

**THE IMPACT OF CLAIMING AGE ON  
MONTHLY SOCIAL SECURITY  
RETIREMENT BENEFITS:  
HOW KNOWLEDGEABLE ARE FUTURE  
BENEFICIARIES?**

**February 2012**

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ON MONTHLY SOCIAL SECURITY RETIREMENT  
BENEFITS:  
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## EXECUTIVE SUMMARY

### Introduction

This survey of over 2,000 adults ages 52-70 who are eligible for Social Security retirement benefits and who expect to claim benefits within the next 15 years examines future beneficiaries' knowledge of how their Social Security retirement benefits are determined, including how the age at which they claim benefits may affect their own benefits as well as the benefits available to their spouse or widow. It also identifies differences in knowledge by demographic characteristics, including but not limited to sex, education, amount in savings, and race/ethnicity, and also explores the association between knowledge and expected claiming age.

Conducted from December 21, 2011 through January 10, 2012, this is the second survey related to knowledge of Social Security benefits that AARP has published in recent years. The first survey was conducted two years earlier, from December 2009 through January 2010. While the first survey included individuals who have yet to claim benefits as well as those already receiving benefits, the most recent survey focuses only on individuals who have yet to claim benefits. Additionally, unlike the first survey, the most recent survey includes oversamples of Hispanics and African Americans in order to enable comparisons by race/ethnicity.

### Overview of Key Findings

Like the first survey, the most recent survey reveals widespread knowledge of certain issues that affect how Social Security retirement benefits are determined while also revealing a considerable lack of knowledge of some critical nuances. For example, the vast majority of future beneficiaries were aware that their monthly benefits would increase if they were to wait until their full retirement age to claim benefits rather than claim at age 62. Most were also aware that delaying claiming by one year beyond their full retirement age would cause their monthly benefits to increase. The vast majority of respondents who were married or had ever been married also were at least somewhat familiar with benefits for widows and widowers.

However, fewer respondents exhibited an understanding of other important issues that affect the determination of benefits. For example, very few knew the number of years of highest earnings that are used to calculate benefits. Awareness of the fact that spousal benefits are available to spouses of living workers was also relatively low. Additionally, few respondents were familiar with the earliest age at which a *worker* would need to claim his or her own retirement benefits in order to maximize monthly benefits available to the worker's widow or widower in the case of the worker's death. Respondents also exhibited low awareness of the age at which a *widow(er)* would need to claim widow(er)'s benefits in order to maximize the monthly benefit.

Additionally, although most understand that workers who receive benefits prior to their full retirement age while continuing to earn income from work may experience a reduction in benefits due to the "earnings test," very few are aware that this reduction in benefits is temporary.

Our analysis also revealed differences in knowledge by demographic characteristics. For example, for many but not all of the issues examined, knowledge increased with education, household income, and savings. Knowledge also tended to be higher among men than women and higher among non-Hispanic whites than among African Americans and Hispanics.

Knowledge also varied with expected claiming age and years from claiming. For example, respondents who expect to claim benefits after age 62 but before their full retirement age exhibited less knowledge overall than did respondents who expect to claim at other ages—including those who expect to claim at age 62, those who expect to claim at their full retirement age, and those who expect to claim after their full retirement age. Additionally, as might be expected, respondents who were within five years of their expected claiming age were generally more knowledgeable than those who expected to claim more than five years from now.

### **Highlights of specific key findings include the following:**

#### **Self-Assessment of Knowledge Level**

When asked to rate their own knowledge of how their Social Security retirement benefits are determined, fewer than one in ten (8%) respondents described themselves as “very knowledgeable.” In all, just under half (46%) of respondents described themselves as either “very knowledgeable” (8%) or “somewhat knowledgeable” (38%) while slightly more respondents (54%) described themselves as either “a little knowledgeable” (39%) or “not at all knowledgeable” (15%).

#### **Number of Years Used in Benefits Calculation**

A beneficiary’s monthly Social Security retirement benefit is determined based on his or her earnings from work (specifically, average indexed earnings over the 35 years during which earnings were highest) and the age at which he or she claims benefits.

In order to gauge respondent awareness of the period of earnings that influence Social Security retirement benefits, we asked respondents to select from a range of options the number of years of highest earnings that are used to calculate benefits. Fewer than one in ten (7%) respondents selected the correct number of years (35). In fact, when asked to select the number of years that are used to calculate benefits, the most common response was “the 5 years during which your earnings were highest” (30%), followed by “the 10 years during which your earnings were highest” (21%).

#### **Knowledge of Impact of Waiting Until Full Retirement Age vs. Claiming at Age 62**

The survey revealed widespread awareness that monthly benefits are higher if benefits are claimed at full retirement age (FRA) versus at age 62. Specifically, approximately nine in ten (89%) respondents were aware that their monthly benefits would be higher if they claim benefits at the age that corresponds to their FRA rather than claiming at age 62. This finding is consistent with findings from our December 2009 survey, which also found widespread awareness of this issue.

Even though the vast majority of respondents were aware that waiting until their FRA would increase their monthly benefits, very few appeared to have an accurate sense of the amount of this increase. For example, of the respondents who were aware that waiting until their FRA would increase their monthly benefits, only three in ten (29%) were able to correctly estimate the percentage increase within 10 percentage points of the actual increase.<sup>1</sup>

### **Knowledge of the Impact of Delaying Claiming by One Year Beyond FRA**

The survey also found that the majority (62%) of respondents were aware that their monthly benefits would be larger if they waited until one year after their FRA to claim benefits rather than claiming at their FRA. These findings are also consistent with our earlier survey conducted in December 2009.

Respondents who correctly answered that delaying claiming by one year beyond their FRA would increase their monthly benefit were asked to estimate the size of that increase. The correct response to this question varies by year of birth but is 8 percent for nearly all respondents in this survey. When estimating the amount by which their benefits would increase due to a one-year delay in claiming, only one third (34%) of respondents were able to provide an estimate that was within two percentage points of the actual increase. Nevertheless, nearly twice as many (62%) were able to provide an estimate that was within five percentage points of the actual increase.

### **Earliest Age to Claim in Order to Receive Highest Monthly Benefit**

In order to receive the highest possible monthly Social Security retirement benefit, beneficiaries should claim benefits at age 70. To test respondent knowledge of this, all respondents were asked to indicate the earliest age at which they should claim in order to maximize their monthly benefit. Overall, nearly three in ten (29%) respondents correctly reported an age of 70, leaving seven in ten (71%) that are unaware of the earliest age at which they should claim to receive maximum monthly benefits.

### **Knowledge of the Earnings Test**

Individuals who are still working for pay and who claim benefits prior to FRA may face a reduction in their monthly benefits if their earnings from work exceed a certain amount. This temporary reduction in monthly benefits is sometimes referred to as the “earnings test.” The reduction is only a temporary reduction, however. Once the affected beneficiary reaches his or her FRA, monthly benefits are adjusted upward to offset the earlier reduction.

In order to assess respondent knowledge of the earnings test, respondents were presented with the case of a 63-year old male who earns an annual salary of \$40,000 and is drawing Social Security benefits. Respondents were asked whether they believed that his salary would affect his

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<sup>1</sup> The actual increase in monthly benefit that a respondent would receive as a result of waiting until their FRA to claim benefits vs. claiming at age 62 varies based on the respondent’s FRA. For respondents to this survey (ages 52 to 70 at the end of 2011), the actual increase ranges from 30.5% to 41.2%.



current monthly benefits. Encouragingly, the majority (76%) of respondents correctly indicated that his salary would reduce his current monthly benefits.

Nevertheless, of those who understood that his salary would reduce his monthly benefits, the majority (71%) incorrectly believed that this would amount to a permanent reduction in benefits and that the affected beneficiary would never get the withheld benefits back.

### **Knowledge of Spousal Benefits<sup>2</sup>**

Social Security spousal benefits may be collected by spouses of workers who are eligible for Social Security retirement benefits while the worker is alive and even if the spouse has never worked for pay. However, our survey findings indicate that only about half (48%) of respondents who were either married or had ever been married were aware that these spousal benefits were available, showing a general lack of knowledge about the spousal benefit.

### **Knowledge of Widow's/Widower's Benefits**

Familiarity with Social Security benefits for widows and widowers is considerably more widespread than knowledge of Social Security benefits for spouses of living workers. Specifically, more than nine in ten (95%) respondents who were married or had ever been married were aware that a *widow/widower who has never worked* for pay may collect Social Security survivor benefits based on the retirement benefits earned by his or her deceased spouse.

Respondents who were married or had ever been married were also well aware (91%) that a *Social Security retirement benefits-eligible worker* who has lower lifetime earnings than his or her spouse would be eligible to receive widow(er)'s benefits based on his or her spouse's Social Security credits upon the spouse's death.

Of respondents who were aware that an individual can collect widow(er)'s benefits based on his or her deceased spouse's earnings (if the surviving spouse has never worked or if the surviving spouse has worked and earned less than the deceased spouse), just over three in four (78%) were also aware that the age at which the deceased spouse originally claimed his own benefits would affect the amount of monthly widow's benefits for which his widow would be eligible after his death. However, of those who were aware that a worker's claiming age can affect the amount of benefits available to his widow, only one in four (25%) were aware that age 70 is the earliest age at which the worker should claim benefits if he wants to maximize the monthly widow benefits that would be available to his widow upon his death.

Additionally, only about half (52%) of respondents who were married or had ever been married correctly indicated that a widow(er)'s claiming age affects the amount of his or her widow(er) benefits.

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<sup>2</sup> All survey questions related to benefits for spouses and benefits for widows/widowers were asked only of respondents who were married at the time of the survey or had been married in the past.

## Knowledge Score

In order to summarize respondent knowledge of the claiming rules affecting Social Security monthly retirement benefit calculations, we calculated a “knowledge score” for each respondent based on his or her answers to each of the knowledge questions.<sup>3</sup> Each respondent’s score was calculated based only on questions asked of that respondent. Therefore, respondents were not penalized for questions that were not presented to them. For questions that required a numerical response (such as questions that asked respondents to estimate the percentage by which their benefit would increase if they were to delay claiming), responses within 2 percentage points of the correct percent were classified as a “correct” response in our calculation of this score.<sup>4</sup>

Nearly all (97%) respondents earned a knowledge score of at least 25, meaning that they correctly answered at least 25 percent of the knowledge questions presented to them. Over half (57%) of respondents received a score of 50 or more. However, very few (just 3%) respondents received a score of 75 or more. The average knowledge score was 50, meaning that, on average, respondents correctly answered 50 percent of the knowledge questions presented to them.

## Sources of Information

In order to understand where people who are approaching their expected claiming age turn for information about Social Security retirement benefits, we asked respondents whether they had used certain sources of information to learn about either Social Security retirement benefits generally or when to start collecting benefits.

Consistent with the findings from our December 2009 survey, this survey found that the *Social Security Administration* and *friends and family* were the most commonly consulted sources of information. Specifically, when asked whether they had used each of 12 different information sources to learn about benefits in general and/or when to collect their own benefits, just over half (53%) of respondents indicated that they had used the Social Security Administration and just under half (45%) indicated that they had consulted friends or family members.

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<sup>3</sup> The score was calculated by assigning a value of 1 to each correct answer, summing the 1s to arrive at each respondent’s absolute score, and then dividing that score by the number of knowledge questions included in each respondent’s calculation to arrive at the percentage of knowledge questions answered correctly. Because the score represents the percentage of questions answered correctly, the lowest possible score is 0 and the highest possible score is 100.

<sup>4</sup> We also calculated a version of the knowledge score in which answers within 5 percentage points (rather than within 2 percentage points) of the correct percentage were counted as “correct” responses to questions that required a numerical response. The purpose of this alternative version of the score was to determine whether expanding the range of responses accepted as “correct” dramatically changed the average score. However, this resulted in very little change to the mean and median knowledge scores. For the knowledge score featured in this report, the average score was 50 and the median was also 50. The alternative measure of the score resulted in an average score of 52 and a median of 50.

## **Implications**

While the widespread awareness of some factors that influence the amount of one's monthly Social Security check is encouraging, the relatively low awareness of other issues that can have an equally important impact on benefits reaffirms the continued need for education and tools to help individuals make informed decisions about when to claim Social Security benefits. Education and tools of this nature can help ensure that people who will soon be eligible to claim Social Security retirement benefits are aware of the extent to which their claiming age can affect their own financial security and the financial security of their dependents.

Understanding the impact of claiming age on monthly Social Security benefits will be increasingly important due to increasing life expectancies (and the resulting need for retirement income to last longer), the continued disappearance of traditional defined benefit pension plans (and the resulting need for other sources of retirement income to supplement savings), and the detrimental impact of the recent economic recession on other sources of retirement income, such as stock market-influenced income.

