The Future of Advice: Holistic Planning Arrives

The Department of Labor’s fiduciary rule, evolving needs of consumers, and the digital revolution are among the challenges that will bring about massive changes to the retirement planning market and the way advisors serve their clients. This period of change is already underway. As industry leaders arrived for VISION: IRI Annual Meeting 2016, the future of the industry and advice was front and center. The prevailing consensus is that retirement planning conversations need to become broader, deeper and more holistic than ever before.

Industry leaders opened the conference by painting a picture of an aging consumer base, that’s living longer, largely unprepared for retirement, and too risk-averse to take advantage of recent bull markets. These are the consumers that deeply need advice, noted Robert DeChellis, President and CEO of Allianz Life Financial Services, LLC, and Chairman of the Insured Retirement Institute (IRI) Board of Directors.

“How do we make this connection between advice and guidance, and the consumer who so desperately needs it?” he asked. “I think the single biggest challenge is that we need to demonstrate value.”

Along with creating value, George Riedel, Head of U.S. Intermediaries, T. Rowe Price, singled out the need to establish trust as a core challenge facing the retirement planning community. He said the industry has not done an adequate job in representing the advisory profession to the public.

“That has led to a mistrust in the public, which is in direct contrast to what we are trying to do,” Riedel said. “I think rebuilding that trust, in whatever way we can, would be the number one goal.”

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Demonstrating Value and Restoring Trust

Building trust and showing value will require more focus on retirement income, according to Carolyn Johnson, CEO of Annuities and Individual Life for Voya Financial. She said this means having more conversations on the things that matter to consumers and making the planning process much more engaging. She recommends focusing more on how clients plan to spend their retirement days, rather than on account balances.

“How do you build trust? You build trust by making it simple, straightforward, [and] focusing on the right things,” Johnson said. “We also think it means having it be a little bit fun. We’ve done research on this… Consumers love talking about retirement, but not retirement planning.” Advisors can make the process less onerous and more engaging by structuring conversations

Discussions on the future of advice were front and center during the IRI Annual Meeting. From left to right: Robert DeChellis, President and CEO of Allianz Life Financial Services, LLC; Benjamin Huneke, Managing Director, Head of Investment Solutions, Morgan Stanley Wealth Management; Carolyn Johnson, CEO of Annuities and Individual Life for Voya Financial; George Riedel, Head of U.S. Intermediaries, T. Rowe Price; and Fred Gabriel, Editor of Investment News.

Industry leaders share their perspectives on the challenges facing the industry, new technologies and the future of advice.

Robert DeChellis, President and CEO, Allianz Life Financial Services, LLC:
“How do we make this connection between advice and guidance, and the consumer who so desperately needs it? I think the single biggest challenge is that we need to demonstrate value.”

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Benjamin Huneke, Managing Director, Head of Investment Solutions, Morgan Stanley Wealth Management
“At Morgan Stanley, we believe [technology] will make advisors better and enhance their ability to expand beyond just talking stocks and bonds or mutual funds and portfolios to having time to have a more broad conversation with their clients.”
around achieving the client’s retirement goals, not merely on reaching a certain savings target.

DeChellis, who was recently appointed to lead a new Allianz Life strategic business unit, agrees that less focus on wealth accumulation, and more attention on income, will help show value and build trust over the long run. “It hasn’t been until the last five to 10 years that we’re talking about distribution of assets,” he said, noting that historically the industry’s focus was on working with clients to select the right stocks, funds and asset allocation mix. “Once we got to this place, where now we had to start thinking about the consolidation of those assets and distributing them in an efficient way to last a lifetime, the game changed.”

Holistic Planning the New Standard

Industry leaders agree that this need has grown exponentially since the Department of Labor’s fiduciary rule was finalized in April 2016. Benjamin Huneke, Managing Director, Head of Investment Solutions, Morgan Stanley Wealth Management, says if there’s one change since the rule was finalized, it’s a realization that advisors need to embrace complexity and a holistic view of their clients. He adds that this will require using a broader array of solutions. [For more on holistic retirement planning, see article on Page A4].

