

**Perspectives of Future
Social Security Beneficiaries
Ages 45-64: Detailed
Findings**

September 2015

<https://doi.org/10.26419/res.00110.002>

Perspectives of Future Social Security Beneficiaries Ages 45-64: Detailed Findings

Report Prepared by

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**September 2015
AARP Research Center**

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Acknowledgements

The author would like to thank Tanya Mitchell for her early management of the project and questionnaire development and the following colleagues for providing expert guidance and review of both the survey instrument and reports: Mary Liz Burns, Josh Rosenblum, Gary Koenig, Mikki Waid, Alison Shelton, John Hishta, Jodi Sakol, David Cerner, Cristina Martin-Firvida, Rosa Maymi, Deb Whitman, Jeannine English, Jonathan Peterson, S. Kathi Brown, Jeff Love, Laura Mehegan, Karen Turner, Becky Gillan, and Mike Hilker.

The following representatives from the Financial Planning Association also provided review on the survey and reports: Ben Lewis and David Yeske.

All media inquiries about this report should contact AARP's Media Relations at (202) 434-2560. Inquiries about the survey instrument or additional information about the report should be addressed to Rebecca Perron rperron@aarp.org.

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Executive Summary

With the recent celebration of Social Security's 80th birthday, AARP's Social Security Anniversary survey shows that Americans of all ages, political ideologies, and incomes support the program.¹ While we know that Americans find Social Security to be one of the most important government programs, we are less certain of the level of knowledge that they have related to policies around when and how to claim benefits. Since how and when a beneficiary claims their Social Security benefits affects their monthly amount, these decisions could have costly implications.

AARP sought to understand what future beneficiaries know about Social Security claiming policies, what sources of information they use to educate themselves, and how large of a share Social Security will be in their retirement income.² AARP fielded a nationally representative survey to 1,215 adults ages 45-64 who are not yet receiving Social Security benefits (neither disability or retirement), but who will ultimately be able to receive Social Security retirement benefits based on their own work history by age 62. The questionnaire was fielded using GfK's Knowledge Panel, a probability-based online panel. Results were weighted to the US population ages 45-64 who are eligible for Social Security retirement benefits based on their own work history and are not currently on disability.

Key findings include:

- Future beneficiaries place the highest importance on maximizing the amount of money they (or they and their spouse) receive in retirement and in understanding the best age to claim benefits (96% very or somewhat important). Least important to them is claiming benefits while they are still working (47%).
- Approximately half of consumers ages 45-64 expect that Social Security will be a major source of their household retirement income, 39 percent of whom expect it to make up 50 percent or more of their retirement income.
- Nearly one half (47%) say they are very or somewhat knowledgeable about how their benefits will be determined and just over six in ten know that age 62 is the earliest age that they can claim benefits.
- A large majority of future beneficiaries (88%) know that waiting from age 62 until their full retirement age would increase their benefit amount, yet only one third know that claiming at age 70 will result in their maximum benefit amount.
- Just over one quarter (27%) of the entire sample of future beneficiaries knows that, when benefits are withheld due to work income prior to full retirement age, they will get the benefits back over time (in this example, \$40,000 per year was used).
- Half of respondents who have ever been married know they can receive Social Security benefits based on their living spouse's work history. Well over nine in 10 know they can receive such

¹ The Social Security Anniversary Survey report is available from www.aarp.org/ss80

² This research was fielded to future beneficiaries. A companion survey was fielded to CERTIFIED FINANCIAL PLANNER™ (CFP®) professionals via The Financial Planning Association. A separate report including select results from both surveys is available at www.aarp.org/SocialSecurityPlanning.

benefits after the death of their spouse. They are less certain how the age that both the deceased spouse *and* the age that the surviving spouse claim(ed) these benefits matters.

- Approximately one quarter of ever-married respondents know that a divorcee can collect Social Security benefits based on the ex-spouse's work history if they were married at least 10 years. An additional third (34%) believe they can collect if married five or fewer years and 31 percent believe they could never collect benefits from an ex-spouse's work record.
- The two most common sources of information related to Social Security retirement benefits are friends and family (46%) and the Social Security Administration (45%). Less commonly used sources include newspaper articles (33%), financial magazines or books (22%), financial shows on television (17%), AARP (16%), a professional financial advisor (16%), and/or a current or former employer (16%).

Findings show a Social Security knowledge gap for Americans ages 45-64 that could severely impact future benefits and retirement plans. It is important that Americans educate themselves about the rules and policies of the Social Security program to allow them to make the best decisions for themselves and their families.

INTRODUCTION

With the recent celebration of Social Security's 80th birthday, AARP's Social Security Anniversary survey, which is described in a separate publication³, shows that Americans of all ages, political ideologies, and incomes support the program. While we know that Americans find Social Security to be one of the most important government programs, we are less certain of the level of knowledge that they have related to policies around when and how to claim benefits. Since how and when a beneficiary claims their Social Security benefits affects their monthly amount, these decisions could have costly implications.

AARP sought to understand what future beneficiaries know about Social Security claiming policies, what sources of information they use to educate themselves, and how large of a share of their retirement income they expect Social Security will be. AARP fielded a nationally representative survey to 1,215 adults ages 45-64 who are not yet receiving Social Security benefits (neither disability or retirement), but who will ultimately be able to receive Social Security retirement benefits based on their own work history by age 62. The questionnaire was fielded using GfK's Knowledge Panel, a probability-based online panel. Results were weighted to the US population ages 45-64 who are eligible for Social Security retirement benefits based on their own work history and are not currently on disability.

Findings show that future Social Security beneficiaries expect to rely on Social Security income for a substantial share of their retirement income. However, the survey finds that future beneficiaries do not fully understand the impact of their claiming decisions. This reveals a knowledge gap that may undermine their retirement expectations. In fact, general knowledge questions show that they are objectively somewhat knowledgeable about basic issues like earliest age they can claim Social Security benefits and ability to claim widow benefits. However, the survey finds they are less knowledgeable about the intricacies of how and the degree to which some of the Social Security claiming rules affect benefit dollar amounts—how much money are they losing out on OR will they find themselves with a shortfall when their benefits are not as high as they expected?

The survey of Social Security beneficiaries⁴ discussed in this report represents one of the two surveys highlighted in a cobranded report released by AARP and the Financial Planning Association. That report, also available from www.aarp.org/SocialSecurityPlanning, presents select results from future beneficiaries alongside survey results from CERTIFIED FINANCIAL PLANNER™ (CFP®) professionals. Results for the entire sample of future beneficiaries are presented here and followed in each section by significant survey differences by age group (45-54; 55-64), household income (Less than \$50,000 per year; \$50,000-\$100,000 per year; \$100,000+ per year), and if they have used a professional financial advisor (p<.05).

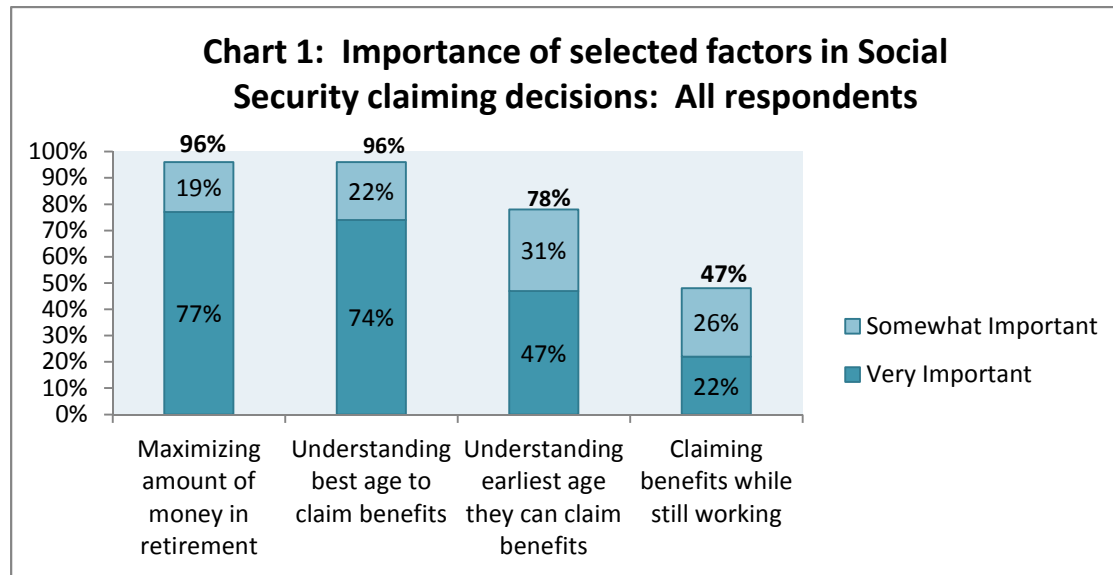
³ The Social Security Anniversary Survey report is available from www.aarp.org/ss80

⁴ The terms 'future beneficiary', 'consumer', and 'respondent' are used interchangeably in this report to refer to the sample.

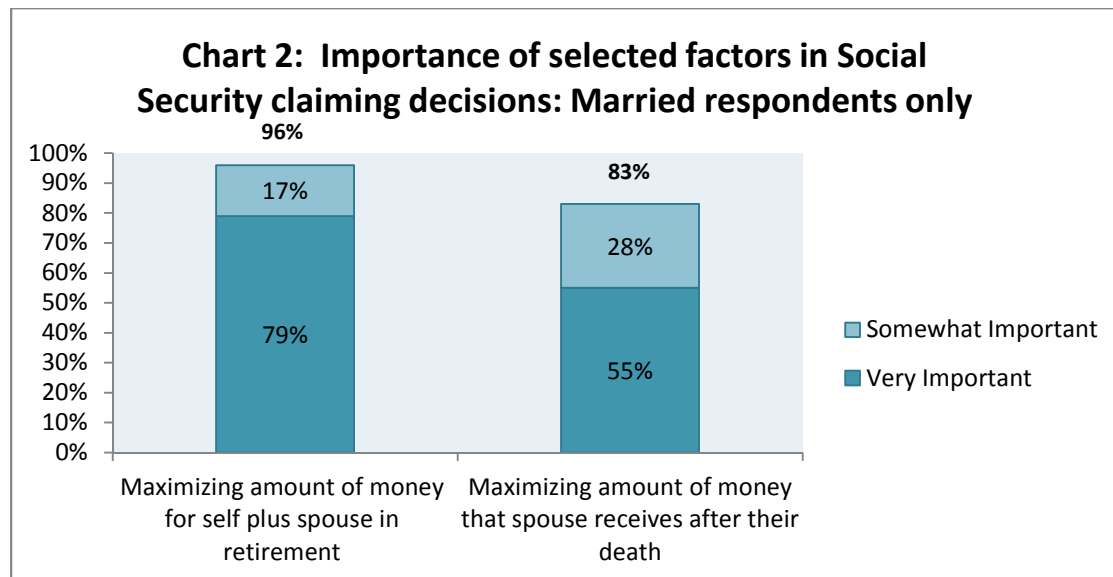
DETAILED FINDINGS

Priorities and Expectations of the Role of Social Security in Retirement

Future beneficiaries place the highest importance on maximizing the amount of money they (or they and their spouse) receive in retirement and in understanding the best age to claim benefits (96% very or somewhat important). Least important to them is claiming benefits while they are still working (47%). [See chart 1 and chart 2]

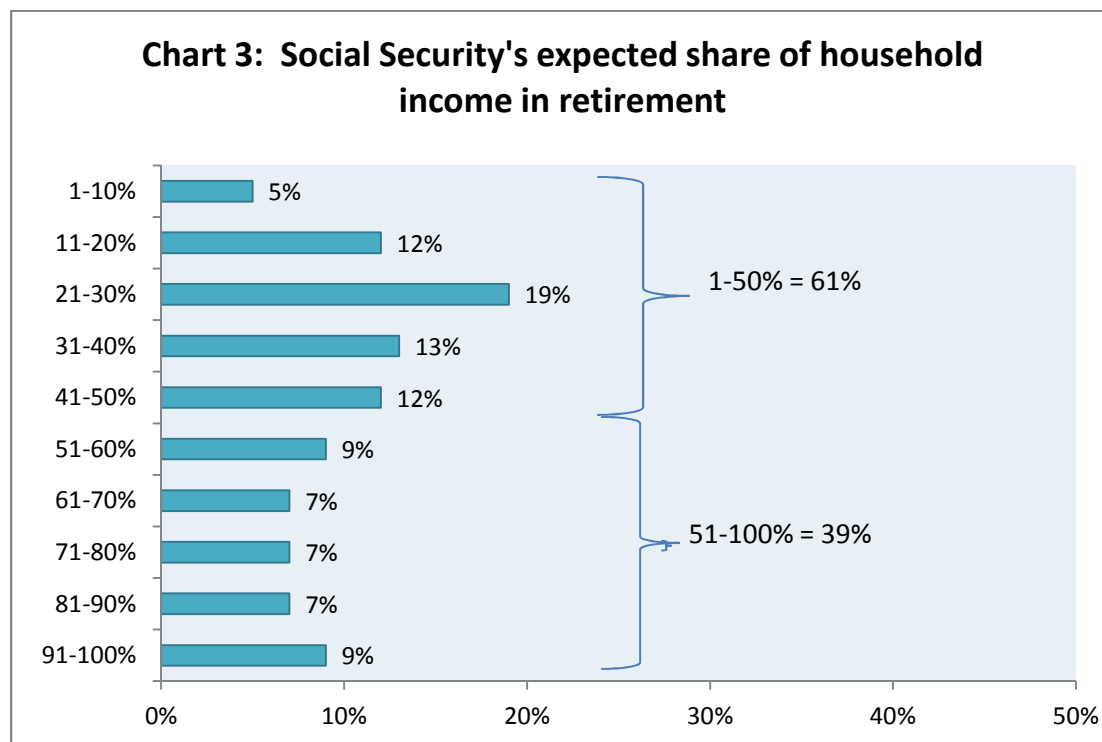


"When thinking about your Social Security retirement benefits, how important is each of the following to you personally? " Based on total respondents, n=1215



"When thinking about your Social Security retirement benefits, how important is each of the following to you personally? " (Based on married respondents, n=777)

Approximately half (49%) of future beneficiaries expect that Social Security benefits will comprise a major source of their retirement income. Nearly as many (47%) say it will be a minor source. Most commonly, 19 percent indicated that they will rely on Social Security benefits for between 21-30 percent of their household retirement income; 39 percent expect to rely on it for more than 50 percent of their retirement income. [See chart 3]

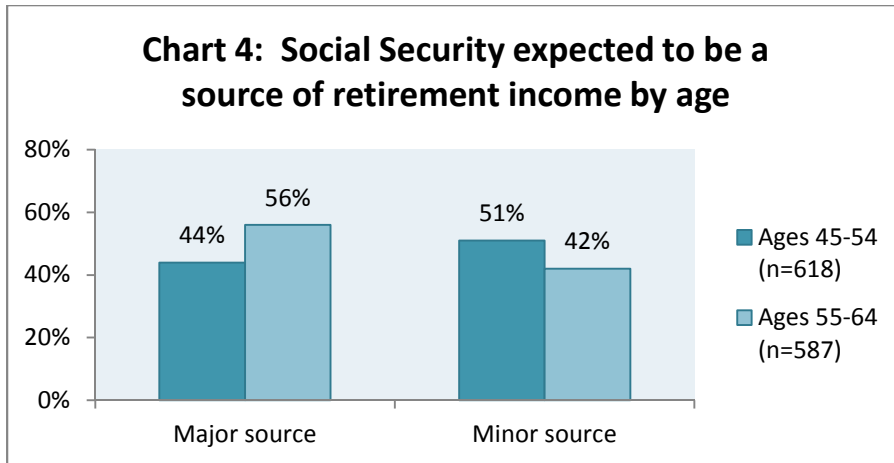


"What percent of your household income in retirement do you expect will come from (your and your spouse's) / (your and your partner's) / (your) Social Security retirement benefits?" Base: Social Security will be a source of retirement income; n=1170.

Priorities by Age

Consumers⁵ ages 55-64 are more likely than those ages 45-54 to say that Social Security is expected to be a major source of retirement income. [See chart 4] Ever-married older consumers are also slightly more likely to identify maximizing the amount of money they and their spouse receive in retirement as very or somewhat important (98% vs 95%).

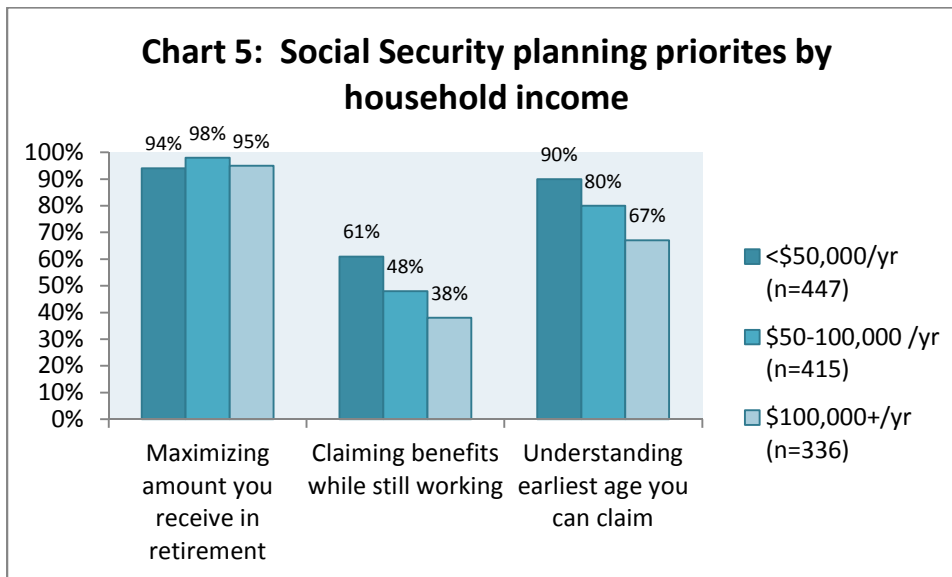
⁵ "Consumer" and "future beneficiary" are used interchangeably to refer to the survey respondents.