Education, tools, and in-person consultation may be particularly important for those whom the survey identified as being less knowledgeable than others, such as women, individuals with little or no formal education beyond high school, individuals with relatively low household incomes, individuals with little savings, and Hispanics and African Americans.

Workers who are able to delay claiming Social Security benefits until--or even beyond--their full retirement age will reap the reward of larger monthly benefits, which can translate into greater financial security and peace of mind for themselves and their dependents.

## INTRODUCTION

In recent years, much attention has been paid to the inadequate retirement savings of millions of adults who are approaching retirement and the fact that many expect to rely on Social Security as a principal source of retirement income. For example, according to the 2011 Retirement Confidence Survey published by the Employee Benefit Research Institute (EBRI), just over one third (36%) of workers ages 55+ reported having less than \$25,000 in total savings and investments, and a full half (50%) had less than \$50,000. This same survey found that only 15 percent of workers ages 55+ felt “very confident” that they would have enough money to live comfortably during retirement.<sup>5</sup> Additionally, according to other projections by EBRI, nearly half (47%) of early boomers born between 1948 and 1954 and 44 percent of late boomers born between 1955 and 1964 are at risk of having inadequate income to pay for basic expenses in retirement and uninsured retirement health care costs.<sup>6</sup>

While some studies have suggested that a sizable share of Americans are on track to building a relatively healthy retirement nest egg, the important role of Social Security benefits in the retirement finances of millions of Americans is difficult to deny. For example, although a 2011 paper by Putnam Investments concluded that Americans ages 50-65 can be expected to replace approximately 60 percent of their current income after retiring, it also indicated that this percentage would fall by more than half (to 28%) in the absence of Social Security benefits.<sup>7</sup> Additionally, the 2011 Retirement Confidence Survey found that nearly seven in ten (68%) retirees and nearly half (48%) of workers ages 55+ expect Social Security to be a “major” source of income throughout their retirement.<sup>8</sup> Moreover, in 2008, Social Security income from retirement benefits, spousal benefits, and widow(er)’s benefits kept approximately 36 percent of older Americans out of poverty.<sup>9</sup>

Given the importance of Social Security retirement benefits to the retirement finances of millions of older workers who will soon be eligible (or already are eligible) to claim benefits, AARP recently conducted a survey to examine knowledge of how Social Security retirement benefits are determined, with a focus on knowledge of the relationship between claiming age and monthly benefit amount.

This survey is the second survey related to knowledge of Social Security benefits that AARP has published in recent years. The first survey, which was conducted from December 2009 through January 2010, included individuals ages 55-66 who were already receiving Social Security retirement benefits or would be eligible to receive them in the future.<sup>10</sup> Unlike the first survey,

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<sup>5</sup> Employee Benefit Research Institute, *Retirement Confidence Survey: RCS Fact Sheet #3: Age Comparisons Among Workers* (2011). <http://www.ebri.com/surveys/rcs/2011/>

<sup>6</sup> VanDerhei, Jack and Craig Copeland. “The EBRI Retirement Readiness Rating: Retirement Income Preparation and Future Prospects,” *EBRI Issue Brief*, No. 344 (Employee Benefit Research Institute, July 2010). [http://www.ebri.org/publications/ib/index.cfm?fa=ibDisp&content\\_id=4593](http://www.ebri.org/publications/ib/index.cfm?fa=ibDisp&content_id=4593)

<sup>7</sup> Van Harlow, W. *Opportunity of a Lifetime: Using Lifetime Income Scores to Assess and Improve Retirement Preparedness*, Putnam Investments, 2011.

<sup>8</sup> Employee Benefit Research Institute, Retirement Confidence Survey, 2011. (unpublished data)

<sup>9</sup> Caldera, Selena. *Social Security: Who’s Counting On It?* AARP Public Policy Institute, 2010.

<sup>10</sup> Brown, S. Kathi and Rebecca Perron, *Assessing Current and Future Beneficiaries’ Knowledge of Social Security Benefits*. AARP, 2011.

this new survey excludes anyone who is already receiving benefits and focuses on future Social Security beneficiaries. Specifically, the new survey includes individuals ages 52-70 who are eligible for Social Security retirement benefits and expect to claim benefits within the next 15 years. Additionally, the new survey was designed with sufficient numbers of African American and Hispanic respondents in order to compare the knowledge of Hispanics and African Americans to that of non-Hispanic whites.

While Social Security provides various types of benefits (including retirement benefits, disability benefits, spousal benefits, and survivor benefits for widows/widowers and other dependents), this survey focuses only on individuals who are eligible for Social Security retirement benefits.

The survey had the following key objectives:

- To assess future beneficiaries' knowledge of how their Social Security retirement benefits are determined, including how the age at which they claim benefits may affect their own benefits as well as the benefits available to their spouse or widow(er).
- To examine whether expected claiming ages have changed during the past four years and reasons for these changes.
- To examine whether expected claiming age varies with knowledge. (Are people who expect to claim later more or less likely than others to be knowledgeable about how Social Security retirement benefits are calculated?)
- To determine the resources that future beneficiaries have consulted for information about Social Security retirement benefits.
- To determine whether providing information about the amount needed from personal savings to offset the lower monthly benefits received when claiming early may encourage delayed claiming.

## METHODOLOGY

This survey was administered online from December 21, 2011 through January 10, 2012, by Knowledge Networks of Palo Alto, California, to its national Knowledge Panel. Invitations to participate in the survey were sent only to individuals ages 52 to 70. All prospective respondents were screened in an effort to accept only respondents who would be eligible to receive Social Security retirement benefits based on their own work history in the future and who had not already claimed their benefits but expected to do so within the next 15 years. The survey excluded anyone who was currently receiving disability benefits or any other form of Social Security benefits. In order to allow findings to be compared by race and ethnicity, we also oversampled African American respondents and Hispanic/Latino respondents in order to boost the number of respondents from these two groups.<sup>11</sup>

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<sup>11</sup> In this report, the term "African Americans" is used to refer to survey respondents who indicated that they were not of Hispanic or Latino origin and who described their race as "black." The term "Hispanic" is used to refer to survey respondents who indicated that they were of Hispanic or Latino origin regardless of their race.

At the conclusion of the survey, the main sample included a total of 2,053 respondents ages 52 to 70 who met the screening criteria. As a result of the African American and Hispanic oversamples, the total African American sample included 361 respondents and the total Hispanic sample included 306 respondents. Results were weighted by gender, age, race/ethnicity, education, employment status, internet access, census region, metropolitan area, and language proficiency to be nationally representative of adults ages 52 to 70 who would be eligible to receive Social Security retirement benefits in the future and who expected to claim those benefits within the next 15 years.<sup>12</sup>

## **DETAILED FINDINGS**

### **A. KNOWLEDGE**

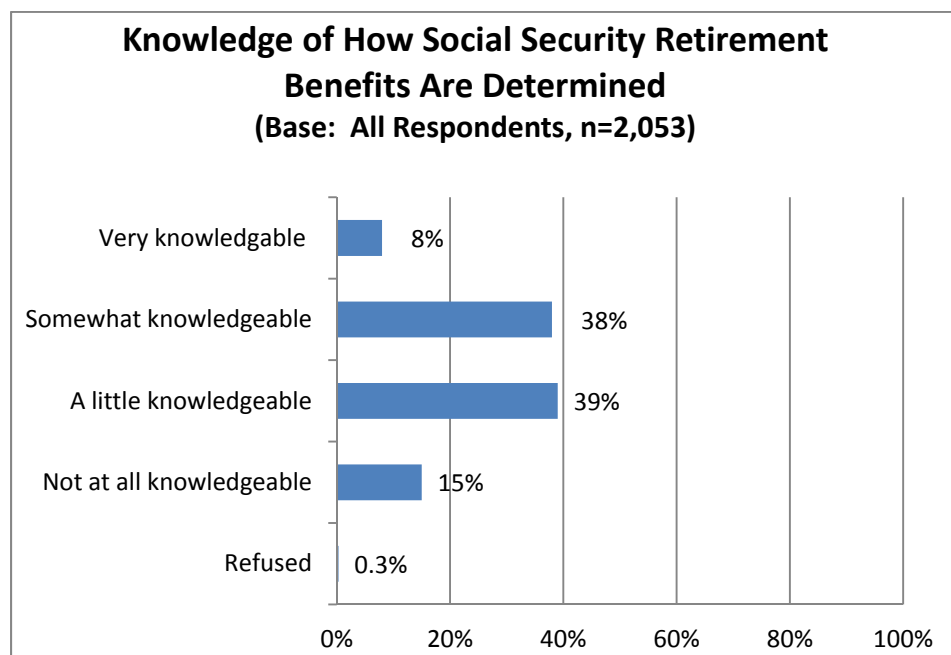
This section of the report includes findings from the survey questions designed to gauge knowledge of how Social Security retirement benefits are determined. Findings are reported for all respondents. For each question, this section also identifies any statistically significant differences by gender, education, age, household income, amount in savings, health status, race/ethnicity, expected claiming age, and number of years from expected claiming age. Responses by subgroup are noted only in cases where the findings differed significantly by any of the above characteristics.

#### **Self-Assessment of Knowledge Level**

When asked to rate their own knowledge of how their Social Security retirement benefits are determined, fewer than one in ten (8%) respondents described themselves as “very knowledgeable.” In all, just under half (46%) of respondents described themselves as either “very knowledgeable” (8%) or “somewhat knowledgeable” (38%) while slightly more respondents (54%) described themselves as either “a little knowledgeable” (39%) or “not at all knowledgeable” (15%). Consistent with our prior research on this topic, a majority (57%) of future beneficiaries who consider themselves to be only “a little” or “not at all” knowledgeable expect Social Security to be a major source of their retirement income.

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<sup>12</sup> The language proficiency weight was added as a post-stratification weight because the survey included an oversample of Hispanics and Latinos. This weight is used to adjust for whether a Hispanic/Latino respondent prefers to converse, read, write, and obtain information in English or Spanish or is equally comfortable with English and Spanish.



**Survey Question: “How knowledgeable do you feel you are about how your Social Security retirement benefits are determined?”**

***Demographic Differences: Sex, Age, Education, Income, Savings, Health***

Males, respondents with relatively more education, those ages 62+, those with higher household incomes, higher savings, and those in better health were more likely than other respondents to consider themselves to be either “very” or “somewhat” knowledgeable.

Specifically, just over half (52%) of men described themselves as knowledgeable, compared to four in ten (39%) women. A similar difference in self-assessed knowledge levels was revealed between older and younger respondents, with just over half (56%) of those ages 62+ describing themselves as knowledgeable compared to 44% of those ages 52-61.<sup>13</sup>

Six in ten (61%) respondents with post-graduate degrees described themselves as knowledgeable, compared to just half (51%) of those with bachelor’s degrees and roughly four in ten (41%) of those with an associate’s degree or less. A similar difference in self-assessed knowledge emerged by savings level, with more than half (57%) of respondents with total savings of at least \$250,000 describing themselves as knowledgeable, compared to 47 percent of those with savings of \$100,000-\$249,999, 42 percent of those with savings of \$25,000-\$99,999, and 39 percent of those with less than \$25,000 saved.

<sup>13</sup> The finding that respondents ages 62+ are more likely than younger respondents to describe themselves as knowledgeable is not surprising in light of the fact that age 62 is the age at which workers become eligible to receive early Social Security retirement benefits and it is reasonable to expect that workers who are close to—or have already reached—this age are more likely than younger respondents to have begun gathering information about how their benefits are determined.

Responses also varied by income and health status. For example, just over half (52%) of respondents with household incomes of \$100,000 or more described themselves as knowledgeable, compared to 41 percent of those with household incomes less than \$50,000. Additionally, nearly six in ten (59%) of those who describe their health as “excellent” considered themselves to be knowledgeable, compared to 45% of those in “good” health and 37% in “fair” or “poor” health.

#### ***Differences by Expected Claiming Age and/or Years from Expected Claiming Age<sup>14</sup>***

Respondents who reported an expected claiming age that is equivalent to either their full retirement age (FRA) or an expected claiming age of 62 were more likely than other respondents to describe themselves as knowledgeable. Specifically, more than half (55%) of respondents who expect to claim at their FRA described themselves as knowledgeable, which surpassed the share of those who expect to claim after age 62 but before their FRA (40%) and the share of those who expect to claim *after* their FRA (45%) who considered themselves to be knowledgeable. Those who expect to claim at age 62 were also more likely than those who expect to claim after age 62 but before their FRA to describe themselves as knowledgeable (48% and 40%, respectively).

Additionally, as might be expected, respondents who were within five years of their expected claiming age were more likely than those who were more than five years from claiming to describe themselves as knowledgeable (51% and 43%, respectively).

