

FINANCIAL LITERACY IN RETIREMENT:  
PROVIDING JUST-IN-TIME INFORMATION  
AND ASSISTANCE FOR OLDER AMERICANS  
AND PEOPLE WITH DISABILITIES

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R E P O R T

OF THE

SPECIAL COMMITTEE ON AGING  
UNITED STATES SENATE



JANUARY 13 (legislative day JANUARY 10), 2022.—Ordered to be printed

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## LETTER OF TRANSMITTAL

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U.S. SENATE,  
SPECIAL COMMITTEE ON AGING,  
*Washington, DC, January 13, 2022.*

Hon. KAMALA HARRIS,  
*President, U.S. Senate,*  
*Washington, DC.*

DEAR MADAM PRESIDENT: Under authority of Senate Resolution 70 agreed to on February 24, 2021, I am submitting to you a report of the U.S. Senate Special Committee on Aging entitled: Financial Literacy in Retirement: Providing Just-In-Time Information and Assistance for Older Americans and People with Disabilities.

Senate Resolution 4, the Committee Systems Reorganization Amendments of 1977, authorizes the Special Committee on Aging “to conduct a continuing study of any and all matters pertaining to problems and opportunities of older people, including but not limited to, problems and opportunities of maintaining health, of assuring adequate income, of finding employment, of engaging in productive and rewarding activity, of securing proper housing and, when necessary, of obtaining care and assistance.” Senate Resolution 4 also requires that the result of these studies and recommendations be reported to the Senate annually.

I am pleased to transmit this report to you.

Sincerely,

ROBERT P. CASEY, Jr.,  
*Chairman.*



United States Senate  
Special Committee on Aging

**FINANCIAL LITERACY  
IN RETIREMENT:  
Providing Just-In-Time Information and  
Assistance for Older Adults and  
People with Disabilities**

Senator Robert P. Casey, Jr. (D-PA), Chairman  
Senator Tim Scott (R-SC), Ranking Member

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# About the Senate Special Committee on Aging

Established in 1961, the Special Committee on Aging is the focal point in the Senate for discussion and debate on matters relating to older Americans. The Committee promotes resources to increase financial literacy and security in retirement.

ROBERT P. CASEY, JR., Pennsylvania  
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RICK SCOTT, Florida  
MIKE LEE, Utah

The Aging Committee operates a toll-free fraud hotline (1-855-303-9470), which serves as a resource for older Americans and their family members to report suspicious activities and provide information on reporting frauds and scams to the proper officials, including law enforcement. The hotline is staffed Monday through Friday, 9 a.m. to 5 p.m. ET.

Learn more about our members and work at [aging.senate.gov](http://aging.senate.gov).

# Introduction

Every year, millions of older Americans and people with disabilities make decisions involving their income, savings, health care, insurance, and homes that have lasting consequences for their financial lives and retirement. Many of these decisions are infrequent and require complex considerations.

Since its creation in 1961, the U.S. Senate Special Committee on Aging (Committee) has issued bipartisan reports examining issues important to older Americans. This report examines financial literacy and focuses on six common and significant decisions faced by older adults and people with disabilities in retirement. These decisions include:

- 1) claiming Social Security;
- 2) enrolling in Medicare;
- 3) annuitizing a 401(k);
- 4) downsizing a home;
- 5) giving to a charity; and
- 6) preparing for and responding to natural disasters.

The insights and information presented in this report reflect findings from existing research and comments received by the Committee from organizations, professional experts, and people with experience assisting older adults and people with disabilities in making these decisions.<sup>1</sup>

## Financial Literacy and Decision-Making

Many factors contribute to effective and informed financial decision-making, including a person's level of financial literacy, combining both knowledge and skills.<sup>2</sup> Many experts measure a person's level of literacy by assessing specific knowledge of basic concepts like risk diversification, inflation, and compound interest, and a person's numeracy skills such as their understanding of percentages and probabilities.<sup>3</sup> While knowledge of these concepts is important, recent research shows that financial information management skills, such as knowing how to find trusted information, when to act, and how to process information, are also key components of financial literacy.<sup>4</sup>

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<sup>1</sup> The Committee released a bipartisan letter requesting comments from interested parties on these topics. The Committee received 26 comment letters from a variety of people, organizations and businesses. These comments were considered and, in some instances, incorporated into the drafting of this report.

<sup>2</sup> U.S. Financial Literacy and Education Commission. (2020). *US National Strategy for financial literacy 2020*. <https://home.treasury.gov/system/files/136/US-National-Strategy-Financial-Literacy-2020.pdf>

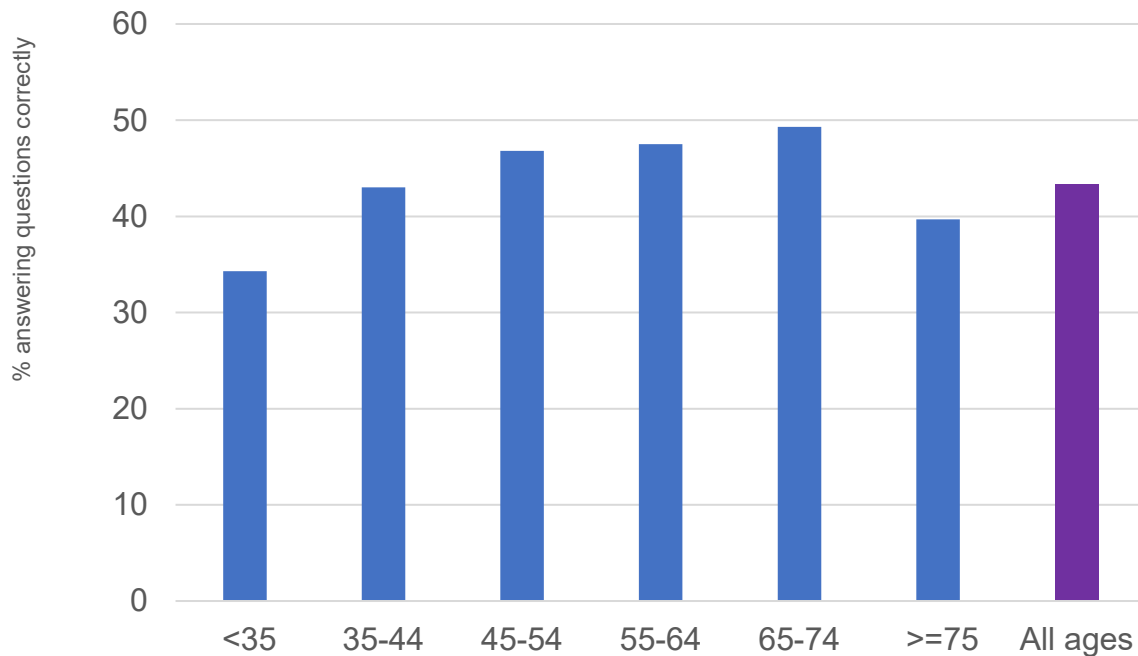
<sup>3</sup> Lusardi, A., & Mitchell, O. S. (2014). The economic importance of financial literacy: Theory and evidence. *Journal of economic literature*, 52(1), 5-44.

<sup>4</sup> Consumer Financial Protection Bureau. (2018). *Pathways to financial well-being: The role of financial capability*. [https://files.consumerfinance.gov/f/documents/bcfp\\_financial-well-being\\_pathways-role-financial-capability\\_research-brief.pdf](https://files.consumerfinance.gov/f/documents/bcfp_financial-well-being_pathways-role-financial-capability_research-brief.pdf).



Financial literacy is developed and reinforced over time through formal education, self-study, experience, employers, family, and friends. Studies show that a significant share of adults in the United States, including older adults and people with disabilities, have low levels of financial literacy.<sup>5</sup> For example, only 43 percent of adults ages 18 and older are able to correctly answer three questions on a widely used financial literacy assessment (Figure 1).<sup>6</sup> The share of the population that can correctly answer these questions increases with age, but decreases later in life.<sup>7</sup> Many studies associate this decline with factors such as diminished capacity.<sup>8</sup>

**Figure 1: Financial Literacy by Age Group, 2019**



Source: Senate staff analysis of the Federal Reserve Board, *Survey of Consumer Finances, 2019*.  
 Note: Financial literacy is measured using the percent of heads of households who correctly answered three questions on compound interest, risk diversification, and inflation concepts.