"In thinking about possible sources of income in retirement, do you expect [your][your and your spouse's][your and your partner's] Social Security retirement benefits will be a major source of income, a minor source of income, or not a source of income in [your][your and your spouse's][your and your partner's] retirement?"

Priorities by Household Income

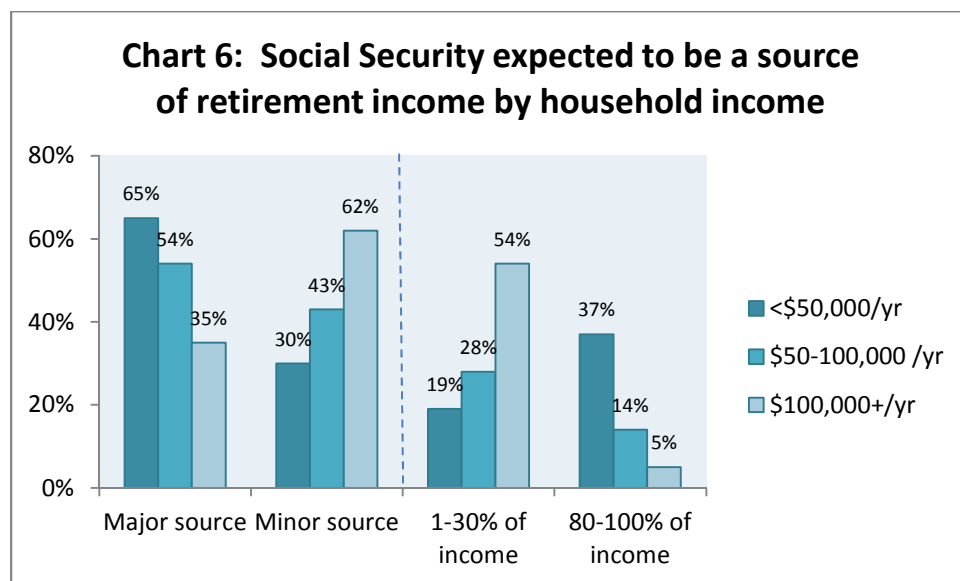
Middle income respondents⁶ (\$50-100k/year) were most likely to say maximizing the amount they receive in retirement is very or somewhat important (98% vs 94% for <\$50k/year and 95% for \$100k+/year). Lowest income respondents were most likely to find claiming benefits while still working and understanding the earliest ages to claim as very or somewhat important, relative to middle and highest income respondent. [See chart 5]



"When thinking about your Social Security retirement benefits, how important is each of the following to you personally?"

⁶ For purposes of this paper, we refer to lowest income respondents as those with less than \$50,000 in annual household income; middle income respondents are those with between \$50,000 and less than \$100,000 in annual household income; and highest income respondents as those making \$100,000+ per year in household income.

Not surprisingly, as incomes increase, expected reliance on Social Security for retirement income decreases. Nearly two thirds (65%) of households with incomes less than \$50,000 per year expect Social Security will be a major source of retirement income, 37 percent of whom will rely on it for 80-100 percent of retirement income. Just over half (54%) of those with household incomes between \$50,000 and \$100,000 expect Social Security to be a major source of retirement income, with only 14 percent expecting to rely on it for 80-100 percent of retirement income. Finally, just over one third (35%) of respondents with highest household income (\$100,000+) expect Social Security to be a major source of retirement income, with only five percent expecting to rely on Social Security for 80-100 percent of retirement income. [See chart 6]



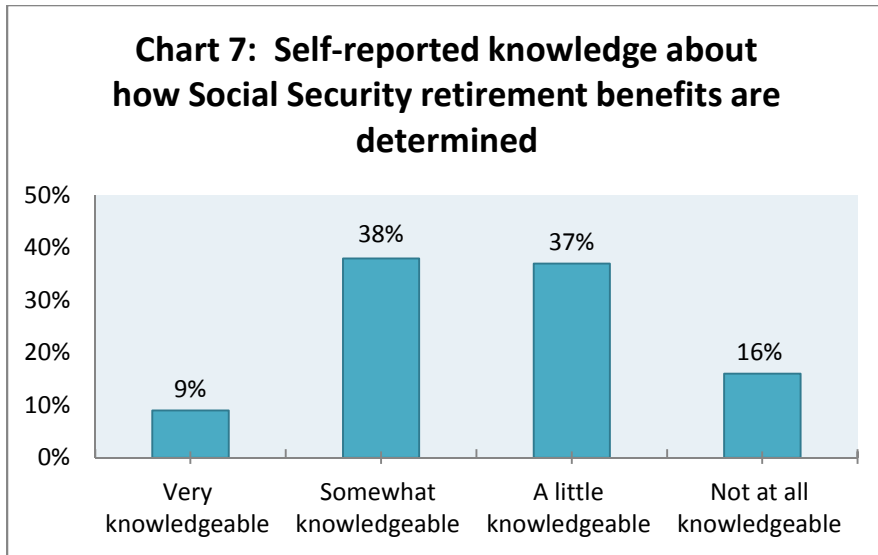
“In thinking about possible sources of income in retirement, do you expect [your][your and your spouse’s][your and your partner’s] Social Security retirement benefits will be a major source of income, a minor source of income, or not a source of income in [your][your and your spouse’s][your and your partner’s] retirement?” Bases: <\$50,000/yr n=447; \$50,000-\$100,000 n=415; \$100,000+/yr n=336. “What percent of your household income in retirement do you expect will come from (your and your spouse’s)/(your/your partner’s)/ (your) Social Security retirement benefits?” Bases: <\$50,000/yr n=424; \$50,000-\$100,000 n=405; \$100,000+/yr n=326.

Priorities by Professional Financial Advisor Client

Respondents who have not used a professional financial advisor are more likely than those who have to say they expect to rely on Social Security benefits for 80-100 percent of their retirement income (18% vs 5%).

Social Security Knowledge

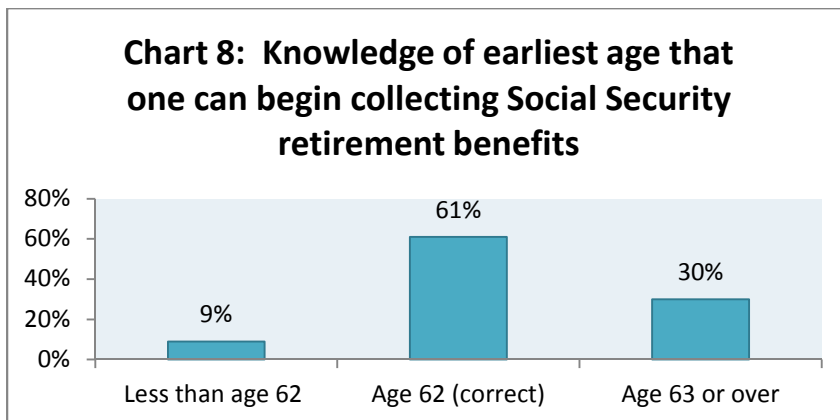
When describing how knowledgeable they believe they are about how their benefits will be determined, nearly half (47%) say they are very or somewhat knowledgeable. [See chart 7]



"How knowledgeable do you feel you are about how your Social Security retirement benefits are determined?" n=1215

Claiming Age

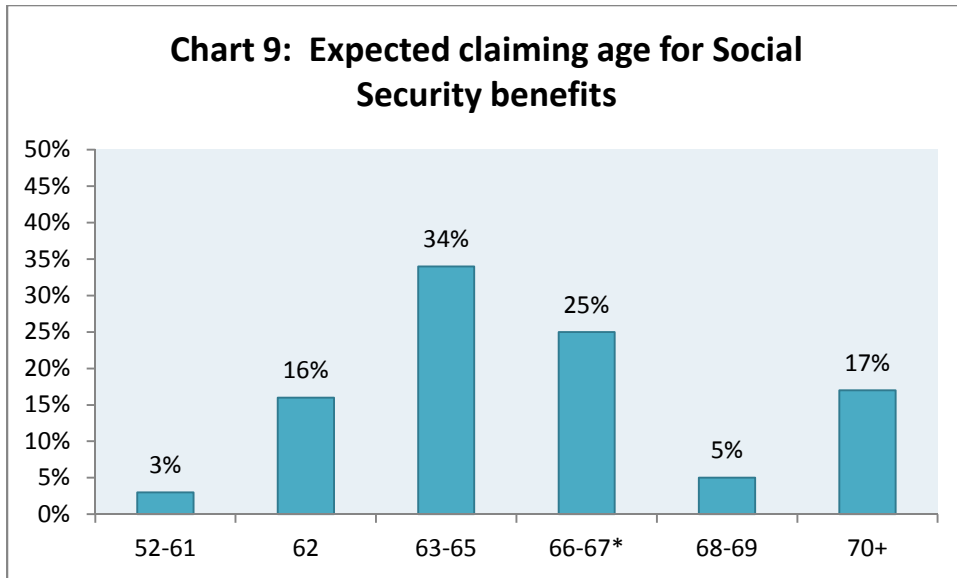
Just over six in 10 respondents know that 62 is the earliest age that they can claim Social Security retirement benefits. Almost two in 10, however, believe they cannot collect before age 65 and another nine percent believe they can claim prior to age 62. [See chart 8]



"To your knowledge, what is the earliest age at which people can start collecting Social Security retirement benefits?" n=1,215

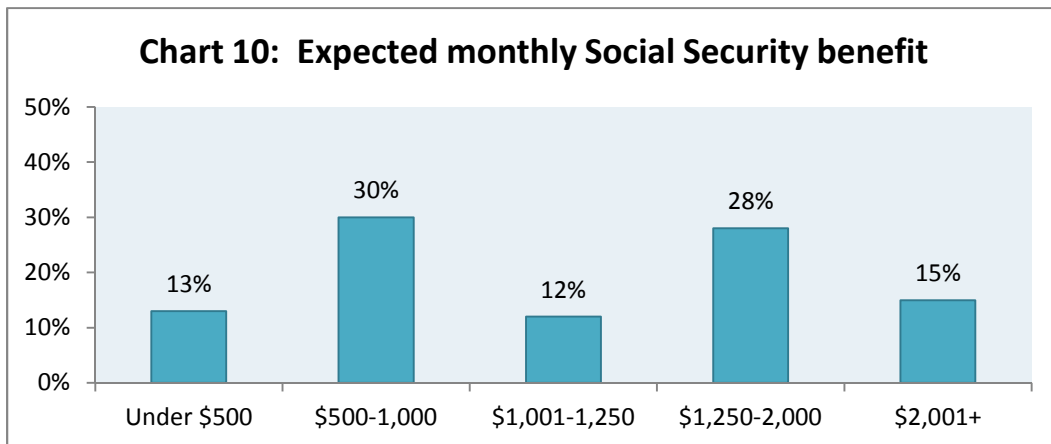
Although the majority of future beneficiaries know the earliest age that they can claim benefits, only 16 percent say they plan to claim at age 62⁷. One quarter expect that they will claim at age 66 or 67, which includes full retirement age for all respondents. Seventeen percent plan to claim at age 70 or older, thus receiving their maximum benefit. [See chart 9]

⁷ This includes those who are ages 63 or 64 and thus cannot claim at age 62. When respondents ages 63 or 64 are removed from the sample, 17 percent say they plan to claim benefits at age 62.



*Age group that includes full retirement age for all respondents. “At what age do you expect to start collecting Social Security retirement benefits?” n=1,215.

More than four in 10 (43%) expect that their monthly Social Security benefit will be \$1,000 or less per month (an amount that, if relied on for 100% of retirement income would place them just above the poverty line for ages 65+). [See chart 10] The average response given was \$1,363, higher than the current average benefit of \$1,290 for retirement benefits.⁸

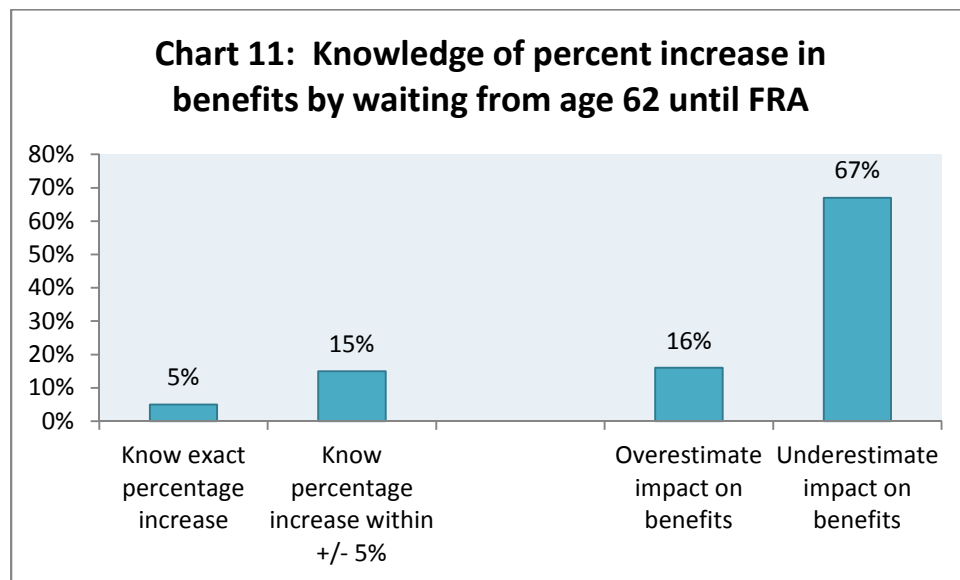


n=1,215 “How much do you think your monthly Social Security retirement benefits will be if you start collecting benefits at (expected claim age) and (you are no longer working for pay at that time)/(you are still working for pay at that time)? (Please assume that any future changes to Social Security will **not** affect your benefits.) Mean response=\$1,363.

A large majority of future beneficiaries (88%) know that waiting from age 62 until their full retirement age (either age 66 or 67 for respondents in this survey, depending on their year of birth) would increase their benefit amount. Unfortunately, only five percent know the degree to which those benefits would

⁸ Social Security Administration. Monthly Statistical Snapshot, July 2015. http://www.ssa.gov/policy/docs/quickfacts/stat_snapshot/

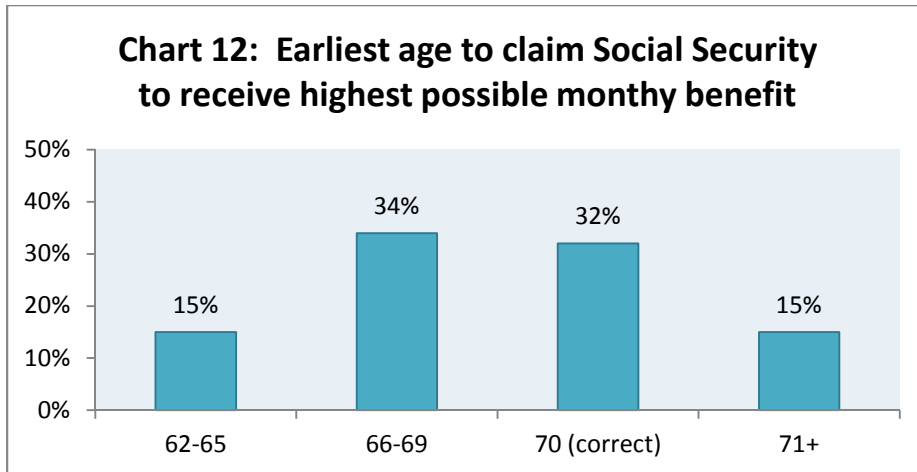
increase by waiting those additional years -- 25-30 percent depending on their birth year. Even when looking more liberally at those respondents whose estimates were within five percentage points (+/-) from the correct answer, still only 15 percent are correct⁹. Sixteen percent would overestimate by more than five percentage points, and 67 percent would underestimate by more than five percentage points the impact of waiting. [See chart 11]



“Assume that your monthly Social Security retirement benefit would be \$1,000 if you start collecting Social Security at age 62. By how much do you think your monthly benefit would increase if you waited until age [FRA] to start collecting Social Security benefits?” n=1,054 Respondents who knew benefit would be higher.

