



Seniors Mostly Mum on Medicare ...

A recent national survey of Medicare enrollees found that fewer than one-third (28 percent) of seniors who use financial planning professionals discuss Medicare plans with their advisers. The study, *Allsup Medicare Advisor® Seniors Survey: Seniors with Financial Planners*, surveyed 1,000 seniors nationwide, one-third of whom reported using a financial planning professional for retirement planning.

“Allsup’s survey of seniors with financial advisers found that while only a small number discuss Medicare with their advisers, three of their five major concerns relate to health care and Medicare,” says Mary Dale Walters, senior vice president of the Medicare consulting firm that commissioned the study.

Among those who do consult their financial planning professionals about

Medicare, 79 percent have confidence that their advisers are “knowledgeable” or “extremely knowledgeable” about the subject.

Seniors who use financial advisers also expressed greater confidence in their health care savings (70 percent compared to 58 percent). Additionally, seniors who rely on financial planning professionals are more likely to set aside savings specifically for health care expenses than those without advisers (41 percent and 27 percent, respectively).

Walters says the study shows that “financial and retirement planning professionals have a tremendous opportunity to assist their senior clients with Medicare plans and health care choices by helping them realize and prepare for the cost-related results of their decisions.”

What Are the Best—and Worst—States for Retirement? ...

MoneyRates.com has compiled its third annual list of the best and worst states in which to retire. Top retirement states, from best to worst, were

1. Hawaii
2. Idaho
3. Utah
4. Arizona
5. Virginia
6. Colorado
7. Florida and New Mexico (tie)
9. South Dakota
10. California and Texas (tie)

The worst retirement states, from best to worst, were

1. Rhode Island
2. Maryland
3. Maine
4. New York and Ohio (tie)

5. Massachusetts
6. Illinois
7. Alaska and Pennsylvania (tie)
8. Michigan

Rankings were based on criteria including senior population growth, economic conditions, crime rate, climate, and life expectancy. The growth of population age 65 and older between the years 2000 and 2010 was seen as an indicator of a state’s overall appeal to seniors. Economic conditions included property taxes and cost of living. The study noted that unemployment was also a factor, as growing numbers of seniors choose to work part-time.

“Recently, some have challenged FPA’s thinking of ‘one profession, one designation, one association,’ and to them I propose a few questions:

- Why shouldn’t there be uncomfortably high barriers to entry for professionals who look after hard-working people’s life savings?
- How many times would you visit a doctor who wasn’t educated, trained, and licensed to practice medicine?

I think the same will be said—and is being said right now—about financial planners.”

—FPA President Paul Auslander, CFP®, addressing the September 30 opening general session of FPA Experience 2012 in San Antonio, Texas

STAT BANK



31.4...Percentage of mortgage borrowers who are “underwater.” (Zillow)

22...Percentage of 1,900 online survey respondents who say they could not make ends meet without access to credit. (National Foundation for Credit Counseling)

32...Projected percentage of growth in the number of personal financial advisers employed during the 10-year timeframe 2010–2020. This is more than double the 14 percent average overall growth rate projected for all occupations. (U.S. Bureau of Labor Statistics)

38...Percentage of adults who are not confident they will have sufficient income and assets for retirement, up from 25 percent at the close of the Great Recession in 2009. (Pew Research Center)

295...Number of “1 percenters” living in Wyoming, the state with the most per capita. These individuals earn at least \$343,000 annually, placing them in the top 1 percent of U.S. incomes. (CNBC)

30 million...Approximate number of Americans often classified

as “near poor,” living just above the poverty line, with incomes up to 1.5 times the poverty threshold. Many supported a family of four last year on \$34,500 or less. (CNN Money)

\$362,950...

Average 2011 salary of employees in the securities industry in New York City, higher than in any year before the peak in 2007. (Office of the New York State Comptroller)

2.5...Number of years, on average, marketing managers have been employed by their financial planning practice. (2012–2013 FPA Financial Planning Compensation Study)

82 cents...

Amount millennial women are paid for every dollar paid to their male counterparts one year out of college. (American Association of University Women)

19...Percentage of U.S. households owing student debt in 2010. The number is more than twice what it was two decades ago and has risen from 15 percent in 2007, just before the Great Recession, according to analysis of government data. (Pew Research Center)

Cooling Trend: Wealthy Investors’ Confidence in Advisers Slipping ...

Rising concerns over national, economic, and political issues have dampened wealthy investors’ enthusiasm toward their professional advisers. That’s one of the conclusions of recent research by Spectrem Group.

The research found that more than one-third of \$25 million-plus investors think they can do a better job of investing than a pro. In fact, 44 percent of \$25 million-plus investors say they’re conducting more of their own research on investments, with one-third citing greater reliance on financial publications and websites. The trend is especially noticeable among \$25 million-plus investors 54 or younger.

Despite the changes, only 22 percent characterize themselves as self-directed—investors who make all of their own financial decisions. Thirty-six percent of \$25 million-plus

investors claim they make most of their own investment decisions after seeking professional assistance, and 11 percent still say their advisers make most, if not all, of their investment decisions.

Overall satisfaction with advisers has slipped among ultra-high-net-worth investors to 73 percent. That’s down from 80 percent last year who expressed general satisfaction with their advisers, and 81 percent in 2010.

“Advisers clearly are not moving the dial in the right direction when it comes to satisfying enough of their clients,” says Spectrem Group president George H. Walper Jr. “Perhaps even more telling than satisfaction levels, more than one-quarter of affluent investors in all three wealth segments think they can do a better job of investing than their advisers.”

“Smart regulation is about understanding the world as it is, not how we want it to be or how we fear it could become, and aligning incentives and establishing defaults in a manner that encourages positive action and discourages negative action.”

—U.S. Securities and Exchange Commissioner Daniel M. Gallagher, in his keynote address at the National Society of Compliance Professionals National Meeting, October 2012