#### **Number of Years Used in Benefits Calculation**

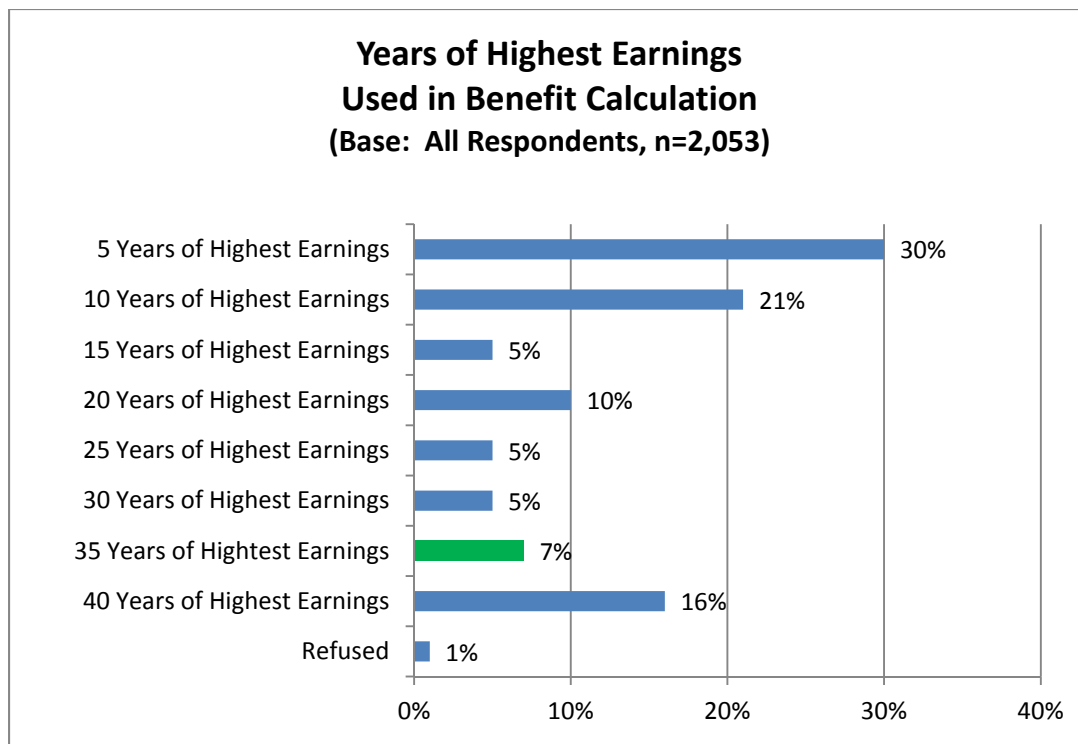
As most readers are likely aware, a beneficiary’s monthly Social Security retirement benefit is determined based on their earnings from work (specifically, their average indexed earnings over the 35 years during which their earnings were highest) and the age at which they claim benefits.

In order to gauge respondent awareness of the period of earnings that influence Social Security retirement benefits, we asked respondents to select from a range of options the number of years of highest earnings that are used to calculate benefits. Fewer than one in ten (7%) respondents selected the correct number of years (35), suggesting very low awareness of the fact that benefits are determined by the 35 years during which earnings are highest. In fact, when asked to select the number of years that are used to calculate benefits, the most common response was “the 5 years during which your earnings were highest” (30%) followed by “the 10 years during which your earnings were highest” (21%).

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<sup>14</sup> For respondents born between 1941 and 1942 and those born between 1955 and 1959, their exact FRA will be reached a certain number of months after their birthday rather than on their birthday. However, the survey instrument only allowed respondents to enter whole numbers (in years) when describing their expected claiming age. Therefore, for purposes of describing whether the expected claiming age of respondents born in the years noted above is before, after, or equivalent to their FRA, we have rounded each respondent’s FRA to the closest whole number (except that FRAs ending in 6 months were rounded up rather than down) and compared each respondent’s rounded FRA to the expected claiming age that they reported in the survey.





**Survey Question:** “As you may know, the amount of Social Security retirement benefits that you will receive will be determined based on the amount of money that you have earned from working. To the best of your knowledge, which of the following best reflects the years of earnings that are used to calculate Social Security benefits?” (Green bar represents correct response.)

The relatively large share of respondents who believe that their Social Security benefits will be based on the 5 years during which their earnings are highest suggests that many respondents may be confusing the Social Security retirement benefits formula with the formula used in their employer’s pension plan as many pension plans calculate benefits based on earnings over a five-year period.

Moreover, the fact that the majority of respondents (75%) incorrectly indicated that their Social Security retirement benefits would be calculated based on earnings over a shorter time horizon than is actually the case suggests that many future beneficiaries may anticipate a higher benefit than that which is due to them as most workers’ average annual earnings over their 35 highest-earning years would be lower than their average earnings over their five highest-earning years.

### ***Demographic Differences: Race/Ethnicity***

The share of respondents who correctly identified the number of highest-earning years used to determine benefits varied little by demographics. The only statistically significant difference that emerged was by race/ethnicity. Specifically, African Americans (15%) were more than twice as likely as non-Hispanic whites (6%) to correctly indicate that Social Security retirement benefits are based on one’s 35 years of highest earnings. (The share of Hispanics who provided

the correct response was not statistically different from the responses of African Americans and non-Hispanic whites.)

#### ***Differences by Expected Claiming Age and/or Years from Expected Claiming Age***

As might be expected, respondents who were closer to their expected claiming age were statistically significantly more likely than those who were farther away from claiming to correctly indicate the number of highest-earning years used to determine benefits. However, the difference in knowledge was fairly small. Specifically, one in ten (9%) of those who were within seven years of their expected claiming age correctly indicated that benefits are based on the 35 years during which one's earnings are highest versus 6 percent of those who were more than seven years from their expected claiming age.

Additionally, respondents who expect to claim after their FRA were less likely than other respondents to provide the correct response. For example, fewer than one in 20 (4%) respondents who expect to claim after their FRA selected the correct response of 35 years, compared to approximately one in ten (9%) of those who expect to claim before their FRA and a similar share (8%) of those who expect to claim at their FRA.

#### **Knowledge of Impact of Waiting Until Full Retirement Age vs. Claiming at Age 62**

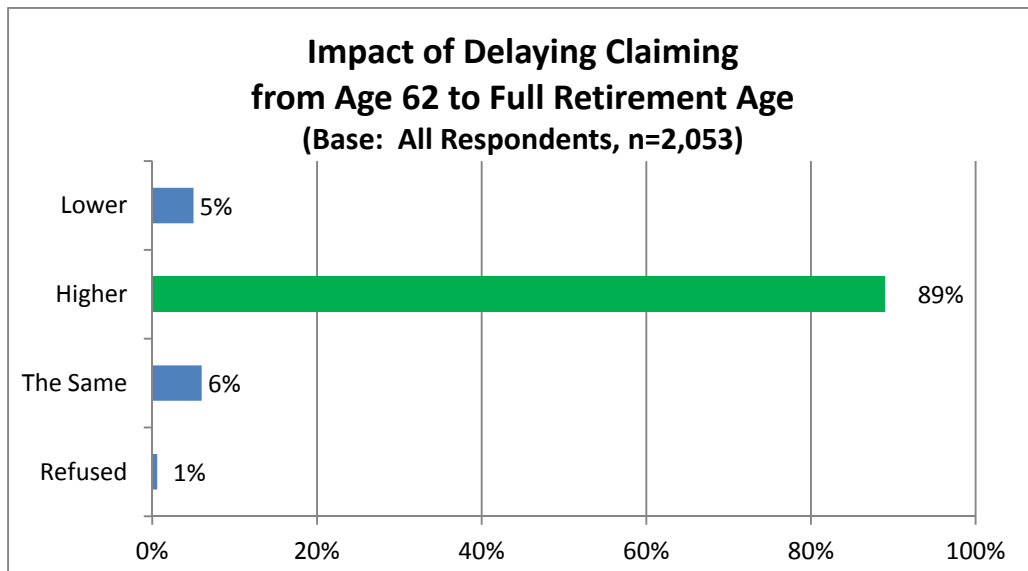
In order to gauge awareness of the impact of waiting until one's full retirement age (FRA) to claim benefits, the survey presented each respondent with a question that asked them whether their monthly benefit would be higher, lower, or the same if they started collecting benefits at age 62 compared to a later age that corresponded to their FRA.<sup>15</sup> However, in order to avoid biasing responses, the questionnaire did not refer to the later age as "full retirement age." Neither the term "full retirement age" nor the term "early retirement age" appeared in the survey.

The survey revealed widespread awareness that monthly benefits would be higher if benefits are claimed at the age that corresponded to the respondent's FRA rather than at age 62. Specifically, nearly nine in ten (89%) respondents were aware that their monthly benefits would be higher if they claim benefits at the age that corresponds to their FRA. This finding is consistent with findings from our December 2009 survey, which also found widespread awareness of this issue.

The remaining respondents who were *not* aware that their monthly benefits would be higher were split between those who believed that their monthly benefits would be lower (5%) and those who believed that their monthly benefits would be the same (6%).

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<sup>15</sup> The FRA value displayed in the survey for each respondent was determined based on the respondent's year of birth. For respondents who were born between 1943 and 1954 (ages 57-68 at the end of 2011), the FRA value displayed in the survey was the respondent's exact FRA because the exact FRA for these respondents is a whole number (age 66). For respondents born between 1955 and 1959 and those born between 1941 and 1942, the rounded version of the FRA was displayed in order to simplify question wording for these respondents whose exact FRAs are not a whole number (e.g. age 66 and 2 months for those born in 1955, age 65 and 10 months for those born in 1942, etc.). When rounding, we rounded each respondent's FRA to the closest whole number. However, to be conservative, FRAs ending in 6 months were rounded up rather than down. (See Appendix C for the rounded FRA used for each birth year.)



**Survey Question:** “Compared to the monthly Social Security retirement benefit that you [IF PPAGE<=62:will receive/IF PPAGE>62: would have received] if you [IF PPAGE<=62:start /IF PPAGE>62:had started] collecting benefits at age 62, would your monthly benefit [IF PPAGE<=FRA: be/IF PPAGE>FRA: have been] lower or higher if you instead [IF PPAGE<=FRA: wait/IF PPAGE>FRA: had waited] until age [INSERT FRA] to start collecting Social Security benefits, or would your monthly benefit be the same regardless of whether you [if ppage<=FRA: start / if ppage>FRA: had started] collecting at age 62 or age [INSERT FRA]? (Green bar represents correct response.)

#### Demographic Differences: Sex, Education, Income, Savings, Race/Ethnicity

Although the survey revealed high awareness across most demographic groups of the fact that monthly benefits will be higher when one claims at one’s FRA rather than claiming at age 62, differences did emerge by demographics. Specifically, males, respondents with more education, respondents with higher household incomes, those with more in savings, and non-Hispanic whites were more likely than other respondents to be aware that claiming benefits at their FRA would lead to higher monthly benefits than would claiming at age 62.

For example, just over nine in ten (91%) men were aware of this, compared to 86 percent of women. Additionally, more than nine in ten respondents with post-graduate degrees (94%) and bachelor’s degrees (94%) were aware of this, compared to 89 percent of those with some college education or an associate’s degree and just 83 percent of those with high school degrees or less. Awareness was 94 percent among respondents with at least \$25,000 in savings, compared to just 81 percent among those with less than \$25,000 in savings.

Differences in knowledge were particularly pronounced by household income and race/ethnicity. Specifically, more than nine in ten (95%) of those with household incomes of \$100,000 or more were aware of this, compared to just 75 percent of those with less than \$25,000 in household income. Among non-Hispanic whites, awareness was 92 percent, compared to just 76 percent among African Americans and 73 percent among Hispanics.

### Differences by Expected Claiming Age and/or Years from Expected Claiming Age

Respondents who reported an expected claiming age that was after age 62 but before their FRA and those who expected to claim at an age that exceeded their FRA were *less* likely than most other respondents to correctly indicate that claiming at their FRA would lead to higher monthly benefits. Specifically, 84 percent of respondents who expect to claim after age 62 but before their FRA and 88 percent of those who expect to claim after their FRA were aware of this, compared to 93 percent of respondents who reported an expected claiming age equivalent to their FRA and 93 percent of those who expect to claim at age 62.

### ***Knowledge of the Size of the Increase***

Respondents who correctly reported that delaying claiming from age 62 to their FRA would increase their monthly benefits were asked to estimate the size of the increase in monthly benefits that would result from such a delay.