Still fewer future beneficiaries - only 57 percent- know that waiting just one year past one’s full retirement age can result in further increases in benefits – leaving 42 percent who believe benefits will stay the same or be reduced after age 66 or 67. In fact, only one third know that waiting until age 70 will maximize their benefits and 15 percent believe they need to wait to claim until after age 70 to receive their highest possible monthly benefit. [See chart 12] This misinformation can put beneficiaries at risk of losing out on monthly benefits if they wait to claim until after age 70 or of receiving a smaller benefit than they had estimated.

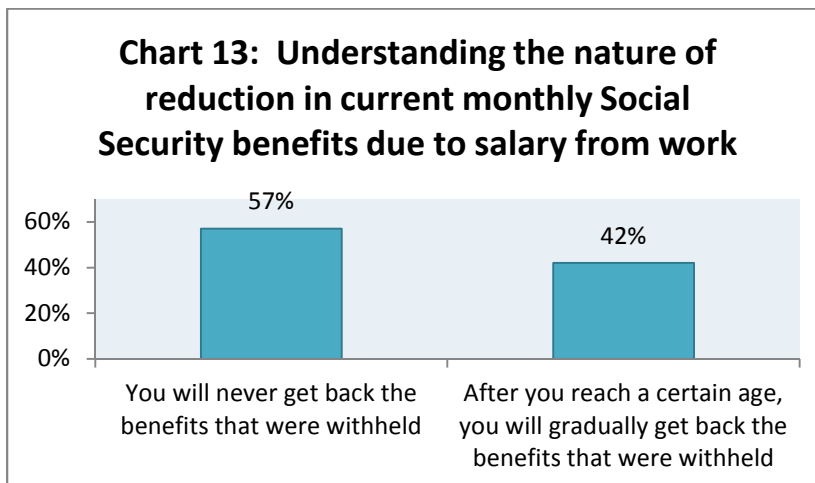
⁹ Correct answers for the range were (a) 20-30 percent increase for those with a full retirement age of 66; or (b) 25-35 percent increase for those with a full retirement age of 67.



"What is the earliest age at which you should start collecting Social Security retirement benefits if you wanted to receive your highest possible monthly benefit? (If you're not sure, please provide your best guess.)" n=1,215

The Earnings Test

Future beneficiaries are aware that work earnings can reduce benefits claimed prior to full retirement age (84% know that benefits would be affected and 76% of those know it would be by way of a reduction)¹⁰. However, 42 percent of those know that they will get those benefits back over time; they are not permanently lost. [See chart 13] This totals just over one quarter (27%) of the entire sample of future beneficiaries who know that earnings can reduce benefits *but* they will get them back. Many of them might ultimately continue to work longer if they knew they would not be permanently penalized for exceeding the earnings thresholds (for 2015 this amount is \$15,720).

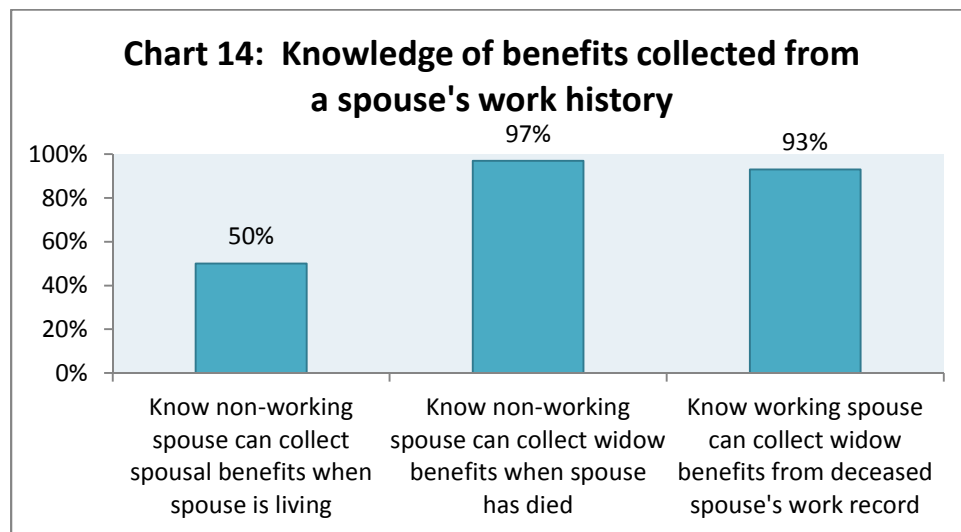


Base: Respondents who know work earnings can reduce benefit amount before full retirement age. n=786. "Which of the following best describes your understanding of the reduction in your current monthly Social Security retirement benefit due to your salary from work?"

¹⁰ This example used annual earnings of \$40,000.

Living Spouse & Widow/widower Benefits

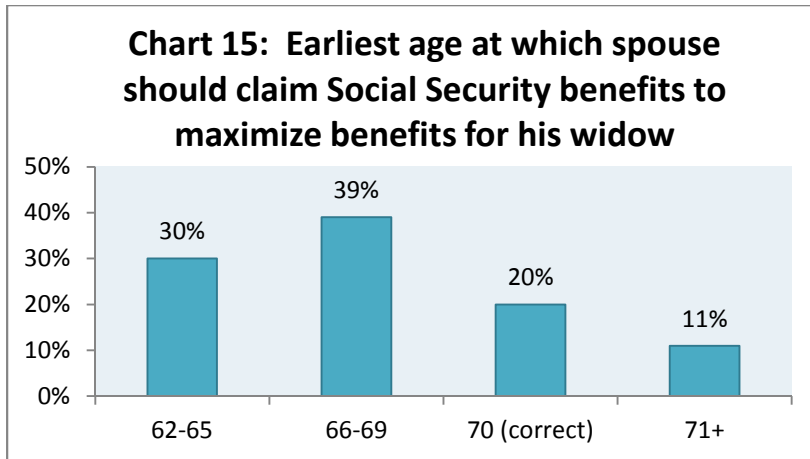
Just half of respondents who have ever been married¹¹ know that they could receive Social Security benefits based on their spouse's work history, even when the spouse is still alive. Knowledge skyrockets when asked about survivor benefits. The overwhelming majority of respondents know that a surviving spouse can collect widow benefits after their spouse dies, both if the surviving spouse has never worked (97%) or if the surviving spouse has sufficient work history to collect based on their own record (93%). [See chart 14]



Base: Respondents who have ever been married. N=1,023. "Assume that Tom and Mary are married. Both are 62 years old. Mary has never worked but Tom has worked long enough to be eligible for Social Security Benefits. To the best of your knowledge, could Mary receive Social Security spouse benefits based on Tom's benefits while he is still alive?" "...if Tom dies before Mary, could Mary receive Social Security widow benefits after Tom dies?" "...In this case, assume that Mary and Tom have each worked long enough to be eligible for Social Security retirement benefits. Mary has worked for fewer years than Tom, and Mary's earnings in a typical year are always much less than Tom's earnings. If Tom dies before Mary, could Mary receive Social Security widow benefits after Tom dies?"

Even among ever-married respondents who know that they can receive widow benefits, 20 percent do not know that the age that the deceased spouse starts collecting their benefits will affect the amount of widow benefits. Further, of those who know that widow benefits exist, only 20 percent correctly identify 70 as the age at which a spouse must claim benefits in order to maximize benefits for his widow. [See chart 15] Additionally, just over one half of those who know about widow benefits know that the age that the surviving spouse claims their widow benefit also matters; only seven percent correctly identify the age (equivalent to full retirement age) at which a widow will maximize benefits, though 40 percent select at or within one year of the correct age.

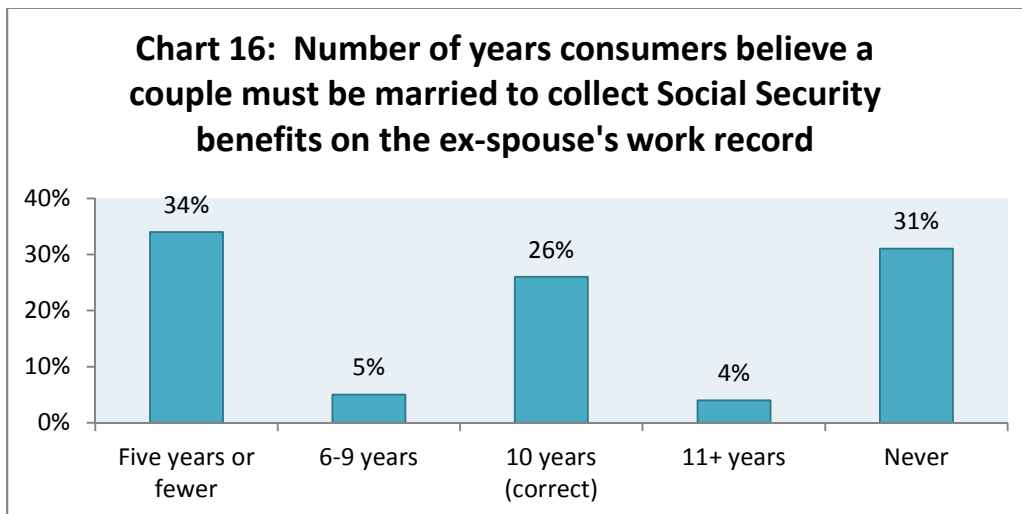
¹¹ This includes currently married, divorced, widowed, and separated. This does not include those who were never married or those who are living with a partner. Base for all questions related to ever-married, including spousal, widow/survivor, and ex-spouse benefits, is n=1023.



"What is the earliest age at which Tom should start collecting his Social Security retirement benefits if he wants Mary to receive the highest possible monthly widow benefit in case he dies before her?" Base: Believes widow can receive partner's benefits after death when both were working, n=947

Benefits for Divorced Individuals

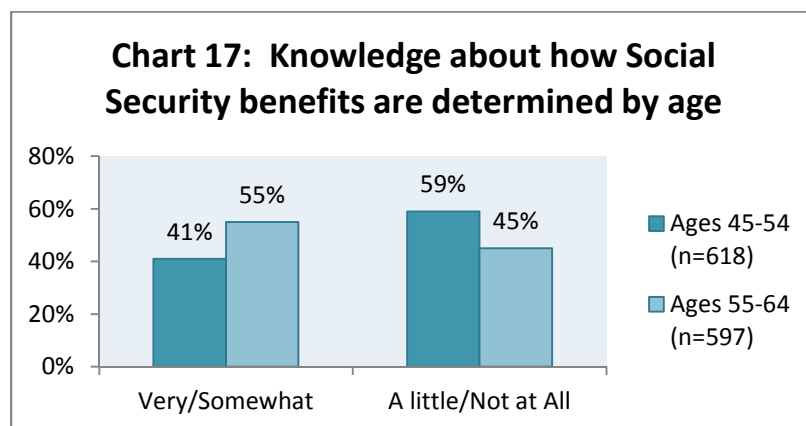
Benefits for divorced Americans are available to unmarried ex-spouses if the couple was married for 10 or more years. Thirty four percent of ever-married respondents believed that a divorcee could collect off of the ex-spouse's work record if they were married five years or less, 26 percent correctly identified 10 years as the minimum duration, and 31 percent believe they could never collect Social Security benefits based on the ex-spouse's work record, regardless of number of years married. [See chart 16] This could lead to an ex-spouse foregoing a higher benefit (or any benefit at all, if they have not worked for pay for 10+ years to qualify on their own) due to lack of knowledge.



Base: Ever-married, n=1,023. "Assume that Susan and Rich divorce after five years of marriage. If Susan is unmarried at the time she becomes eligible for Social Security, would she be eligible to file for Social Security spousal benefits on Rich's work record?" "In order for Susan to be eligible to file for Social Security spousal benefits on Rich's work record, what is the minimum number of years that she would have had to have been married to Rich?"

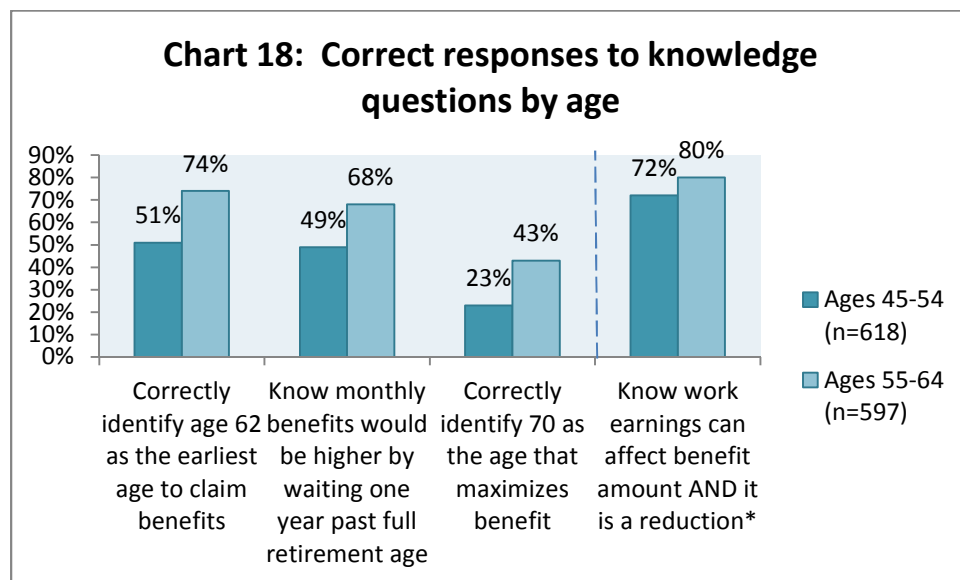
Knowledge by Age

In general, the older group believes they are more knowledgeable about Social Security benefit calculations. Specifically, those ages 55-64 are more likely than those ages 45-54 to say they are very or somewhat knowledgeable about how benefits are determined (55% vs 41%). [See chart 17] Furthermore, the older group's more favorable self-assessments of their knowledge are confirmed by their answers to the knowledge questions. For all of the knowledge questions where there were differences by age, the older group was more likely than the younger group to select the correct answer.



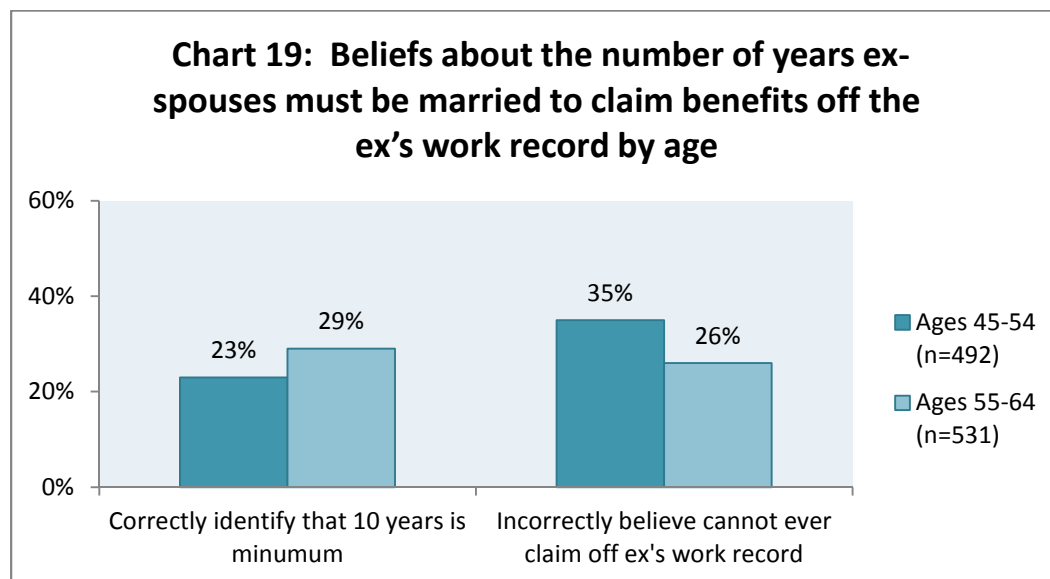
"How knowledgeable do you feel you are about how your Social Security retirement benefits are determined?"