<sup>5</sup> FINRA Investor Education Center. (2018). *The State of U.S. Financial Capability: The 2018 National Financial Capability Study*. [https://www.usfinancialcapability.org/downloads/NFCS\\_2018\\_Report\\_Natl\\_Findings.pdf](https://www.usfinancialcapability.org/downloads/NFCS_2018_Report_Natl_Findings.pdf); see also National Disability Institute. (2017). *Financial Capability of Adults with Disabilities*. <https://www.nationaldisabilityinstitute.org/wp-content/uploads/2019/01/ndi-finra-report-2017.pdf>.

<sup>6</sup>See also, Lusardi, A. (2012). Numeracy, financial literacy, and financial decision-making (No. w17821). *National Bureau of Economic Research*. [https://www.nber.org/system/files/working\\_papers/w17821/w17821.pdf](https://www.nber.org/system/files/working_papers/w17821/w17821.pdf).

<sup>7</sup> Finke, M. S., Howe, J. S., & Huston, S. J. (2017). Old age and the decline in financial literacy. *Management Science*, 63(1), 213-230.

<sup>8</sup> Agarwal, S., Driscoll, J. C., Gabaix, X., & Laibson, D. (2009). The age of reason: Financial decisions over the life cycle and implications for regulation. *Brookings Papers on Economic Activity*, 2009(2), 51-117. [https://www.brookings.edu/wp-content/uploads/2016/07/2009b\\_bpea\\_agarwal.pdf](https://www.brookings.edu/wp-content/uploads/2016/07/2009b_bpea_agarwal.pdf).

Financial planning can help prepare people to make future complex decisions. Unfortunately, however, many pre-retirees do not plan ahead for common retirement decisions.<sup>9</sup> A study found that 24 percent of pre-retirees do not know their planning time horizon or have a planning horizon that is limited to less than 5 years.<sup>10</sup> Even those who do plan in advance may face other challenges, such as changing rules and options. Additionally, changes in personal circumstances, such as marital status or health, may alter a person's considerations. For example, many people who experience widowhood tend to downsize their homes.<sup>11</sup> These circumstances not only change a person's considerations and trade-offs when making financial decisions, but also involve non-financial aspects that compete for a person's time and attention.

*"Just-in-time" financial literacy refers to information and support provided at the moment when people are making a decision.*

While advance planning can help people make sound and effective financial decisions, some decisions require education and literacy at the moment they are occurring. This type of education and literacy is known as "just-in-time," because it is provided at the time that individuals typically seek, and can benefit from, relevant information and support.<sup>12</sup>

Older adults and people with disabilities face many decisions that can benefit from "just-in-time" education and support over their lifetimes, but especially around the moment of retirement. Key decisions include when to claim Social Security, enroll in Medicare, or downsize a home. For older adults with low incomes and people with disabilities, these decisions may involve other issues, like obtaining a bank account, applying for federal benefits, and avoiding a foreclosure or utility shut-off.

To navigate these decisions, many people rely on their preexisting financial literacy and their access to timely information and decision-support systems. These decision-support systems include guides, calculators, and professional advice. Among those with the greatest barriers and needs, this support is likely to come from a variety of government agencies and non-profit professionals, such as health insurance counselors or vocational rehabilitation counselors.<sup>13</sup>

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<sup>9</sup> Lusardi, A. (2003). *Planning and saving for retirement*. Working paper. Dartmouth College. <https://gflec.org/wp-content/uploads/2015/03/Planning-and-Saving-for-Retirement.pdf>.

<sup>10</sup> Society of Actuaries. (2011). *Key Findings and Issues: Process of Planning and Personal Risk Management, 2009 Risk and Process of Retirement Survey Report*. Society of Actuaries. <https://www.soa.org/globalassets/assets/Files/Research/Projects/research-key-finding-process-planning.pdf>.

<sup>11</sup> Painter, G., & Lee, K. (2009). Housing tenure transitions of older households: Life cycle, demographic, and familial factors. *Regional Science and Urban Economics*, 39(6), 749-760.

<sup>12</sup> Fernandes, D., Lynch, J. G., & Netemeyer, R. G. (2014). Financial Literacy, Financial Education, and Downstream Financial Behaviors. *Management Science*, 60(8), 1861–1883. <http://www.jstor.org/stable/42919641>

<sup>13</sup> National Disability Institute. (2020). *Benefits Planning*. National Disability Institute. <https://www.nationaldisabilityinstitute.org/financial-wellness/benefits-planning/>.

The next section addresses six financial decisions where older adults and people with disabilities can benefit from real-time financial literacy and support. It also highlights important considerations when making the decisions where enhanced financial literacy is needed.

## Decisions

### Claiming Social Security

Deciding when to collect Social Security is a decision faced by nearly every American in their lifetime. Generally, eligible workers have the choice to start collecting Social Security between ages 62 and 70. The difference between the expected benefit at each age is significant.<sup>14</sup> For example, a person entitled to a monthly benefit of \$1,000 at her full retirement age (see Figure 2) of 67 would receive a reduced benefit of \$700 if she decided to start collecting Social Security at the earliest age possible (62). On the other hand, she would receive an increased benefit of \$1,240 if she started collecting at age 70, a monthly difference of \$540.<sup>15</sup>

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*Social Security is a pillar of the American retirement system. Given the importance of the program, it is critical that Americans have adequate resources to make informed decisions about when to claim benefits.*

*Comment from the Bipartisan Policy Center*

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Of the 2.8 million workers who started collecting Social Security retired-worker benefits in 2020, nearly 30 percent started collecting at age 62, the earliest possible claiming age, and 57 percent started before reaching their full retirement age.<sup>16</sup> Deciding when to collect Social Security is imperative, especially considering Social Security is a common and significant source of retirement income for nearly nine out of ten people ages 65 and older.<sup>17</sup>

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<sup>14</sup> *Deciding When To Start Retirement Benefits*. SSA. (n.d.). <https://www.ssa.gov/benefits/retirement/learn.html#h3>

<sup>15</sup> Social Security Administration. (2021). *When to Start Receiving Retirement Benefits*. <https://www.ssa.gov/pubs/EN-05-10147.pdf>

<sup>16</sup> Social Security Administration. (2021). *Annual Statistical Supplement, 2021 - Summary of OASDI Awards* (Table 6.A), <https://www.ssa.gov/policy/docs/statcomps/supplement/2021/6a.html#table6.a4>. Calculations exclude disability conversions.

<sup>17</sup> Social Security Administration. (2021). *Fact Sheet*. <https://www.ssa.gov/news/press/factsheets/basicfact-alt.pdf>.

## Figure 2: Social Security Full Retirement Age

The “full retirement age” (FRA) is the age at which a worker can receive 100 percent of the scheduled benefit based on the Social Security benefit formula. The FRA varies depending on the person’s birth year.

| Birth year   | Full retirement age |
|--------------|---------------------|
| 1943-1954    | 66                  |
| 1955         | 66 and 2 months     |
| 1956         | 66 and 4 months     |
| 1957         | 66 and 6 months     |
| 1958         | 66 and 8 months     |
| 1959         | 66 and 10 months    |
| 1960 & later | 67                  |

For adults with shorter life expectancies or immediate needs, collecting Social Security before full retirement age could be beneficial. Yet, research has found that a large share of claimants could have benefited by waiting to collect later.<sup>18</sup> Financial planning professionals encourage older workers to make an informed decision about when to collect Social Security and to consider the program’s unique features, such as its cost-of-living adjustments.<sup>19</sup> Guides and calculators can help people make this claiming decision and fill knowledge gaps. Some research has found these tools could be improved by changing their framing of how specific rules and claiming options are presented, however.<sup>20</sup>

Get an estimate of your Social Security benefits at

<https://www.ssa.gov/myaccount/>

To contact the Social Security Administration, call  
1-800-772-1213

The Committee has identified four focus areas where older adults and people with disabilities can benefit from enhanced financial literacy about old-age Social Security benefits:

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<sup>18</sup> See, for example, Shoven, J. B., & Slavov, S. N. (2012). The decision to delay social security benefits: theory and evidence (No. w17866). *National Bureau of Economic Research*; and Haaga, O., & Johnson, R. W. (2012). Social Security claiming: Trends and business cycle effects. *CRR WP*, 5. In addition, experts have highlighted the gains from delay based on the impact on survivors’ benefits. See, for example, Meyer, W., and Reichenstein, W. (2010). Social Security: when to start benefits and how to minimize longevity risk. *Journal of Financial Planning*, 23(3), 49.