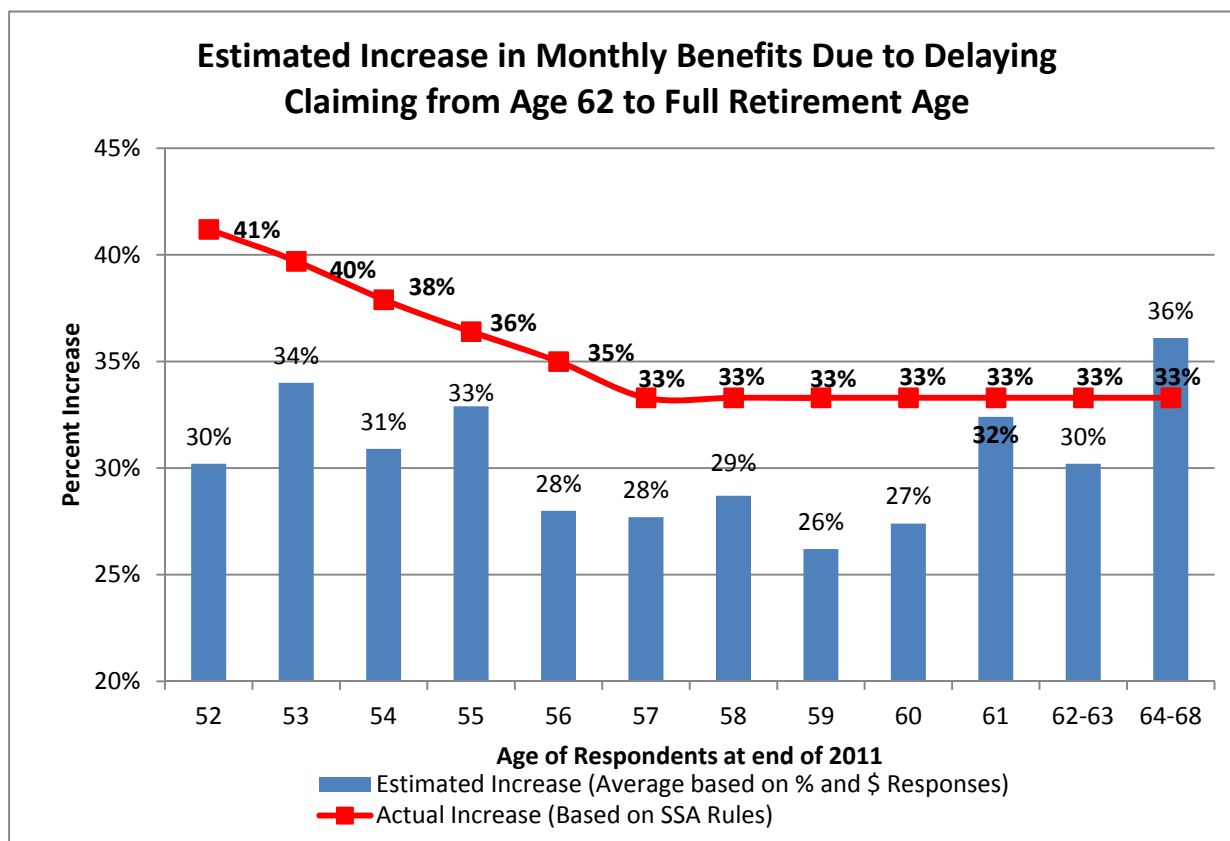
Even though the vast majority of respondents were aware that waiting until their FRA would increase their monthly benefits, very few appeared to have an accurate sense of the amount of this increase. For example, of the respondents who were aware that waiting until their FRA would increase their monthly benefits, less than 1 percent (only 0.1%) responded with a percentage increase that was the exact percentage increase by which their monthly benefits would increase.

Because it may be unreasonable to expect respondents to know the exact percentage by which their benefits would increase, we also examined the share of respondents whose responses were within 2, 5, and 10 percentage points of the actual increase. As would be expected, far more respondents (29%) were able to correctly estimate the percentage increase within 10 percentage points of the actual increase than were able to correctly estimate within 5 points (14%) and 2 points (4%). Nonetheless, the fact that the majority of respondents were unable to correctly estimate the increase within a rather large +/-10 percentage point range suggests a considerable lack of knowledge about this issue. Perhaps most interesting is that, of those who were aware that waiting until their FRA leads to increased monthly benefits, approximately half (51%) underestimated the size of this increase by more than 10 percentage points, meaning that they considerably underestimated the benefit of waiting until their FRA to claim benefits.

The average response was 30 percent, which was also considerably lower than the average correct answer of 35 percent.<sup>16</sup>

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<sup>16</sup> The actual increase in monthly benefit that a respondent would receive as a result of waiting until their FRA to claim benefits vs. claiming at age 62 varies based on the respondent's FRA. For respondents to this survey (ages 52 to 70 at the end of 2011), the actual increase ranges from 30.5% to 41.2%. Respondents were given the option of providing a percentage or a dollar amount when asked to estimate the extent to which claiming at their FRA rather than age 62 would increase their monthly benefit. In order to compare responses across all respondents, regardless of whether they answered in dollars or percentages, each estimate provided in dollars was converted into a percentage of \$1,000 as the survey question instructed respondents to assume that their monthly benefit would be \$1,000 if they claim at age 62. Among respondents who answered with a percentage, the average response was 20.4 percent, which was lower than the average response (30.3%) based on both percent and dollar responses.



**Survey Question:** “Assume that your monthly Social Security retirement benefit would be \$1,000 if you [if ppage<=62: start /IF PPAGE>62: had started] collecting Social Security at age 62. By how much do you think your monthly benefit [IF PPAGE<=FRA: would increase/IF PPAGE>FRA: would have increased if you [IF PPAGE<=FRA: wait/IF PPAGE>FRA: had waited] until age [INSERT FRA] to start collecting Social Security benefits? Please enter your best guess of the increase in your monthly benefit below, or a percentage increase.”

**Note:** Due to the small number of respondents of each age older than age 61, respondents’ ages 62 and 63 are grouped together as are those ages 64-68. The unweighted bases for each age group shown above are as follows: age 52: 118, age 53: 139 , age 54: 120 , age 55: 136, age 56: 162, age 57: 172, age 58: 170 , age 59: 157, age 60: 147 , age 61: 154, age 62-63: 166, age 64-68: 143. Although the survey contained a few respondents ages 69 and 70, they are not shown in the chart above due to their small numbers.

#### Demographic Differences: Education, Savings, Age, and Race/Ethnicity

Respondent knowledge of the incremental monthly benefit that they would receive by claiming at their FRA rather than age 62 varied by some demographic characteristics. Respondents with more education, those with more savings, and those ages 62+ were more likely than other respondents to provide an estimate of the increase that was relatively close to the actual increase. Additionally, non-Hispanic whites and African Americans were more likely than Hispanics to provide a relatively close estimate.

For example, one in three (33%) respondents with post-graduate degrees provided an estimate that was within 10 percentage points of the actual increase that they would experience, compared to just 25 percent of respondents with a high school degree or less. Additionally, nearly two in five (38%) respondents with savings of at least \$250,000 provided an estimate that was within 10

percentage points of the actual increase that they would experience, compared to just 24 percent of those with less than \$100,000 in savings. (The corresponding percentages of respondents providing an estimate within *five* percentage points of the actual increase were 19 percent of those with at least \$250,000 saved and 11 percent of those with less than \$100,000 saved.)

As might be expected, respondents who had reached the age of 62 (the age of eligibility for early retirement benefits) provided more accurate estimates than younger respondents. Specifically, two in five (44%) respondents ages 62+ correctly estimated the increase within 10 percentage points, compared to just 31 percent of those ages 57-61 and 23 percent of those ages 52-56. (The corresponding percentages of respondents in each age group who provided an estimate within *five* percentage points of the actual increase were 21%, 15%, and 10%, respectively.)

Finally, non-Hispanic whites (15%) were approximately twice as likely as Hispanics (7%) to provide an estimate that was within *five* percentage points of the actual increase. Additionally, although only a small portion of survey respondents provided an estimate that was within *two* percentage points of the actual increase, African Americans (6%) were more likely than Hispanics (1%) to provide such a close estimate. Notably, however, the share of Hispanics who provided an estimate that was within *ten* percentage points of the actual increase did not differ significantly from the share of African Americans and non-Hispanic whites who did so.

#### Differences by Expected Claiming Age and/or Years from Expected Claiming Age

Respondents who were closer to their expected claiming age and those who expect to claim at their FRA were more likely to provide a response that was reasonably close to the actual increase.

For example, nearly two in five (39%) respondents who were within five years of their expected claiming age provided a response that was within 10 percentage points of the actual increase that they would experience, compared to just 25 percent of those who were more than five years from their expected claiming age. (The percentages of respondents providing an estimate within *five* percentage points of the actual increase were 19 percent of respondents who expect to claim within five years vs. 9 percent of respondents who expect to claim more than 10 years from now.)

More than one in three (37%) respondents who expect to claim at their FRA provided a response that was within 10 percentage points of the actual increase that they would experience, compared to just 27 percent of those who expect to claim before their FRA, and 28 percent of those who expect to claim after their FRA. (The corresponding percentages of respondents providing an estimate within *five* percentage points of the actual increase were 19 percent of respondents who expect to claim at their FRA, 13 percent of those who expect to claim before their FRA, and 12 percent who expect to claim after their FRA.)

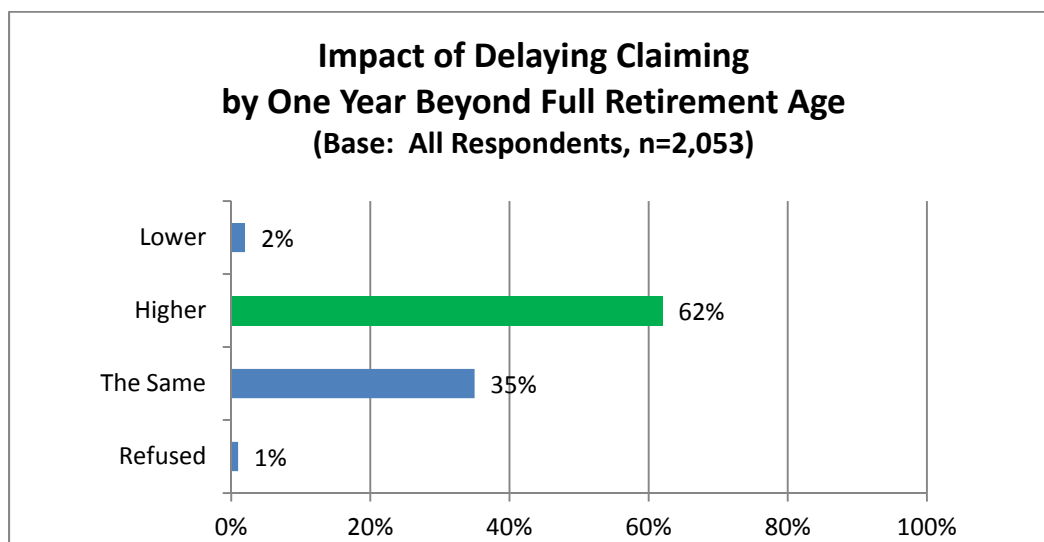
## Knowledge of the Impact of Delaying Claiming by One Year Beyond FRA

As discussed previously, the amount of monthly Social Security retirement benefits that one receives is based on earnings from work as well as claiming age. In general, delaying one's claiming age by one year will increase one's monthly benefit, and claiming one year earlier will decrease one's monthly benefit.

In order to gauge understanding of the impact of delaying claiming by one year beyond FRA, we asked respondents whether they believed that their monthly benefit would be higher, lower, or about the same if they decided to claim benefits at an age that is one year after their FRA rather than claiming at an age that corresponded to their FRA. (As in the other survey questions that referred to the respondent's FRA, neither the term "full retirement age" nor the term "FRA" was used. Instead, for the FRA, the survey question displayed the actual age that corresponded to the respondent's rounded FRA using a formula based on the respondent's year of birth. See Appendix C for the rounded FRA used for each birth year.)

The survey found that the majority (62%) of respondents were aware that their monthly benefits would be larger if they waited until one year after their FRA to claim benefits rather than claiming at their FRA. Although a majority were aware of this, awareness that a one-year delay will increase monthly benefits is clearly lower than awareness that claiming at one's FRA leads to higher monthly benefits than does claiming at age 62. These findings are also consistent with our earlier survey conducted in December 2009.

Of the respondents (38%) who were *not* aware that such a one-year delay in claiming leads to increased monthly benefits, nearly all (35%) believed that this delay would result in no change in benefits. Only two percent of respondents believed that this would lead to reduced benefits.