DeChellis adds that being able to work in a client’s best interest will require the advisor having all the facts about the client’s financial situation, the type of information that can be gathered through a comprehensive retirement planning process. For example, how can an advisor appropriately set an allocation mix that matches their risk profile if they don’t know all of the client’s investment holdings? A holistic planning conversation can help draw this information out.

Digital Revolution

Industry leaders also addressed the impact of the digital revolution on the industry. While most attention regarding technological innovation in the retirement planning industry has focused on the advent of robo-advisors, they see ample opportunity for new technology to support advisors, particularly as they embrace a holistic retirement planning approach.

“When you have new technologies... it’s not always clear exactly what impact they’re going to have,” Huneke said. “At Morgan Stanley, we believe that these technologies will make advisors better and enhance their ability to expand beyond just talking stocks and bonds or mutual funds and portfolios to having time to have a more broad conversation with their clients. That technology will enable that efficiency.”
The Elements of a Holistic Retirement Plan

Due to new regulations and increased competition from robo-advisors, among other dynamics, industry leaders agree that the current environment will lead to a greater focus on holistic retirement planning, which can add greater value to the client-advisor relationship and build trust with clients. To help advisors better understand this approach, several industry experts provide their perspectives on the essential elements of a holistic retirement plan.

Holistic retirement planning can be a bit of a buzz term, but after talking to several experts from across the retirement planning community, several broad themes emerge — a holistic retirement plan should be comprehensive, put into writing, and be reviewed and adjusted on an ongoing basis. But above all else, the holistic retirement plan has to be client-focused and unique to his or her needs and aspirations.

“A retirement plan often consists of a client’s current investment allocation, insurance needs and asset distribution strategy,” said Graham Day, National Sales Manager and Managing Director for AXA Distributors, LLC. “But a holistic retirement plan will take a much broader, more comprehensive approach to the client’s life, livelihood, needs and goals.”

Given that a holistic plan is built based on each client, the advisor must truly understand the client and the client’s goals, including legacy and philanthropic desires. It also means understanding the client’s life events and family dynamics, Day notes. He adds that advisors should also be sure to know the client’s health status and family health history.

Once the advisor has a comprehensive understanding of the client, the next thing to focus on is the client’s unique retirement needs and expenses, recommends Tim Buckeridge, Director, VAIO Sales, Franklin Templeton.

“We suggest building the plan based on their predispositions, beginning with expenses,” he said. “This is what they understand and know. They understand their mortgage payment is set every month. They are worried about their utility and health care bills. Although they might be able to pay for these things today, will they be able to pay tomorrow?”

Buckeridge suggests creating a written list of all these expenses, and then identifying all of the client’s sources of income in retirement. This will be the start of matching expenses with retirement income. He recommends starting with non-investment resources first, including Social Security, and then filling in the gaps using the client’s investment assets.

This also is the juncture of the planning process where insured assets can be used to ensure the client’s retirement income is sufficient to meet goals and objectives, notes Dylan Huang, Senior Managing Director and Head of Retail Annuities for New York Life.

“Annuities and life insurance are frequently overlooked, but will often improve a person’s ability to meet their retirement goals,” he said. “While traditional assets are critical to a client’s accumulation phase, risks in retirement are unique and create a need for guarantees that may be best served through insured assets.” Huang suggests advisors broach this subject by asking clients how much of their income they want guaranteed.

Other insurance solutions can also be incorporated into the plan to protect against certain risks, notes Day with AXA Distributors, LLC. This may include, for example, long-term care coverage. Providing tax and estate planning services also could be necessary. Given the extensiveness of options and required

Executive Perspective

Graham Day, National Sales Manager and Managing Director for AXA Distributors, LLC

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Executive Perspective

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Continued from A4

expertise, advisors shouldn’t feel they need to do this all alone. “Relying on specialists to fill in the blanks and manage more complex strategies is the best approach advisors can take to ensure their clients’ needs are met,” he said.

