Just as there are a few types of annuities, they aren't your only option, so be sure to speak to a financial professional to learn more about these and money-saving retirement investments, such as mutual funds, IRAs and Roth IRAs.

Learn More

For a free downloadable booklet on top tips for retirees, including safety and security, reducing falls, fighting loneliness, managing prescription drug costs and more, visit www.BankersLife.com/TopTips4.