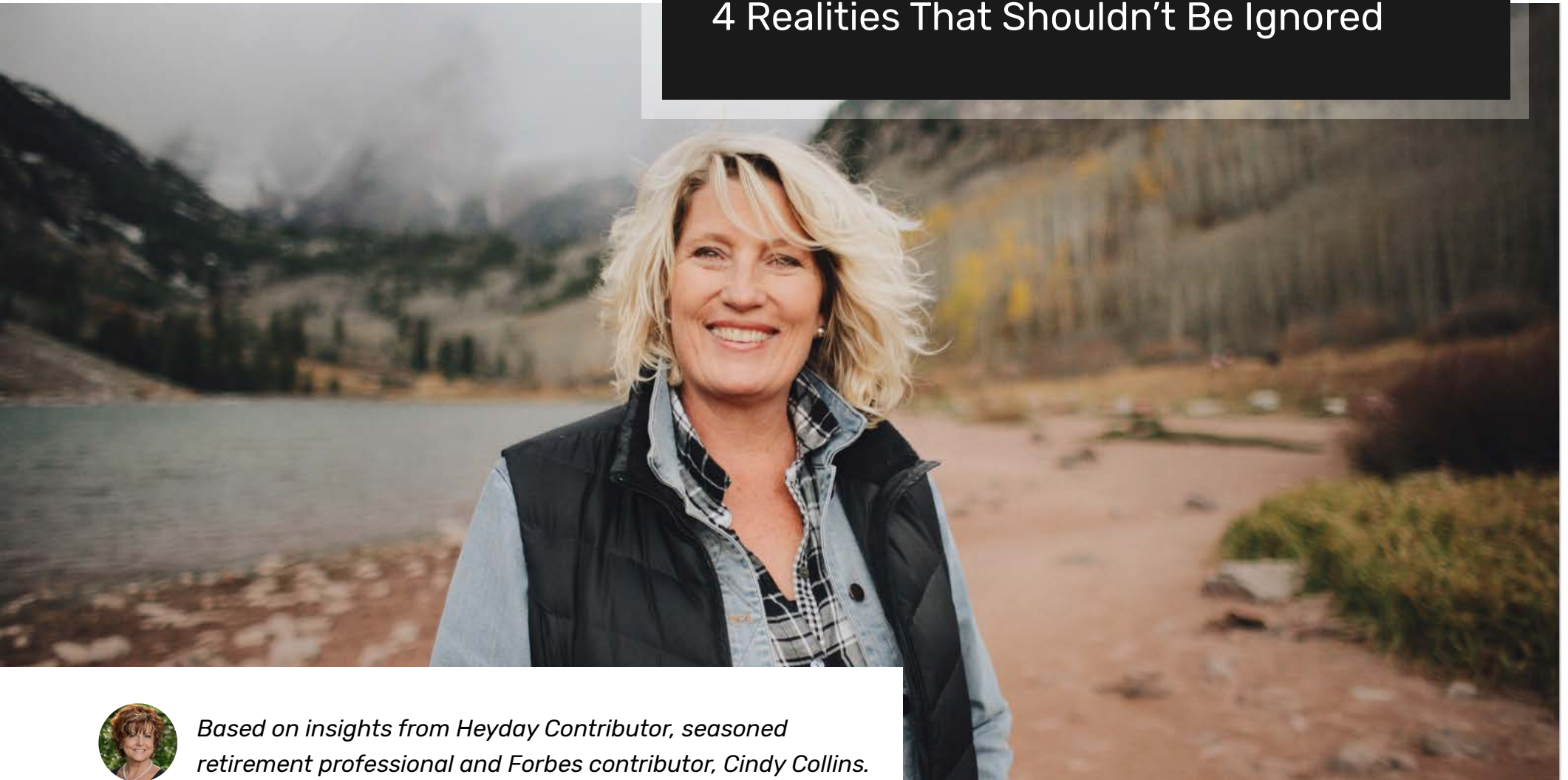




Women in Retirement:

4 Realities That Shouldn't Be Ignored



Based on insights from Heyday Contributor, seasoned retirement professional and Forbes contributor, Cindy Collins.