<sup>19</sup> Duffy, S., Finke, M., & Blanchett, D. (2021). The Value of Delayed Social Security Claiming for Higher-Earning Women. *Political Economy: Government Expenditures & Related Policies eJournal*.

<sup>20</sup> One study found that individuals’ claiming intentions were responsive to how information about the benefits of delaying claiming was presented, see Brown, J. R., Kapteyn, A., & Mitchell, O. S. (2011). Framing effects and expected social security claiming behavior (No. w17018). *National Bureau of Economic Research*.

- **Understanding Life Expectancy:** Because Social Security provides guaranteed, inflation-adjusted income for life, it provides unique protections against longevity risk, inflation, and poverty in later ages.
- **Helping Surviving Spouses:** Surviving spouses receive either their own benefit or their spouse's benefit, whichever is higher. As result, for married couples, deciding when to claim benefits is a vital consideration for the higher earner in the household.
- **Knowing the Relationship between Working and Claiming:** People can work and claim, work and delay benefits, or stop working and delay. Each of these paths has a different set of considerations and effects on one's expected Social Security benefit.
- **Considering Other Income Sources:** Other sources of income (e.g. savings, retirement accounts and pensions) can be key assets that likely should be considered when deciding to collect Social Security.

## Enrolling in Medicare

Nearly every American will someday enroll in Medicare. Medicare provides guaranteed health coverage to over 63 million Americans, including 54 million older adults and 9 million people with disabilities. While the Centers for Medicare & Medicaid Services (CMS) administer Medicare, Americans enroll in the program through the Social Security Administration (SSA). Both CMS and SSA provide information about the enrollment process through their respective websites and other resources and tools; however, the enrollment process is complex and fragmented.

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*Throughout the years, I've been told by several Medicare beneficiaries, they have two college degrees and still do not understand Medicare without receiving assistance from the State Health Insurance Assistance Program (SHIP) for guidance.*

*Comment from California Health Advocates*

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People who are receiving Social Security benefits are automatically enrolled in Medicare Parts A and B, while people who are not receiving Social Security benefits—typically those who continue to work past age 65—must apply for Part A and decide whether to apply for Part B. In addition to considering enrollment in Medicare Part A and Part B, people must also make choices about how to receive their coverage, such as through enrollment in a Medicare Advantage, Medigap and/or Part D prescription drug plan.

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|--|
| <p>In 2020, about 776,200 people with Medicare paid a Part B late enrollment penalty. On average, their Medicare premiums were</p> |
|--|

27 percent higher than if they had enrolled when they were initially eligible for Medicare.<sup>21</sup>

When an individual delays Medicare Part A and Part B enrollment, she may be subject to a late enrollment penalty added to her premiums, posing a significant cost over the long-term. These long-lasting consequences of delayed enrollment highlight the need for continued education and literacy efforts at the time older adults and people with disabilities are approaching the decision to enroll in Medicare. Studies suggest that enrollees often lack awareness of these penalties; in fact, up to 20 percent of people paying Part B late enrollment penalties may not have known about the penalties when they turned age 65.<sup>22</sup>

The Committee has identified three specific focus areas where older adults and people with disabilities can benefit from enhanced financial literacy about Medicare enrollment and benefits:

- **Assistance Navigating a Complex System:** Older Americans and people with disabilities may seek assistance or advice from trusted sources to help make Medicare decisions. State Health Insurance Assistance Programs (SHIPs) provide individualized and localized counseling to Americans making Medicare decisions.

To find your local SHIP, call 1-877-839-2675 or visit [www.shiphelp.org/](http://www.shiphelp.org/)

- **Understanding Enrollment Periods:** Those not automatically enrolled in Medicare must navigate enrollment periods to avoid facing penalties. Enhanced education on these enrollment periods can provide significant benefits to older Americans and people with disabilities. These enrollment periods include:
  - The initial enrollment period, which is seven months long, beginning three months before an individual's 65<sup>th</sup> birthday month and ending three months after.
  - The general enrollment period, which is for people who did not enroll during their initial enrollment period. General enrollment begins on January 1 and ends on March 31 of each year.
  - Special enrollment periods, which are available to certain eligible people, and allow for enrollment outside of the initial and general enrollment periods. Delayed enrollment can be available to certain workers and people with disabilities.
- **Avoiding Frauds and Scams:** Many scammers target people during their initial sign-up and open enrollment period to steal identities. Continued education is necessary to help

<sup>21</sup> Davis, P. A. (2021). *Medicare Part B: Enrollment and Premiums* (CRS Report No. R4008).

<sup>22</sup> Medicare Payment Advisory Commission. (2019). *Report to the Congress: Medicare and the Health Care Delivery System*. [https://www.medpac.gov/wp-content/uploads/import\\_data/scrape\\_files/docs/default-source/reports/jun19\\_medpac\\_reporttocongress\\_sec.pdf](https://www.medpac.gov/wp-content/uploads/import_data/scrape_files/docs/default-source/reports/jun19_medpac_reporttocongress_sec.pdf).

people who are new to Medicare identify red flags, such as gifts in exchange for a Medicare ID or enrollment assistance, calls that require quick action or immediate payment, or requests for credit card or bank information.

## Annuitizing a 401(k)

Annuities are a form of insurance or investment that provide a person with regular payments, such as weekly, monthly, or yearly. Annuities can offer retirees a source of guaranteed and predictable income, similar to a traditional pension or Social Security. Currently, only 10 percent of employer-based retirement plans offer their workers the option to convert their 401(k) savings into an income-stream annuity.<sup>23</sup> However, the 2019 passage of the Setting Every Community Up for Retirement Enhancement (SECURE) Act (Public Law 116-94, 133 Stat.3137<sup>24</sup>) now allows employer 401(k) plans to include lifetime income options.<sup>25</sup>

As a result of the SECURE Act, workers will face the decision of whether to annuitize their retirement savings. Similarly, more workers are reaching retirement with 401(k) balances that allow them to purchase an annuity.<sup>26</sup> The decision to annuitize is complex and carries significant budgeting considerations, as well as transaction costs. For example, in order to obtain an annuity that pays an approximate \$500 monthly lifetime benefit, a person must pay an upfront premium of roughly \$100,000.<sup>27</sup>

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*There is a growing need to provide more educational resources to help low- and moderate-income populations develop decumulation strategies for retirement. Financial education is focused on providing strategies to build assets for retirement, but it rarely helps people navigate how to properly use their money in retirement.*

*Comment from the National Council on Aging*

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The Committee has identified five focus areas where older adults and people with disabilities can benefit from enhanced financial literacy for annuitizing 401(k) plans:

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<sup>23</sup> Plan Sponsor Council of America (2019). *Another Record Year for Retirement Savings*. [https://www.pasca.org/PR\\_2020\\_63rdReport](https://www.pasca.org/PR_2020_63rdReport)

<sup>24</sup> Further Consolidated Appropriations Act of 2020, 133 Stat. 3137. <https://www.congress.gov/116/plaws/publ94/PLAW-116publ94.pdf#page=605>.