Survey Question: "Compared to the monthly Social Security retirement benefit that you [IF PPAGE<=FRA: will receive/IF PPAGE>FRA: would have received] if you [IF PPAGE<=FRA: start/IF PPAGE>FRA: had started] collecting benefits at age [INSERT FRA], would your monthly benefit [IF PPAGE<=FRA+1: be/IF PPAGE>FRA+1: have been] lower or higher if you instead [IF PPAGE<=FRA+1: wait/IF PPAGE>FRA+1: had waited] one more year until age [insert FRA+1] to start collecting Social Security benefits, or would your monthly benefit be the same regardless of whether you [if ppage<=FRA+1: start / if ppage>FRA+1: had started] collecting at age [INSERT FRA] or age [INSERT FRA+1]?" (Green bar represents correct response.)

### Demographic Differences: Sex, Education, Income, Savings, Age, and Race/Ethnicity

Men, respondents with more education, those with higher incomes, those with more savings, those ages 62+, and non-Hispanic whites were more likely than other respondents to correctly indicate that delaying claiming by one year after their FRA would cause their monthly benefits to increase.

For example, nearly two in three (65%) men were aware of this, compared to approximately three in five (59%) women. More than seven in ten (72%) respondents ages 62+ were aware, compared to just six in ten (60%) of those ages 52-61. Non-Hispanic whites (66%) were more likely than African Americans (44%) and Hispanics (42%) to be aware of this.

Awareness also increased with education, income, and savings. For example, nearly three in four (74%) respondents with bachelor's degrees or higher were aware of this, compared to just over six in ten (62%) of those with just some college education or an associate's degree and half (50%) of those with only a high school degree or less. More than two in three (68%) respondents with household incomes of \$50,000 or more were aware of this, compared to fewer than three in five (57%) respondents with household incomes of \$25,000-\$49,999 and just over two in five (44%) of those with incomes of less than \$25,000. Respondents with savings of less than \$25,000 (50%) were less likely to be aware of this than were those with more savings (59% of those with \$25,000-\$99,999 saved, 67% of those with \$100,000-\$249,999 saved, and 78% of those with \$250,000 or more saved).

### Differences by Expected Claiming Age and/or Years from Expected Claiming Age

Respondents who were closer to their expected claiming age and those who expect to claim at their FRA were more likely than others to correctly indicate that waiting until one year after their FRA would lead to increased monthly benefits.

Specifically, nearly seven in ten (69%) of those who were within five years of their expected claiming age were aware of this, compared to just under six in ten (58%) of those who were more than five years from the age at which they expect to claim. Additionally, approximately three in four (74%) of those who expect to claim at their FRA were aware of this, which is higher than the awareness among those who expect to claim before their FRA, including those who expect to claim at age 62 (62% awareness) and those who expect to claim after age 62 but before their FRA (52% awareness). Moreover, the 52-percent awareness among those who expect to claim after age 62 but before their FRA was lower than the awareness measured among all other respondents, including respondents who expect to claim after their FRA (67% awareness) in addition to those respondents already mentioned who expect to claim at their FRA and those who expect to claim at age 62.

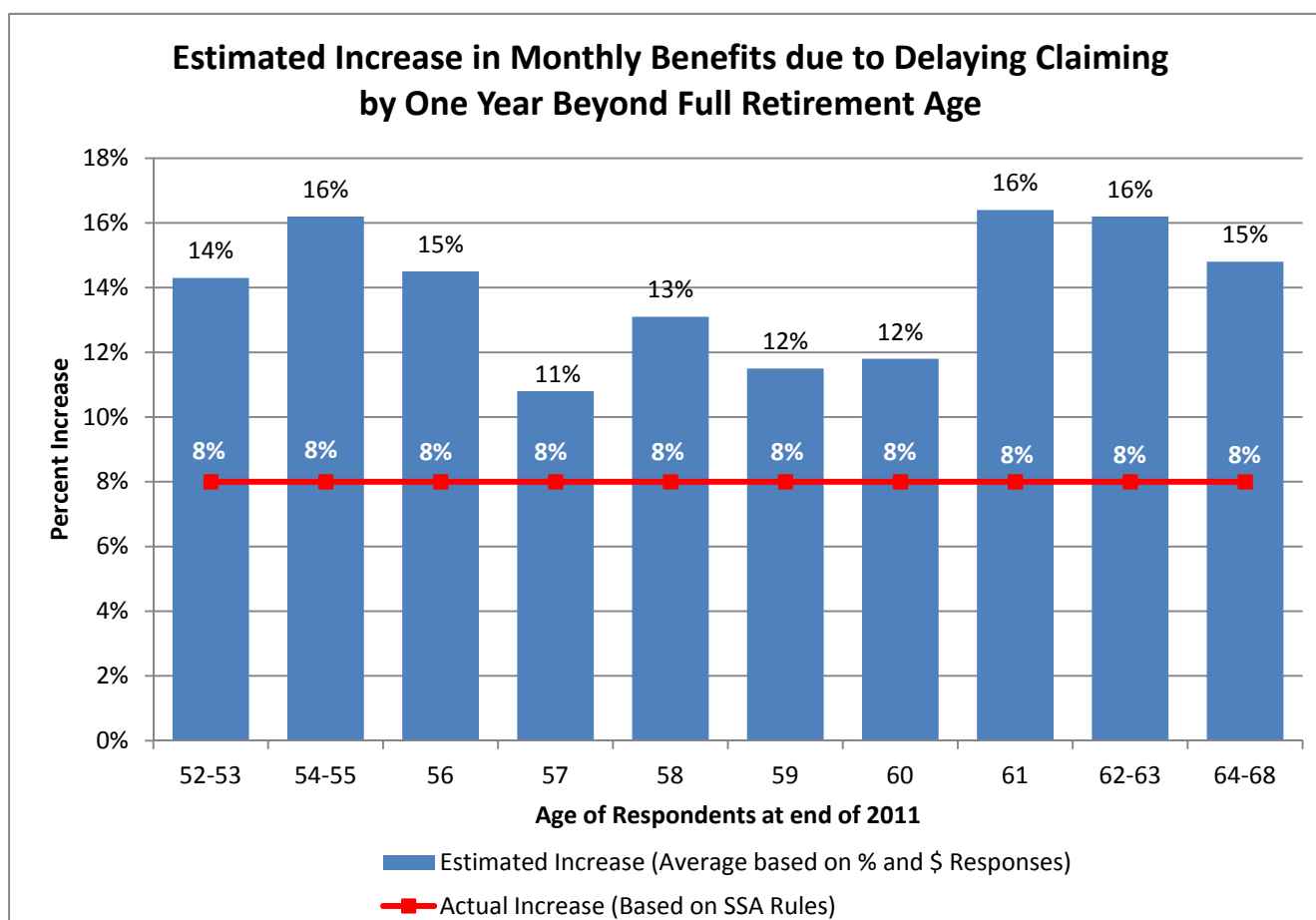
### ***Knowledge of the Size of the Increase***

Respondents who correctly guessed that delaying claiming by one year beyond their FRA would increase their monthly benefit were asked to estimate the size of that increase. The correct response to this question varies by year of birth but is eight percent for nearly all respondents to this survey. Specifically, it is 7.5 percent for respondents who were born in 1941 or 1942 (ages



69 and 70 at the end of 2011) and 8 percent for all other survey respondents (born between 1943 and 1959; ages 52-68 at the end of 2011).

The average estimate provided by all respondents who answered this question was 14 percent, which is higher than the actual increase of eight percent that almost all of these respondents would experience as a result of delaying their claiming age by one year beyond their FRA.<sup>17</sup>



**Survey Question:** “Assume that your monthly Social Security retirement benefit would be \$1,000 if you [IF PPAGE<=FRA: start/IF PPAGE>FRA: had started] collecting Social Security at age [INSERT FRA]. By how much do you think your monthly benefit [IF PPAGE<=FRA+1: would increase/IF PPAGE>FRA+1: would have increased] if you [IF PPAGE<=FRA+1: wait/IF PPAGE>FRA+1: had waited] one more year until age [INSERT FRA+1] to start collecting Social Security benefits rather than collecting benefits at age [INSERT FRA]? Please enter your best guess of the increase in your monthly benefit below, or a percentage increase.”

**Note:** Due to the small number of respondents of certain ages, respondents ages 52 to 53, 54 to 55, 62 to 63, and 64 to 68 are grouped together. The unweighted bases for each age group shown above are as follows: ages 52-53: 148, ages 54-55: 163, age 56: 111, age 57: 128, age 58: 112, age 59: 107, age 60: 102, age 61: 119, age 62-63: 133, age 64-68: 124. Although the survey contained a few respondents ages 69 and 70, they are not shown in the chart above due to their small numbers.

<sup>17</sup> Respondents were given the option of providing a percentage or a dollar amount when asked to estimate the extent to which a one-year delay in claiming beyond their FRA would increase their monthly benefit. In order to compare responses across all respondents, regardless of whether they answered in dollars or percentages, each estimate provided in dollars was converted into a percentage of \$1,000 as the survey question instructed respondents to assume that their monthly benefit would be \$1,000 if they claim at their FRA. Among respondents who answered with a percentage, the average response was 7.5 percent, which was closer to the actual increase than the average response (14%) based on both percent and dollar responses.

Of respondents who correctly indicated that delaying claiming by one year beyond their FRA would lead to higher monthly benefits, very few (just 4%) were able to indicate the precise percentage by which their monthly benefits would increase. Because it may be unreasonable to expect respondents to know the exact percentage by which their benefits would increase, we also examined the share of respondents whose responses were within 2, 5, and 10 percentage points of the actual increase. When reviewing responses in this manner, we found that approximately one third (34%) of respondents estimated an increase that was within two percentage points of the actual increase that they would experience if they delayed claiming by one year beyond their FRA, which suggests that they have a fairly accurate sense of the additional monthly benefits that they could earn by delaying claiming by one year. Furthermore, approximately six in ten (62%) provided an estimate that was within five percentage points of the actual increase and approximately eight in ten (81%) provided a response that was within 10 percentage points of the actual increase.

However, nearly one in four (23%) respondents provided an estimate that was *more than five percentage points higher than* the actual increase that they would experience as a result of delaying their claiming age by one year beyond their FRA, and another 15 percent provided an estimate that was *more than five percentage points lower than* the actual increase that they would experience. These last two groups, which comprise nearly two in five (38%) of all respondents who correctly indicated that a delay in claiming would increase their monthly benefits, are at risk of making claiming decisions that are based on substantially inaccurate expectations about the impact of delaying claiming by one year. The former group in particular (those who overestimated by more than five percentage points the impact of a one-year delay on their monthly benefits) may be in for an unwelcome surprise when learning the actual impact of waiting one year beyond their FRA.

#### Demographic Differences: Sex, Age, Income

Knowledge of the incremental monthly benefit that one would receive by delaying claiming by one year beyond one's FRA varied by a few demographic attributes.

Men, respondents ages 60+, and respondents with lower household incomes were more likely than other respondents to offer a reasonably close estimate of the incremental monthly benefit that they would receive by claiming benefits one year after their FRA rather than claiming at their FRA. For example, approximately two in three (66%) men correctly estimated the increase within five percentage points, compared to 58 percent of women. Nearly two in five (39%) respondents ages 60+ correctly estimated the increase within two percentage points, compared to 31 percent of respondents ages 52-59. Additionally, respondents with household incomes below \$50,000 (42%) were more likely than those with household incomes of \$50,000 or more (30%) to correctly estimate the increase within two percentage points.<sup>18</sup>

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<sup>18</sup> This was one of only two knowledge-related questions that lower-income respondents were more likely than higher-income respondents to answer correctly. The other question concerns the impact of the earnings test on benefits and is discussed later in the report. We cannot be sure why those with lower incomes who were aware that a one-year delay in claiming leads to higher monthly benefits were more likely than their higher-income counterparts to provide an accurate estimate of the resulting increase in monthly benefits. Additional analysis may be warranted in order to develop a better understanding of this in light of the fact that lower-income respondents exhibited less knowledge than higher-income respondents of nearly all other issues examined in the survey.