**Women in Retirement:
4 Realities That Shouldn't Be Ignored**

Retirement Isn't Always Fair for the Fairer Sex (Here's What to Do About It)

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ABOUT THIS GUIDE

Women in Retirement: 4 Realities That Shouldn't Be Ignored

What you'll learn:

- What you may not know about Social Security or pension benefits.
- How divorce or death of a spouse can impact your finances in retirement.
- Why longevity risk is a major factor for women.



Contributions by Cindy Collins

Seasoned retirement professional and *Forbes* contributor, [Cindy Collins](#), wants women to take ownership of their retirement by learning about their potential financial risks. This guidebook is the first step in creating a plan that may effectively guard against them.



Retirement Isn't Always Fair for the Fairer Sex (Here's What to Do About It)

It's no surprise that men and women are different in many ways, some could even say they're from opposite planets. While some of these differences are strengths, when it comes to the financial realities of retirement, there are a few unique challenges women may need to overcome – in addition to the retirement uncertainties everyone must face, like inflation, the stock market and rising costs.

The information outlined in this guidebook is not meant to scare you, but rather motivate you to understand some of the biggest risks and challenges you may face, like outliving your spouse and potentially your nest egg.

With proper planning and a little communication, women can help ensure they avoid several financial pitfalls in retirement. But first, a reality check on the road ahead.

TRUTH
NO.1

Women typically live longer, so being married is no guarantee you won't face retirement alone.

Nearly **half of women who outlive their husbands** wish they would've taken a more active role in the finances while their husbands were still alive. Have these financial conversations with your spouse, and don't wait to do so.



Get a plan in place to help ensure that you don't outlive your money.

While outliving your money is a common concern among retirees, this reality is one that women must face more often than men. While no one can accurately predict how long your individual lifespan will be, **women outlive their husbands at a staggering rate of 80 percent.**

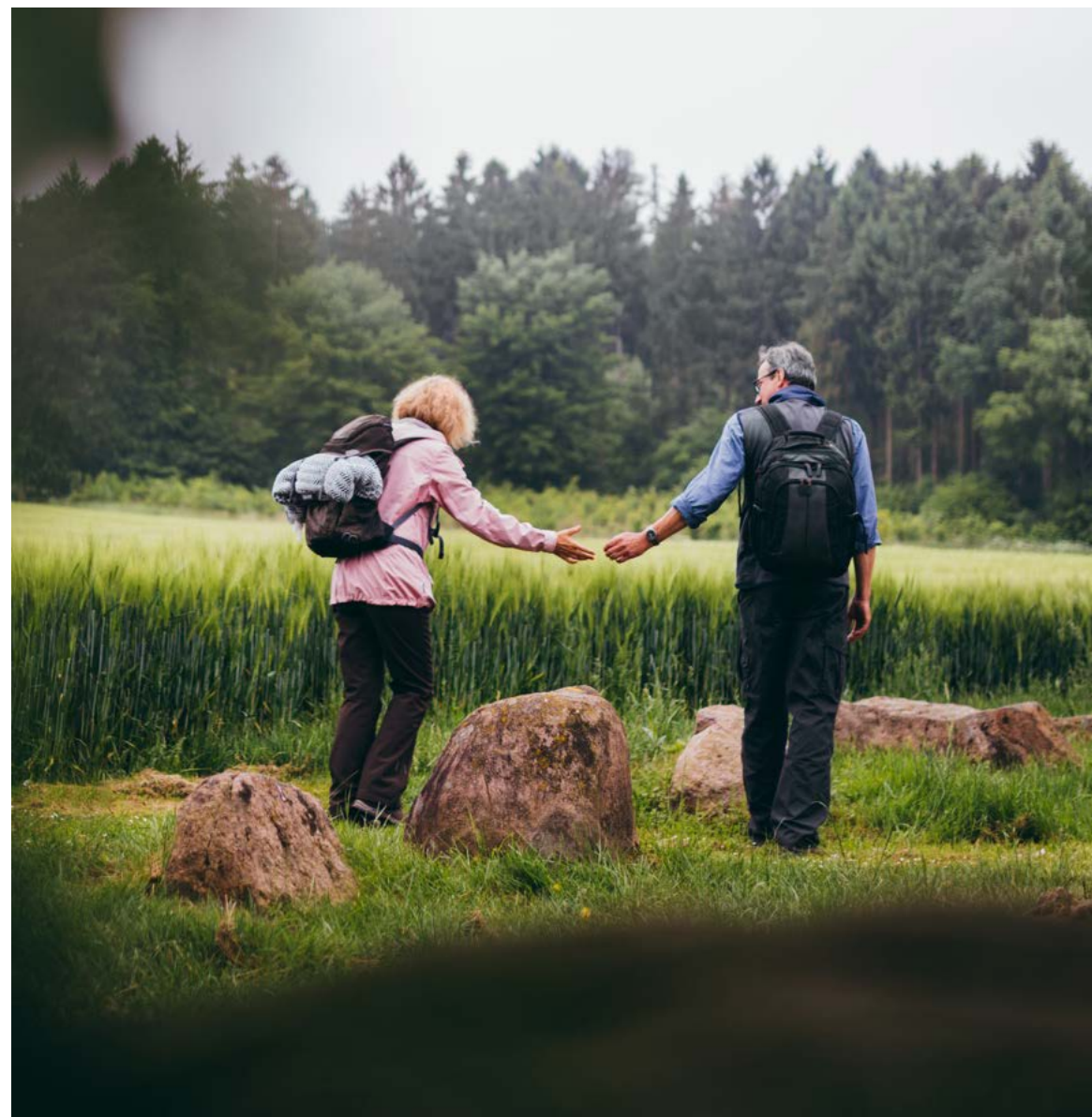
This means the majority of women will face at least some portion of retirement on their own, even if they are married. Not only do **women typically live longer than men by an average of 2.3 years**, they tend to marry older men – **more than half are married to husbands at least two years their senior** – resulting in greater chances they will face at least some time solo in retirement.