<sup>25</sup> In addition to these developments, some companies are developing innovative programs. For example, for eligible participants, TIAA provides an “Income Test Drive” feature, which allows participants to try variable income payments for a 2-year period before making a final commitment. More information about this feature is available at: <https://www.tiaa.org/public/offer/products/annuities/retirement-plan-annuities/income-test-drive>.

<sup>26</sup> Nationwide. (2021). *The time is now: Company plan sponsors and participants want guaranteed lifetime income investment options today*. <https://nationwidefinancial.com/media/pdf/NRM-19566AO.pdf>.

<sup>27</sup> Calculations using <https://www.annuity.org/annuities/immediate/annuity-calculator/> for a male age 65. This type of annuity is known as a single-premium immediate annuity or SPIA.

- **Understanding Retirement Risks:** Understanding the full range of retirement risks, especially longevity, inflation, and market risks, is particularly important when deciding to annuitize a 401(k). People making this decision can benefit from advice and tools that help them understand the likelihood that they will face these risks, as well as the consequences of not protecting their retirement income against the risks.
- **Assessing Liquidity Needs:** There is no recommended share of 401(k) savings that should be annuitized, but generally, experts recommend that people maintain a level of liquidity (i.e. money that can be easily accessed). Liquidity may be necessary to pay for large or irregular expenses, such as those associated with health care and long-term care needs. Tools and professional advice that assist in determining one's liquidity needs could be useful in helping people make informed annuitization decisions.

Check the background of the person selling the annuity and providing advice using:

<https://brokercheck.finra.org/>

<https://content.naic.org/state-insurance-departments>

- **Understanding Plan Options:** A recent survey found that 44 percent of employees do not know whether their 401(k) plan offers a lifetime income option.<sup>28</sup> Workers would benefit from greater education on the options available to them through their retirement plan, and how these options differ in costs and structure from others in the retail market.
- **Finding Financial Advice:** The decision to purchase an annuity can be complicated, especially if people are considering add-on features, such as death benefits and inflation adjustments. Given the complexities of annuities, people may seek, and benefit from, professional advice. Literacy and education efforts should focus on helping people find trusted professional advice, including assessing possible conflicts of interest. This education should also include tips and other resources for how to find low-cost or pro-bono quality financial advice.
- **Avoiding Frauds and Scams:** While annuities are a legitimate financial product, unscrupulous scammers take advantage of their complexity to defraud people. Literacy and education efforts should continue to emphasize common red flags, like requests to wire money to specific people instead of a company or to designate a company or broker as a death beneficiary.

## Giving to a Charity

<sup>28</sup> TIAA-CREF. *TIAA-CREF survey: Americans want monthly retirement paycheck but don't know how to get it.* <https://www.tiaa.org/public/about-tiaa/news-press/press-releases/pressrelease553.html>.



Many Americans choose to help others through donations to charity. In 2020, Americans gave a record amount to charities, totaling \$324.1 billion.<sup>29</sup> About half of American households donate to charity each year, totaling between two and three thousand dollars per household, on average.<sup>30</sup> Charitable giving generally increases with age.<sup>31</sup> Nearly 70 percent of households ages 61 and older donate, compared to less than 42 percent of households ages 40 and under.<sup>32</sup> In 2020, giving by bequest was estimated to be over \$41.9 billion, a 10.3 percent increase from 2019.<sup>33</sup> Many older Americans make one-off donations.<sup>34</sup> These donations may be driven by emerging issues and events, such as natural disasters.<sup>35</sup>

The Committee has identified three specific areas where older adults can benefit from enhanced financial literacy related to charitable giving:

- **Researching Charities and Avoiding Scams:** Evaluation and research on a charity's mission is critical. Literacy and education efforts in this space should focus on proper evaluation of a charity, including searching for information online, finding out if a charity is registered, and identifying whether the donation will be tax deductible.<sup>36</sup> Greater financial literacy is needed to create understanding and awareness around how scammers target charitable giving; for example, looking out for warning signs like scammers pressuring donations via cash or wire transfer.<sup>37</sup>

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<sup>29</sup> Indiana University Lilly Family School of Philanthropy. (2021). *The Giving Environment: Understanding Pre-Pandemic Trends in Charitable Giving*. <https://scholarworks.iupui.edu/bitstream/handle/1805/26290/giving-environment210727.pdf>

<sup>30</sup> Indiana University Lilly Family School of Philanthropy. (2021). *The Giving Environment: Understanding Pre-Pandemic Trends in Charitable Giving*. <https://scholarworks.iupui.edu/bitstream/handle/1805/26290/giving-environment210727.pdf>

<sup>31</sup> Philanthropy Roundtable. *Who Gives Most to Charity?*. <https://www.philanthropyroundtable.org/almanac/statistics/who-gives>.

<sup>32</sup> Indiana University Lilly Family School of Philanthropy. (2019). *16 Years of Charitable Giving Research*. <https://generosityforlife.org/wp-content/uploads/2019/12/PPS-Report-FINAL.pdf>

<sup>33</sup> Philanthropy Network Greater Philadelphia. (2021). *Giving USA 2021: In a year of unprecedented events and challenges, charitable giving reached a record \$471.44 billion in 2020*. <https://philanthropynetwork.org/news/giving-usa-2021-year-unprecedented-events-and-challenges-charitable-giving-reached-record-47144>.

<sup>34</sup> The University of Maryland Foundation. (2021). *The New Best Practices for Connecting with Today's Charitable Donors*. [https://www.usmf.org/wp-content/uploads/2021/02/best\\_practices\\_for\\_connecting\\_with\\_charitable\\_donors\\_report.pdf](https://www.usmf.org/wp-content/uploads/2021/02/best_practices_for_connecting_with_charitable_donors_report.pdf)

<sup>35</sup> Brown, S., Harris, M. N., & Taylor, K. (2009). Modeling charitable donations to an unexpected natural disaster: Evidence from the U.S. panel study of income economics. *IZA Discussion Papers, No. 4424, Institute for the Study of Labor (IZA)*.

<sup>36</sup> Federal Trade Commission. *Before Giving to Charity*. <https://www.consumer.ftc.gov/articles/before-giving-to-charity>.

<sup>37</sup> Federal Trade Commission. *Before Giving to Charity*. <https://www.consumer.ftc.gov/articles/before-giving-to-charity>.

**Evaluate a charity using a third-party rating organization such as:**

Charity Navigator at [charitynavigator.org](https://charitynavigator.org)

CharityWatch at [charitywatch.org](https://charitywatch.org)

BBB Wise Giving Alliance at [give.org](https://give.org)

- **Assessing Donation Methods and Trade-offs:** Charitable giving can take many forms, ranging from annual monetary donations, real estate, stocks, service, and other forms. Helping people understand the variety of ways in which they can donate, and their trade-offs, can help them choose the donation method best suited to their needs and preferences.
- **Considering Personal Financial:** Enhanced literacy and education are needed on individual financial considerations, such as one’s personal budget, when choosing to donate to charity. For example, federal tax deductions will vary by method of donation and consequently impact an individual’s budget in different ways.<sup>38</sup>

## Downsizing a Home

As Americans age, their housing needs may change. According to a 2018 study, over 75 percent of Americans over age 50 want to remain in their own homes as long as they can, and 48 percent believe that they will always live in their current residence.<sup>39</sup> However, aging-in-place is not always an option for, or desired by, all older adults. According to a 2017 report, 46 percent of Americans ages 53-72 who sold homes were in the process of downsizing, and 12 percent of Americans ages 45-64 were doing the same.<sup>40</sup> The decision to downsize or move into alternative housing is often driven by financial, health or other personal reasons.

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*[M]ost older adults aren’t often creating proactive plans regarding their future living situations. Most commonly, there is some type of event—be it a loss of spouse, or health issue or injury that forces these decisions. When we make decisions during times of distress or significant change, we can easily make sub optimal choices. Proactivity is key—as is variety as well as choice.*

*Comment from SilverNest*

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<sup>38</sup> USA.gov. *Donating to Charity*. <https://www.usa.gov/donate-to-charity>.