Once the plan is designed and in writing, the holistic planning process doesn’t come to an end. Advisors who embrace a true holistic retirement planning approach will continue to follow up with clients and make adjustments to plans based on changes in clients’ lives and goals.

“Holistic retirement planning is an ongoing process,” New York Life’s Huang said. “If done well, it starts many years before retirement and continues well beyond the point someone stops working. An advisor should always plan on having regularly scheduled follow up sessions, as they are essential to maintaining the effectiveness of the plan already in place.”

“Warning: Some Assembly Required”

A holistic retirement plan can be made up of many different parts. And as New York Life’s Dylan Huang cautions, “some assembly is required.” Here’s a list of common elements IRI Insight contributors identified that should be included in a holistic plan.

<table>
<thead>
<tr>
<th>The Client</th>
<th>Needs and Expenses</th>
<th>Asset Accumulation</th>
<th>Asset Drawdown</th>
</tr>
</thead>
<tbody>
<tr>
<td>Goals, objectives and concerns</td>
<td>Living expenses</td>
<td>Retirement accounts</td>
<td>Retirement income planning</td>
</tr>
<tr>
<td>Lifestyle</td>
<td>Health care</td>
<td>Savings rate</td>
<td>Social Security/Medicare optimization</td>
</tr>
<tr>
<td>Legacy/philanthropic desires</td>
<td>Long-term care</td>
<td>Asset allocation</td>
<td>Longevity protection</td>
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<tr>
<td>Family dynamics</td>
<td>Insurance</td>
<td>Investment performance</td>
<td>Tax planning</td>
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<tr>
<td>Risk tolerance</td>
<td>Travel and leisure</td>
<td>Non-investment assets</td>
<td>Estate planning</td>
</tr>
<tr>
<td>Health status/family health history</td>
<td>Financing other goals</td>
<td>Life insurance / annuities</td>
<td>Relocation/downsizing</td>
</tr>
</tbody>
</table>

IRItv EPISODE: The Future of the Industry

Instead of seeing dark clouds, industry leaders see an opportunity to brave the storm and emerge into a golden age for the profession. Hear from Robert DeChellis, IRI Chairman, President & Chief Executive Officer, with Allianz Life Financial Services, LLC.

WATCH NOW!
RETIREMENT PLANNING BY THE NUMBERS 2017

The Social Security Administration, the Internal Revenue Service (IRS), and other government agencies recently announced changes and other key retirement planning figures that will impact retirees and retirement savers in 2017.

Social Security

0.3% Cost of living adjustment (COLA) for Social Security benefits.

$1,360 Estimated average Social Security monthly benefit for a retired worker payable in January 2017, up from $1,355 in 2016.

$2,687 Maximum Social Security monthly benefit for a retirement worker at normal or full retirement age.

Medicare

$3,310 Medicare Part D initial coverage limit (standard benefit plan).

$166 Medicare Part B annual deductible. After the annual deductible, enrollees typically pay 20% of the Medicare-approved amount for most doctor services (including most doctor services while a hospital inpatient), outpatient therapy, and durable medical equipment.

$109 Minimum Medicare Part B premium for current enrollees paying premiums through deduction from Social Security, up about 4% from 2016 due to the "hold harmless" provision of Social Security. New enrollees, enrollees not receiving Social Security benefits and/or whose Medicare premiums are paid by Medicaid, and enrollees with individual income above $85,000 or joint income above $170,000 will pay increased premiums. See the table below for more information.

$4,850 Medicare Part D out-of-pocket maximum (standard benefit plan).

