

QuickFACTS

From the MetLife Mature Market Institute®
www.MatureMarketInstitute.com



And in the end it's not the
years in your life that count.
It's the life in your years.

Abraham Lincoln

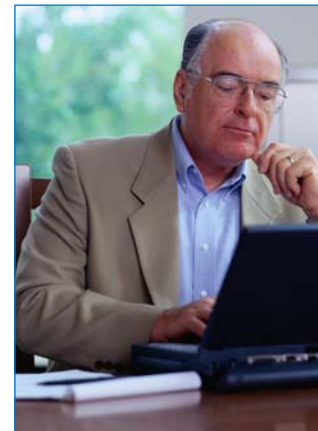
INFORMATION ABOUT RETIREMENT, LONG-TERM CARE AND THE MATURE MARKET

Welcome to *QuickFACTS*, a monthly fact sheet produced by MetLife's Mature Market Institute. Our focus is the emerging market of people 50+. We compile recent news and developments on retirement, aging and long-term care issues that impact our business and our customers. Ideas and comments for the editor are welcome. kobrien@metlife.com or phone, 203-454-5386.

401(k) Participation: Plans with Automatic Enrollment on the Rise

According to the 49th annual survey from the ProfitSharing/401(k) Council of America (PSCA), 77.7% of eligible employees had balances in their 401(k) plans in 2005. Among plans surveyed, 16.9% had automatic enrollment of employees up from 10.5% in 2004. Large plans were more likely to have automatic enrollment with 34.3% of those with 5,000 or more participants reporting automatic enrollment versus only 3.5% of plans with 50 or fewer participants. ■

PSCA Releases 49th Annual Survey of Profit Sharing and 401(k) Plans
Profit Sharing/401(k) Council of America (PSCA)
October 6, 2006
<http://benefitslink.com/pr/detail.php?id=40097>



Decline in Nursing Home Use by Older Americans

Data from the National Nursing Home Survey (NNHS) indicates that the percent of adults age 65 and older in nursing homes declined from 4.2% in 1985 to 3.6% in 2004. The greatest decline was in the age 85+ group which fell from 21.1% in 1985 to 13.9% in 2004. While the total number of people age 85 and older nearly doubled between 1985 and 2004, the actual number of individuals in this age group residing in nursing homes remained about the same. ■

Nursing Home Use by "Oldest Old" Sharply Declines
The Lewin Group
Prepared by Lisa Alecxih, Vice-President
November 21, 2006
<http://www.lewin.com/Spotlights/LongTermCare/Lewin+Study+on+Long+Term+Care+for+Frail+Elderly.htm>



International Ageing



The Grandmother Project (GMP) is a non-profit organization established to recognize and strengthen the leadership role of grandmothers in improving the health and well-being of women and children in developing countries. Since older women often play an important role as influencers in non-western societies, the organization seeks to work with local organizations that are interested in incorporating these women into initiatives to promote positive change in health behaviors. To learn more about the organization and its successful projects in countries such as Senegal, Mali and Laos visit <http://www.grandmotherproject.org/>. ■

Working Longer: Plans versus Reality

A survey of more than 3000 retirees and pre-retirees from McKinsey found that while almost half of all respondents plan to work beyond age 65, only 13% of those retired have done so. While pre-retirees expect on average to work to age 67, for those retired the average actual age of retirement was 59. Among retirees in this study, 40% were forced to stop working, with 47% of this group indicating health problems, 9% citing caregiving responsibilities for a family member, and 44% identifying job loss/downsizing as the reason. ■

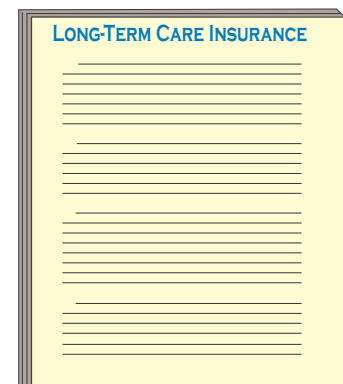
David A. Hunt, Janice Revell, and Joanna Rotenberg
What U.S. Workers Don't Know About Retirement
The McKinsey Quarterly, Web Exclusive
January 2007