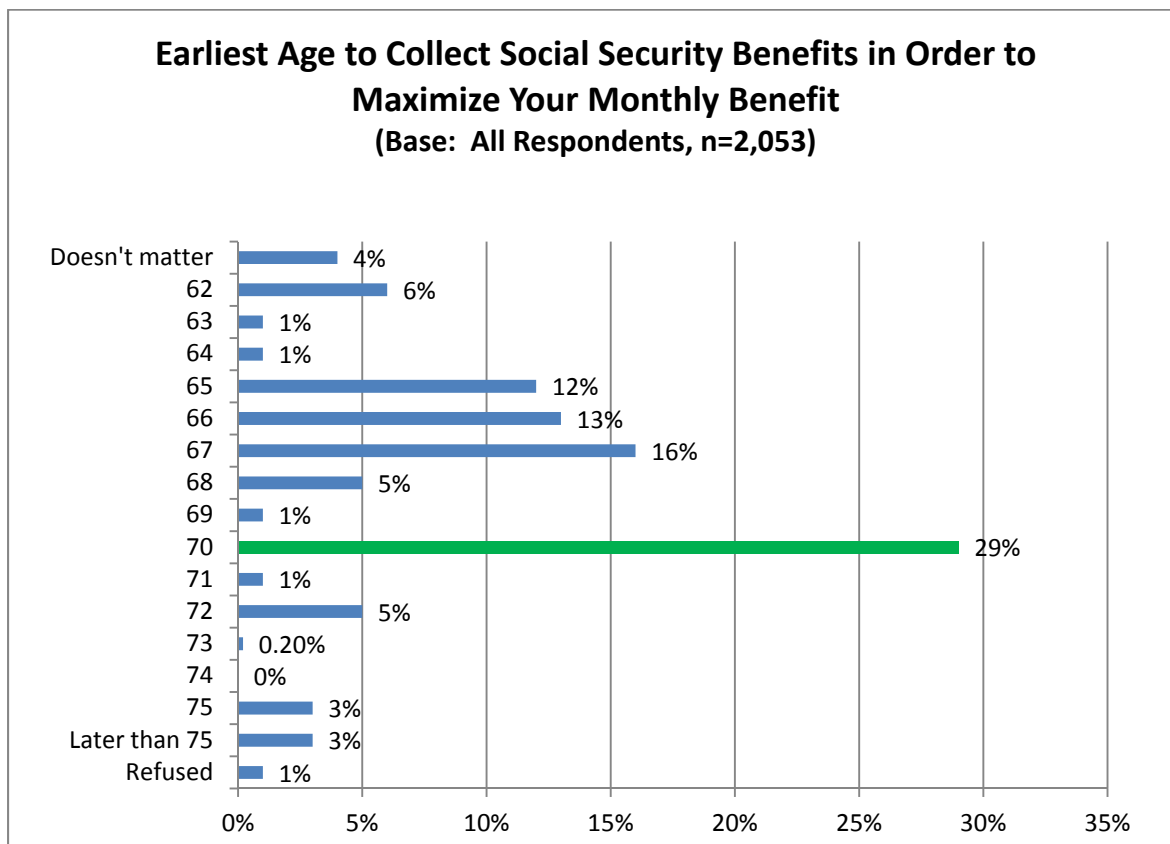
#### Differences by Expected Claiming Age and/or Years from Expected Claiming Age

Respondents who expected to claim at their FRA or later were more likely than others to provide a reasonably accurate estimate of the degree to which their monthly benefits would increase as a result of delaying claiming by one year beyond their FRA. For example, a full two in three (66%) of those who expected to claim at their FRA or later correctly estimated the increase within five percentage points, compared to just 58 percent of those who expected to claim before their FRA.

Additionally, respondents who were relatively close to their expected claiming age were somewhat more likely than respondents who were farther from claiming to provide an accurate estimate of the amount by which delaying claiming by one year would increase their monthly benefits. However, this difference applied *only* to the small share of respondents who were able to identify the *exact* amount (in dollars or percent) of the increase. Specifically, 6 percent of respondents who were within seven years of claiming provided the exact amount compared to just 2 percent of those who were more than seven years from claiming. The share of respondents who were able to correctly estimate the amount of the increase within 2 or 5 percentage points of the actual increase did not vary by years from claiming.

## Earliest Age to Claim in Order to Receive Highest Monthly Benefit

In order to receive the highest possible monthly Social Security retirement benefit, beneficiaries should claim benefits at age 70. To test respondent knowledge of this, all respondents were asked to indicate the earliest age at which they should claim in order to maximize their monthly benefit. Overall, nearly three in ten (29%) respondents correctly reported an age of 70, leaving seven in ten (71%) that are unaware of the earliest age at which they should claim to receive maximum monthly benefits. One of the more concerning findings is that approximately one in five (19%) respondents provided a response that is below their FRA. Approximately another one in five (18%) provided a response that was roughly equivalent to their FRA.



Survey Question: “What is the earliest age at which you should start collecting Social Security retirement benefits if you wanted to receive your highest possible monthly benefit? (If you’re not sure, please provide your best guess.)” (Green bar represents correct response.)

### ***Demographic Differences: Sex, Education, Age, Income, Savings, Health, Race/Ethnicity***

Men, respondents with more education, respondents ages 62+, those with higher household incomes, those with higher savings, respondents in excellent health, and non-Hispanic whites were more likely than other respondents to be aware that age 70 is the earliest age at which one should claim in order to maximize their monthly benefit.

For example, approximately one in three (34%) men were aware of this, compared to just one in four (25%) women. Additionally, respondents who described their health as “excellent” were more likely than those who described their health as “poor” to be aware (35% and 26%, respectively).

Awareness of this varied considerably by age, education, income, savings, and race/ethnicity. Specifically, nearly half (48%) of respondents ages 62+ were aware that age 70 is the earliest age to claim in order to maximize monthly benefits, compared to 32 percent of those ages 57-61 and 21 percent of those ages 52-56. Respondents with a bachelor’s degree or higher (41%) were more likely to be aware than were those with some college education or an associate’s degree (27%) and those with only a high school degree (20%). Approximately one in three (34%) respondents with household incomes of \$50,000 or more were aware of this, compared to 26 percent of those with household incomes of \$25,000-\$49,999 and 17 percent of those with incomes of less than \$25,000. Moreover, four in ten (40%) respondents with total savings of \$250,000 or more were aware, compared to 32 percent of those with \$25,000-\$249,999 saved and 19 percent of those with less than \$25,000 saved.

Comparing responses by race/ethnicity revealed that non-Hispanic whites (32%) were more likely than both African Americans (20%) and Hispanics (11%) to be aware of this. In fact, the low awareness among Hispanics was significantly lower than the awareness among African Americans as well as non-Hispanic whites.

#### ***Differences by Expected Claiming Age and/or Years from Expected Claiming Age***

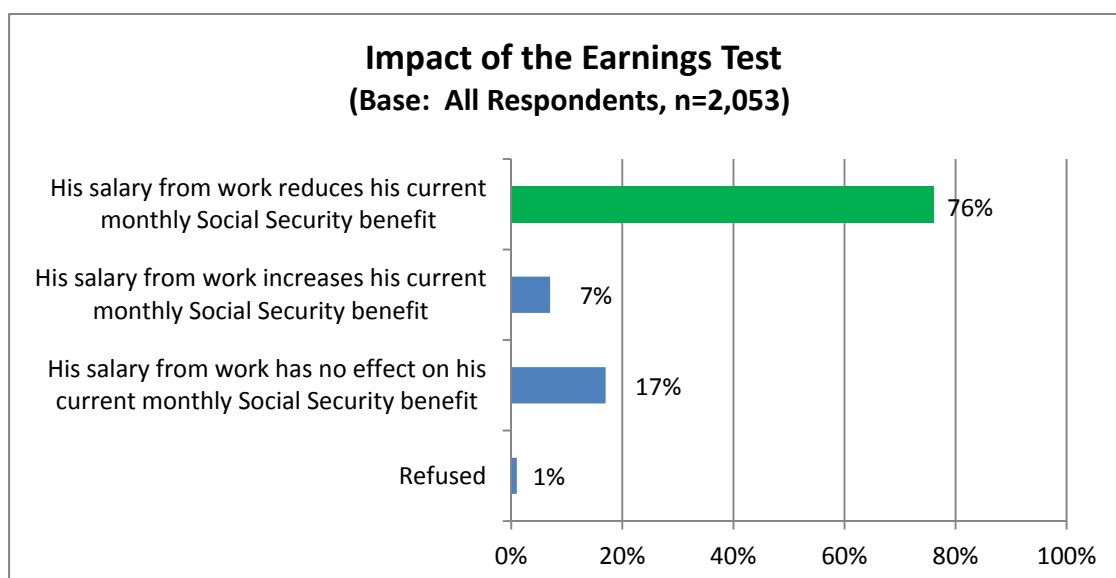
Respondents who were closer to their expected claiming age and respondents who expect to claim at their FRA or later were more likely than others to provide the correct response of age 70. For example, more than one in three (36%) respondents who were within five years of their expected claiming age answered correctly, compared to 26 percent of those who were more than five years from their expected claiming age.

Awareness was also higher (39%) among respondents who expect to claim at their FRA or later, than among those who expect to claim before their FRA (22% awareness).

## Knowledge of the Earnings Test

Individuals who are still working for pay and who claim benefits prior to their FRA may face a reduction in their monthly benefits if their earnings from work exceed a certain amount. That reduction is only a temporary reduction, however. Once the affected beneficiary reaches his or her FRA, monthly benefits are adjusted upward to offset the earlier reduction. This temporary reduction in monthly benefits is sometimes referred to as the “earnings test.”

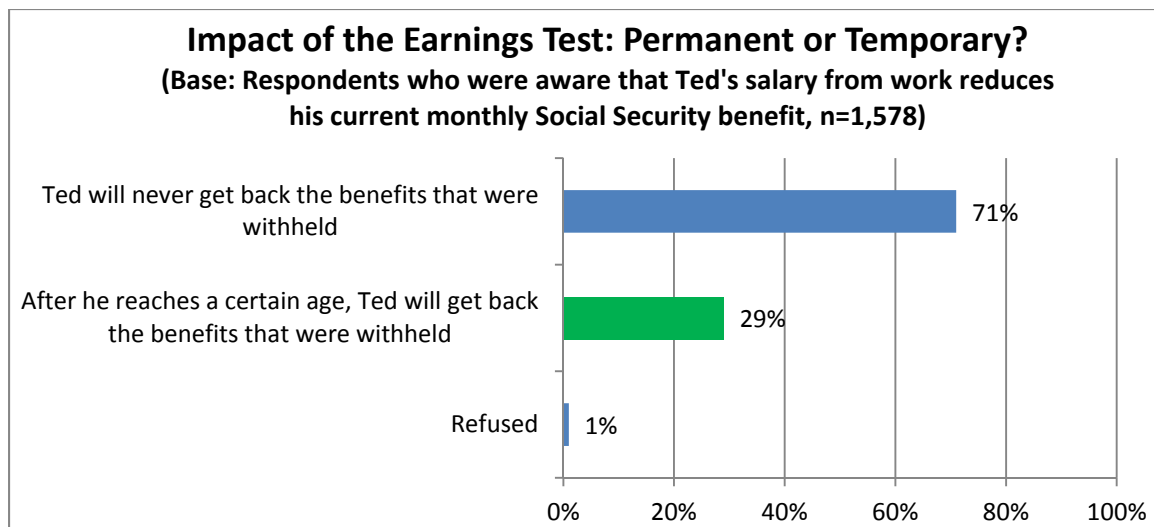
In order to assess respondent knowledge of the earnings test, respondents were presented with the case of a 63-year old male who earns an annual salary of \$40,000 and is drawing Social Security benefits. Respondents were asked whether they believed that his salary would affect his current monthly benefits. Encouragingly, the majority (76%) of respondents correctly indicated that his salary would reduce his current monthly benefits.



**Survey Question:** “Assume Ted is 63-years old. He currently holds a job with an annual salary of \$40,000 and also currently collects Social Security retirement benefits. To the best of your knowledge, how does his salary affect his current monthly Social Security benefits?” (Green bar represents correct response.)

Nevertheless, of those who understood that his salary would reduce his monthly benefits, the majority (71%) incorrectly believed that this would amount to a permanent reduction in benefits and that the affected beneficiary would never get the withheld benefits back. This misconception points to the need for better education about the earnings test as it may cause workers who are in desperate need of additional income to postpone claiming beyond their FRA even if their individual circumstances warrant claiming earlier.

Only approximately three in ten (29%) understood that, after reaching a certain age, the individual would get back the benefits that had been temporarily withheld. Of those who understood that the individual would eventually recoup the benefits that had been withheld, nearly all (94%) realized that these benefits would be recouped through future adjustments to each of the individual’s future monthly benefit payments rather than through a one-time payment.



Survey Question: “Which of the following best describes your understanding of the reduction in Ted’s current monthly Social Security retirement benefit due to his salary from work?” (Green bar represents correct response.)

### ***Demographic Differences: Age, Income, Savings Race/Ethnicity, and Health***

Respondents ages 60+, those with higher household incomes, those with higher savings, non-Hispanic whites, and respondents who described their health as “fair” or “poor” were more likely than other respondents to be aware that the hypothetical, 63-year-old worker who was described in our survey would experience a reduction in benefits due to his work-related earnings.

Specifically, nearly eight in ten (79%) respondents with household incomes of \$100,000 or more were aware of this reduction in benefits, compared to just 69 percent of those with incomes under \$25,000. A similar gap in awareness was revealed between those with savings of at least \$250,000 (80% aware) and those with savings of less than \$25,000 (71% aware), as well as between those ages 60+ (81% aware) and those ages 52-59 (74% aware).