The older group is also more likely than the younger group to correctly identify 62 as the earliest age to claim benefits (74% vs 51%) and correctly identify 70 as the age that maximizes one's benefit (43% vs 23%), to know that monthly benefits would increase by waiting one year past full retirement age (68% vs 49%) and to know that work earnings (pre-full retirement age) can reduce monthly benefit (80% vs 72%). [See chart 18]



* Base for this item is those who know work earnings can impact benefit amount: Ages 45-54=517; Ages 55-64=516

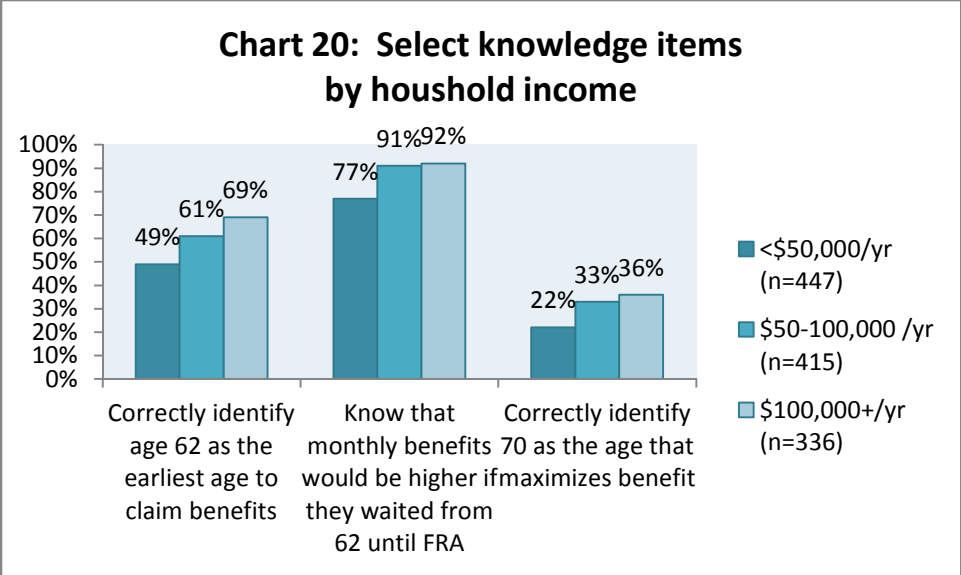
For those who have ever been married, older consumers (ages 55-64) are more likely than younger consumers (ages 45-54) to know that a spouse can collect spousal benefits even while the higher earning spouse is still alive (56% vs 45%), correctly identify 70 as the age that the spouse should have started collecting benefits in order to maximize amount of the widow benefit (27% vs 14%), and correctly identify that the surviving spouse should start collecting widow benefits at their own full retirement age to maximize the widow benefit (13% vs 3%). They are also more likely to correctly identify 10 years as the minimum number of years a couple must be married for an ex-spouse to claim benefits off of the ex’s work record (29% vs 23%). Younger ever-married respondents were more likely than the older group to believe they can never claim off of an ex-spouse’s work record (35% vs 26%). [See chart 19]



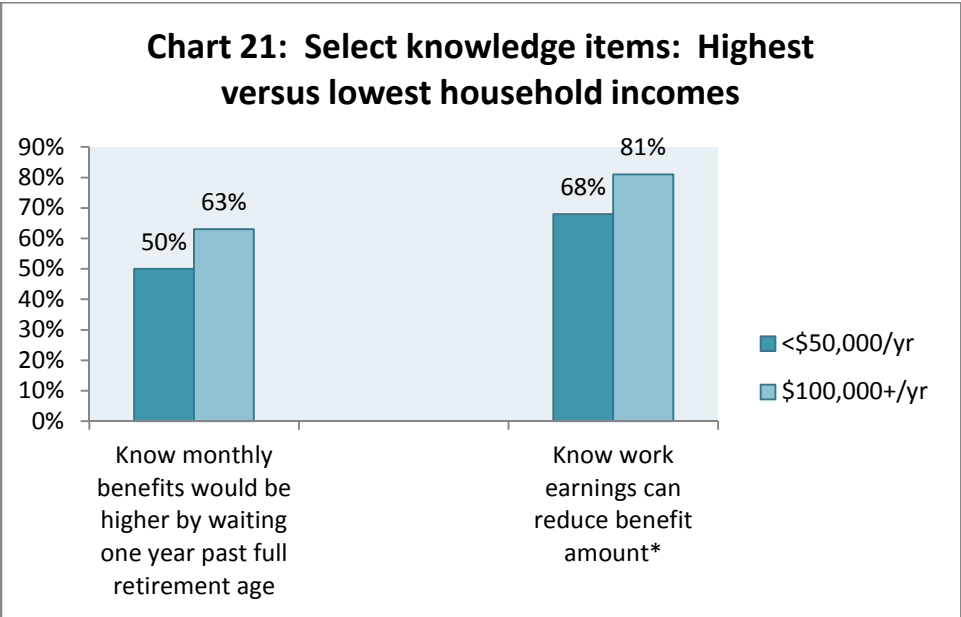
Base: Ever-married. “Assume that Susan and Rich divorce after five years of marriage. If Susan is unmarried at the time she becomes eligible for Social Security, would she be eligible to file for Social Security spousal benefits on Rich’s work record?” “In order for Susan to be eligible to file for Social Security spousal benefits on Rich’s work record, what is the minimum number of years that she would have had to have been married to Rich?”

Knowledge by Household Income

Respondents with the highest household incomes (\$100,000+/year) report a Social Security knowledge level higher than the knowledge level reported by those with the lowest household incomes (53% vs 39%). Overall, because the two highest household income groups gave more correct answers to the knowledge questions in the survey, it appears that they are in fact more knowledgeable than the lowest household income group, specifically related to knowing the earliest possible age to claim Social Security benefits, that monthly benefits would be higher by waiting from age 62 until full retirement age, and correctly identify 70 as the age that maximizes benefit amounts. [See chart 20]



Respondents with highest incomes are more likely than those with lowest incomes to know that monthly benefits would be higher by waiting one year past full retirement age (63% vs 50%) and know that work earnings can reduce one’s benefit amount (81% vs 68%). [See chart 21]



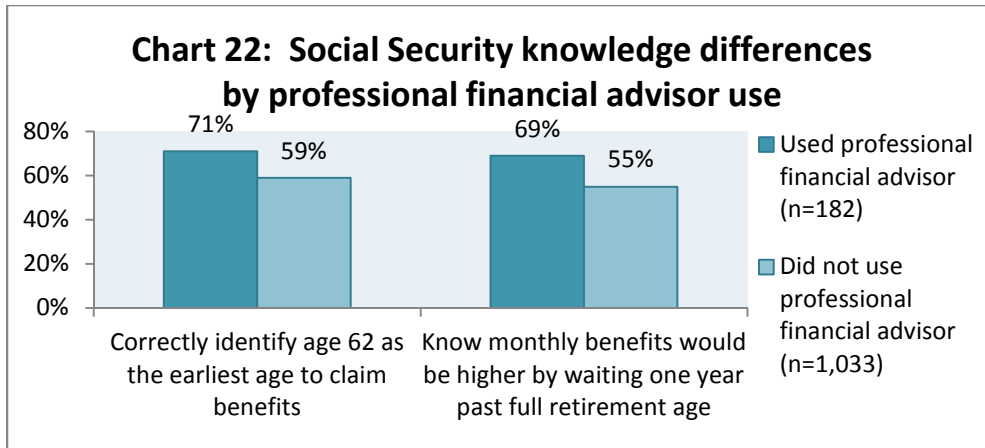
Base sizes vary. Know monthly benefit would be higher by waiting – base=total. <\$50,000/yr n=447; \$100,000+/yr n=336. Know work earnings can reduce benefit – base= of those who know work can affect benefit amount prior to full retirement age. <\$50,000/yr n=380; \$100,000+ n=282.

For ever-married consumers, highest household income respondents were more likely than lowest household income respondents to correctly identify 70 as the age that a spouse should have started collecting benefits in order to maximize the amount of widow benefit (25% vs 13%).

Knowledge by Professional Financial Advisor Client

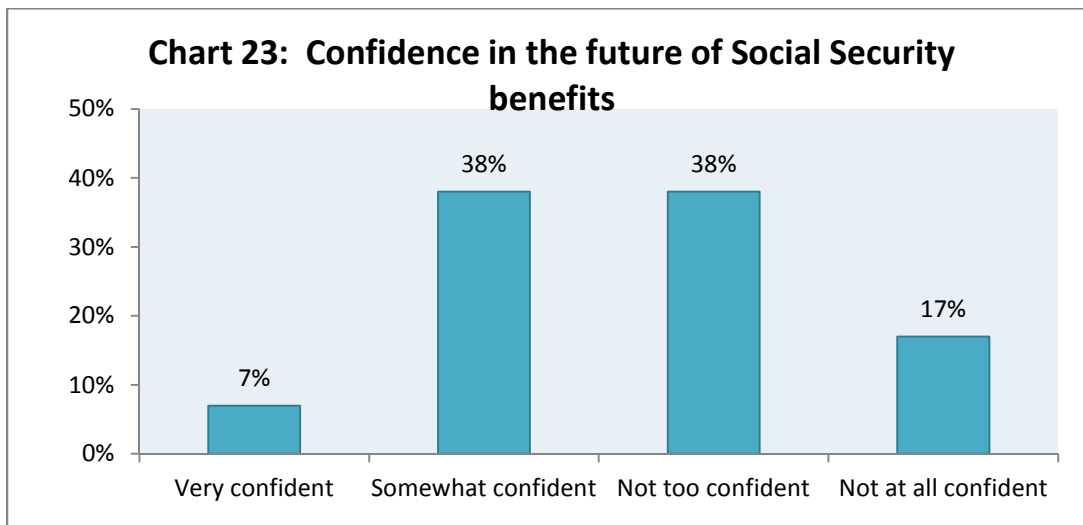
Respondents who have consulted with a professional financial advisor self-report a higher level of knowledge than do those who have not consulted one (62% very or somewhat knowledgeable vs 44%).

Where there are differences in knowledge, respondents who have seen a financial advisor are more knowledgeable than those who have not; particularly, they are more likely to correctly identify 62 as the earliest age to claim benefits (71% vs 59%) and to know monthly benefits would be higher by waiting one year past full retirement age (69% vs 55%). [See chart 22]



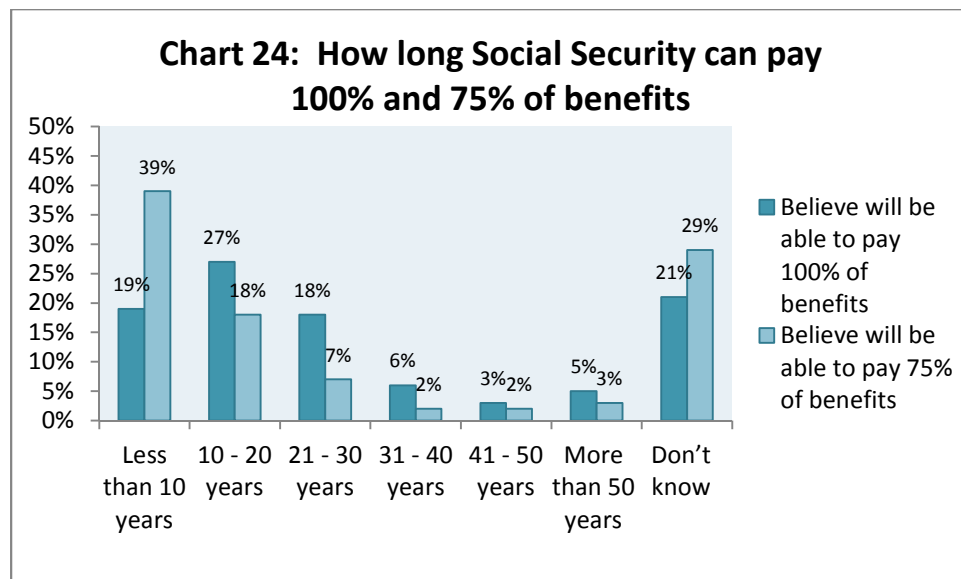
Confidence in Social Security and Solvency

More than half of consumers are either not too or not at all confident (55%) that the Social Security system will be able to provide them with benefits at least equal in value to those received by today's retirees. Only seven percent are very confident. [See chart 23]



"How confident are you that the Social Security system will provide you with Social Security retirement benefits that are at least equal in value to the benefits received by retirees today?" n=1215

Possibly tied to confidence in their future Social Security benefits, just over one quarter (27%) know that Social Security can pay full benefits for 10-20 years (without any changes). Just three percent know that, even once the trust fund is depleted, beneficiaries will still receive approximately 75 percent of full benefit levels nearly indefinitely. Nearly four in 10 believe Social Security would only be able to pay out the reduced amount for fewer than 10 years. [See chart 24]



"If no changes are made to the Social Security system, how long do you think Social Security would be able to continue paying out benefits at the current level?" "Suppose you knew that after 2033, Social Security benefits would have to be cut by twenty-five percent because of a shortfall in funds. After 2033, how long do you think Social Security could continue paying out these reduced benefits without implementing further cuts?" n=1,215

Confidence by Age

Older respondents (ages 55-64) were more likely than younger respondents to be very or somewhat confident that Social Security will be able to provide benefits in the future equal to those received by beneficiaries today (56% vs 38%).

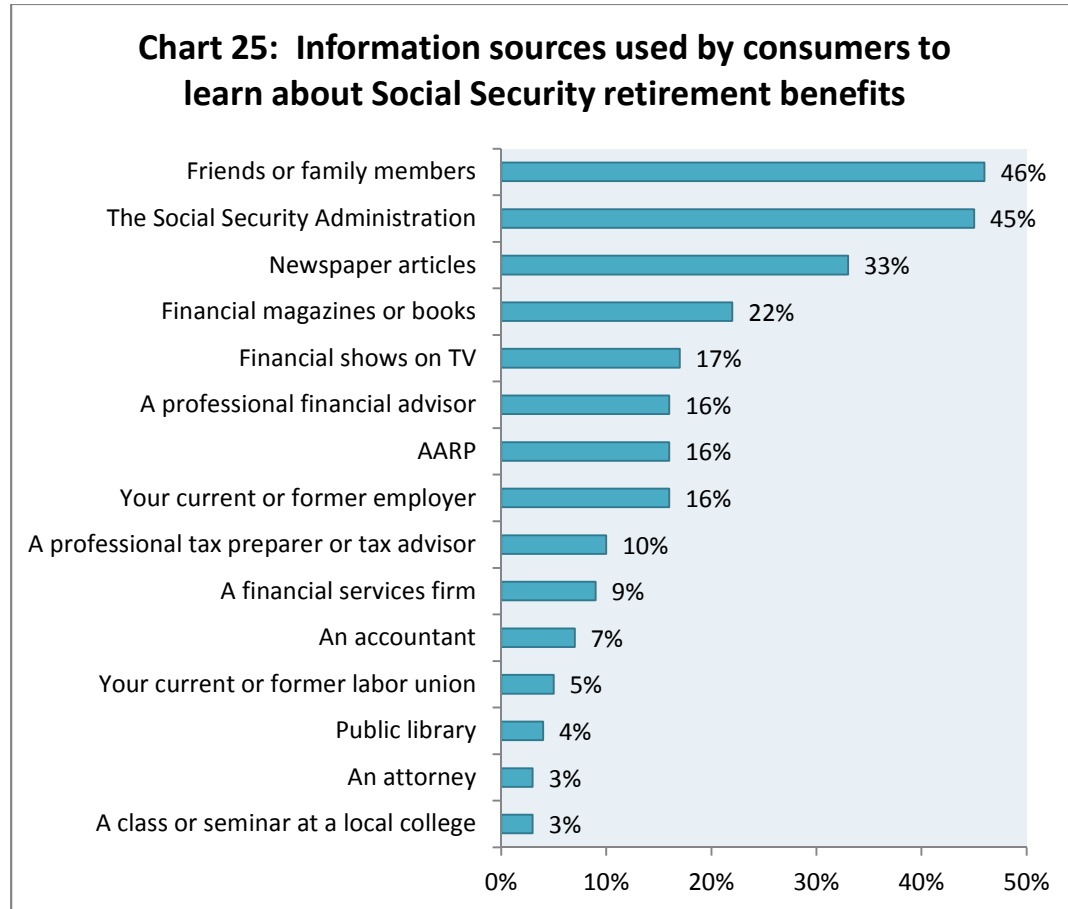
Confidence by Professional Financial Advisor Client

Consumers who have used a professional financial advisor are more confident than those who have not that Social Security will provide benefits to them equal to today's (60% very or somewhat confident vs 43%).

Information Sources Used

Nearly half (46%) of future beneficiaries consult family or friends to learn about Social Security retirement benefits, just slightly higher than the number who use the Social Security Administration (45%). These are distantly followed by newspaper articles (33%), financial magazines or books (22%), and financial shows on television (17%). [See chart 25] While the use of the Social Security

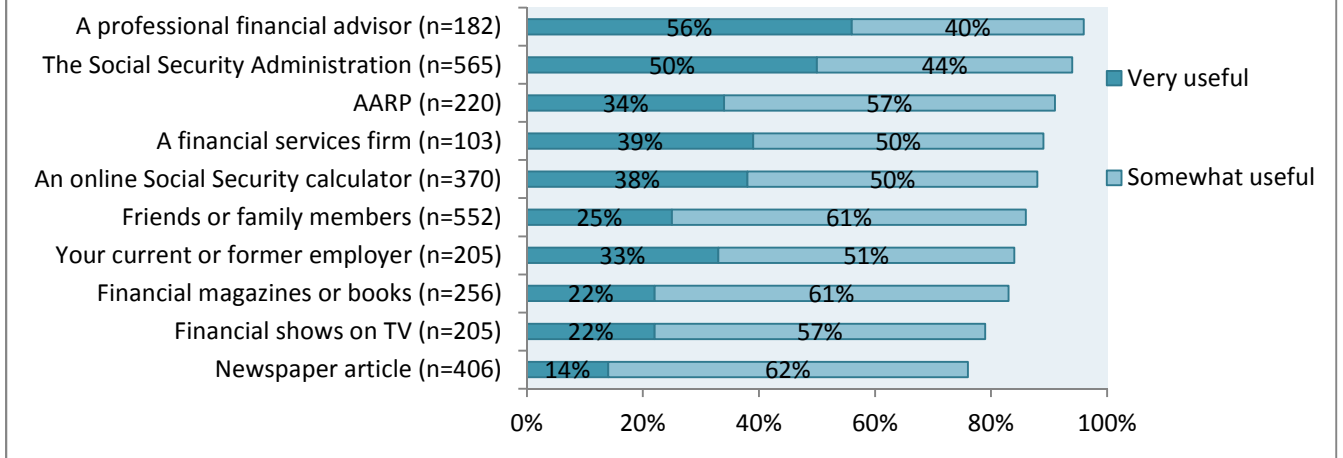
Administration is encouraging, the similar percentage for friends and family means that potential misconceptions or bad information can be passed along as fact.