Medicare Part B Premiums 2017

<table>
<thead>
<tr>
<th>Modified Adjusted Gross Income (MAGI) in 2015</th>
<th>2017 Medicare Part B Premium</th>
</tr>
</thead>
<tbody>
<tr>
<td>File individual: $85,000 or less</td>
<td>$109¹/$134²</td>
</tr>
<tr>
<td>Greater than $85,000 up to $107,000</td>
<td>$187.50</td>
</tr>
<tr>
<td>Greater than $107,000 up to $160,000</td>
<td>$267.90</td>
</tr>
<tr>
<td>Greater than $160,000 up to $214,000</td>
<td>$348.30</td>
</tr>
<tr>
<td>Greater than $214,000</td>
<td>$428.60</td>
</tr>
</tbody>
</table>

1 Standard premium for current enrollees receiving Social Security benefits.
2 Standard premium for those enrolling for the first time in 2017 and those not receiving Social Security benefits and/or whose premiums are paid by Medicaid.
The Social Security Administration, the Internal Revenue Service (IRS), and other government agencies recently announced changes and other key retirement planning figures that will impact retirees and retirement savers in 2017.

### Medicare Part B Premiums 2017

<table>
<thead>
<tr>
<th>Modified Adjusted Gross Income (MAGI) in 2015</th>
<th>File individual</th>
<th>File jointly</th>
</tr>
</thead>
<tbody>
<tr>
<td>$127,200 or less</td>
<td>$85,000 or less</td>
<td>$109</td>
</tr>
<tr>
<td>Greater than $127,200 up to $214,000</td>
<td>Greater than $85,000 up to $107,000</td>
<td>Greater than $134,200 up to $160,000</td>
</tr>
<tr>
<td>Greater than $214,000 up to $320,000</td>
<td>Greater than $170,000 up to $214,000</td>
<td>Greater than $267,900 up to $320,000</td>
</tr>
<tr>
<td>Greater than $320,000</td>
<td>Greater than $214,000 up to $428,000</td>
<td>Greater than $348.30 up to $428,600</td>
</tr>
</tbody>
</table>

2. Standard premium for those enrolling for the first time in 2017 and those not receiving Social Security benefits and/or whose premiums are paid by Medicaid.

### Social Security and Medicare Taxes

- **6.20%** Social Security payroll tax.
- **12.4%** Social Security payroll tax for self-employed individuals.
- **$127,200** Taxable wage base for Social Security payroll tax.
- **1.45%** Medicare payroll tax.
- **2.9%** Medicare payroll tax for self-employed individuals.
- **Unlimited** Taxable wage base for Medicare payroll tax.
- **0.9%** As part of the Affordable Care Act, additional Medicare tax on income earned above the following thresholds: Single - $200,000; Married filing jointly - $250,000; Married filing separately - $125,000.
- **3.8%** As part of the Affordable Care Act, Medicare surtax on investment income – including dividends, interest, and capital gains – that applies to higher income taxpayers: Single - $200,000; Married filing jointly - $250,000; Married filing separately - $125,000. Income from retirement plan distributions and municipal bond interest are excluded.

### Retirement Savings and Income

- **$5,500** Maximum IRA contribution limit.
- **$6,500** Maximum IRA contribution limit for those aged 50 and older.
- **$18,000** Maximum elective deferral to a 401(k) plan.
- **$24,000** Maximum elective deferral to a 401(k) plan for those aged 50 and older.
- **$54,000** Annual limit on additions to a 401(k) plan (including employee elective deferrals and all employer contributions).
- **$60,000** Annual limit on additions to a 401(k) plan (including employee elective deferrals and all employer contributions) for those aged 50 and older.
- **Unlimited** Maximum contribution to a non-qualified annuity (no limit imposed by the government, insurance companies may impose limits).
- **$15,500** Maximum elective deferral for a SIMPLE 401(k) plan for those aged 50 and older.
- **$12,500** Maximum elective deferral for a SIMPLE 401(k) plan.
- **$215,000** Maximum annual payout from a defined benefit plan.
“Good Housekeeping” – Financial Edition

As 2016 draws to a close and as clients start preparing for 2017, this might be the perfect time for them to make resolutions to get their financial houses in order. Advisors can have an important part in the process. Industry leaders highlight several areas where advisors can engage their clients to help them organize their financial lives.

