

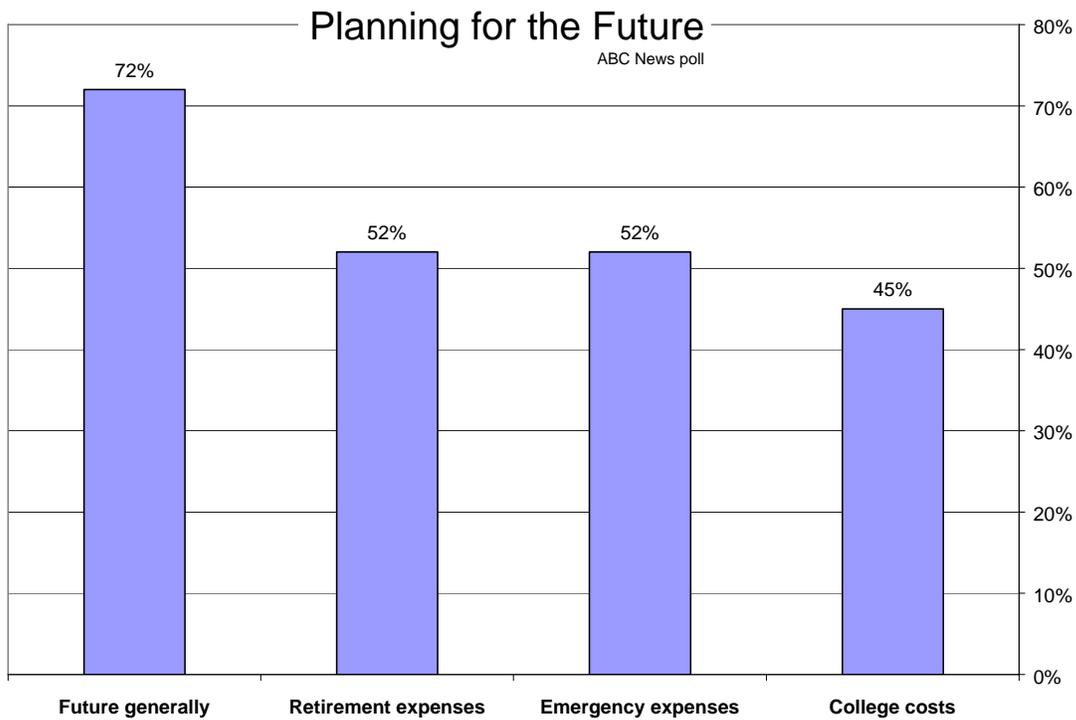
## **Planning for the Future: More Talk Than Action**

When it comes to planning for the future, many Americans talk a good game – but far fewer have taken specific action.

Seventy-two percent in an ABC News poll say they're planning and preparing for life as they get older. But when it comes to specifics the numbers fall sharply, with only around half saying they've prepared for emergency expenses, college tuition for kids or adequate retirement income. And many lack a will, living will or health care proxy.

Indeed, while seven in 10 say they've planned and prepared, only about half that number – 35 percent of Americans – say they've done “a great deal” to prepare for the future. That suggests that many have not taken substantive action.

Follow-ups confirm it: Barely over half, 52 percent, say they've planned and prepared for retirement income, or for emergency expenses like the loss of a job. Fewer than half those with children under 18, 45 percent, have prepared for college expenses. And in each case only about a fifth say they've done “a great deal” of preparation.



Planned/prepared for:		
Future generally		72%
Retirement expenses		52
Emergency expenses		52
College costs, if have kids		45

In areas of specific action, 74 percent have life insurance, but far fewer – 50 percent – have a will, and fewer still, 42 percent, have a living will or health care proxy.

In a positive trend, the number of people who have a living will or health care proxy has grown sharply in recent years, from 17 percent in 1991 to 34 percent in 1999 and 41 percent now. The numbers who have a will, or have life insurance, have held steady.

	2002	1999	1991
Have a living will	42%	34	17

This national survey was done as part of an ABC Radio News special, “Getting Your House in Order: The ABCs of a Better Life,” airing during the Labor Day weekend.

**FACTORS** – Income, naturally, is a very strong factor in many of these, with people who are better-off financially much more likely to say they’ve planned and prepared to deal with future expenses. For example, among Americans with household incomes over \$75,000 a year, 75 percent say they’ve planned for retirement expenses; among those with incomes under \$30,000 that dives to 26 percent.