"Have you used any of the following information sources to learn about Social Security retirement benefits or when to start collecting your benefits?" n=1215

Consumers seemed to find all sources of information to be at least somewhat useful. All information sources were viewed as somewhat or very useful by at least three quarters of respondents who had used them. Of those information sources consulted, professional financial advisors were the most useful (as measured by rating of very and somewhat useful), followed by the Social Security Administration, and AARP. Two out of the three top-rated sources, however, were only used by 16 percent of respondents each. [See chart 26]

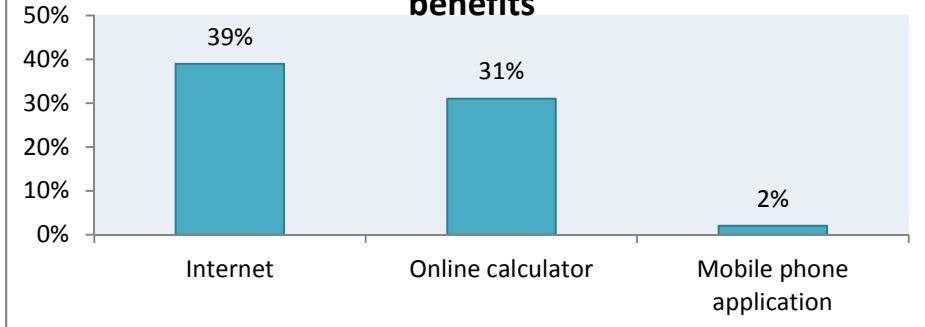
Chart 26: Usefulness of each source of information (if used)



"How useful were these in helping you learn about Social Security retirement benefits or when to start collecting your benefits?" Respondents were asked to rate the usefulness only of resources that they had used according to their responses QC18. Base sizes vary. Current/former labor union, class or similar at a local college, public library, and mobile phone app are not included due to low base sizes/low number of users. Base sizes vary. Current/former labor union, class or similar at a local college, public library, and mobile phone app are not included due to low base sizes/low number of users.

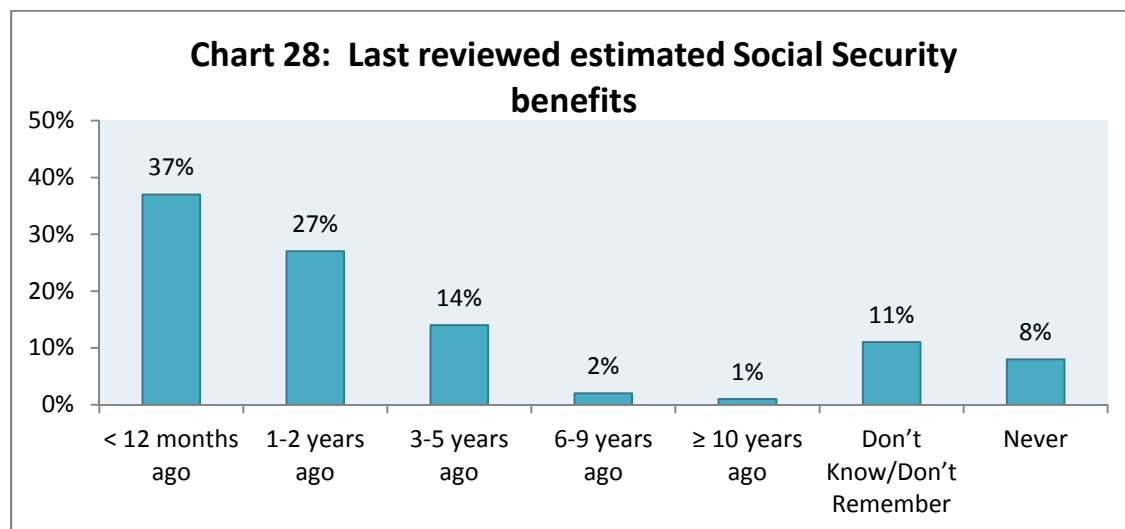
One way to access some of these sources of information is by using the internet. Various tools, calculators, and resources exist to help the future beneficiary to understand the Social Security program. Nearly one third (31%) have used an online Social Security calculator, with the most popular being on the Social Security Administration’s website (81% of those who have used a Social Security calculator used it on the SSA website). Much less commonly used are calculators from the retirement plan provider (14%) and at AARP (11%). Thirty nine percent use the internet in general to learn about Social Security benefits and a mere paucity (2%) have used a mobile phone application. [See chart 27]

Chart 27: Online tools and resources used to learn about or calculate Social Security benefits



Have you used either of the following tools to estimate your Social Security retirement benefits or learn when to start collecting your benefits?" "Have you used the internet to learn about Social Security retirement benefits or when you should start collecting your benefits?" n=1,215

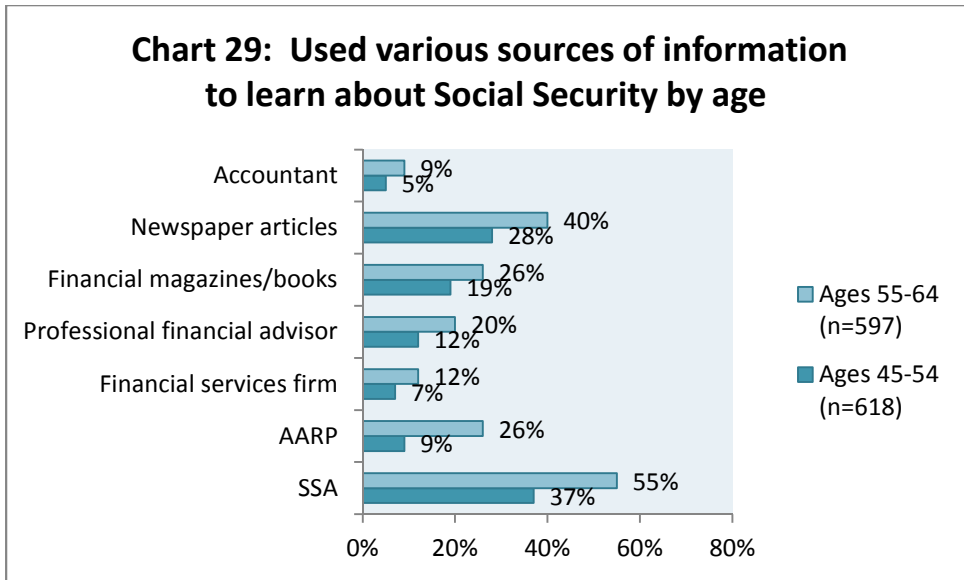
Nearly two thirds (64%) have reviewed their estimated Social Security retirement benefits in the past 2 years, 37 percent of whom reviewed them in the last 12 months. [See chart 28]



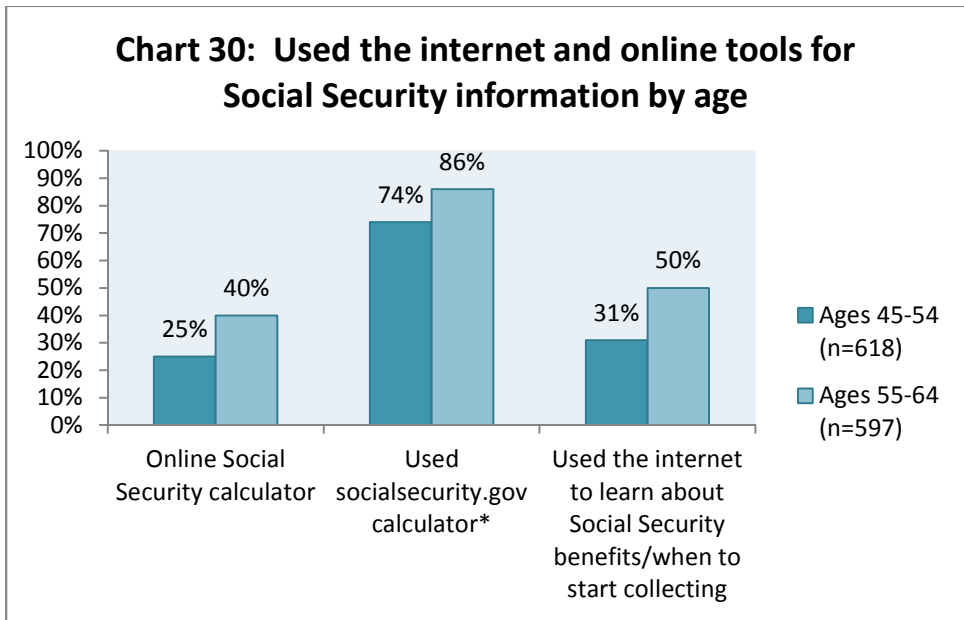
"When was the last time you reviewed your estimated Social Security retirement benefits?" n=1215

Information Sources by Age

Consumers ages 55-64 were more likely than those ages 45-54 to have learned about Social Security benefits by using the Social Security Administration (55% vs 37%), AARP (26% vs 9%), a financial services firm (12% vs 7%), a professional financial advisor (20% vs 12%), financial magazines/books (26% vs 19%), newspaper articles (40% vs 28%), and an accountant (9% vs 5%). [See chart 29] They were also more likely to have used an online Social Security calculator (40% vs 25%), specifically one from www.socialsecurity.gov (86% vs 74% of those who had used an online calculator), and to have used the internet to learn about Social Security benefits or when to start collecting them (50% vs 31%). [See chart 30]

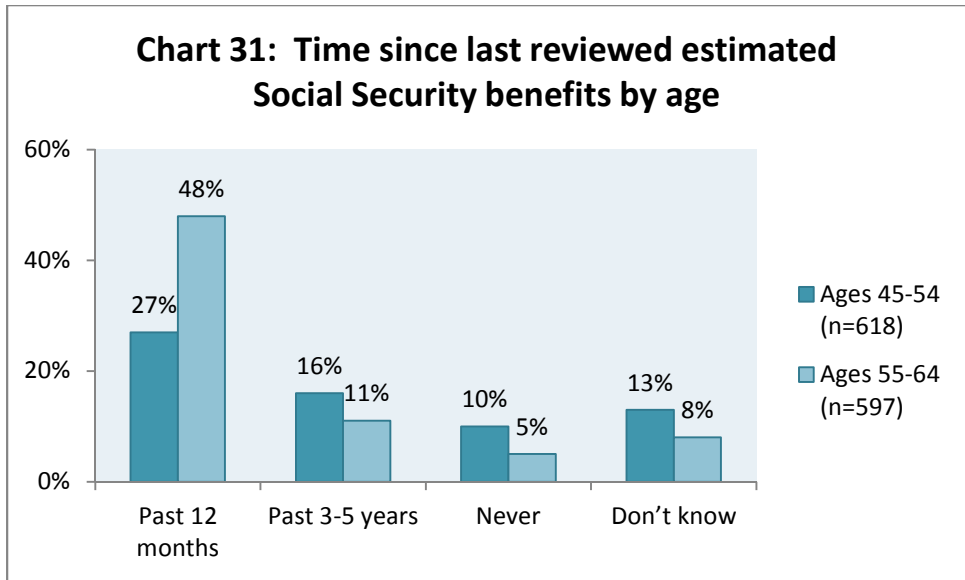


"Have you used any of the following information sources to learn about Social Security retirement benefits or when to start collecting your benefits?"



* Base for "Used socialsecurity.gov calculator" is those who have used an online Social Security calculator. Ages 45-54 n=137; Ages 55-64=233. "Have you used either of the following tools to estimate your Social Security retirement benefits or learn when to start collecting your benefits?" "Have you used the internet to learn about Social Security retirement benefits or when you should start collecting your benefits?"

Older respondents were more likely than younger respondents to have checked their estimated Social Security benefits within the past 12 months (48% vs 27%), while younger consumers were more likely to have reviewed them in the past 3-5 years (16% vs 11) and to have never checked them (10% vs 5%). [See chart 31]

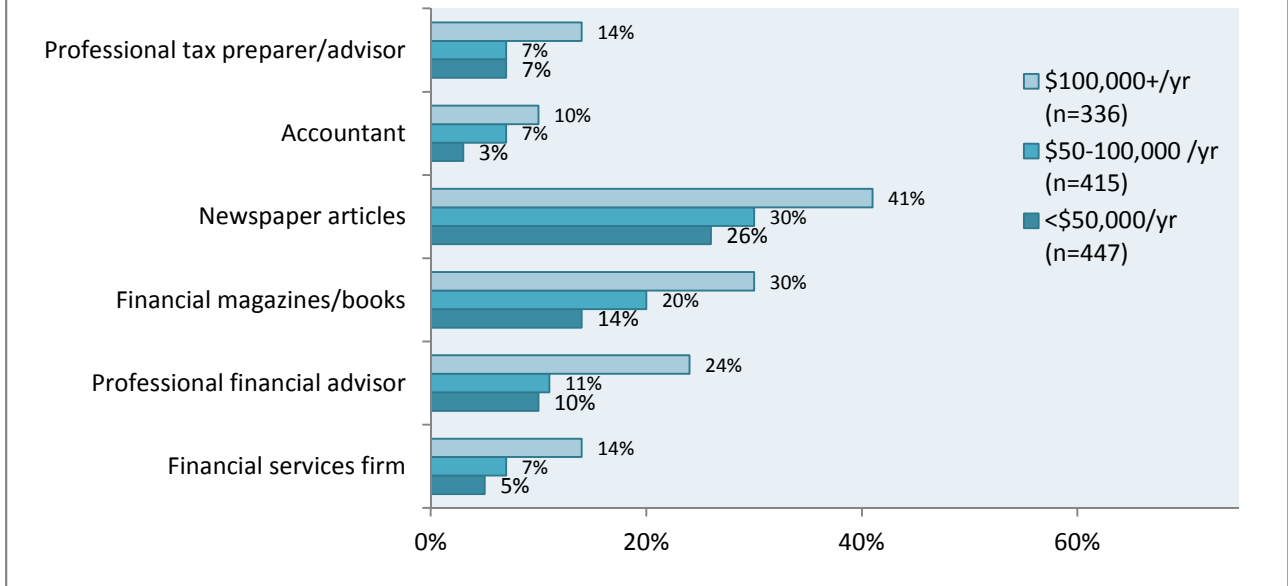


"When was the last time you reviewed your estimated Social Security retirement benefits?"

Information Sources by Household Income

In nearly all cases, highest income respondents were more likely than both middle and lowest income respondents to have used various sources to get information about Social Security, including: a financial services firm, a professional financial advisor, financial magazines and books, newspaper articles, and a professional tax preparer/advisor. Both highest and middle household income consumers were more likely than lowest income consumers to have used an accountant to get information about Social Security. [See chart 32]

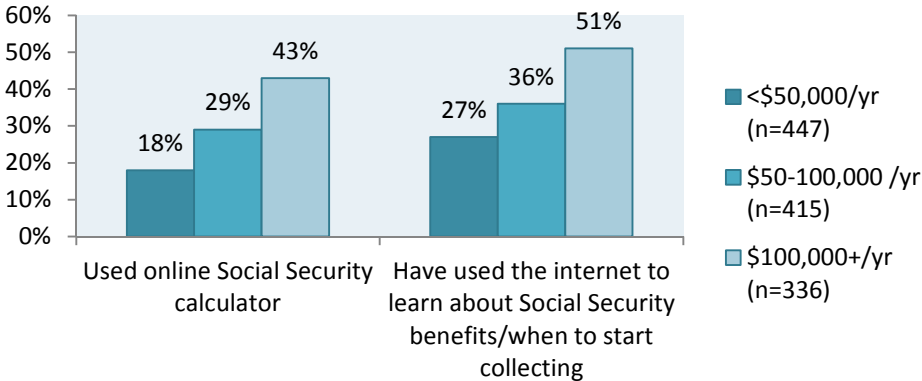
Chart 32: Used various sources of information to learn about Social Security by household income



"Have you used any of the following information sources to learn about Social Security retirement benefits or when to start collecting your benefits?"