Additionally, non-Hispanic whites (79%) were more likely to be aware of this reduction in benefits than were African Americans (67%) and Hispanics (60%). Also of note is the fact that approximately eight in ten (81%) respondents in “fair” or “poor” health were aware of this, compared to just 71 percent of those in “excellent” health.

Interestingly, *among those who were aware that the worker’s benefits would be reduced*, the demographic differences by household income and race/ethnicity reversed direction. Specifically, respondents with lower incomes were more likely than their counterparts with higher incomes to be aware that the worker will recoup the withheld benefits after reaching a certain age. For example, of respondents who were aware that the worker’s benefits would be reduced and who had household incomes under \$25,000, two in five (40%) were aware that the worker would recoup his benefits after reaching a certain age, compared to only 26 percent of those with incomes of \$25,000 or more.<sup>19</sup> Similarly, Hispanics and African Americans were

<sup>19</sup> This was one of only two knowledge-related questions that lower-income respondents were more likely than higher-income respondents to answer correctly. The other question concerns the degree to which delaying claiming by one year beyond one’s FRA increases monthly benefits. Additional analysis may be warranted in order to develop a better understanding of this in light of the fact that lower-income respondents exhibited less knowledge than higher-income respondents of nearly all other issues examined in the survey.

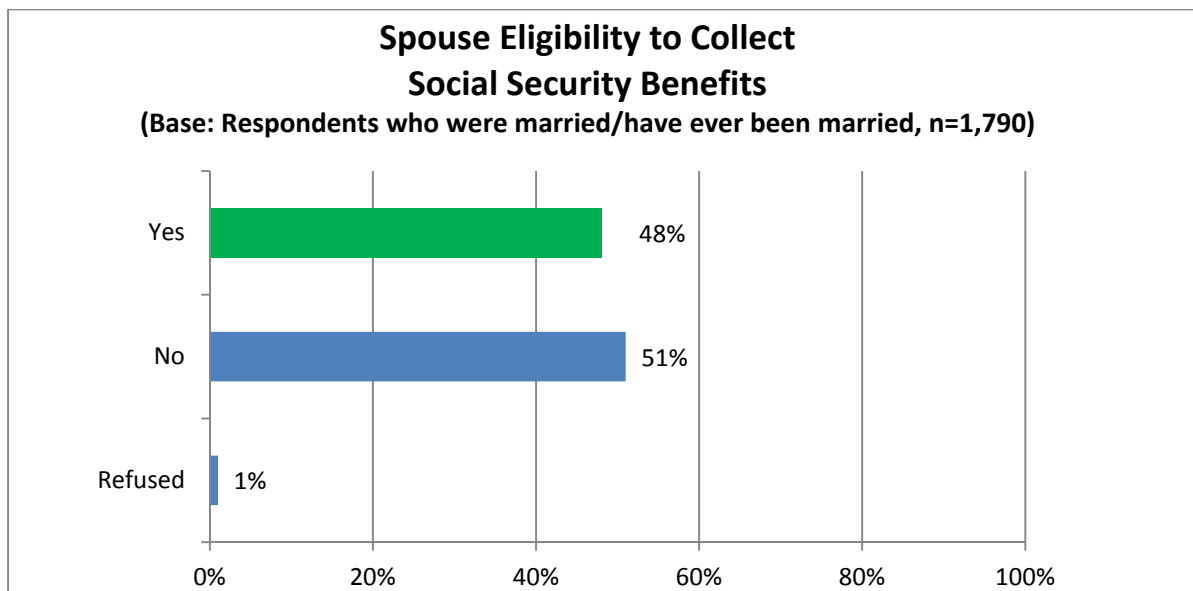
more likely than non-Hispanic whites to indicate an awareness that the worker would recoup his benefits. For example, among respondents who were aware that the earnings test would reduce the worker's benefits, approximately one in five Hispanics (41%) and African Americans (40%) were aware that the worker would eventually recoup his benefits, compared to just over one in four (27%) non-Hispanic whites.

### ***Differences by Expected Claiming Age and/or Years from Expected Claiming Age***

Respondents who were relatively close to their expected claiming age were more likely than those who were further from their expected claiming age to be aware that the hypothetical worker's benefits would be reduced due to his earnings. Specifically, just over eight in ten (81%) respondents who were within five years of their expected claiming age were aware of this, compared to approximately three in four (74%) respondents who were more than five years from claiming.

### **Knowledge of Spousal Benefits<sup>20</sup>**

Social Security spousal benefits may be collected by spouses of workers who are eligible for Social Security retirement benefits while the worker is alive and even if the spouse has never worked for pay. However, our survey findings indicate that only about half (48%) of respondents who are either married or have ever been married were aware that these spousal benefits were available, showing a general lack of knowledge about the spousal benefit.



Survey Question: "Please read the following about John and Helen and provide a response below. Assume that John and Helen have been married for 20 years. Both are 62 years old. Helen has never worked but John has worked long enough to be eligible for Social Security retirement benefits. To the best of your knowledge, could Helen receive Social Security spouse benefits based on John's benefits while he is alive?" (Green bar represents correct response.)

<sup>20</sup> All survey questions related to benefits for spouses and benefits for widows/widowers were asked only of respondents who were married at the time of the survey or have been married in the past.



### ***Demographic Differences: Education, Race/Ethnicity, Health***

Interestingly, respondents with relatively low educational attainment, those who described their current health in poor or moderate terms, and Hispanic respondents were more likely to indicate that they were aware of spousal benefits than were other respondents. For example, approximately half (52%) of respondents with only a high school degree or less were aware of this, compared to 42 percent of those with a post-graduate degree. Additionally, while approximately two in five (39%) respondents who described their health as “excellent” were aware, a full half (50%) of those in “fair,” “poor,” or “good” health were aware. Among Hispanics, nearly six in ten (58%) indicated an awareness of spousal benefits, compared to less than half (46%) of non-Hispanic whites.

### ***Differences by Expected Claiming Age and/or Years from Expected Claiming Age***

Respondents who were within five years of their expected claiming age were more likely to be aware of spousal benefits than were those who were more than five years from claiming (52% and 45%, respectively.)

### **Knowledge of Widow’s and Widower’s Benefits**

Familiarity with Social Security benefits for widows and widowers is considerably more widespread than knowledge of Social Security benefits for spouses of living workers. Specifically, more than nine in ten (95%) respondents who are married or have ever been married were aware that a *widow/widower who has never worked* for pay may collect Social Security survivor benefits based on the retirement benefits earned by his or her deceased spouse.

Respondents who are married or have ever been married were also well aware (91%) that a *Social Security retirement benefits-eligible worker* who has lower lifetime earnings than his or her spouse would be eligible to receive widow/widower benefits based on his or her spouse’s Social Security credits upon the spouse’s death.

Of respondents who were aware that an individual can collect widow(er)’s benefits based on his/her deceased spouses’ earnings (if the surviving spouse has never worked or if the surviving spouse has worked and earned less than the deceased spouse), just over three in four (78%) were also aware that the age at which the deceased spouse originally claimed his/her own benefits would affect the amount of monthly widow(er)’s benefits for which his/her widow(er) would be eligible after the spouse’s death.

### **Demographic Differences: Education, Income, Savings, Race/Ethnicity**

Familiarity with the fact that widow/widower’s benefits can be claimed by a surviving spouse even if *the surviving spouse has never worked* is widespread across all demographic groups with little variation. However, respondents with more education, those with higher household incomes, those with higher savings, and non-Hispanic whites were statistically more likely than others to be aware of this. For example, 96 percent of respondents with at least some college education were aware of this, which was slightly higher than the 93 percent of those with only a high school degree who were aware. Moreover, 96 percent of respondents with household incomes of \$50,000 or more were aware of this, compared to 91 percent of those with household incomes less than \$25,000. Similarly, 98 percent of those with savings of \$250,000 or more

were aware of this compared to 93 percent of those with less than \$25,000 saved. Additionally, while 96 percent of non-Hispanic whites were aware, fewer (89%) Hispanics were aware. Similar to awareness of the fact that widow/widower benefits can be claimed by a surviving spouse who has never worked, awareness that such benefits can be claimed by a surviving spouse who *has worked long enough to be eligible for Social Security retirement benefits* is also quite high across all demographic groups and exhibits little variation by group. In fact, knowledge of this aspect of widow/widower benefits exhibited no statistically significant variation by demographics.

#### Differences by Expected Claiming Age and/or Years from Expected Claiming Age

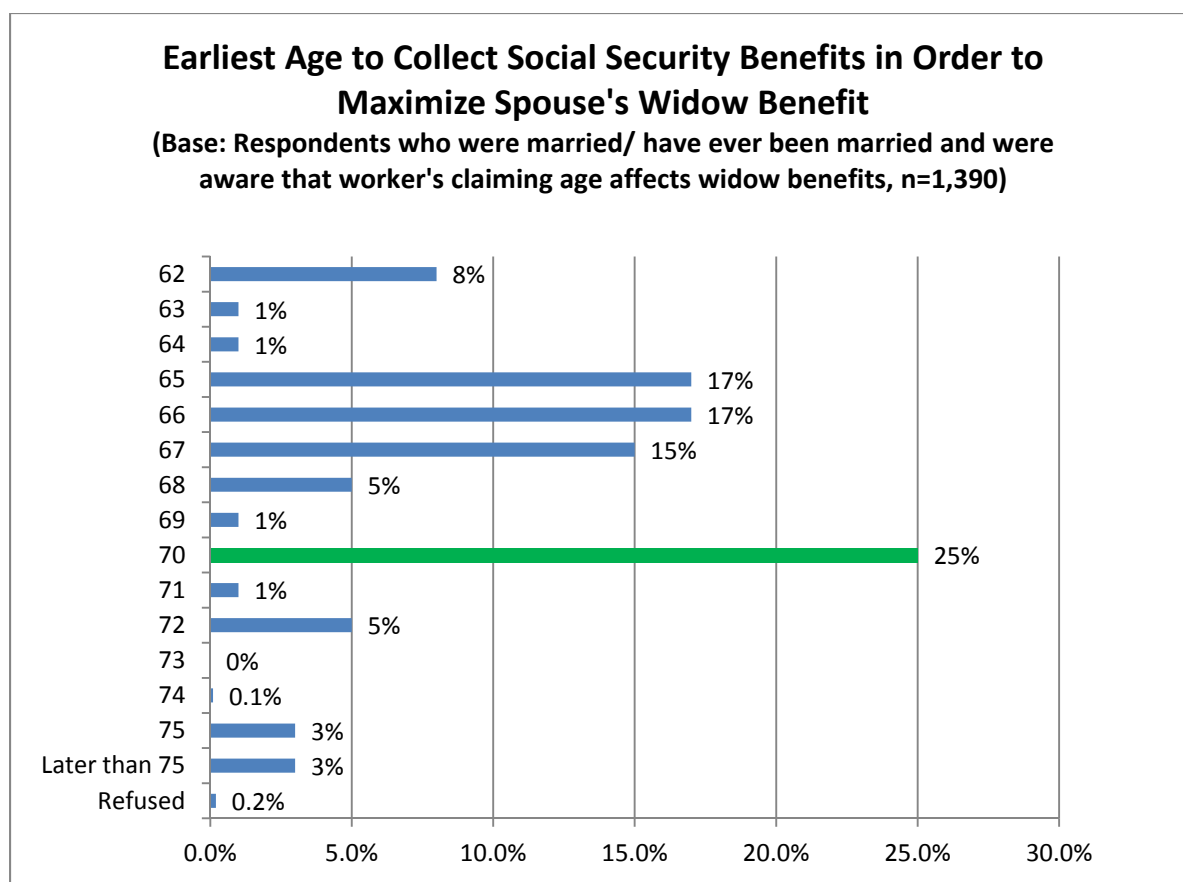
Respondents who expect to claim at their FRA or later (97%) were slightly more likely to be aware that a surviving spouse who has *never worked* can claim widow/widower benefits than were respondents who expect to claim before their FRA (94%).

Respondents who were closer to their expected claiming age and those who expect to claim at their FRA were also slightly more likely than others to be aware that widow/widower benefits can be claimed by surviving spouses who *have worked long enough to be eligible to receive Social Security retirement benefits*. Specifically, 94 percent of respondents who expect to claim within the next five years were aware of this, compared to 89 percent of those who expect to claim more than five years from now. Additionally, 95 percent of those who expect to claim at their FRA were aware of this, compared to 90 percent of those who expect to claim before their FRA and 89 percent of those who expect to claim after their FRA.

#### ***Impact of Worker's Claiming Age on Spouse's Widow/Widower Benefits***

In order to enable a widow to be eligible for the highest possible monthly widow benefit, a worker must wait until age 70 to claim his own retirement benefits. If the worker claims retirement benefits prior to age 70, this would reduce the widow benefits for which his widow would be eligible after the worker's death.