Long-Term Care Insurance: Buying Younger

Research from LIMRA International and the Society of Actuaries shows that the age at which people are deciding to purchase long-term care insurance is decreasing. The average age of those purchasing an individual policy between 2002 and 2004 was 62, down from 66 in 2000-2001, while the average age of those purchasing long-term care insurance through a group plan was 46 between 2002 and 2004 down from 47 in 2000-2001. ■

Marianne Purushotham
Long-Term Care Insurance Persistency Experience (2007)
LIMRA International and Society of Actuaries (SOA)
Long-Term Care Experience Committee
Online with LIMRA
January 8, 2007



Web Watch

The National Institute on Aging (NIA) produces a number of publications related to health issues that affect older Americans. The website includes publication sections on healthy aging, caregiving, and disease specific conditions. One publication called *Talking with Your Doctor*, helps people get the information they need when seeing their physician. This guide, found in the “making sense of health information” section, and many other publications can be downloaded or ordered from www.nia.nih.gov/HealthInformation/Publications. ■



Americans: Underestimating Longevity

In a Society of Actuaries survey of retirees and pre-retirees ages 45-80, 67% of retirees and 61% of pre-retirees underestimated population longevity based on their current age. Additionally, in comparing respondents' estimates of personal life expectancy with population life expectancy, more than half thought they would not live as long as the average life expectancy for their age and gender (55% of retirees and 51% of pre-retirees). Only 29% of both retirees and pre-retirees thought they would live longer than the population average. ■

Longevity: The Underlying Driver of Retirement Risk – 2005 Risks and Process of Retirement Survey Report
Society of Actuaries
Survey Conducted by Mathew Greenwald & Associates and EBRI
July 2006



Exercise: Never Too Late to Start

According to findings from a French research study of men and women age 70 and over, older individuals who have always been physically active and remain so have better balance than those who have been less active. However, those who began exercising after retirement fared almost as well as those who have been physically active all along, while those who had exercised in the past but stopped after retirement, had balance control that was almost as poor as those who had never exercised. Individuals in this study who exercised regularly had balance test scores similar to inactive people who were 10-15 years younger. ■

Staying Healthy Keeps Seniors on Their Feet
Reuter's Health Information - Accessed on MedLine Plus
February 2, 2007
http://www.nlm.nih.gov/medlineplus/news/fullstory_44736.html



Changes in Pension Coverage

In 1980, among private sector workers with pension coverage, 60% had a defined benefit plan only, 17% a defined contribution plan only and 23% both. In 1992, 26% had a defined benefit plan only, 43% a defined contribution plan only, and 31% both. In 2004, 11% of private sector workers with pension coverage had a defined benefit plan only, 61% a defined contribution plan only and 28% both. ■

Alicia H. Munnell, Kelly Haverstick and Geoffrey Sanzenbacher
Job Tenure and The Spread of 401(k)
Center for Retirement Research at Boston College
An Issue in Brief, October 2006, Number 55
http://www.bc.edu/centers/crr/issues/ib_55.pdf



Seeking the American Dream

In a MetLife Survey of 1,500 Americans, 85% of respondents feel the financial burden for all Americans will be greater in ten years than it is today. Most (66%) indicate they have yet to achieve the American dream, but they remain optimistic about the future and feel it is still possible to achieve it in their lifetime (67%). Among all age groups “financial security” is most often identified (59% of all respondents) when asked, “What does the American dream mean to you today?” ■

The MetLife Study of the American Dream: Against the Backdrop of the Financial Burden Shift
MetLife
January 25, 2007
<https://my.metlife.com/WPSAssets/MLHO21171688921169655873V1FMetLifeAmericanDreamStudyFinal012507.pdf>



.....

Kathy O'Brien, R.N., M.S., Gerontology Consultant and Editor, 203-454-5386

MetLife Mature Market Institute
57 Greens Farms Road • Westport, CT 06880
MatureMarketInstitute@MetLife.com
www.MatureMarketInstitute.com

L0702FEVY(exp1208)MLIC-LD

Metropolitan Life Insurance Company, 200 Park Avenue, New York, NY 10166