TRUTH
NO.2

The deck may be stacked against women when it comes to money, so proper planning is crucial.

Often, people don't ask questions when meeting with a financial representative. Ask questions when it comes to your retirement strategy planning – the decisions you make now may determine your financial well-being in the final years of your life!



If you're a woman, there are some very real financial concerns you need to be aware of. While not all of them can be avoided, there are steps you can take to help mitigate some of your biggest financial risks in retirement. Here are examples of the disadvantages some women may have when it comes to investing and retirement planning:

- **Women have made less in lifetime earnings** — while the gender wage gap is slowly closing, today **women make only 79 cents per dollar compared to men**. And those near retirement age spent the majority of their working years with a gender wage gap much wider to overcome. Which, unfortunately, means they made less income to invest for retirement. Combined with the fact that this money must last much longer, women should consider customized retirement strategies designed to help them reduce risk and help ensure the money they've saved lasts a lifetime.
- **Women are less likely to invest their money** — of course, there are no guarantees in the stock market. But while working to grow their nest eggs, many tend to bypass the risks of the market, ultimately avoiding the potential gains of long-term investment in it, too. Risks associated with the stock market can be mitigated in retirement as well, with a retirement strategy that generates predictable monthly income.
- **Women may need to work longer** — whether it's to offset making less in lifetime earnings, lapses in work history due to family obligations, or investments being impacted by the Great Recession, more women are having to keep working for longer. According to a study by the **National Institute of Retirement**, labor force participation of women age 55 to 64 has been on the rise over the last several years, climbing to 59 percent in 2015.

Married. Single. Divorced. Widowed. All women should be empowered to take ownership of their retirement strategy.

TRUTH
NO.3

You'll probably receive less
income from Social Security.



Aside from disability, Social Security benefits paid in retirement are paid based on a number of factors, including years worked and money paid into the system. Benefits are calculated based on a person's highest 35 years of earnings.

Whether by choice or necessity, many women spend several years out of the workforce to raise children. And if a woman's total working years are less than 35, the Social Security Administration will add a zero-earnings year for each year that is lacking, resulting in a much lower average and decreased Social Security benefits in retirement.