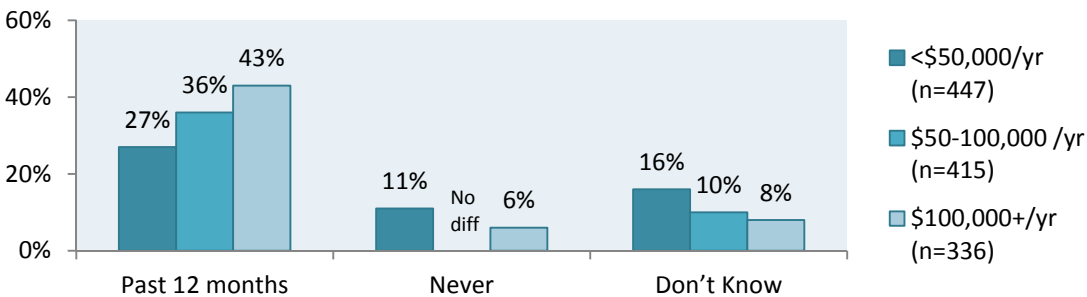
A similar trend exists related to going online to find Social Security information. As household income increases, likelihood of using an online Social Security calculator or other internet resources increases. [See chart 33]. Similarly, respondents with the highest and middle household incomes were more likely to have reviewed their estimated Social Security benefits within the past 12 months, relative to the lowest household incomes (43% highest incomes; 36% middle incomes; 27% lowest incomes). Respondents with lowest household incomes were more likely to say they have never reviewed their estimated benefits (relative to highest incomes: 11% lowest incomes; 6% highest incomes) and that they don't know when they last reviewed them, relative to middle and highest incomes (16% lowest; 10% middle; 8% highest). [See chart 34]

Chart 33: Have used the internet and online resources to find out about Social Security benefits by household income



"Have you used either of the following tools to estimate your Social Security retirement benefits or learn when to start collecting your benefits?" "Have you used the internet to learn about Social Security retirement benefits or when you should start collecting your benefits?"

Chart 34: Time since last reviewed estimated Social Security benefits by household income

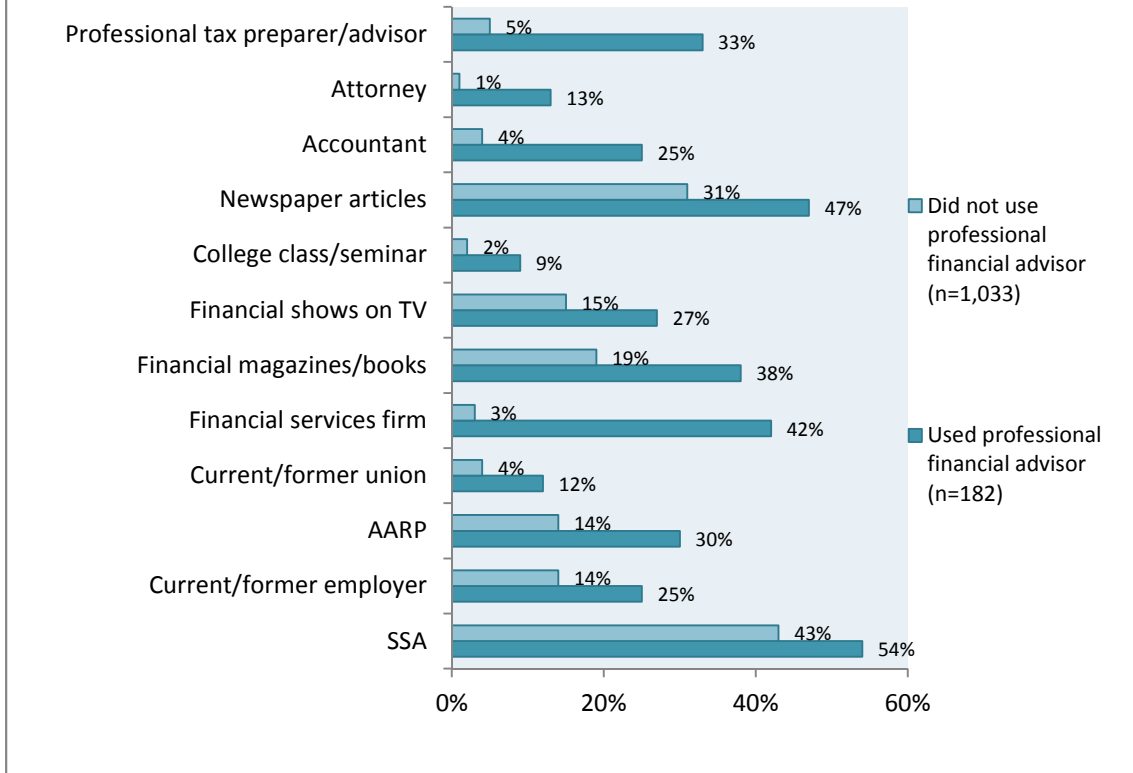


"When was the last time you reviewed your estimated Social Security retirement benefits?"

Information Sources by Professional Financial Advisor Client

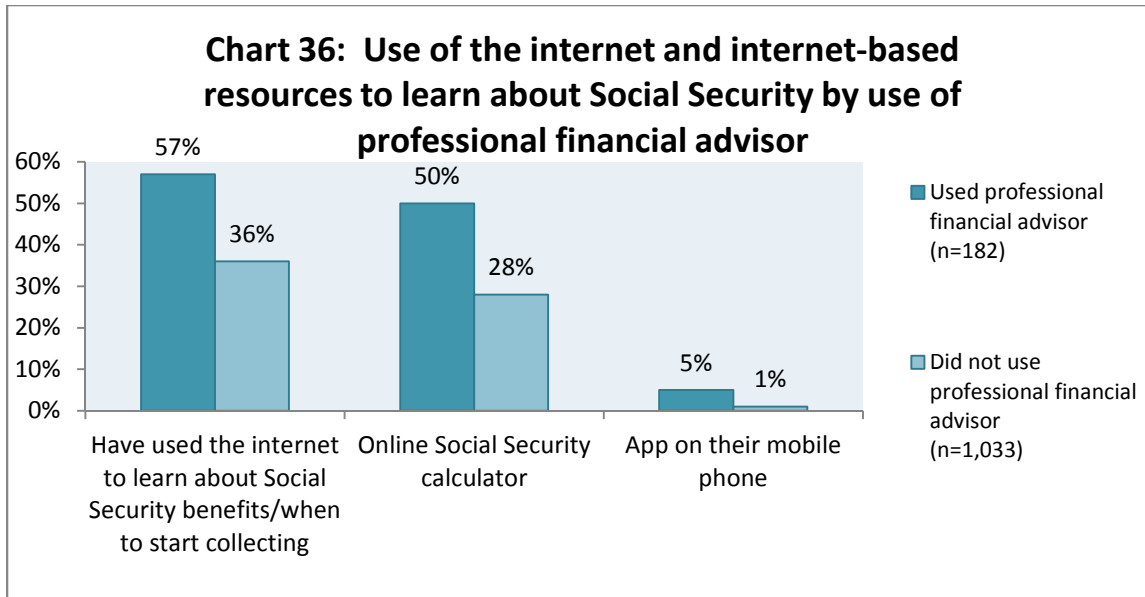
Consumers who have used a professional financial advisor are more likely to have used nearly all of the information sources than those who had not. This includes the Social Security administration (54% vs 43%), a current or former employer (25% vs 14%), AARP (30% vs 14%), a current or former labor union (12% vs 4%), a financial services firm (42% vs 3%), financial magazines or books (38% vs 19%), financial shows on TV (27% vs 15%), a class or seminar at a local college (9% vs 2%), newspaper articles (47% vs 31%), an accountant (25% vs 4%), an attorney (13% vs 1%), and a professional tax preparer (33% vs 5%). [See chart 35]

Chart 35: Information sources used by use of professional financial advisor



"Have you used any of the following information sources to learn about Social Security retirement benefits or when to start collecting your benefits?"

Clients of professional financial advisors are also more likely than those who are not to use the internet to learn about Social Security benefits (57% vs 36%), use an online Social Security calculator (50% vs 28%) and/or an app on their mobile phone (5% vs 1%). [See chart 36] They also review their estimated Social Security benefits more frequently (47% in the past year vs 35%).



"Have you used either of the following tools to estimate your Social Security retirement benefits or learn when to start collecting your benefits?" "Have you used the internet to learn about Social Security retirement benefits or when you should start collecting your benefits?"

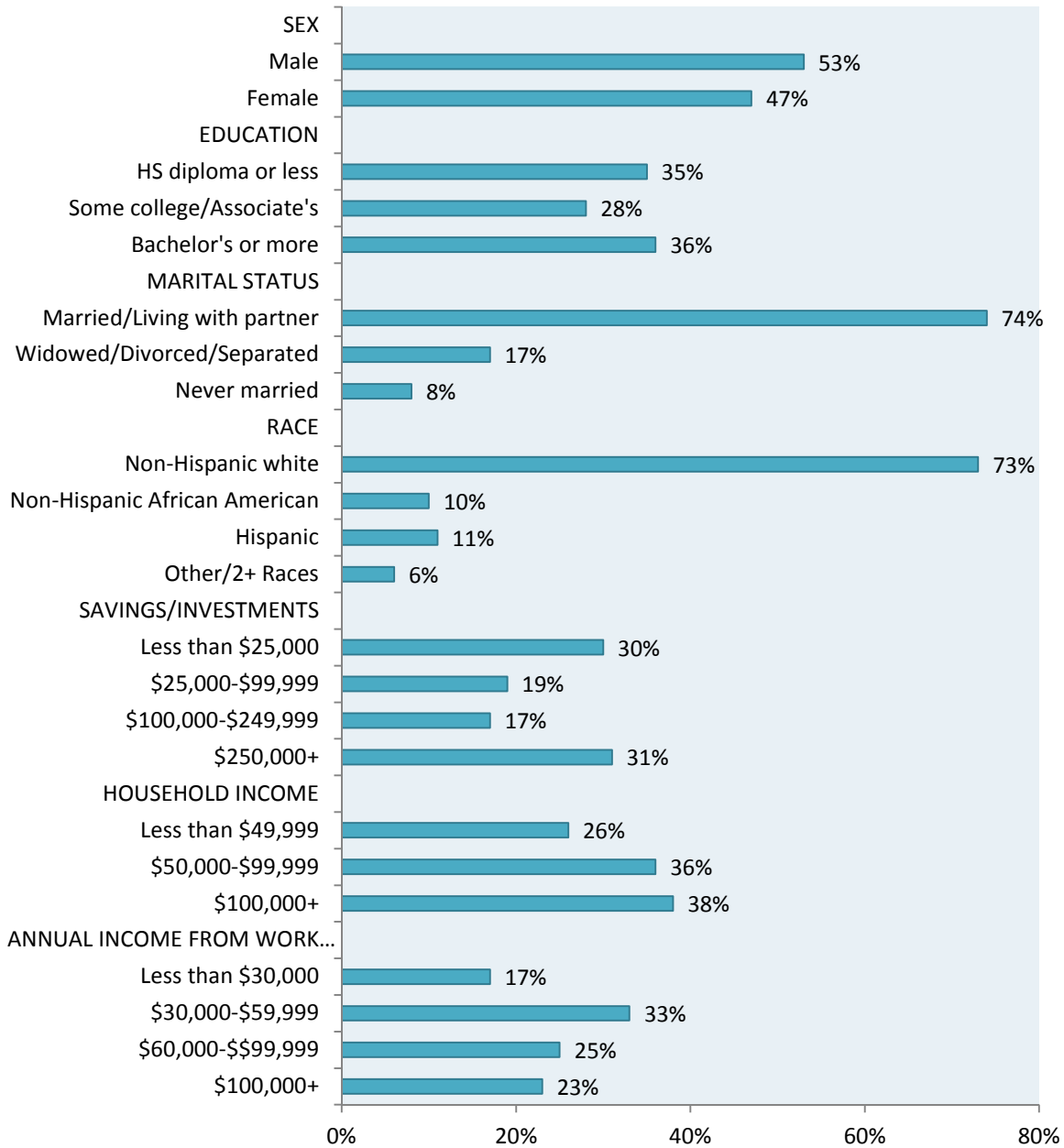
Profile of Respondents

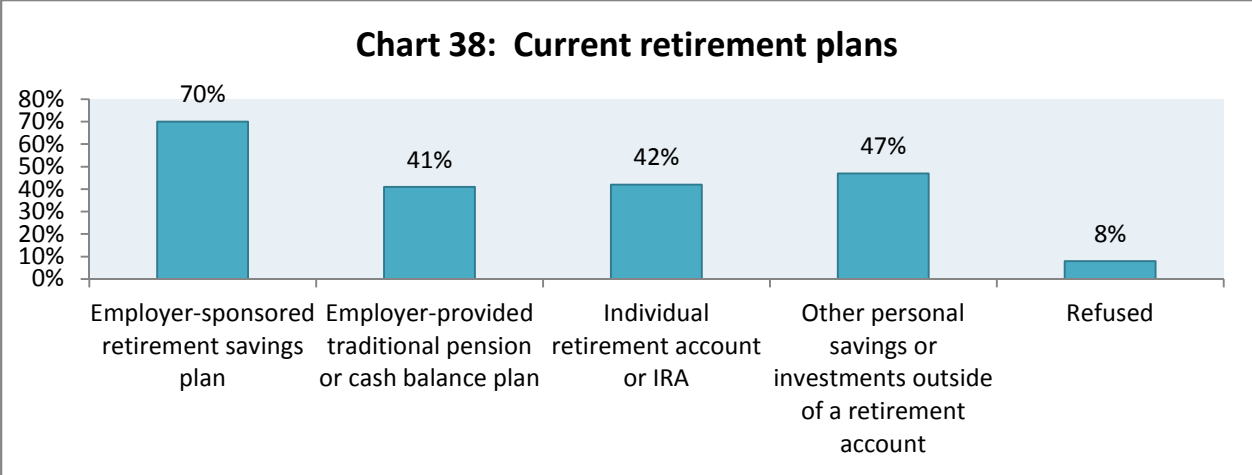
Respondents were 53 percent male and nearly three quarters were married or living with a partner (74%) and non-Hispanic white (73%). Thirty six percent had educational attainment of a Bachelor's degree or higher, 28 percent had attended some college or had an associate's degree, and 35 percent had a high school degree or less.

Three in 10 had less than \$25,000 in savings or investments, including 13 percent who had less than \$1,000. An equal amount (31%) had \$250,000 or more in savings and investments, with a median level of \$102,000. Approximately one quarter had a household income of \$100,000-\$150,000 (23%) or under \$50,000 (26%). [See chart 37]

One quarter (26%) describe their current health as excellent, while another 59 percent say they are in good health. In regard to retirement plans, 70 percent currently have an employer-sponsored retirement savings plan, such as a 401(k), tax deferred annuity or 403(b), thrift savings, money purchase, or profit-sharing plan. Over four in 10 have other personal savings or investments (47%), an individual retirement account (42%), or an employer-provided traditional pension or cash balance plan (41%). [See chart 38]

Chart 37: Demographic profile of respondents





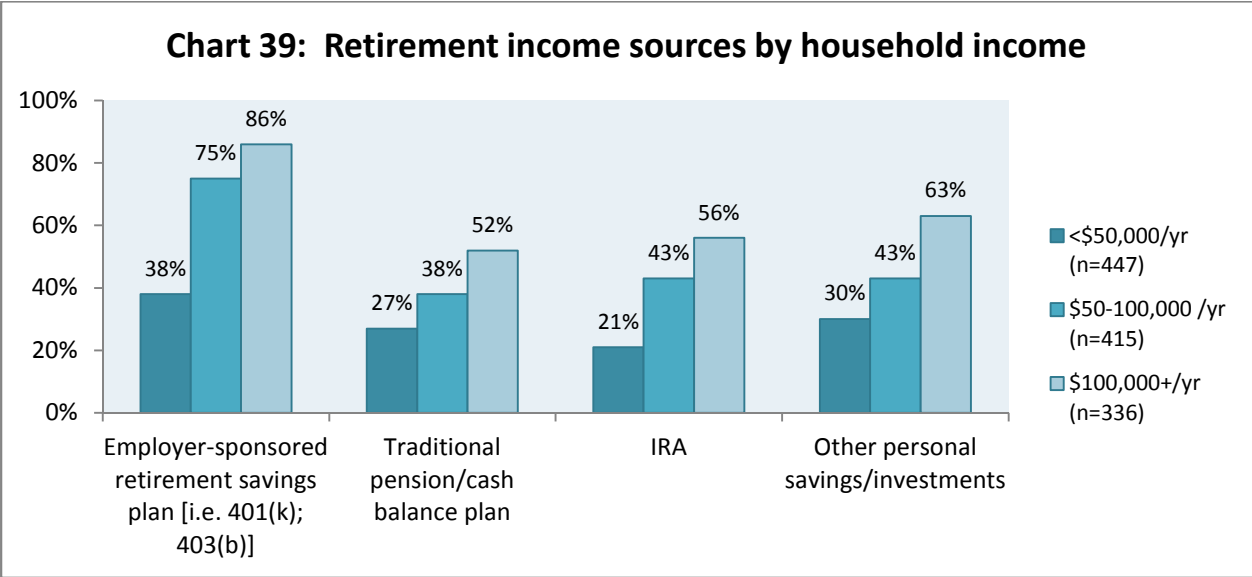
“And just to be sure we have the correct information, do you (and/or your spouse/partner) currently have...” n=1,215

Demographics by Age

Older respondents were more likely than younger respondents to have an employer-provided traditional pension or cash balance plan (44% vs 38%) and an IRA (47% vs 39%). They were also more likely to have \$500,000 or more in savings and investments (25% vs 11%).

Demographics by Household Income

Not surprisingly, those with higher household incomes were more likely to have all types of retirement plans. [See chart 39]. They are also more likely to be in excellent or good health (highest incomes, 91%; middle incomes, 85%; lowest incomes, 73%), while those with lowest household incomes are more likely than middle and highest incomes to be in fair or poor health (lowest incomes, 27%; middle incomes, 14%; incomes, 9%).



