

QuickFACTS[®]



“In the long run we get no more than we have been willing to risk giving.”
Sheldon Kopp

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 at kobrien@metlife.com or by phone, 203-454-5386.

Increasing Use of Home Care in Long-Term Care Insurance Policies

The 2007 Society of Actuaries' examination of claim experience from 1984-2004, under long-term care insurance policies, shows a significant change in the types of services received as compared with their 2002 report (claims experience 1984-2001). Nursing home only claims dropped from 80% of all claims in the 2002 report to 55% in the current one. Home care only claims increased from 15% in the earlier report to 26% in the current one, while claims with both nursing home and home care rose from 5% to 19% of all claims.

1984-2004 Long-Term Care Intercompany Study
Society of Actuaries
November 2007

<http://www.soa.org/research/long-term-care/research-ltc-study-1984.aspx>



401(k) Options: Encouraging Increased Participation and Saving



Findings from Hewitt's 2007 *Trends and Experience in 401(k) Plans* survey indicate that automatic enrollment is on the rise, with the percentage of respondents automatically enrolling employees in their 401(k) plan almost doubling since 2005, going from 19% to 34% in 2007. Additionally, employers offering an automatic contribution increase option went from 9% in 2005 to 35% in 2007.

Trends and Experience in 401(k) Plans 2007
Hewitt Associates LLC
November 2007

<http://www.hewittassociates.com/ MetaBasicCMAssetCache /Assets/Articles/401kHI07.pdf>

Changing Demographics in America



Between 1950 and 2005 the U.S. population increased from 151 million to 296 million, indicating an annual average growth rate of 1.2%. Over this same time period, the 65+ population grew at an annual average rate of 2.1%, increasing from 12 to 37 million, while those age 75+ grew at an average annual rate of 2.8%, more than twice that of the overall population, going from 4 to 18 million in number.

Health, United States, 2007
With Chartbook on Trends on the Health of Americans
National Center for Health Statistics
November 2007
DHHS Publication No. 2007-1232
<http://www.cdc.gov/nchs/hus.htm>

Web Watch

The Medicare Rights Center now offers “Medicare Interactive (MI),” which provides information about all aspects of Medicare. The site, which can be accessed at www.medicareinteractive.org/help, includes a guide with questions to provide information related to an individual’s coverage, a topic index, and a search tool for specific questions. In addition to basic information, topic areas include Medicare rights and protections, resources to help with prescription drug costs, and advice for caregivers.



Growth in Reverse Mortgages



According to the U.S. Department of Housing and Urban Development, the federal Home Equity Conversion Mortgage (HECM) insurance program, which represents about 90% of all reverse mortgages, had insured a total of 345,762 loans by the end of the 2007 fiscal year. While the program has been in existence for 20 years, 31% (107,367) of this total were insured in fiscal year 2007 alone, while 66% were insured in the most recent three years of the program.

Donald L. Redfoot, Ken Scholen, S. Kathi Brown
Reverse Mortgages: Niche Product or Mainstream Solution? Report on the 2006 AARP National Survey of Reverse Mortgage Shoppers
AARP Public Policy Institute
December 2007
http://assets.aarp.org/rgcenter/consume/2007_22_rev mortgage.pdf

Increasing Workforce Participation Among Older Men

While labor force participation rates had been declining among older men throughout most of the 20th century, over the past 15 years (1992–2007) labor force participation rates for men age 62–64 increased from 41% to 51%, an increase of 24%. An even more dramatic shift, over the same time period, was the increase in participation rates from 22% to 34% among men age 65–69, representing an increase of about 55%.

Richard W. Johnson
Should People Work Longer, and Will They
 The Retirement Policy Center: Fact Sheets on Population Aging
 The Urban Institute - December 2007
http://www.urban.org/UploadedPDF/411584_work_longer.pdf



International Ageing



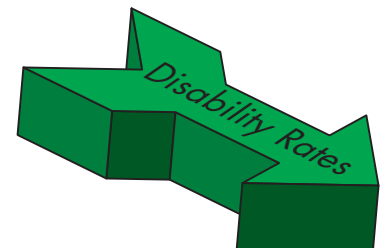
Globally, women age 60 and over outnumber men by about 70 million. While women represent 50% of the age 40–59 year-old population worldwide, they comprise increasingly larger percentages at older ages: 55% of those age 60+, 64% of those age 80+, and 82% of those age 100+.

Aging Population – Worldwide Growth
 United Nations Department of Aging and Social Affairs, Population Division
 2007
<http://www.un.org/esa/population/publications/WPA2007/ES-English.pdf>

Disability Rates Steadily Declining Among Older Americans

An analysis of data from the National Long Term Care Survey (NLTC) revealed that the prevalence of chronic disability among Americans age 65+ decreased from 26.5% in 1982 to 19% in 2004/2005. Of note is the fact that the rate of decline in the prevalence of disability steadily accelerated over the course of the 22-year study period, going from a low of 0.6% in the years 1982–1984 to a high of 2.2% in the years 1999–2004/05.

Kenneth G. Manton, XiLiang Gu and Vicki L. Lamb
*Changes in Chronic Disability from 1982 to 2004/2005 as Measured
 by Long-Term Changes in Function and Health in the U.S. Elderly Population*
Proceedings of the National Academy of Sciences (PNAS)
 November 28, 2006
<http://www.pnas.org/cgi/reprint/103/48/18374>



Trends in Employer-Based Retirement Plans

The number of employment based defined benefit pension plans decreased from about 170,000 with approximately 29 million active participants in 1985 to about 47,000 plans with about 21 million active participants in 2003. Conversely, the number of defined contribution plans increased from over 460,000 with about 33 million active participants in 1985 to over 650,000 with approximately 52 million active participants in 2003.

*Employer-Sponsored Health and Retirement Benefits
Efforts to Control Employer Costs and the Impact on Workers*

GAO-07-355

March 2007

<http://www.gao.gov/new.items/d07355.pdf>



Brain Health: A National Focus

The Centers for Disease Control and Prevention and the Alzheimer's Association have joined together with other partners to develop a national initiative to promote healthy cognitive functioning. They have developed a "Road Map" with 44 action plans to focus Americans on understanding the risk factors for cognitive impairment and measures they can take to promote brain health. The impetus for this initiative and details of the program can be found in the cited publication below.

The Health Brain Initiative: A National Public Health Road Map to Maintaining Cognitive Health
Centers for Disease Control and Prevention and the Alzheimer's Association
2007

www.cdc.gov/nccdphp/publications/CDNR/pdf/CDNR.June.2007.pdf

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