#1: Rebalancing a Portfolio

Advisors can have an important role in helping their clients develop an asset allocation strategy that includes a good mix of stocks, bonds, cash and other investments. They also can help their clients maintain that strategy over time. Since asset classes grow at different rates of return, it is necessary for clients to periodically rebalance a portfolio to maintain their target asset mix, explains Doug Dubitsky, Vice President of Product Management at The Guardian Life Insurance Company of America®. "Asset classes associated with high degrees of risk tend to have higher rates of return than less-volatile asset classes, and because of this, a portfolio that is not rebalanced periodically may become more risky or volatile over time," he said. While many clients may consider their 401(k), IRA and other retirement accounts as "set it and forget it" plans, he says it's important for them to review and make sure the asset mix is appropriate.

Doug Dubitsky,
Vice President of Product Management at The Guardian Life Insurance Company of America®

#2: Updating Beneficiaries on Accounts

Often clients will determine a beneficiary when they set up an account, and never revisit the issue. Advisors should remind their clients that it's important to check and update their life insurance, IRA and retirement plan beneficiary designations upon the occurrence of any life event, such as a marriage, divorce or having a child, says Robert A. Fishbein, Vice President and Corporate Counsel, Tax Department, Prudential Financial, Inc. He says some states do not automatically include a spouse or exclude an ex-spouse, and failure to keep the designation current could have unwanted results for clients. "They also should consider if their beneficiaries require special treatment, such as a trust arrangement to receive and manage the asset for a special needs or minor child," he said. "Even if a trust is not needed, different economic positions might warrant unequal treatment for beneficiaries that will have to be made clear."

Robert A. Fishbein,
Vice President and Corporate Counsel, Tax Department, Prudential Financial, Inc.

#3: Roll Over Retirement Assets from Past Employers

While plenty of clients leave their retirement assets at previous jobs, taking the time to roll over all of a client’s assets into one account can set them up for a successful new year. That's because it's easier to manage their investment mix and ensure true diversification when everything is in one place says Graham Day, National Sales Manager and Managing Director for AXA Distributors, LLC. It may also increase their fund selection and flexibility, and will definitely make planning more efficient. "Having everything under one roof makes it easy to see the current situation, track progress toward goals and plan for future needs," he said.

Graham Day,
National Sales Manager and Managing Director for AXA Distributors, LLC

#4: Establish Planning Continuity by Bringing in the Family

Often times everything may seem to be in order, until wealth transfers occur. After the parents are gone, it is not uncommon for the adult children to fight over assets or to cash out, despite the wishes of their parents. This departure often occurs because the family never got on the same page, says Cathy Weatherford, President and CEO of the Insured Retirement Institute (IRI). "Sometimes families are not ready for the financial responsibilities left behind or are unaware of new wealth," she said. "This is especially true if they haven’t been included in previous planning conversations. Lack of preparedness ultimately undermines the intentions of your client and the smooth transition of wealth." Weatherford recommends that advisors take on the role of facilitator and bring the family together to prepare for the next financial steps. This can help get the entire family on the same page and ensure that a client’s wishes remain intact.

Cathy Weatherford,
President and CEO, Insured Retirement Institute
IT’S HERE...

WOMEN AND WEALTH:
Inspiring Stories from Real Women on the Path to Financial Success

By Catherine J. Weatherford,
President and CEO, Insured Retirement Institute (IRI)

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Initial Compliance

Beginning April 10, 2017, the industry will need to be ready to operate under the expanded fiduciary definition. Many advisors who have never served as ERISA fiduciaries before will find themselves subject to a whole new regulatory regime. To continue receiving commissions, these advisors will need exemptive relief from ERISA’s prohibited transaction rules. For many, this will mean satisfying the requirements of the Best Interest Contract (BIC) exemption or revised PTE 84-24 (for fixed-rate annuity contracts), both of which include the impartial conduct standards prescribed by the exemption. As revised, PTE 84-24 will no longer be available for fixed indexed annuities or variable annuities, which were removed from the scope of the amended exemption.

