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The "Greatest Generation" experienced the burgeoning of government and corporate pension and health-care plans post-World War II, but baby boomers and later generations are facing the severe compromise of those benefits.

While thousands of boomers reach retirement age every day, they will continue to take on more responsibility for providing income for their essential living expenses, such as housing, food and health care, says Marc Sarner, president of Wake Up Financial and Insurance Services Inc. (www.wakeupretirement.net).

"The changing landscape of retirement financing has the vast majority of baby boomers concerned, yet millions fail to ever meet with a professional to review their portfolio," he says. "I would recommend reviewing your plan *immediately* –

retiree's sole form of income.

- **Health care expenses may increase.** The longer you live, the more likely you'll experience chronic health conditions such as diabetes, arthritis and/or heart disease, according to the Centers for Disease Control and Prevention. While some credit goes to more active, health-conscious and smoke-free lifestyles, it may be safe to say that today's retirees owe their longer lifespans to prescription drugs and medical advances. And as we all know, health care can be expensive. In 2011, 74 percent of American employees had not considered a plan to cover health care expenses in retirement, according to a survey by Sun Life Financial Unretirement.
- **Plan for long-term care assistance.** With a longer life comes the greater likelihood of needing assisted living or long-term care. For a couple, this kind of care can be costly and is important to consider when developing a long-term care strategy. Medicare pays for acute care, not long-term residency. Medicaid pays for long-term care, but requires that you "spend down" your assets before coverage kicks in. Individuals who delay buying long-term coverage may be considered high risk and may be denied coverage or charged higher premiums.
- **Better understand Social Security benefits.** The age in which you elect to receive Social Security benefits may be the most important factor in this area. Delaying benefits as long as you can will increase the monthly amount you receive. However, spousal benefits may factor into your retirement in a big way. Once you reach full retirement age, you may claim either your own benefit or a derivative (up to 50 percent) of your spouse's benefit – whichever is higher. When it comes to Social Security benefits for spouses, the determining factors are the length of marriage, work history and the age of both spouses.
- **Appreciate the role of insurance products and strategies in retirement.** The transition to individuals having more responsibility of their retirement savings isn't the only thing that has changed in the 21st century. The closer you get to retirement, or once you've made the decision to retire, it is prudent to start limiting your downside exposure in exchange for upside potential as you

transition to the income distribution phase. Consider allocating your assets not

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As president of Wake Up Financial and Insurance Services, Inc. (www.wakeupretirement.net) for nearly two decades, Marc Sarner provides retirement solutions for retirees and pre-retirees that focus on reducing taxes, increasing income and managing risks. He earned his Bachelor of Business Administration from California Polytechnic State University.

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