“And just to be sure we have the correct information, do you (and/or your spouse/partner) currently have...”

Demographics by Professional Financial Advisor Client

Consumers who have used a professional financial advisor are more likely than those who have not to have an employer-sponsored defined contribution plan (83% vs 67%), an IRA (68% vs 38%), and personal savings or investments (65% vs 44%). Also, unsurprisingly, they are more likely to have savings and investments (\$500,000+: 30% vs 14%), higher household incomes (\$100,000+/yr: 57% vs 34%), and higher individual income from work (\$80,000+/yr: 50% vs 30%).

Appendix A: Gender differences

Since differences in data often exist based on gender, we sought to determine the degree to which being male versus female affected Social Security planning decisions, knowledge, and resources used. Overall, males and females exhibited no differences in knowledge about Social Security, even though men believed themselves to be more knowledgeable than women. Men were also more confident about the future of Social Security and were more likely to use an online calculator and the internet to learn about benefits. There were differences related to priorities around maximizing benefits and when to claim. Beyond that, the only differences were related to finances, with men more likely than women to say their monthly benefit would be higher, they had more in savings, household income, and work income and estimated that they will rely less on Social Security for retirement income.

Response	Male	Female
Claiming benefits while still working	42%	53%
Understanding the earliest age that they can claim benefits	74%	81%
Maximizing the amount of money that their spouse receives after their death	87%	77%
Social Security expected to be a major source of retirement income	46%	54%
Minor source	51%	43%
1-30%	42%	28%
81-100%	12%	21%
Very/Somewhat knowledgeable about how Social Security retirement benefits are determined.	52%	42%
A little/not at all	48%	58%
Expect Social Security benefits to be \$1,000 per month or less	32%	53%
More than \$1,250	54%	30%
Very/somewhat confident that Social Security will provide benefits equal to today's	49%	41%
Not very/not at all confident	50%	58%
Used online Social Security calculator	36%	27%
Have used the internet to learn about Social Security benefits/when to start collecting	44%	35%
Savings and investments		
Less than \$1,000	9%	17%
\$500,000 or more	21%	12%
Household income		
\$100,000+/yr	46%	30%
Individual annual income from work		
Less than \$40,000	19%	41%
\$70,000+	48%	27%

All differences between men and women shown in this table are significant at $p < .05$.

Appendix B: Methodology

SAMPLING FRAME

The sampling frame for the general population utilized GfK's nationally-representative online panel, KnowledgePanel[®] (see below for details about KnowledgePanel). Respondents were then screened for age, employment status (i.e., not currently on disability), eligibility to receive Social Security benefits by age 62, and has not claimed social security benefits yet.

RESPONDENTS

For this study, a total of 1,215 completed surveys were secured from the nationally representative general population sample of 45-64 year-old Americans who are not disabled and eligible for social security by age 62 and has not claimed social security benefits yet.

RESPONDENT ELIGIBILITY

To be eligible to participate in the study, the respondent had to be between 45 and 64 years of age, eligible for social security by age 62, and has not claimed social security benefits yet.

DATA COLLECTION

A pilot test to examine survey length and comprehension of questions was conducted from June 18 to 25, 2015. Data collection for the main study began on June 25 and continued through July 9, 2015. A nationally-representative sample was selected from GfK's KnowledgePanel. Project management reports were generated on daily basis in order to track progress during the field period.

QUESTIONNAIRE DESIGN

The initial draft of the survey instrument was provided by AARP. As noted above, pilot testing of the instrument was performed to assure that all aspects of the survey instrument and protocol were working as designed. With some minor modification, the questionnaire, sample, and procedures were deemed to be working as designed, allowing the full data collection effort to proceed.

MARGIN OF ERROR

At 95% level of confidence, for a simple random sample of size 1,215 the resulting overall margin of error due to sampling is $\pm 3.3\%$.

SAMPLE WEIGHTS

Virtually all survey data are weighted before they can be used to produce reliable estimates of population parameters. While reflecting the selection probabilities of sampled units, weighting also attempts to compensate for practical limitations of a sample survey, such as differential nonresponse and undercoverage.

For the national survey, the starting sample was weighted to the benchmarks of adults 45 to 64 while controlling demographic compositions. The needed benchmarks were obtained from the latest Current Population Survey (CPS) and indexed by: age, gender, region, metro status, education, and income. Subsequently, specific benchmarks for those who are eligible for Social Security retirement benefits based on their own work history and are not currently on disability – estimates that are not available from external sources – were obtained from the weighted data for such respondents.

All weighting adjustments were carried out using an iterative proportional fitting procedure, commonly known as *raking*, to allow inclusion of several geodemographic dimensions simultaneously during the weighting process. The following tables provide a summary of such dimensions, including the benchmarks as well as unweighted and weighted respondent counts.

**BENCHMARKS, UNWEIGHTED, AND WEIGHTED DISTRIBUTIONS OF DIMENSIONS USED FOR RAKING OF THE GENERAL
POPULATION SURVEY – KNOWLEDGE PANEL**

Raking Dimension	Benchmark¹²		Weighted	
	Frequency	Percent	Frequency	Percent
SEXAGE				
Age 45-49 Male	1009	12.25	178	14.62
Age 45-49 Female	1051	12.75	155	12.75
Age 50-54 Male	1076	13.06	175	14.43
Age 50-54 Female	1143	13.87	180	14.78
Age 55-59 Male	1024	12.43	164	13.51
Age 55-59 Female	1090	13.24	152	12.51
Age 60-64 Male	8823	10.71	121	9.93
Age 60-64 Female	9631	11.69	91	7.46
ETHNICITY				
White, Non-Hispanic	5718	69.40	885	72.86
Black, Non-Hispanic	942	11.43	121	9.98
Other, Non-Hispanic	499	6.06	61	5.03
Hispanic	1005	12.20	135	11.15
2+ Race, Non-	750	0.91	11	0.97
REGION-METRO				
Northeast Metro	1379	16.74	221	18.18
Northeast Non-metro	166	2.01	26	2.18
Midwest Metro	1381	16.77	199	16.36
Midwest Non-metro	417	5.07	56	4.66
South Metro	2475	30.04	368	30.30
South Non-metro	556	6.75	82	6.73
West Metro	1661	20.16	239	19.66
West Non-metro	203	2.46	23	1.94
EDUCATION				
Less than HS	857	10.40	72	5.90
HS	2560	31.08	355	29.26
Some college	2242	27.22	345	28.39
Bachelor or higher	2579	31.31	443	36.46
INCOME				
Under \$30,000	1581	19.19	122	10.08
\$30,000-\$59,999	1905	23.13	273	22.45
\$60,000-\$99,999	2042	24.78	348	28.63
\$100,000 and above	2711	32.90	472	38.83
Internet Access				
Yes	6646	81.04	1054	86.77
No	1555	18.96	161	13.23

¹² Benchmarks are the national numbers to which the data is weighted.

GfK KNOWLEDGEPANEL

Significant resources and infrastructure are devoted to the recruitment process for the KnowledgePanel so that the resulting panel can properly represent the adult population of the US. This representation is not only achieved with respect to a broad set of geodemographic distributions, but also hard-to-reach adults – such as those without landline telephone or Spanish language dominant individuals – are recruited in proper proportions as well. Consequently, the raw distribution of the KnowledgePanel mirrors that of the US adults fairly closely, barring occasional disparities that may emerge for certain subgroups due to differential attrition rates among recruited panel members.

For selection of general population samples from the KnowledgePanel, however, a patented methodology has been developed that ensures the resulting samples behave as EPSEM (equal probability of selection method). Briefly, this methodology starts by weighting the entire KnowledgePanel to the benchmarks secured from the latest March supplement of the CPS along several dimensions. This way, the weighted distribution of the KnowledgePanel perfectly matches that of the US adults – even with respect to the above mentioned few dimensions where minor misalignments may result from differential attrition rates. Typically, the geodemographic dimensions used for weighting the entire KnowledgePanel include:

- Gender (Male/Female)
- Age (18–29, 30–44, 45–59, and 60+)
- Race/Ethnicity (Hispanic and non-Hispanic White, African American, Asian, and Other)
- Education (Less than High School, High School, Some College, Bachelor and beyond)
- Census Region (Northeast, Midwest, South, West)
- Household Income (>\$10k, \$10K to <\$25k, \$25K to <\$50k, \$50K to <\$75k, \$75K to <\$100k, \$100K+)
- Home ownership status (Own, Rent/Other)
- Metropolitan Area (Yes, No)
- Internet Access (Yes, No)

Using the above weights as the measure of size (MOS) for each panel member, in the next step a PPS (probability proportional to size) procedure is used to select study specific samples. It is the application of this PPS methodology with the above MOS values that produces fully self-weighting samples from the KnowledgePanel, for which each sample member can carry a design weight of unity. Moreover, in instances where the study design has required any form of oversampling of specific subgroups, such departures from an EPSEM design are corrected by adjusting the corresponding design weights accordingly with the CPS benchmarks serving as reference points.

KNOWLEDGEPANEL CALIBRATION WEIGHTING

Studies that need a large number of respondents, or those that focus on rare subpopulations, can require sample sizes that KnowledgePanel may not be able to provide. In such instances, a blended-sample that is comprised of both KnowledgePanel and non-probability samples can provide an effective alternative. For such applications we will use our proprietary Calibration process to correct for some of the known coverage problems associated with opt-in online panels. These coverage problems include omission of non-internet households, as well as overrepresentation of hyper internet users. As compared to samples that exclusively rely on non-probability opt-in panels, inclusion of parallel samples

from the KnowledgePanel along with our calibration weighting adjustment produces blended samples that can represent the target population more effectively and offer more robust inferential possibilities.

Specifically, our calibration weighting is a procedure that allows two samples – one probability-based from the KnowledgePanel and non-probability from opt-in sources – to be blended together to produce a larger sample that better represents the target population. This improved representation is not only with respect to basic geodemographic distributions, but also in terms of an important set of attitudinal/behavioral measures. This weighting methodology has been used successfully with dozens of studies for the Federal and State government agencies, academic researchers, and corporate clients.

Based on repeated studies, it has been demonstrated that respondents from opt-in panels tend to differ from the general population in several ways. For instance, opt-in respondents have a higher propensity for adopting new products and services. We have been able to develop a battery of questions that can effectively measure these early adoption (EA) tendencies by asking respondents to express their agreement/disagreement – on a scale of 1-to-5 – on the following 5 questions:

EA1. I usually try new products before other people do

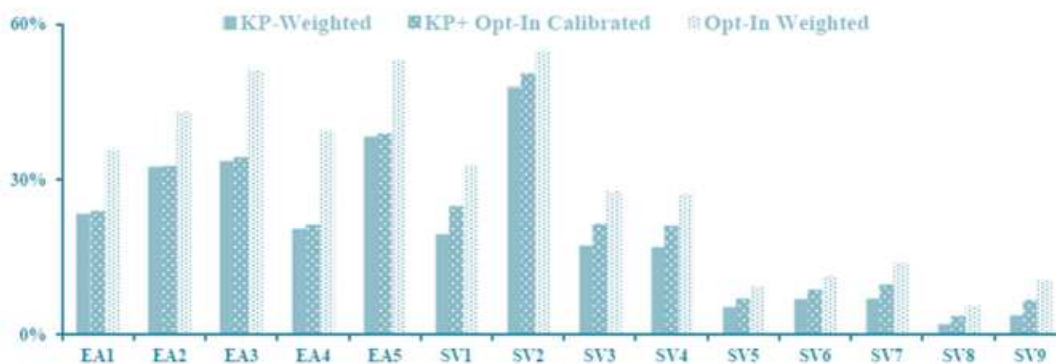
EA2. I often try new brands because I like variety and get bored with the same old thing

EA3. When I shop I look for what is new

EA4. I like to be the first among my friends and family to try something new

EA5. I like to tell others about new brands or technology

With the above questions administered to both KnowledgePanel and opt-in panel respondents, we can then identify how the two sets of responses differ and apply correcting weights to realign non-probability opt-in respondents with those from the probability-based KnowledgePanel. For illustration, the following figure shows the results from a large study that compares survey estimates for percent top two boxes for the above 5 EA questions as well as another 9 ad-hoc attitudinal questions. These survey estimates are shown for KnowledgePanel alone, KnowledgePanel and opt-in panel calibrated, and opt-in panel alone without calibration.



As seen from the above figure, non-probability opt-in panel respondents tend to score significantly higher on each of the 5 EA questions. However, when survey data from these respondents are calibrated with those from the KnowledgePanel, the observed differences are virtually eliminated. Moreover, as a result of this calibration weighting survey estimates from the blended sample are also improved when comparing responses to the attitudinal questions other than those related to early adoption (SV1 – SV9).

Appendix C: Annotated Questionnaire

Weighted data

Unless otherwise specified, unweighted bases are as follows:

N=1215

* = <.5

- = 0

S1. Which of the following best describes you? Are you...

Not currently receiving Social Security benefits, but you expect to receive them at some point in the future	93
Not currently receiving Social Security benefits and you don't expect to receive them in the future	7
Currently receiving Social Security benefits	-
Refused	-
Based on: Total Respondents	N=1215

S2. Why don't you expect to receive Social Security benefits in the future?

Even though I will be eligible for Social Security benefits, I'm not sure if Social Security will be around by the time I decide to start collecting benefits	
I have not worked long enough	
My main job(s) have not been covered by Social Security	
I won't need the benefits	
Other	
Don't know	
Refused	
Based on: Do not receive benefits and do not expect to in the future	Insufficient Base

S8. What is your current employment status?

Working for pay on a full-time basis (at least 35 hours per week)	70
Working for pay on a part-time basis (less than 35 hours per week)	12
Completely retired and not working for pay and not looking for work	5
Unemployed and looking for work	5
On disability	-
Not working for pay and not looking for work (homemaker, student, other)	8
Refused	-
Based on: Total Respondents	N=1215

R1. Which of the following best describes you?

Retired but currently working	4
Never been retired and currently working	96
Refused	*
Based on: Full-time or part-time workers	N=963

R2. Which of the following best describes you?

Retired but currently looking for work	
Never been retired and currently looking for work	
Refused	
Based on: Unemployed and looking for work	Insufficient Base

R3. Which of the following best describes you?

Retired	20
Never been retired	77
Refused	3
Based on: Not employed and not looking for work	N=104

S9. Have you ever been employed, either working for someone else or for yourself?

Yes	100
No	-
Refused	-
Based on: Retired, unemployed or not working	N=252

S10. Since you turned 18 years old, about how many years in total have you worked for pay? (Please provide your best guess if you're not sure.)

1-10	2
11-20	10
21-30	30
31-40	44
41+	14
Refused	-
Based on: Total Respondents	N=1215

S10b. How many more years do you plan to work for pay? (Please provide your best guess if you're not sure. If you do not plan to work any longer for pay, please enter 0.)

None	10
1-5	19
6-10	27
11-15	21
16-25	18
26+	4
Refused	-
Based on: Working, unemployed and looking, retired or not working	N=1215

S10c. At what age did you last work for pay? (If you're not sure, please provide your best guess.)

24	1
28	1
29	1
31	1
32	*
35	6
38	1
40	4
41	2
42	2
43	2
44	1
45	5
46	1
47	2
48	8
49	1
50	6
51	5
52	5
53	4
54	2
55	6
56	5
57	4
58	9
59	4
60	3
61	4
62	2
64	1
Refused	-
Based on: Retired and do not expect to work again or not working and do not expect to work again	N=126

Outlook on Social Security Retirement Benefits

R5. When thinking about your Social Security retirement benefits, how important is each of the following to you personally?

	Very Important	Somewhat Important	Not too Important	Not at all Important	Refused
Maximizing the amount of money that you receive in retirement	77	19	2	1	1
Claiming your benefits while you are still working	22	26	31	21	1
Understanding the earliest age that you can claim your benefits	47	31	15	6	1
Understanding the best age for you to claim benefits	74	22	2	2	*
Based on: Total Respondents				N=1215	
Maximizing the amount of money that you and your spouse receive in retirement	79	17	2	1	1
Maximizing the amount of money that your spouse receives after your death	55	28	13	4	*
Based on: Married				N=777	

EXPECTATIONS RELATED TO SOCIAL SECURITY

R6. In thinking about possible sources of income in retirement, do you expect (your and your spouse's) / (your and your partner's) / (your) Social Security retirement benefits will be a major source of income, a minor source of income, or not a source of income in (your and your spouse's) / (your and your partner's) / (your) retirement?

Major Source	Minor Source	Not a Source	Refused
49	47	3	*
Based on: Total Respondent			N=1215

R6A. What percent of your household income in retirement do you expect will come from (your and your spouse's) / (your and your partner's) / (your) Social Security retirement benefits? (Your best guess is fine.)

1% to 10%	5
11% to 20%	12
21% to 30%	19
31% to 40%	13
41% to 50%	12
51% to 60%	9
61% to 70%	7
71% to 80%	7
81% to 90%	7
91% to 100%	9
Refused	*
Based on: Respondents stating Social Security will be a Major or Minor Source of Income	N=1170

EXPECTED CLAIMING AGE

Again, unless otherwise specified, please assume that the rest of the questions are about **Social Security retirement benefits based on your own work history.** Please assume that you will be eligible to receive Social Security retirement benefits at some point in the future and that any future changes to the Social Security program will not affect your benefits.