As Thomas Roberts, Principal, Groom Law Group, notes, the impartial conduct standards will require financial professionals to provide investment advice that is in the best interest of the investor, does not provide the advisor with compensation in “excess of what would be reasonable,” and does not include materially misleading statements.

“Under the BIC exemption a written statement must be furnished to the retirement investor stating that the adviser and the financial institution are acting as fiduciaries,” he said. The written statement also must state the impartial conduct standards, confirm that the advisor and financial institution will adhere to those standards, describe any material conflicts of interest, disclose the availability of proprietary products, the receipt of any third-party payments, and the extent of any limitations placed by the financial institution on the universe of investment recommendations the advisor may make.

There are some provisions of the BIC exemption that will not need to be adhered to until full compliance in 2018. This includes enhanced disclosures, such as web-based disclosures.

Full Compliance

The industry will have to be fully compliant with the new requirements by January 1, 2018. At this time, the best interest contract and enhanced disclosure requirements will take effect. “The transition period relief affords some additional time for financial institutions to develop and adopt their BIC compliance and procedures, to get their BIC website into place, and to enter into contracts with retirement investors as needed to cover recommendations made on or after January 1, 2018,” explains Roberts with the Groom Law Group.

Meeting the Deadline

Fred Reish, Partner, Drinker Biddle & Reath, said one of the biggest hurdles to complying with the initial April 10 requirements involves meeting the best interest standard when recommending distributions of retirement assets and rollovers, as well as the related “level fee fiduciary” provisions of the BIC exemption. He points out that the compliance systems are still being developed and advisors have not yet been trained on how to collect and evaluate information to ensure recommendations are in the client’s best interest.

“The major problems for those recommendations are two-fold,” Reish explains. “The first is the gathering of information about the investments, services and expenses in the plan. The second is the methodology for evaluating those and other relevant factors. Advisors need to understand how to gather the information and then evaluate it in a manner that would be in the best interest of the retirement investor — and therefore not challenged through arbitration or litigation.

Market Responses

Across the retirement income industry, annuity manufacturers have responded to the DOL fiduciary rule by restructuring their product offerings or creating new ones altogether. “The amount of innovation in the annuity space is fascinating to watch,” said Jeff Schwantz, Head of

Continued on A11
Advisor Solutions in North America for Morningstar. Much of this activity, he noted, is focused on developing or restructuring lifetime income products for fee-based distribution.

“There are product manufacturers that have included, are including, or will include fee-based solutions,” Schwantz said. “We expected that.” He points out that historically only 5 percent of annuity flows had gone into fee-based solutions, but Morningstar expects that to grow moving forward.

The evolution of the regulatory environment has motivated many broker-dealers to be more innovative as they seek to enhance their competitive positioning. “Organizations are trying to remake themselves and reformulate their business models in response to the DOL and other regulatory events,” he said, noting that this includes using fee-based arrangements and digital advice solutions, where appropriate. In other cases, it includes adding value through a more robust retirement planning process.

**Election Impact**

Following an Election Day victory of Donald Trump and the Republican Party maintaining control of both chambers of Congress, some have begun to question the future of the fiduciary rule. Yet, it may be premature to shut down efforts to implement the rule.

“It is not yet clear what action the incoming Administration will take,” said Mark Smith, a Partner with Sutherland Asbill & Brennan. “For example, the DOL rule has not to date been publicly identified as part of the President-elect’s agenda for the first 100 days, which would carry past the April 10, 2017, applicability date.”

Without any certainty regarding future efforts to delay or withdraw the rule, ERISA experts, including Reish with Drinker Biddle & Reath, contend that it could be risky to discontinue implementation efforts. “If the rules become applicable on April 10 and a broker-dealer or a financial institution is not in compliance by then, they will need to cease doing business in non-compliant areas,” he said. As a result, most companies are continuing to work toward the initial compliance deadline.