<sup>39</sup> Binette, J. (2021). *2021 Home and Community Preferences: A National Survey of Adults Ages 18-Plus*. [https://www.aarp.org/content/dam/aarp/research/surveys\\_statistics/liv-com/2021/2021-home-community-preferences-annotated-questionnaire-age.doi.10.26419-2Fres.00479.002.pdf](https://www.aarp.org/content/dam/aarp/research/surveys_statistics/liv-com/2021/2021-home-community-preferences-annotated-questionnaire-age.doi.10.26419-2Fres.00479.002.pdf).

<sup>40</sup> Zillow Group. *Consumer Housing Trends Report 2017*. <https://www.zillow.com/report/2017/>.

Over 76 percent of households ages 50 and over and nearly 79 percent of households ages 65 and over own their own homes.<sup>41</sup> At the same time, nearly a third of households ages 65 and older are cost burdened, spending more than 30 percent of their income on housing.<sup>42</sup> 59 percent of Baby Boomers said saving money was the primary reason for downsizing their home.<sup>43</sup> Selling or downsizing one's home and moving into a more affordable space can save on mortgage costs, utilities, maintenance, and can even bring in new financial resources from the sale of the home, furniture, and belongings.

Medical issues or disabilities are other common reasons older Americans choose to downsize. 26 percent of older Americans ages 75 and older said health was the main reason for moving.<sup>44</sup> Some older Americans move or change their housing arrangements to increase access to in-home care, nearby health care options, and other amenities. Downsizing can also help older adults reduce physically taxing house maintenance, as smaller houses or apartments may require less work to maintain. 36 percent of Baby Boomers stated that reducing maintenance needs was the primary reason for downsizing.<sup>45</sup>

Finally, many older adults downsize and move to new housing to be closer to friends and family. More specifically, 25 percent of Baby Boomers are planning to retire near their grandchildren.<sup>46</sup> The death of a spouse can also affect the decision to downsize for the surviving spouse, as a family death can reduce financial resources, increase maintenance burdens, limit health and mobility support, and increase the desire to be closer to family and friends.

The Committee has identified two specific areas where older adults and people with disabilities can benefit from enhanced financial literacy about downsizing a home:

- **Financial:** Enhanced education is needed on the topic of financial considerations for downsizing. These considerations may include repairs to sell a current home, fees, utilities, moving costs, and taxes.
- **Health:** Many commenters emphasized health care and mobility needs as important considerations in deciding when, where, and into what type of housing to downsize. Looking into housing that is easier to modify for future mobility needs, part of a larger

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<sup>41</sup> U.S. Census Bureau. (2021) Current Population Survey/Housing Vacancy Survey Table 7. Homeownership Rates by Age of Householder. <https://www.census.gov/housing/hvs/data/q321ind.html>

<sup>42</sup> Joint Center for Housing Studies of Harvard University. (2018). *Housing America's Older Adults 2018*. [https://www.jchs.harvard.edu/sites/default/files/Harvard\\_JCHS\\_Housing\\_Americas\\_Older\\_Adults\\_2018\\_1.pdf](https://www.jchs.harvard.edu/sites/default/files/Harvard_JCHS_Housing_Americas_Older_Adults_2018_1.pdf)

<sup>43</sup> Homes.com. *The Upside to Downsizing*. <https://www.homes.com/blog/the-upside-to-downsizing/?cmp=HDC-Fractl-112019>.

<sup>44</sup> Hyun Choi, J. Goodman, L. Zhu, J. Walsh, J. (2019). *Senior Housing and Mobility: Recent Trends and Implications for the Housing Market*. The Urban Institute. [https://www.urban.org/sites/default/files/publication/100953/senior\\_housing\\_and\\_mobility.pdf](https://www.urban.org/sites/default/files/publication/100953/senior_housing_and_mobility.pdf).

<sup>45</sup> Homes.com. *The Upside to Downsizing*. <https://www.homes.com/blog/the-upside-to-downsizing/?cmp=HDC-Fractl-112019>.

<sup>46</sup> The Meyers Edge. *Meyers Baby Chaser Index*. <https://www.marketwatch.com/story/baby-chaser-index-tracks-boomers-who-move-to-be-near-grandchildren-2019-07-12>.

supportive community, near family, or located near health care services may be important deciding factors.

To contact a housing counseling agency, call 1- 800-569-4287 or visit <https://apps.hud.gov/offices/hsg/sfh/hcc/hcs.cfm>

## Responding to a Natural Disaster

Since 1980, the U.S. has sustained at least 308 natural disasters resulting in damages totaling \$1 billion or more each.<sup>47</sup> These natural disasters have a disproportionate effect on older Americans and people with disabilities. For example, 71 percent of those who died because of Hurricane Katrina were older adults, despite this population only representing 15 percent of the New Orleans population.<sup>48</sup> Whether it be a hurricane in South Carolina, a flood in Pennsylvania, an ice storm in Maine, a windstorm in Texas, or wildfires in California, many older Americans and people with disabilities are forced to make critical financial decisions when impacted by natural disasters that require “just-in-time” resources and information.

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*Older adults are exposed to heightened health risks associated with mold and moisture (in flooded homes), smoke (in areas with frequent wildfires), heat (particularly in urban heat islands), and the emotional distress of rebuilding one’s life after a disaster.*

*Comment from AARP*

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When a disaster hits, older adults and people with disabilities could be forced to make a variety of financial and personal decisions, such as locating temporary housing, accessing emergency savings, and making insurance claims. All of these decisions are compounded under the emotional and physical stresses of a natural disaster.

To apply and learn about FEMA assistance and help, call  
1-800-621-3362  
TTY 1-800-462-7585

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<sup>47</sup> National Oceanic and Atmospheric Administration. *Billion-Dollar Weather and Climate Disasters*. <https://www.ncdc.noaa.gov/billions/#:~:text=References,Overview,incluing%20CPI%20adjustment%20to%202021> 1).

<sup>48</sup> Maltais, D. (2019). Elderly People with disabilities and natural disasters: Vulnerability of seniors and post trauma. *HSOA Journal of gerontology & geriatric medicine*, 5(4), 1-7.

The Committee has identified four specific areas where older adults and people with disabilities can benefit from enhanced financial literacy about preparation and response to natural disasters:

- **Preparing for Disasters:** Before a disaster hits, experts recommend taking into account various considerations to prepare, including gathering and safeguarding important documents in a secure and readily available place. For example, people might consider giving a copy of essential documents and information, such as driver’s licenses or account numbers, to loved ones or letting them know where to find the original documents in an emergency.<sup>49</sup>
- **Navigating Relief and Support Resources:** The Federal Emergency Management Agency, the Small Business Administration, and the Department of Housing and Urban Development all provide resources to help Americans recover financially from natural disasters. Learning how to use these resources is important for older adults and people with disabilities.
- **Utilizing Creditor Relief:** One of the first measures people can take in the event of a disaster is to contact creditors and ask if there are any forgiveness policies given extenuating circumstances. Many creditors will offer emergency support like increased credit limits or payment forbearance during widespread disasters.
- **Accessing Retirement Savings:** In the event of a natural disaster, 401(k) and IRA savings may provide additional financial support to older adults. Greater education on the trade-offs of accessing retirement savings could be beneficial.
- **Identifying and Preventing Fraud:** Disasters provide an opportunity for scammers to steal money from people. Information that helps older adults and people with disabilities identify, report and respond to home repair, grant and assistance, and disaster relief scams has become an increasing area of need.

## Delivery Methods

There are a variety of methods to deliver the information and support that people need to make financial decisions, including those highlighted in this report, in a timely and effective manner.