Some people receive other types of Social Security benefits, such as widow/widower benefits for people whose spouses have died or disability benefits for people with disabilities. But, please assume that the rest of the questions are about Social Security retirement benefits based on your own work history unless we specifically refer to other types of benefits.

KG1. How knowledgeable do you feel you are about how your Social Security retirement benefits are determined?

Very knowledgeable	9
Somewhat knowledgeable	38
A little knowledgeable	37
Not at all knowledgeable	16
Refused	*
Based on: Total Respondents	N=1215

KG2. To your knowledge, what is the earliest age at which people can start collecting Social Security retirement benefits?

18	*
19	*
21	*
25	*
30	*
35	*
45	*
46	*
50	*
52	*
55	2
56	*
58	*
59	2
60	4
61	1
62	61
63	4
64	1
65	18
66	2
67	4
68	1
70	1
72	*
76	*
Refused	*
Based on: Total Respondents	N=1215

KG3. At what age do you expect to start collecting Social Security retirement benefits? (If you have not thought about this before, please provide your best guess.)

49	*
50	*
52	*
53	*
55	*
56	*
57	*
58	*
59	*
60	1
61	*
62	16
63	2
64	1
65	31
66	11
67	14
68	4
69	1
70	13
71	*
72	1
73	*
74	*
75	1
76	*
77	*
80	*
82	*
99	*
Refused	-
Based on: Total Respondents	N=1215

KNOWLEDGE OF KEY FACTORS THAT INFLUENCE BENEFITS

KG4. How much do you think your monthly Social Security retirement benefits will be if you start collecting benefits at (Expected claim age) and (you are no longer working for pay at that time) / (you are still working for pay at that time)? *(Please assume that any future changes to Social Security will **not** affect your benefits. Your best guess is fine.)*

\$_____ per month

Under \$500	13
\$500 - \$1000	30
\$1001 - \$1250	12
\$1251 - \$2000	28
\$2001+	15
Refused	2
Based on: Total Respondents	N=1215

IMPACT OF WAITING UNTIL FULL RETIREMENT AGE (FRA) RATHER THAN CLAIMING AT AGE 62 (PART OF KNOWLEDGE SECTION)

As you answer the following questions, please be aware that 62 is the earliest age at which people can start collecting Social Security retirement benefits. [Note to programmer: round the FRA to the nearest year.]

KG5. Compared to the monthly Social Security retirement benefit that you (would have received) if you (start) / (had started) collecting benefits at age 62, would your monthly benefit (be) / (have been) lower or higher if you instead (wait) / (had waited) until age (FRA) to start collecting Social Security benefits, or would your monthly benefit be the same regardless of whether you (start) / (had started) collecting at age 62 or age (FRA)?

Monthly benefits would be <u>lower</u> if you (start)/(had started) collecting at age (FRA) rather than age 62	6
Monthly benefits would be <u>higher</u> if you (start)/(had started) collecting at age (FRA) rather than age 62	88
Monthly benefits would be the <u>same</u>	6
Refused	*
Based on: Total Respondents	N=1215

KG5B. Assume that your monthly Social Security retirement benefit would be \$1,000 if you start collecting Social Security at age 62. By how much do you think your monthly benefit **WOULD INCREASE** if you wait until age (FRA) to start collecting Social Security benefits? Please enter your best guess of the increase in your monthly benefit or a percentage increase:

Estimate increase in dollars: \$_____

Or, Estimate percentage increase:[All data transformed into % for analysis]

0%	1
1-10	50
11-20	18
21-30	12
31-40	6
41-50	7
51-60	1
61-70	1
71-80	2
81-90	*
91-100	2
Refused	2
Based on: Respondents thinking monthly benefits would be higher	N=1054

IMPACT OF DELAYING ONE YEAR BEYOND FULL RETIREMENT AGE (FRA) (PART OF KNOWLEDGE SECTION)

KG6. Compared to the monthly Social Security retirement benefit that you (will receive) / (would have received) if you (start) / (had started) collecting benefits at age (FRA), would your monthly benefit (be) / (have been) lower or higher if you instead (wait) / (had waited) one more year until age (FRA+1) to start collecting Social Security benefits, or would your monthly benefit be the same regardless of whether you (start) / (had started) collecting at age (FRA) or age (FRA+1)?

Monthly benefits would be <u>lower</u> if you (START)/(HAD STARTED) collecting at age (FRA+1) rather than age (FRA)	3
Monthly benefits would be <u>higher</u> if you (START)/(HAD STARTED) collecting at age (FRA+1) rather than age (FRA)	57
Monthly benefits would be the <u>same</u>	39
Refused	1
Based on: Total Respondents	N=1215

KG7. What is the earliest age at which you should start collecting Social Security retirement benefits if you wanted to receive your highest possible monthly benefit? (If you're not sure, please provide your best guess.)

Doesn't matter	3
62	6
63	*
64	*
65	8
66	6
67	22
68	5
69	1
70	32
71	1
72	8
73	*
74	*
75	3
Later than 75	4
Refused	1
Based on: Total Respondents	N=1215

KNOWLEDGE OF EARNINGS TEST (PART OF KNOWLEDGE SECTION)

KG8. As far as you know, if you were to claim Social Security retirement benefits at age 64 while you were employed in a job that paid \$40,000 per year, could your salary from work affect the amount of your monthly Social Security retirement benefits?

Yes	84
No	16
Refused	*
Based on: Total Respondents	N=1215

KG8A. How do you think your salary from work would affect your monthly Social Security retirement benefits?

Reduce the benefit	76
Increase the benefit	13
Don't know	11
Refused	*
Based on: Salary from work could affect among of Social Security benefit	N=1033

KG9. Which of the following best describes your understanding of the reduction in your current monthly Social Security retirement benefit due to your salary from work?

You will never get back the benefits that were withheld.	57
After you reach a certain age, you will gradually get back the benefits that were withheld	42
Refused	1
Based on: Think salary from work would reduce monthly Social Security benefit	N=786

KNOWLEDGE OF SPOUSAL BENEFITS

KG11. Please read the following about Tom and Mary and provide a response.

Assume that Tom and Mary are married. Both are 62 years old. Mary has never worked but Tom has worked long enough to be eligible for Social Security retirement benefits. To the best of your knowledge, could Mary receive Social Security spouse benefits based on Tom's benefits while he is alive?

Yes	50
No	49
Refused	1
Based on: Married, Widowed, Divorced, Separated	N=1023

KNOWLEDGE OF SURVIVOR'S BENEFITS

KG12. Assume again that Tom and Mary are married. Both are 62 years old. Mary has never worked. Tom has worked long enough to be eligible for Social Security retirement benefits. If Tom dies before Mary, could Mary receive Social Security widow benefits after Tom dies?

Yes	97
No	3
Refused	*
Based on: Married, Widowed, Divorced, Separated	N=1023

KG13. Can the age at which Tom starts collecting his own Social Security retirement benefits affect the amount of monthly widow benefits that Mary is eligible to collect after Tom dies?

Yes	79
No	20
Refused	1
Based on: Believes non-working spouse can collect benefits of dead spouse	N=993

KG13b. Again, assume that Tom and Mary are married. Both are 62 years old. However, in this case, assume that Mary and Tom have **each worked** long enough to be eligible for Social Security retirement benefits. Mary has worked for fewer years than Tom, and Mary's earnings in a typical year are always much less than Tom's earnings. If Tom dies before Mary, could Mary receive Social Security widow benefits after Tom dies?

Yes	93
No	7
Refused	*
Based on: Married, Widowed, Divorced, Separated	N=1023

KG14. What is the earliest age at which Tom should start collecting his Social Security retirement benefits if he wants Mary to receive the highest possible monthly widow benefit in case he dies before her? (If you're not sure, please provide your best guess.)

62	14
63	*
64	1
65	14
66	10
67	23
68	5
69	1
70	20
71	1
72	6
73	-
74	-
75	2
Later than 75	2
Refused	*
Based on: Believes widow can receive partner's benefits after death when both were working	N=947

KG15. After Tom dies, can the age at which Mary starts collecting her Social Security widow benefits affect the amount of monthly widow benefits that she is eligible to collect?

Yes	54
No	46
Refused	1
Based on: Believes one spouse can collect the other spouse's benefits after they die	N=1009

KG16. After Tom dies, what is the earliest age at which Mary should start collecting her Social Security widow benefits in order to receive the highest possible monthly widow benefit? (If you're not sure, please provide your best guess.)

62	28
63	1
64	2
65	16
66	7
67	17
68	6
69	1
70	12
71	*
72	4
73	-
74	-
75	2
Later than 75	2
Refused	1
Based on: Those who think that the age at which someone starts collecting dead spouse's benefits can affect the amount	N=551

Please read the following about Susan and Rich, both age 62, and provide a response.

KG10. Assume that Susan and Rich divorce after five years of marriage. If Susan is unmarried at the time she becomes eligible for Social Security, would she be eligible to file for Social Security spousal benefits on Rich's work record?

Yes	34
No	65
Refused	1
Based on: Married, Widowed, Divorced, Separated	N=1023

KG10a. In order for Susan to be eligible to file for Social Security spousal benefits on Rich's work record, what is the **minimum** number of years that she would have had to have been married to Rich?

6 years	3
7 years	3
8 years	1
9 years	*
10 years	40
11 years	*
12 years	*
13 years	*
14 years	*
15 years	1
16 years	-
17 years	-
18 years	-
19 years	-
20 or more	3
Not Applicable. Susan would not be eligible to claim Social Security spousal benefits on Rich's work record regardless of how long they had been married	47
Refused	*
Based on: Believe Susan would not be eligible for spousal benefits on Rich's work record	N=679

Confidence IN SOCIAL SECURITY

C17. How confident are you that the Social Security system will provide you with Social Security retirement benefits that are at least equal in value to the benefits received by retirees today?

Very confident	7
Somewhat confident	38
Not too confident	38
Not at all confident	17
Refused	*
Based on: Total Respondents	N=1215

C17A-If no changes are made to the Social Security system, how long do you think Social Security would be able to continue paying out benefits at the current level?

For fewer than 10 years	19
For 10 to 20 years	27
For 21 to 30 years	18
For 31 to 40 years	6
For 41 to 50 years	3
For more than 50 years	5
Don't know	21
Refused	*
Based on: Total Respondents	N=1215

C17B. Suppose you knew that after 2033, Social Security benefits would have to be cut by twenty-five percent because of a shortfall in funds. After 2033, how long do you think Social Security could continue paying out these reduced benefits without implementing further cuts?

For fewer than 10 years	39
For 10 to 20 years	18
For 21 to 30 years	7
For 31 to 40 years	2
For 41 to 50 years	2
For more than 50 years	3
Don't know	29
Refused	*
Based on: Total Respondents	N=1215

ACTIONS/BEHAVIORS

C18. Have you used any of the following information sources to learn about Social Security retirement benefits or when to start collecting your benefits?

	Yes	No	Don't Know	Refused
The Social Security Administration	45	50	4	2
Your current or former employer	16	78	4	2
AARP	16	78	3	2
Your current or former labor union	5	89	3	3
Friends or family members	46	49	3	2
A financial services firm	9	85	3	2
A professional financial advisor	16	79	3	2
Financial magazines or books	22	73	4	2
Financial shows on TV	17	76	4	2
A class or seminar at a local college	3	90	3	3
Public library	4	90	4	3
Newspaper articles	33	61	3	2
An accountant	7	87	3	3
An attorney	3	91	3	3
A professional tax preparer or tax advisor	10	84	4	3
Based on: Total Respondents				N=1215

C19. Have you used either of the following tools to estimate your Social Security retirement benefits or learn when to start collecting your benefits?

	Yes	No	Don't Know	Refused
An online Social Security calculator	31	64	4	*
An app on your mobile phone	2	93	4	1
Based on: Total Respondents				N=1215

C20. On which web site(s) did you use an online Social Security calculator?

The official Social Security website (socialsecurity.gov)	81
AARP website (aarp.org)	11
Bankrate.com	1
Your retirement plan provider	14
Other website	2
Don't Know/Don't Remember	9
Refused	1
Based on: Used an online Social Security Calculator	N=370

C20A. How useful were these in helping you learn about Social Security retirement benefits or when to start collecting your benefits?

	Very useful	Somewhat useful	Not too useful	Not at all useful	Refused
(if used) The Social Security Administration (N=565)	50	44	5	2	*
(if used) Your current or former employer (N=205)	33	51	13	3	-
(if used) AARP (N=220)	34	57	7	1	1
(if used) Your current or former labor union (Insufficient Base)					
(if used) Friends or family members (N=552)	25	61	12	2	1
(if used) A financial services firm (N=103)	39	50	8	-	3
(if used) A professional financial advisor (N=182)	56	40	4	-	*
(if used) Financial magazines or books (N=256)	22	61	15	2	1
(if used) Financial shows on TV (N=205)	22	57	19	1	*
(if used) A class or seminar at a local college (Insufficient Base)					
(if used) Public library (Insufficient Base)					
(if used) Newspaper article (N=406)	14	62	21	2	1
(if used) An online Social Security calculator (N=370)	38	50	9	2	1
(if used) An app on your mobile phone that let you estimate your SS benefits (Insufficient Base)					
Based on: Have used sources or tools to learn about Social Security					Bases Vary

C21. Have you used the Internet to learn about Social Security retirement benefits or when you should start collecting your benefits?

Yes	39
No	61
Refused	*
Based on: Total Respondents	N=1215

C22. When was the last time you reviewed your estimated Social Security retirement benefits?

Less than 12 months ago	37
1 to 2 years ago	27
3 to 5 years ago	14
6 to 9 years ago	2
10 years ago or more	1
Don't Know/Don't Remember	11
Never	8
Refused	*
Based on: Total Respondents	N=1215

Demographics

[SURVEY NOTE: FROM PANEL DATA: GENDER, EDUCATION, MARITAL STATUS, # OF CHILDREN UNDER AGE 18 IN HOUSEHOLD, RACE/ETHNICITY

D18. How would you describe your current health?

Excellent	26
Good	59
Fair	14
Poor	1
Refused	1
Based on: Total Respondents	N=1215

D19. Are you a member of AARP?

Yes	23
No	75
Don't Know	2
Refused	*
Based on: Total Respondents	N=1215

D20. And just to be sure we have the correct information, do you (and/or your spouse/ partner) CURRENTLY have:

Money in an employer-sponsored retirement savings plan, such as a 401(k), tax deferred annuity or 403(b), thrift savings, money purchase, or profit-sharing plan	70
An employer-provided traditional pension or cash balance plan, with the benefit based on salary and years of service	41
An individual retirement account or IRA	42
Other personal savings or investments outside of a retirement account, such as mutual funds, stocks, certificates of deposit, or annuities	47
Refused	8
Based on: Total Respondents	N=1215

D21. In total, about how much money would you say you (and your spouse/ partner) currently have in **savings and investments**, not including the value of your primary residence? Please include savings, certificates of deposits, stocks, bonds, mutual funds, employer-sponsored retirement savings plans, and other investments, but do not include the value of defined benefit plans.

Less than \$1,000	13
\$1,000 to less than \$10,000	9
\$10,000 to less than \$25,000	8
\$25,000 to less than \$50,000	8
\$50,000 to less than \$100,000	11
\$100,000 to less than \$150,000	8
\$150,000 to less than \$250,000	9
\$250,000 to less than \$500,000	15
\$500,000 to less than \$1 million	10
\$1 million or more	6
Refused	4
Based on: Total Respondents	N=1215

D22. Which of the following categories best describes the combined **annual income** of ALL MEMBERS of your household, before taxes, including wages or salary, pensions, and all other sources?

Under \$20,000	6
\$20,000 to just under \$30,000	4
\$30,000 to just under \$40,000	8
\$40,000 to just under \$50,000	8
\$50,000 to just under \$60,000	7
\$60,000 to just under \$70,000	9
\$70,000 to just under \$80,000	9
\$80,000 to just under \$100,000	11
\$100,000 to just under \$150,000	23
\$150,000 or more	15
Refused	2
Based on: Total Respondents	N=1215

D23. Which of the following categories best describes your before-tax **INDIVIDUAL annual income** FROM WORKING, excluding pensions and any other sources of income?

Under \$20,000	9
\$20,000 to just under \$30,000	8
\$30,000 to just under \$40,000	11
\$40,000 to just under \$50,000	11
\$50,000 to just under \$60,000	11
\$60,000 to just under \$70,000	9
\$70,000 to just under \$80,000	6
\$80,000 to just under \$100,000	10
\$100,000 to just under \$150,000	17
\$150,000 or more	6
Refused	2
Based on: Working	N=963

PERMISSION TO SPEAK TO MEDIA

R1. The client for this survey sometimes receives phone calls from reporters who want to interview people for news stories. Would you be willing to speak with a reporter about some of the things addressed in this survey? You may be contacted by the client prior to being referred to the reporter. This would not be a sales call.

Yes	19
No	80
Refused	*
Based on: Total Respondents	N=1215

R1a. Are you still willing to speak with a reporter?

Yes, I reconfirm my consent	82
No	17
Refused:	1
Based on: Would be willing to speak with a reporter	N=237