And as more and more women have to care for aging parents late into their working careers, they may find themselves having to take a hiatus from the workforce again, which can lead to a **loss of wages, pensions and Social Security benefits over their lifetime.**

Even if you never worked outside the home, you could be eligible to receive Social Security spousal benefits. Sit down with your spouse and determine what your estimated benefit is as a spouse, and also what it would be if your spouse passed away and you received a survivor's benefit.

Never assume you'll receive the same amount your spouse does if he passes away.






TRUTH NO.3

What you can do now:

One thing everyone can do is visit [SSA.gov](https://www.ssa.gov) and create an account, then:

- Go to your "Earnings Record" and look at the years and the totals. Confirm your employment dates that all other information is correct. Contact the Social Security Administration if there are any discrepancies that could negatively impact your future benefits.
- Click on the "Estimated Benefits" link to see how much you can expect to receive each month upon eligibility.
- If you are nearing retirement age and don't have 35 working years, consider prolonging retirement a few years to receive a higher benefit later in life.
- If you are married, talk to your spouse about prolonging retirement to potentially earn more benefits to be paid at a later date.

Note: Heyday Retirement is not affiliated with the Social Security Administration. Please visit [SSA.gov](https://www.ssa.gov) for the most up-to-date information.



Know what
your estimated
Social Security
benefits would
be for a variety
of scenarios
now so you can
make a more
realistic plan
for retirement.

Being divorced doesn't necessarily mean you are not eligible for your ex-spouse's Social Security retirement benefits. If the following are true, **you may be eligible to receive a Social Security benefit based on your ex-spouse's work**, even if he has remarried:

- You're unmarried.
- You're 62 or older.
- Your ex-spouse is entitled to Social Security retirement or disability benefits and the benefit you'd receive based on your own work is less than what you'd receive from your ex's work.

You are entitled to this benefit if you qualify, even if he is still working and hasn't officially retired yet. This could work in your ex-spouse's favor, too, if the above criteria are met.



Under the right circumstances, ex-spouses can still receive Social Security benefits.

TRUTH
NO.4

A change in marital status may hurt more than it helps.

04



Whether it's a divorce or loss of a spouse, a change in marital status can dramatically change your financial situation in retirement. Potential financial impacts include:

- **Reduction in Social Security benefits** - any spousal or survivor benefits will more than likely be less than if the husband were still alive.
- **Loss of pension income** - survivors don't automatically receive the same amount as their spouses, it all depends on how the individual defined benefits (DB) pension was set up. Be sure you know what the survivor benefit is before your husband passes away.
- **Tax implications** - fewer deductions and tax credits as well as differences in household income can really add up.
- **Retirement accounts** - having to split assets, paying estate taxes, or even a reduction in 401(k) required minimum distributions are all possible outcomes if a divorce or death occurs.

Doing your
financial
homework
now **can** help
save you
heartache and
headaches **in**
retirement.