Technological solutions, such as interactive guides and calculators, may help older adults and people with disabilities compare options and learn about the considerations involved in “just-in-time” decisions. Many of these tools allow users to enter specific inputs in order to receive more

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<sup>49</sup> Consumer Financial Protection Bureau. Federal Deposit Insurance Corporation. (2021). *Money Smart for Older Adults: Resource Guide*. [https://files.consumerfinance.gov/f/documents/cfpb\\_money-smart-for-older-adults-resource-guide\\_2021-06.pdf](https://files.consumerfinance.gov/f/documents/cfpb_money-smart-for-older-adults-resource-guide_2021-06.pdf).

personalized information. Such tools are increasingly available and becoming more effective by providing action steps. Videos, online quizzes, and games can be deployed to computers, mobile devices, and tablets to provide active learning opportunities.<sup>50 51</sup>

While these are promising developments, many older Americans and people with disabilities may face challenges accessing these tools,<sup>52</sup> due to lack of internet access or other barriers like physical or health conditions that make technology use challenging.<sup>53</sup> As the availability of these tools grow, people should assess the quality and reliability of the source providing the service, especially given that many are provided by entities that may have a financial stake in a person's decision-making.

Advice and support from financial and non-financial professionals, such as SHIP counselors, Social Security representatives, housing counselors, accountants, elder law attorneys, financial planners, and realtors, are key to helping older adults and people with disabilities make important "just-in-time" decisions. Some of these professionals are trained to provide personalized advice and support and are funded by the federal government to do so for free. SSA claims representatives and SHIP counselors are a primary source of information on Social Security and Medicare decisions, particularly for low-income Americans.

Financial professionals like accountants, advisers, and planners can look at multiple assets and resources to assist in decision-making. In 2019, older households relied most commonly on a financial professional for investment advice (Figure 3). In light of the role these professionals play, it is important that older adults and people with disabilities know how to assess the qualifications, compensation method, and expertise of the person providing the advice. This type of knowledge can protect older adults from obtaining advice from an unqualified or conflicted professional, but also from scammers and fraudsters.

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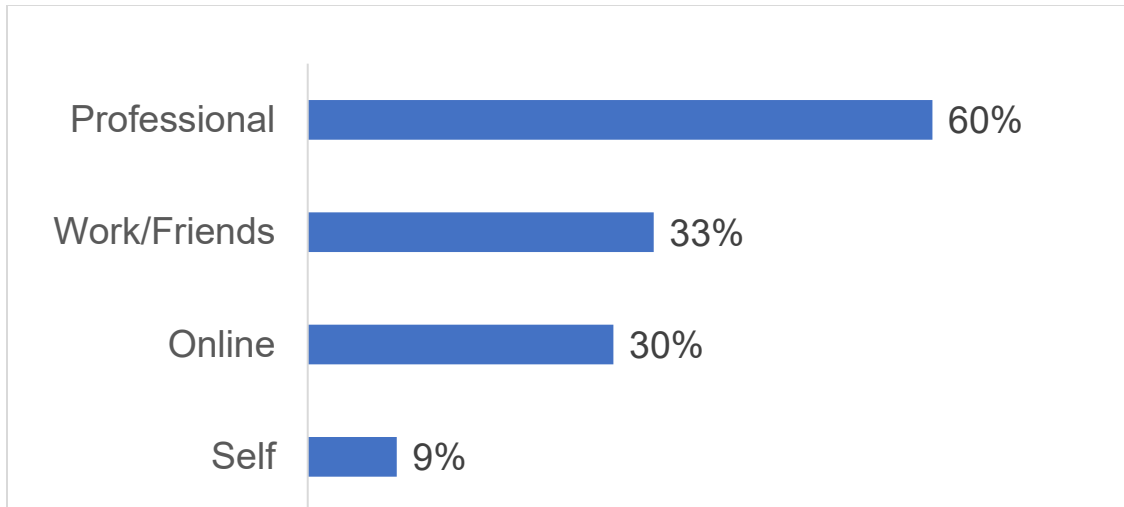
<sup>50</sup> Lusardi, A., Samek, A., Kapteyn, A., Glinert, L., Hung, A., & Heinberg, A. (2017). Visual tools and narratives: New ways to improve financial literacy. *Journal of Pension Economics & Finance*, 16(3), 297-323.

<sup>51</sup> Smale, M. A. (2011). *Learning through quests and contests: Games in information literacy instruction*. CUNY Academic Works. [https://academicworks.cuny.edu/ny\\_pubs/4/](https://academicworks.cuny.edu/ny_pubs/4/).

<sup>52</sup> Anderson, G., (2017) *Technology Use and Attitudes Among Mid-Life and Older Americans*. AARP. [https://www.aarp.org/content/dam/aarp/research/surveys\\_statistics/technology/info-2018/atom-nov-2017-tech-module.doi.10.26419%252Fres.00210.001.pdf](https://www.aarp.org/content/dam/aarp/research/surveys_statistics/technology/info-2018/atom-nov-2017-tech-module.doi.10.26419%252Fres.00210.001.pdf).

<sup>53</sup> Anderson, M. and Perrin, A. (2017). Tech Adoption Climbs Among Older Adults. [https://www.pewresearch.org/internet/wp-content/uploads/sites/9/2017/05/PI\\_2017.05.17\\_Older-Americans-Tech\\_FINAL.pdf](https://www.pewresearch.org/internet/wp-content/uploads/sites/9/2017/05/PI_2017.05.17_Older-Americans-Tech_FINAL.pdf).

**Figure 3: Percentage of households headed by those ages 60 and older using selected sources for investing advice, 2019**



*Source: Senate staff analysis of the Federal Reserve Board, Survey of Consumer Finances, 2019.*  
*Note: Older adults may rely on multiple sources. As a result, percentages add up to more than 100. The professionals include: banker, broker, real estate broker, builder, dealer, insurance agent, lawyer, accountant, and financial planner.*

Employers are also trusted and effective resources who can help their employees understand the importance of each decision, plan ahead, and find assistance. For example, employers can encourage their employees to seek out Social Security information, advise on seeking timely Medicare enrollment assistance, or offer Social Security and Medicare workshops.

Face-to-face events and workshops organized by community-based organizations can serve as effective education vehicles. These organizations are important channels to reach specific populations, including those for which language and disabilities are a barrier. Finally, family, friends, and caregivers may also deliver financial literacy information. These individuals may be especially helpful for those facing other barriers to making financial decisions independently, such as cognitive impairment. As such, family, friends, and caregivers should be targeted for financial literacy efforts.

## Conclusion

The six decisions examined in this report are complex and have lasting consequences for the financial lives of older adults and people with disabilities. People making these decisions must take into consideration many factors. This report identifies specific areas where more “just-in-time” support is needed to help promote effective action such as understanding tradeoffs, risks and costs involved in the specific decision; finding a trusted source of information and advice; and avoiding fraud and scams. In addition to these “just-in-time” financial literacy and decision

supports, older adults and people with disabilities can benefit from more advance planning when making these decisions.

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*When a person retires, their need for insurance and financial services guidance doesn't end. In fact, for many it's just the beginning.*

*Comment from the National Association of Insurance and Financial Advisors*

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Finally, while the report does not focus on the role of systemic factors, improved product or program design and other changes in policy and practices can help simplify the decision-making process and support the work of those who help older adults.