Higher-income people are also much more likely to have life insurance, and somewhat more likely to have wills – but no more apt to have living wills or health-care proxies.

		Income	
Planned for:		<\$30K	>\$75K
Life as you get older		64%	82
Cost of retirement		26	75
Life emergency		36	70
Have:			
Life insurance		55	85
Will		44	56
Living will		40	43

Other, related factors show similar influence. People who are better-educated, married, and older in most cases are more likely – sometimes substantially more likely – to be preparing and planning for expenses as they get older. For instance, among people who haven’t gone beyond high school, 43 percent have prepared for retirement expenses; among college graduates, that jumps to 72 percent.

Marriage – which in many cases provides dual-incomes – is a very strong factor. Among unmarried people just 38 percent say they’ve planned for retirement income; among marrieds this jumps to 63 percent.

	Planned/prepared for retirement expenses
Unmarried	38%
Married	63
High school/less	43
College grad.	72
Pre-boomers	60
Baby boomer	59
Post-boomers	39
<\$30K	26
>\$75K	75

Age is an especially strong factor in retirement planning, and even more so in having a will or a living will. Among people 37 and under (the post-baby-boom generations), 28 percent have a will; this rises to 55 percent of baby boomers, and rises again to 76 percent of people born before the baby boom (age 57 and up).

Income is so strong a factor that it effectively splits the huge baby boom population roughly into two – half with family incomes less than \$50,000 a year, half more. Upper-income boomers are far more likely than their lower-income counterparts to be preparing for their older years. Even in the broadest (and apparently most optimistic) self-assessment, 82 percent of upper-income boomers say they're preparing for life as they get older, compared to 61 percent of lower-income boomers.

METHODOLOGY – This ABC News poll was conducted by telephone July 31-Aug. 4, 2002, among a random national sample of 1,024 adults. The results have a three-point error margin. Fieldwork by TNS Intersearch of Horsham, PA.

Analysis by Gary Langer.

ABC News polls can be found at ABCNEWS.com on the Internet at:  
<http://abcnews.go.com/sections/us/PollVault/PollVault.html>

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\*= less than 0.5 percent

26. How much planning and preparation do you feel you've done for life as you get older - a great deal, a good amount, just some or hardly any?

	-----Planning More-----			---Planning Less---			
	NET	Grt.deal	Good amt.	NET	Some	Hardly	No op.
8/4/02	72	35	37	27	19	7	2

27. How much planning and preparation do you feel you've done specifically in terms of (READ ITEM) - great deal, a good amount, just some or hardly any?

	-----Planning More-----			---Planning Less---				No
	NET	Grt.deal	Good amt.	NET	Some	Hardly	op.	

a. Having enough money to live on in retirement	52	19	34	46	24	22	2
b. (IF CHILDREN UNDER 18) Having enough money to send your children to college	45	19	26	51	25	26	3*
c. Having enough savings for an emergency like the loss of a job, or a health problem	52	20	32	48	27	20	1

\*includes 3 percent not planning on college (vol.)

28. Do you personally have (READ ITEM) or not?

	Yes	No	No op.
a. Life insurance	74	26	*
b. A living will and a health care proxy, to deal with your wishes for medical treatment if you're unable to do so	42*	57	1
c. A will	50	49	1

\*includes 1 percent who have one of these, not both (vol.)

Trend:

a. Do you personally have life insurance, or not?

	Yes	No	No opin.
8/4/02	74	26	*
8/25/91*	74	25	0

\*ABC/Money: "Do you have life insurance coverage either through your own policy or through your job?"

b. Do you personally have a living will and a health care proxy, to deal with your wishes for medical treatment if you're unable to do so, or not?

	Yes	No	No opin.
8/4/02	42*	57	1
10/23/99**	34	65	1
12/15/91***	17	83	*

\*includes 1 percent who have one of these, not both (vol.)

\*\*LA Times: Do you have a living will or a written document that you have given to your doctors and/or family members expressing your wishes about whether you want heroic measures to be taken on your behalf if you were critically ill and could not make decisions on your own?

\*\*\*ABC/Post: Do you personally have a written living will that states what should be done in case you have a terminal illness or injury, with no hope of recovery?

c. Do you personally have a will, or not?

	Yes	No	No opin.
8/4/02	50	49	1
10/23/99*	46	53	1

\*LA Times: Do you have a will, or not?

\*\*\*END\*\*\*