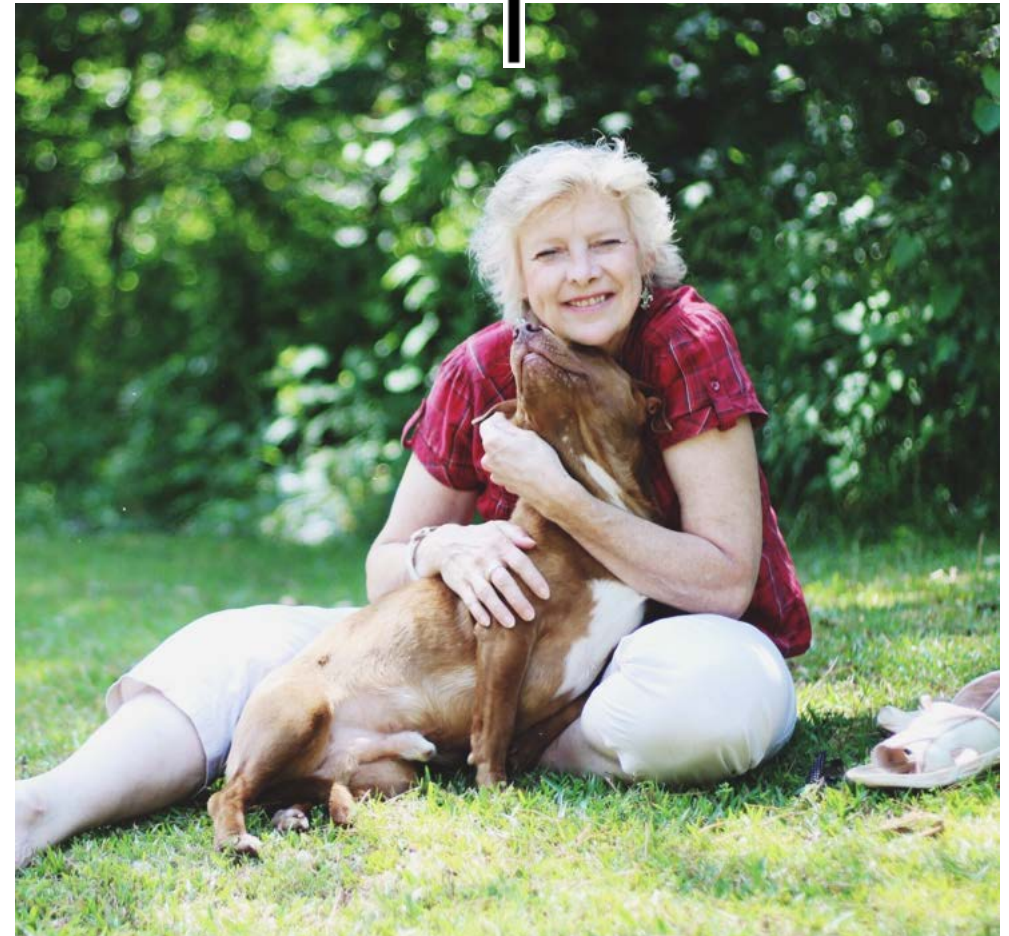
TRUTH NO.4

Being married is no excuse for a lack of preparation and planning. Don't leave it up to your spouse to handle the finances in retirement.

Regardless of your current marital status, you should know the following if you are:

Single:

- Your estimated monthly income from Social Security.
- Your monthly pension income, if applicable.
- Any additional sources of monthly income.





Married:

- Your estimated monthly income from Social Security.
- Your spouse's estimated monthly income from Social Security.
- Your survivor's benefit from Social Security should your spouse pass away.
- Your monthly pension income (if applicable).
- Your spouse's monthly pension income.
- Your survivorship benefit on his pension (don't assume it will be the same amount he receives).
- Any additional sources of monthly income.

Divorced:

- Your estimated monthly income from Social Security.
- Your spouse's estimated monthly income from Social Security if you were married for 10 years or more (see all eligibility criteria [here](#)).
- Your monthly pension income (if applicable).
- Any additional sources of monthly income.



TRUTH NO.4



Widowed:

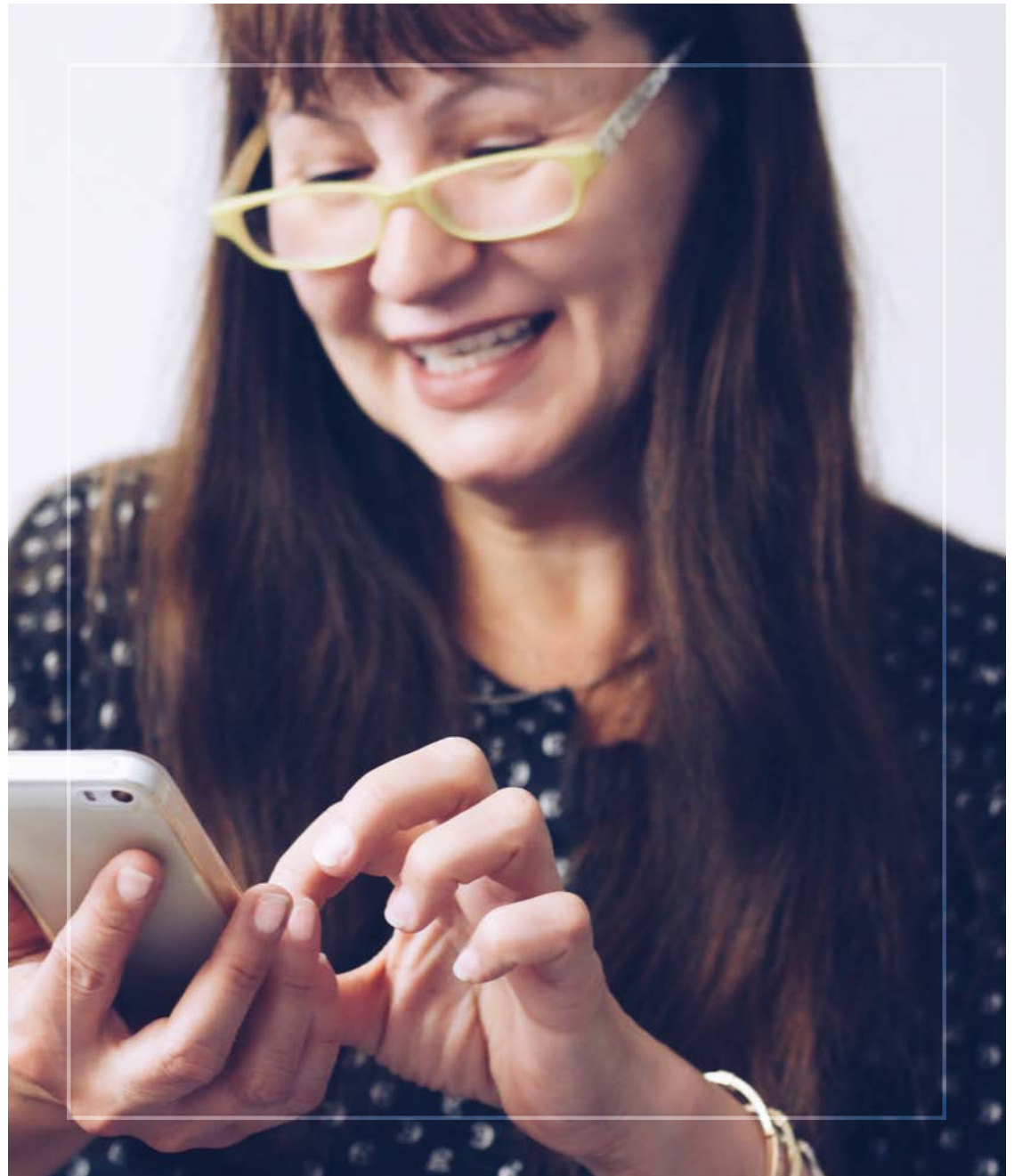
- Your estimated monthly income from Social Security.
- Your survivor's benefit from your spouse's Social Security income.
- Your monthly pension income (if applicable).
- Your spouse's pension survivorship benefit.
- Any additional sources of monthly income.

What happens next is crucial to a solid retirement strategy: Talk to a professional.

Use the income information above as a starting point to meet with your financial representative or, if you'd like to speak with a Heyday Retirement representative about your retirement income strategy, we're here to answer your questions without any pressure or obligation.

In addition to the concerns that affect everyone in retirement — inflation, stock market fluctuations, rising healthcare costs — on average, women have a unique set of challenges to navigate:

- Longer life expectancy
- Fewer lifetime earnings
- Fewer Social Security and pension benefits



No one wants to think about outliving a spouse, but when it comes to retirement, be sure you have a plan just in case.

Talk with a financial representative to make sure you fully understand your financial situation and its implications, and prepare for the chance that you may outlive your spouse.

With the right retirement strategy, you can help close any gaps between your retirement income and monthly expenses. But first, you must know where you stand and take action to speak with an experienced financial representative.