# Methodology

To develop this report, bipartisan staff from the Committee conducted a review of existing research. To provide additional insights into the experiences of older adults and people with disabilities making these decisions, the Committee conducted calls with experts and read, analyzed, and summarized comments received from the public through an official Request for Comments issued on October 18, 2021.<sup>54</sup>

## Finding Personalized Help

### From Federal and State Agencies

| <b>Organization</b>  | <b>Website</b>  | <b>Phone</b>                           |
|--|---|--|
| Social Security Administration   | <a href="http://www.socialsecurity.gov/">www.socialsecurity.gov/</a>  | 1-800-772-1213                         |
| Medicare   | <a href="https://www.medicare.gov/talk-to-someone">https://www.medicare.gov/talk-to-someone</a>                         | 1-800-633-4227                         |
| Federal Emergency Management Agency (FEMA)   | <a href="https://www.fema.gov/assistance/individual">https://www.fema.gov/assistance/individual</a>                     | 1-800-621-3362<br>/ TTY 1-800-462-7585 |
| Eldercare Locator  | <a href="https://eldercare.acl.gov/">https://eldercare.acl.gov/</a>   | 1-800-677-1116                         |
| Securities and Exchange Commission   | <a href="https://www.investor.gov/">https://www.investor.gov/</a>   |  |
| Housing and Urban Development, Housing Counselors                                    | <a href="https://apps.hud.gov/offices/hsg/sfh/hcc/hcs.cfm">https://apps.hud.gov/offices/hsg/sfh/hcc/hcs.cfm</a>         | 1-800-569-4287                         |
| States' Department of Insurance, via National Association of Insurance Commissioners | <a href="https://content.naic.org/state-insurance-departments">https://content.naic.org/state-insurance-departments</a> | Available by selecting your state      |

<sup>54</sup> The request can be found at: <https://www.aging.senate.gov/press-releases/casey-scott-seek-comments-to-inform-upcoming-report-on-improving-financial-literacy-and-decision-making-for-older-adults-and-people-with-disabilities>

|  |   |                |
|--|---|----------------|
| State Health Insurance Assistance Programs | <a href="https://www.shiphelp.org/">https://www.shiphelp.org/</a> | 1-877-839-2675 |
|--|---|----------------|

## From Legal, Financial Planning, and Accounting Help from Professionals

|   |   |
|---|---|
| LawHelp.org   | <a href="https://www.lawhelp.org/find-help/">https://www.lawhelp.org/find-help/</a>   |
| National Association of Personal Financial Advisors               | <a href="https://www.napfa.org/pro-bono-assistance">https://www.napfa.org/pro-bono-assistance</a>                                       |
| Association for Financial Counseling & Planning Education (AFCPE) | <a href="https://www.afcpe.org/free-financial-counseling-or-coaching/">https://www.afcpe.org/free-financial-counseling-or-coaching/</a> |

## Online Guides, Calculators and Other Tools

### Claiming Social Security

| Organization                         | Resource Type | Title                                  | Link  |
|--------------------------------------|---------------|--|---|
| AARP                                 | Calculator    | Social Security Calculator             | <a href="https://www.aarp.org/retirement/social-security/benefits-calculator.html">https://www.aarp.org/retirement/social-security/benefits-calculator.html</a>                                       |
| Social Security Administration       | Calculator    | Retirement Estimator                   | <a href="https://www.ssa.gov/benefits/retirement/estimator.html">https://www.ssa.gov/benefits/retirement/estimator.html</a>   |
| Society of Actuaries                 | Guide         | Deciding When to Claim Social Security | <a href="https://www.soa.org/globalassets/assets/Files/Research/research-pen-deciding-ss.pdf">https://www.soa.org/globalassets/assets/Files/Research/research-pen-deciding-ss.pdf</a>                 |
| Boston College                       | Guide         | The Social Security Claiming Guide     | <a href="http://crr.bc.edu/wp-content/uploads/2011/08/claiming-guide_080218_WEB.pdf">http://crr.bc.edu/wp-content/uploads/2011/08/claiming-guide_080218_WEB.pdf</a>                                   |
| National Academy of Social Insurance | Guide         | When Should I Take Social Security?    | <a href="https://www.nasi.org/wp-content/uploads/2014/02/FACT_SHEET_When_to_Take_Social_Security.pdf">https://www.nasi.org/wp-content/uploads/2014/02/FACT_SHEET_When_to_Take_Social_Security.pdf</a> |

|   |             |  |   |
|---|-------------|--|---|
| National Academy of Social Insurance              | Video       | Social Security: It Pays to Wait           | <a href="https://www.nasi.org/research/video-social-security-it-pays-to-wait/">https://www.nasi.org/research/video-social-security-it-pays-to-wait/</a>   |
| Consumer Financial Protection Bureau              | Calculators | Planning your Social Security Claiming Age | <a href="https://www.consumerfinance.gov/consumer-tools/retirement/before-you-claim/">https://www.consumerfinance.gov/consumer-tools/retirement/before-you-claim/</a>                                 |
| Social Security Administration                    | Calculators | Life Expectancy Calculator                 | <a href="https://www.ssa.gov/oact/population/longevity.html">https://www.ssa.gov/oact/population/longevity.html</a>   |
| Women's Institute for a Secure Retirement (WISER) | Guide       | Social Security Spousal Benefits           | <a href="https://wiserwomen.org/wp-content/uploads/2019/11/social-security-spousal-benefits-2019.pdf">https://wiserwomen.org/wp-content/uploads/2019/11/social-security-spousal-benefits-2019.pdf</a> |

## Enrolling in Medicare

| Organization                             | Resource Type        | Title  | Link  |
|--|----------------------|--|---|
| Social Security Administration           | Online Guide         | Medicare Benefits  | <a href="https://www.ssa.gov/benefits/medicare/">https://www.ssa.gov/benefits/medicare/</a>   |
| Social Security Administration           | Online/Printed Guide | Signing up for Medicare  | <a href="https://www.ssa.gov/pubs/EN-05-10043.pdf">https://www.ssa.gov/pubs/EN-05-10043.pdf</a>   |
| Medicare Rights Center                   | Online Guide         | How to enroll in Medicare if you are turning 65                | <a href="https://www.medicareinteractive.org/get-answers/medicare-health-coverage-options/original-medicare-enrollment/how-to-enroll-in-medicare-if-you-are-turning-65">https://www.medicareinteractive.org/get-answers/medicare-health-coverage-options/original-medicare-enrollment/how-to-enroll-in-medicare-if-you-are-turning-65</a> |
| AARP                                     | Online Guide         | How to Sign Up: A Guide to Medicare Enrollment                 | <a href="https://www.aarp.org/health/medicare-insurance/info-2020/enrolling-in-medicare.html">https://www.aarp.org/health/medicare-insurance/info-2020/enrolling-in-medicare.html</a>   |
| National Council on Aging                | Online Guide         | Age Well Planner – When to Apply for Medicare                  | <a href="https://www.ncoa.org/age-well-planner/resource/when-to-apply-for-medicare">https://www.ncoa.org/age-well-planner/resource/when-to-apply-for-medicare</a>   |
| National Council on Aging                | Online Tool          | BenefitsCheckUp  | <a href="https://www.benefitscheckup.org/">https://www.benefitscheckup.org/</a>   |
| Centers for Medicare & Medicaid Services | Online Handbook      | Medicare & You: The official U.S. government Medicare handbook | <a href="https://www.medicare.gov/Pubs/pdf/10050-medicare-and-you.pdf">https://www.medicare.gov/Pubs/pdf/10050-medicare-and-you.pdf</a>   |

## Annuitizing a 401(k)

| Organization                         | Resource Type | Title                                      | Link  |
|--------------------------------------|---------------|--|---|
| Annuity.org                          | Calculator    | Immediate Annuity Calculator               | <a href="https://www.annuity.org/annuities/immediate/annuity-calculator/">https://www.annuity.org/annuities/immediate/annuity-calculator/</a>   |
| Alliance for Protected Income        | Guide         | Check Off the Basics                       | <a href="https://www.protectedincome.org/wp-content/uploads/2021/03/ALI-CHECK_Booklet.pdf">https://www.protectedincome.org/wp-content/uploads/2021/03/ALI-CHECK_Booklet.pdf</a>   |
| Alliance for Protected Income        | Online Guide  | Tools and Guides                           | <a href="https://www.protectedincome.org/tools-guides/">https://www.protectedincome.org/tools-guides/</a>   |
| Society of Actuaries                 | Guide         | Designing a Monthly Paycheck in Retirement | <a href="https://www.soa.org/globalassets/assets/files/research/research-pen-monthly-paycheck.pdf">https://www.soa.org/globalassets/assets/files/research/research-pen-monthly-paycheck.pdf</a>   |
| FINRA                                | Online tool   | BrokerCheck                                | <a href="https://brokercheck.finra.org/">https://brokercheck.finra.org/</a>   |
| Consumer Financial Protection Bureau | Guide         | Know your financial adviser                | <a href="https://files.consumerfinance.gov/f/201311_cfpb_flyer_senior-financial-advisors.pdf">https://files.consumerfinance.gov/f/201311_cfpb_flyer_senior-financial-advisors.pdf</a>   |
| Alliance for Protected Income        | Online tool   | Planning personality quiz                  | <a href="https://www.protectedincome.org/financial-planning-personality-quiz/">https://www.protectedincome.org/financial-planning-personality-quiz/</a>   |
| Securities and Exchange Commission   | Online guide  | Annuities                                  | <a href="https://www.investor.gov/introduction-investing/investing-basics/investment-products/insurance-products/annuities">https://www.investor.gov/introduction-investing/investing-basics/investment-products/insurance-products/annuities</a> |
| Society of Actuaries                 | Calculators   | Longevity Estimator                        | <a href="https://www.longevityillustrator.org/">https://www.longevityillustrator.org/</a>   |

