

Future Retirees at Greater Risk of Hardship

This week's AAI **Weekly Digest** highlights these “must-read” AAI articles:



The Impact of Out-of-Pocket Medical Spending on Retiree's Income

A major cost for retirees is health care. Though most retirees over age 65 are enrolled in Medicare, out-of-pocket costs can still be significant. An analysis of data included in the 2002-2014 waves of the Health and Retirement Study (HRS) was conducted to determine how much of retiree incomes these expenses accounted for.

Are You Spending Too Little in Retirement?

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While one of the biggest worries retirees face is the prospect of running out of money, these concerns tend to be exaggerated. This, along with other factors, lead many retirees to be overly frugal in retirement, which stops them from spending on themselves and their family.

Future Retirees at Greater Risk of Hardship



Most current retirees appear able to withstand some type of financial shock. However, future retirees may have more difficulty doing so due to changes in the retirement system, says a research fellow at the Center for Retirement Research (CRR) at Boston College.

A Do-It-Yourself Approach to Target Date Retirement Investing



Target date mutual funds have become increasingly popular as one-stop shopping, automatic-pilot retirement vehicles. However, using index funds, it doesn't take a lot of difficult work to adopt the do-it-yourself approach to target date investing if you want to save on fees and possible expenses. The effort can potentially provide you with a greater retirement nest egg and retirement income.

Our [Member Question](#) for this week is:

How concerned are you about the viability of the Social Security system?

[Vote Now »](#)

Vote to answer this week's Special Question: *If you were commissioner of the Social Security Administration, what steps would you take to improve Social Security's solvency and long-term sustainability?*

Last Week's Results:

Have you received a phone call this tax season claiming to be from the IRS regarding supposed fraud and misconduct on your federal tax return? [Note: The IRS never discusses personal tax issues through unsolicited emails, calls or texts or over social media.]

No:

76%



Yes:

24%



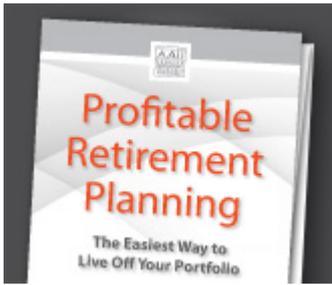
Poll results are as of 9 a.m. (Central) on Monday. 2,283 respondents.



[AAII Survey: One-Quarter of Readers Received Scam IRS Call This Tax Season](#)

In recent years, income tax scams have been on the rise and the latest tax season was no exception. One common scam is phone calls accusing individuals of fraud on their latest tax return. This AAIL reader survey asked if anyone had received such a call this year. In addition, the special question asked our readers how they try to protect themselves from financial scams and fraud.

[AII e-book: Profitable Retirement Planning](#)



This e-book, which is available exclusively to AAI members, was written to help our members achieve a financially secure retirement. The book offers an overview of many of the primary considerations for retirement planning, including: how much you need to save; where your retirement income will come from; what asset classes you should invest in; and what you should take advantage of in your company's defined contribution plan (if available).

The AAI Weekly Digest is one of the many **benefits** of AAI membership. To learn more, consider a **30-day Trial AAI Membership** to start becoming an effective manager of your own assets.