



Rx for Happy Retirement: Staying Healthy

By Carole Fleck | September 12, 2014

[Staying healthy](#) and how to pay for it are the top concerns for boomers and retirees, a [study](#) has found.

An overwhelming majority of retirees (81 percent) said that good health is the single most important factor for a [happy retirement](#); financial security, by comparison, ranked a distant second (58 percent), the study found.

Boomers said that not being able to pay for health care expenses in [retirement](#) was their biggest fear, regardless of their wealth. But how much they needed to save was so confusing or overwhelming that seven in 10 couples hadn't accounted for those costs in their retirement plans, the study by Bank of America Merrill Lynch and the consultancy Age Wave found.

"That's a big mistake," David Tyrie, head of Retirement & Personal Wealth Solutions for Bank of America Merrill Lynch, said in announcing the results.

Retirement experts generally recommend that people save enough to replace about 80 percent of their salary, to live comfortably in retirement.

To determine what was in the "hearts and minds" of people as they approached and moved through retirement, researchers analyzed findings from some 3,300 workers (primarily boomers) and retirees concerning a range of money and health issues, Tyrie said.

More than half the retirees polled said they left the workforce earlier than they'd planned, and health problems were the biggest reason. A job loss later in life also forced many adults to retire when they couldn't find new work.

Jerry Isler closed his business and retired at 52, much earlier than he'd planned, after a diagnosis of a serious neuromuscular disease. He's now 67 and spends tens of thousands of dollars a year on drugs and copays, he said.

"We have enough to live on, but we underestimated the [cost of medical](#). When you plan for retirement, you never think of this. You think about the mortgage, the car payment; you don't think about medical and it's been the most expensive issue in my family," said Isler, who lives with his life in a Detroit suburb.

Like Isler, Paul and Kathy Skidmore of Finksburg, Md., expected to work until they were at least age 65 and eligible for Medicare. That didn't work out. The couple got laid off within a year of each other and grudgingly settled into retirement at ages 62 and 63.

"We would've saved more money had we worked longer," said Kathy Skidmore, now 67.

"We're more frugal than we probably would've been. We had inheritances from both parents, and that helped a lot."

Boomers in the study also were asked to make comparisons to their parents' generation about health care. Not surprisingly, they said they were much more likely than their parents to research health information and take a proactive approach to their care.

One thing respondents of all ages had in common: They said Alzheimer's was the scariest condition in later life, surpassing fears about cancer, stroke, heart disease, diabetes and arthritis combined.

When it came to serious illness, more people said they were concerned about the financial impact of a spouse's serious illness than they were about their own. Women shared that view more than men, perhaps because they're likely to live longer and are more apt to spend down savings on their spouse's health care.

In the end, the study said health care professionals should better prepare for an aging population. It also said that government and private-sector research efforts should be stepped up on diseases related to aging.

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