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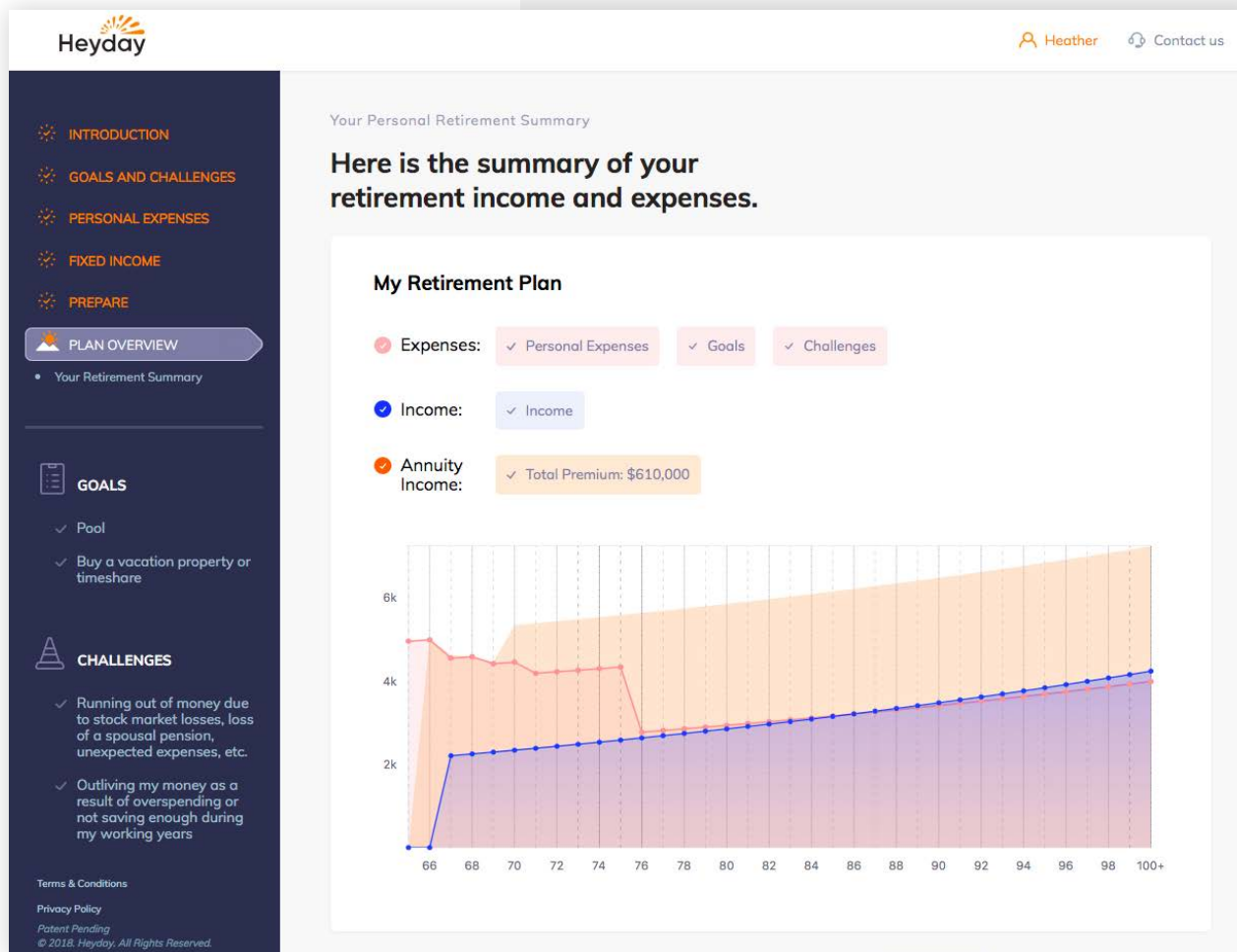
By contacting us or submitting your contact information, downloading booklets, or attending workshops, Heyday may refer you to our licensed insurance and annuity professionals who may contact you to offer a meeting to discuss how insurance services can help meet your retirement needs. You may withdraw your consent anytime.

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Does your retirement plan include what you really want to do?

Our innovative tool translates your goals and concerns into an actionable plan to help ensure your retirement is your Heyday.

Create your custom plan now.





About Heyday

Heyday is a complete source of simple tools for retirees to create their own secured income plan. Through guided Q&A and video-based instruction with professors, authors and experts, retirees can personalize their ideal income plan, to help achieve the retirement of their dreams.

Your retirement is yours to control - and, by starting with a purpose and a good, solid strategy, it is possible to design a path to get there. So, jump right into some of our resources and tools, and make retirement the reward it was always meant to be — your Heyday!

Learn more at www.heydayretirement.com