How men can be more stable in golden years

By Chris Orestis

June is Men’s Health Month, a reminder for men to do the things that they generally don’t do as well as women: getting screened for conditions that, detected early, are easily treated; seeking education about health issues, and supporting each others well-being.

If being happier with good health isn’t enough, then men should consider the extraordinarily high medical cost of poor health – especially during the retirement years.

Just one health incident can wipe out an individual’s savings, leaving little money for living expenses, which explains the problem of funding long-term care and offers solutions.

That can mean a major loss of independence, from having to move in with a son or daughter or worse. Baby boomers, who are retiring in droves, have about 8 percent less wealth than those 10 to 15 years older than them, partly because of the recent recession.

In addition to taking care of their health, retired and soon-to-be-retired men can avoid flirting with poverty by exercising some financial options.

Here are some tips:

• Hold off on collecting Social Security until age 70. The life expectancy for men today is 76, an increase from past years, and it’s expected to continue to climb. If you’re worried about outliving your money, hold off on collecting Social Security benefits early (age 62), which results in up to 30 percent less benefits. People born from 1943 to 1959 are eligible for full benefits at 66, and those born in 1960 or later are eligible at 67. However, if you wait until age 70, you can receive up to 8 percent more in benefits.

• Turn your life insurance into a long-term care fund. Instead of abandoning a life insurance policy because you can no longer afford the premiums, policy owners can convert a portion of the death benefit value into a Life Care Benefit – Long Term Care Benefit Plan. The money is deposited into a fund earmarked for paying for private duty in-home care, assisted living, skilled nursing, memory care and hospice care. By converting a life insurance policy, a senior does not have to resort to Medicaid and the many restrictions that come with it, but will still be Medicaid-eligible when the benefit is spent down.

• Consider investing part of your portfolio in fixed-rate indexed annuities: Having all of your retirement savings in stocks exposes retirees and pre-retirees to too much risk. As you get closer to retirement age, it’s important to find alternatives that provide for growth while protecting savings. Fixed-rate indexed annuities – money loaned to an insurance company that guarantees payments over a specified length of time – allows you to forecast the income you’ll generate. Fixed-rate indexed annuities have a ceiling on interest rates, but they also have a floor. Your principal is safe and you can ride an up market without the risk.

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