## Giving to a Charity

| Organization             | Resource Type           | Title                      | Link  |
|--------------------------|-------------------------|----------------------------|---|
| Federal Trade Commission | Charitable giving guide | Before Giving to a Charity | <a href="https://www.consumer.ftc.gov/articles/before-giving-to-charity">https://www.consumer.ftc.gov/articles/before-giving-to-charity</a>                   |
| USA.gov                  | Donating to Charity     | Donating to Charity        | <a href="https://www.usa.gov/donate-to-charity">https://www.usa.gov/donate-to-charity</a>   |
| Charity Navigator        | Search database         | Charity Search             | <a href="https://www.charitynavigator.org/">https://www.charitynavigator.org/</a>   |
| Give.org                 | Search database         | Charity Review             | <a href="https://www.give.org/donor-landing-page/national-charity-reviews/select">https://www.give.org/donor-landing-page/national-charity-reviews/select</a> |

## Downsizing a Home

| Organization                                | Resource Type      | Title  | Link  |
|---|--------------------|--|---|
| Department of Housing and Urban Development | Housing Counseling | Talk to a Housing Counselor                    | <a href="https://www.hud.gov/i_want_to/talk_to_a_housing_counselor">https://www.hud.gov/i_want_to/talk_to_a_housing_counselor</a>   |
| Boston College                              | Guide              | Using your House for Income in Retirement      | <a href="http://crr.bc.edu/wp-content/uploads/2014/09/c1_your-house_final_med-res.pdf">http://crr.bc.edu/wp-content/uploads/2014/09/c1_your-house_final_med-res.pdf</a>             |
| Family Caregiver Alliance                   | Checklist          | Downsizing a Home: A Checklist for Caregivers  | <a href="https://www.caregiver.org/resource/downsizing-home-checklist-caregivers/">https://www.caregiver.org/resource/downsizing-home-checklist-caregivers/</a>                     |
| Society of Actuaries                        | Guide              | Where to Live in Retirement?                   | <a href="https://www.soa.org/globalassets/assets/files/research/research-pen-housing.pdf">https://www.soa.org/globalassets/assets/files/research/research-pen-housing.pdf</a>       |
| Bankrate.org                                | Calculator         | Cost of Living Calculator                      | <a href="https://www.bankrate.com/calculators/savings/moving-cost-of-living-calculator.aspx">https://www.bankrate.com/calculators/savings/moving-cost-of-living-calculator.aspx</a> |
| Moving.com                                  | Calculator         | Cost of Moving Calculator for Moving Estimates | <a href="https://www.moving.com/movers/moving-cost-calculator.asp">https://www.moving.com/movers/moving-cost-calculator.asp</a>   |

## Responding to a Natural Disaster

| Organization                               | Resource Type                     | Title                                      | Link  |
|--|-----------------------------------|--|---|
| Consumer Financial Protection Bureau       | Online guide                      | Dealing with disasters and emergencies     | <a href="https://www.consumerfinance.gov/consumer-tools/disasters-and-emergencies/">https://www.consumerfinance.gov/consumer-tools/disasters-and-emergencies/</a>   |
| Internal Revenue Service                   | Hardship Distributions Guidelines | Retirement Topics – Hardship Distributions | <a href="https://www.irs.gov/retirement-plans/plan-participant-employee/retirement-topics-hardship-distributions">https://www.irs.gov/retirement-plans/plan-participant-employee/retirement-topics-hardship-distributions</a> |
| Federal Emergency Management Agency (FEMA) | Emergency Preparedness Guidelines | Seniors – Prepare Now for an Emergency     | <a href="https://www.fema.gov/fact-sheet/seniors-prepare-now-emergency">https://www.fema.gov/fact-sheet/seniors-prepare-now-emergency</a>   |

|  |  |   |   |
|--|--|---|---|
| Ready.gov  | Emergency Preparedness Guidelines            | Seniors                                       | <a href="https://www.ready.gov/seniors">https://www.ready.gov/seniors</a>   |
| Federal Emergency Management Agency (FEMA)   | Brochure                                     | Help After a Disaster                         | <a href="https://www.fema.gov/assistance/individual/brochure">https://www.fema.gov/assistance/individual/brochure</a>   |
| Consumer Financial Protection Bureau and the Federal Deposit Insurance Corporation | Financial Literacy Guide for Older Americans | Money Smart for Older Adults – Resource Guide | <a href="https://files.consumerfinance.gov/f/documents/cfpb_money-smart-for-older-adults-resource-guide_2021-06.pdf">https://files.consumerfinance.gov/f/documents/cfpb_money-smart-for-older-adults-resource-guide_2021-06.pdf</a> |

## Disability Specific Planning

| Organization                  | Resource Type            | Title  | Link  |
|-------------------------------|--------------------------|--|---|
| National Disability Institute | Guide                    | Financial Resilience Center  | <a href="https://www.nationaldisabilityinstitute.org/financial-resilience-center/">https://www.nationaldisabilityinstitute.org/financial-resilience-center/</a>   |
| National Disability Institute | Toolkit                  | Financial Education Handouts   | <a href="https://www.nationaldisabilityinstitute.org/downloads/">https://www.nationaldisabilityinstitute.org/downloads/</a>   |
| National Disability Institute | Guide                    | Incorporating Savings Options for People with Disabilities into Financial Empowerment Programs | <a href="https://www.nationaldisabilityinstitute.org/wp-content/uploads/2019/10/ec-qrg-incorporating-savings-options.pdf">https://www.nationaldisabilityinstitute.org/wp-content/uploads/2019/10/ec-qrg-incorporating-savings-options.pdf</a> |
| The ARC                       | Financial Planning Guide | Center for Future Planning   | <a href="https://futureplanning.thearc.org/?_ga=2.188596200.1958198383.1637352805-274627251.1627501490">https://futureplanning.thearc.org/?_ga=2.188596200.1958198383.1637352805-274627251.1627501490</a>                                     |
| ABLE National Resource Center | National Resource Center | Achieving A Better Life Experience Act   | <a href="https://www.ablenrc.org/">https://www.ablenrc.org/</a>   |

**Disclaimer:** This report is not intended to provide advice for specific individual situations and should not be construed as doing so. It is an information tool for general guidance. Individuals needing advice should seek the services of a qualified professional.

## Glossary

**Compound Interest:** The accumulated interest on a loan, deposit, or investment based on the initial principal and the accumulated interest from previous periods.

**Cost-of-Living Adjustments:** An adjustment to the value of income and other sources to keep up with the cost of living and rising prices.

**Death Benefit (Annuities):** A feature of an annuity that provides a payout to the designated beneficiary in the annuity when annuitant dies. Annuitants typically pay an extra fee for this feature.

**Financial Literacy:** The combination of knowledge and skills needed to make effective financial decisions.

**Longevity Risk:** The risk that a person may outlive his/her savings due to living longer than expected or advanced age.

**Liquidity (Annuities):** The amount of cash at hand, and also refers to the ability to easily convert an asset into cash at close to its market value.

**Premiums (Medicare):** The amount paid periodically (monthly) to obtain insurance coverage.