Have questions about the DOL fiduciary rule? Visit myIRIonline.org to access IRI’s FAQ for Advisors, which offers financial professionals information and guidance on compensation, BIC compliance, being an ERISA fiduciary, and working with clients.
Advisors often tell me that longevity planning is top-of-mind when they’re helping their clients prepare for retirement income. But longevity alone isn’t causing concern. The current retirement landscape has changed, making it more difficult to find income sources that can last over a client’s total retirement.

As recently as 20 years ago, retirement savers could consistently rely on a pension plan, Social Security, and a healthy return from a portfolio of equities and fixed income to retire comfortably. Traditional income approaches such as the 4 percent withdrawal rule for sustainable income are falling short in the face of low interest rates and equity markets that may be poised for a correction. And fewer savers have access to traditional pensions. This is forcing many to take on additional portfolio risk to get the income needed to maintain their lifestyle over a longer retirement.

These changes open up numerous opportunities for successful planning conversations between advisors and clients. Here are three points for consideration as you address longevity:

1. Keeping Best Interests in Mind

Lincoln’s research shows that advisors believe conversations about longevity are essential, and 93 percent feel that helping to protect clients against the risks of longevity is an important aspect of their fiduciary duties. In addition, 85 percent believe that addressing longevity issues can help ensure that their clients can reach their retirement goals. It’s important to help clients view longevity as an opportunity, and less as a challenge.

Similarly, advisors agree managing longevity represents an opportunity to grow a holistic planning practice. These discussions are more likely to help advisors attract and retain clients, and build their own reputations in a favorable way. If you’re not already doing so, consider ways you can build conversations about longevity into client meetings – even if the client is not proactively bringing up the topic. Providing this education helps demonstrate your expertise and positions you as a trusted partner in the advisor-client relationship.

2. Bridge Disconnects in the Conversation

Both sides of the table agree on the importance of addressing longevity and solving for its risks, although clients may not be hearing what you have to say. While 93 percent of advisors say they address the retirement planning horizon – the period over which one will need income – only 52 percent of advised consumers say they’ve addressed this concern with their advisor.

Similar discrepancies are found in other areas of the conversation, including market volatility and inflation, among others. Advisors may think these topics are being addressed, but clients may not be getting

Continued on A13
Taking charge of the future?
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What you do is help them, because nothing is more important to your clients than those they care about most. For over 100 years, Lincoln Financial has provided advice and solutions that help empower people to take charge of their financial lives with confidence and optimism. Today, more than 17 million customers trust our retirement, insurance and wealth protection expertise to help address their lifestyle, savings and retirement income goals, as well as to guard against long-term care expenses. Because when everyone is cared for, everyone sleeps better at night.

**3. Talk About Income and Solutions**

While clients may feel disheartened at the possibility of their income not lasting as long as their retirement, you can help them feel prepared by highlighting solutions in the marketplace that solve for longevity. Now more than ever, advisors must turn to lifetime income solutions that are vital for helping consumers achieve their retirement objectives. Solutions that provide a guaranteed stream of income in retirement help clients address many of the risks and realities of longevity, as well as market volatility, taxes, and inflation. Talk about ways clients can incorporate a guaranteed lifetime income solution into their portfolio, providing them with an income stream they can’t outlive.

With a solution like an annuity in place, you can help give your clients the power of knowing they’ll receive a check for life.

Continued from A12

the picture. Repetition is key.

Consider ways to make these discussions more effective by portraying longevity’s tangible impact on clients’ lives. Case study examples and interactive tools that factor in a saver’s age, assets and other criteria, can help clients see where their money is, and what their sources of income will be in retirement. These tools help demonstrate how solutions, such as annuities, help close the gap between current income and the annual income clients want in retirement. They also illustrate how much money is needed to maintain a lifestyle in retirement while factoring in current and projected future savings, retirement plans, Social Security, estimated life expectancy, taxes and more.

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With a solution like an annuity in place, you can help give your clients the power of knowing they’ll receive a check for life.
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