In order to test respondent knowledge of this, respondents who were aware that a worker's claiming age can affect the widow benefits for which his spouse will be eligible after his death were asked to guess the earliest age at which a husband should start collecting his Social Security retirement benefits if he wanted to ensure that his wife will be eligible for the highest possible monthly widow benefit after his death. Although only a minority of respondents provided the correct answer of 70, age 70 was the most common response and was selected by one in four (25%) respondents. The next most frequent responses were 65 (17%), 66 (17%), and 67 (15%), suggesting that many respondents may incorrectly believe that claiming at one's full retirement age would maximize benefits available to one's widow. In fact, one in five (21%) provided a response equivalent to their own FRA. These findings suggest that many future and current beneficiaries may be at risk of making claiming decisions without adequate knowledge of the impact on survivor benefits for their spouses.



Survey Question: “What is the earliest age at which John should start collecting his Social Security retirement benefits if he wants Helen to receive the highest possible monthly widow benefit in case he dies before her? (If you’re not sure, please provide your best guess.)” (Green bar represents correct response.)

#### Demographic Differences: Sex, Age, Education, Income, Savings, and Race/Ethnicity

Men, respondents ages 62+, and non-Hispanic whites were more likely than others to be aware that a worker must wait until age 70 to claim his own retirement benefits in order to maximize monthly benefits for his widow(er). For example, nearly three in ten (29%) men were aware of this, compared to just two in ten (20%) women. Approximately one in three (34%) respondents ages 62+ were aware of this, compared to 23 percent of respondents ages 52-61. Additionally, non-Hispanic whites (26%) were more likely than African Americans (15%) and Hispanics (11%) to be aware of this.

Respondents with relatively little education, low household incomes, and low savings were also less likely than other respondents to be aware of this. For example, just one in six (17%) respondents with only a high school degree were aware of this, compared to nearly three in ten (29%) respondents with at least some college education. Additionally, respondents with household incomes of \$25,000 or more were twice as likely as those with incomes below \$25,000 to be aware (26% vs. 12%). Finally, while only one in six (17%) respondents with savings of less than \$25,000 were aware, more than one in four (28%) respondents with at least \$25,000 in savings were aware.

### Differences by Expected Claiming Age and/or Years from Expected Claiming Age

As might be expected, respondents who expect to claim after their FRA were particularly likely to be aware of this. Specifically, more than one in three (36%) respondents who expected to claim after their FRA were aware of the need to wait until age 70 to claim retirement benefits in order to maximize monthly benefits for one's widow(er), compared to approximately one in five (19%) of those who expected to claim before their FRA and about one in four (26%) of those who expect to claim at their FRA.

### ***Impact of Widow/Widowers Claiming Age on Widow(er)'s Benefits***

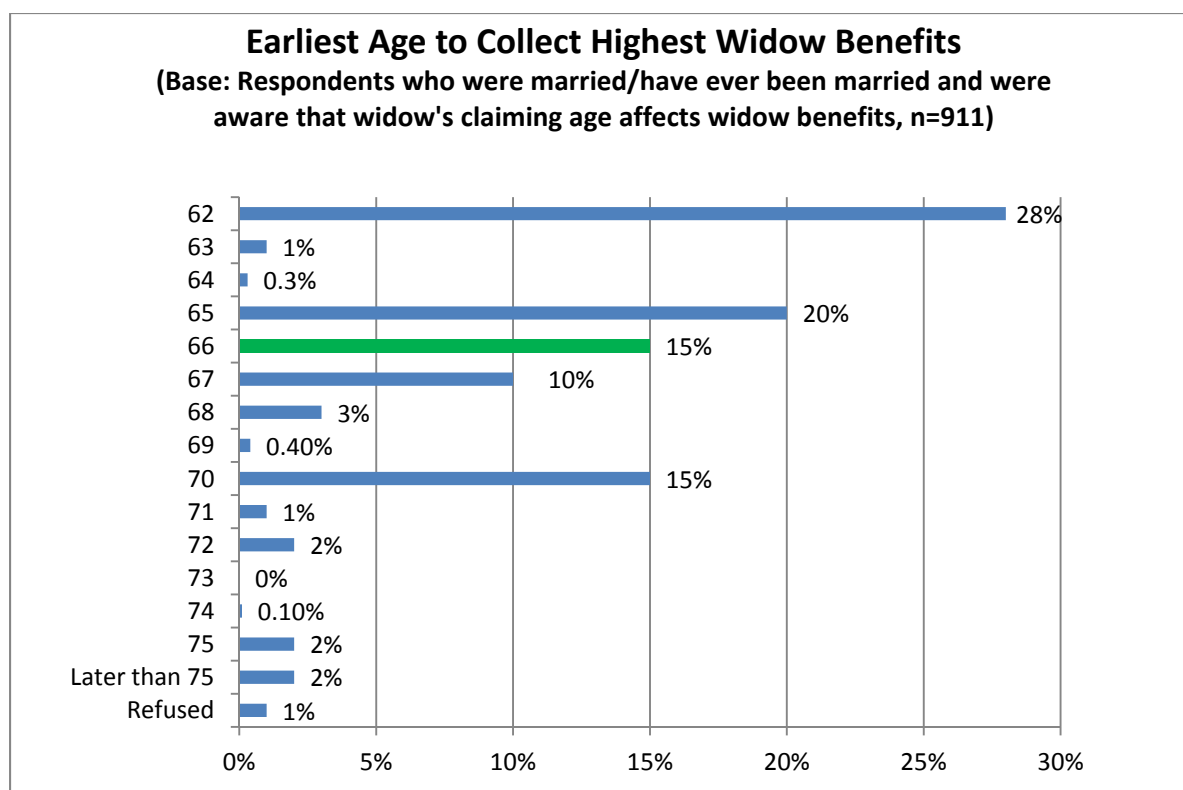
Not only would the age at which a worker claims his own retirement benefits affect the amount of his widow's monthly widow benefits in the event that the worker dies before his spouse, but the age at which a widow claims her widow benefits also affects the amount of her monthly widow benefit. In order to receive her maximum monthly widow benefit, a widow must claim widow benefits no earlier than her full retirement age.

Knowledge of this rule was tested by asking respondents who were aware that an individual can collect widow/widower benefits based on the deceased spouses' earnings whether the age at which a widow claims her widow benefits would affect the amount of her monthly widow benefit. When presented with this question, only about half (52%) of respondents correctly indicated that a widow's claiming age affects the amount of her widow benefits.

Those who understood that a widow's claiming age can affect the amount of her widow benefits were asked to specify the earliest age at which a widow should claim her widow benefits in order to receive the highest possible monthly widow benefit. The correct response to this question was age 66 as age 66 would be the full retirement age for the 62-year-old woman described in our survey instrument. The most common responses to this question were 62 (28%), 65 (20%), 66 (15%), and 70 (15%), followed by 67 (10%). Only 15 percent provided the correct response of 66, and only 17 percent provided a response that was equivalent to their own FRA.<sup>21</sup> The fact that more than one in four (28%) respondents selected age 62 and nearly half (49%) selected an age that was below both the FRA for the woman in our example and the respondent's own FRA suggests a lack of knowledge that could cost a surviving spouse hundreds of dollars per month if it led him or her to claim widow/widower benefits prior to the age at which benefits are maximized.

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<sup>21</sup> Because the correct response to this question would be the widow(er)'s FRA and some of the survey respondents had FRAs other than age 66, we also calculated the share of respondents who answered this question with an age that was equivalent to their own rounded FRA. However, the share of respondents who provided an age that was equivalent to their own rounded FRA was just 17 percent, which was very similar to the share (15%) who provided the correct response of age 66.



Survey Question: “After John dies, what is the earliest age at which Helen should start collecting her Social Security widow benefits in order to receive the highest possible monthly widow benefit? (If you’re not sure, please provide your best guess.)” (Green bar represents correct response for the widow portrayed in this example as her FRA would be age 66.)

#### Differences by Demographics: Age

The share of respondents who provided the correct response of age 66 varied little by demographics. In fact, the only significant difference in responses emerged by age, with older respondents exhibiting greater awareness than younger respondents of the earliest age at which a surviving spouse should claim widow/widower benefits in order to maximize the amount of monthly benefits. Specifically, one in four (25%) respondents ages 62+ correctly responded that the widow portrayed in our survey should claim widow benefits at age 66 in order to maximize her monthly benefits, compared to just one in seven (14%) respondents ages 52-61.

#### Differences by Expected Claiming Age and/or Years from Expected Claiming Age

Respondents who were relatively close to their expected claiming age were more likely than those who were farther away from claiming to provide the correct response of age 66. For example, approximately one in four (24%) of those who were within five years of their expected claiming age provided the correct response, compared to just 14 percent of those who were within 6-10 years of claiming and an even smaller share (7%) of respondents who were more than 10 years from claiming.

Additionally, those who expected to claim at age 62 (21%) were more likely to provide the correct response of age 66 than were those who expected to claim after age 62 but before their FRA (12%).

## Knowledge Score

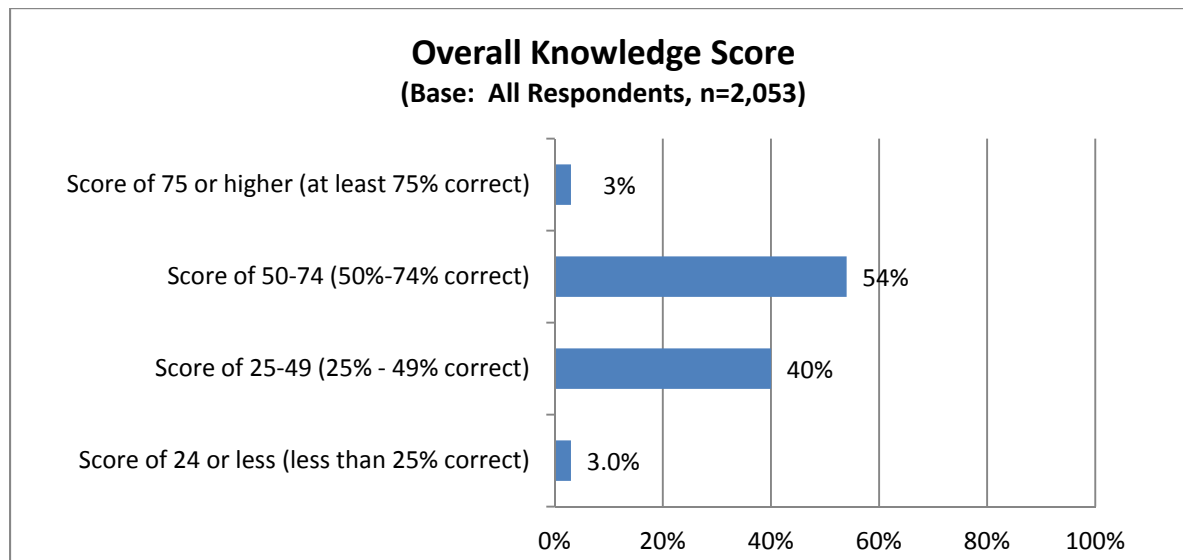
In order to summarize respondent knowledge of the claiming rules affecting Social Security monthly retirement benefit calculations, we calculated a “knowledge score” for each respondent based on his or her answers to each of the knowledge questions. The score was calculated by assigning a value of 1 to each correct answer, summing the 1s to arrive at each respondent’s absolute score, and then dividing that score by the number of knowledge questions included in each respondent’s calculation to arrive at the percentage of knowledge questions answered correctly. Because the score represents the percentage of questions answered correctly, the lowest possible score is 0 and the highest possible score is 100.

Each respondent’s score was calculated based on only questions asked of that respondent. Therefore, respondents were not penalized for questions that were not presented to them. For questions that required a numerical response (such as questions that asked respondents to estimate the percentage by which their benefit would increase if they were to delay claiming), responses within 2 percentage points of the correct percent were classified as a “correct” response in our calculation of this score.<sup>22</sup>

Nearly all (97%) respondents earned a knowledge score of at least 25, meaning that they correctly answered at least 25% of the knowledge questions presented to them. Over half (57%) of respondents received a score of 50 or more. However, very few (just 3%) respondents received a score of 75 or more. The average knowledge score was 50, meaning that, on average, respondents correctly answered 50% of the knowledge questions presented to them.

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<sup>22</sup> We also calculated a version of the Knowledge Score in which answers within 5 percentage points of the correct percentage were counted as “correct” responses. However, this resulted in very little change to the mean and median Knowledge Scores. For the Knowledge Score featured in this report, the average score was 50 and the median was also 50. The alternative measure of the score resulted in an average score of 52 and a median of 50.



Each respondent's "Knowledge Score" was calculated based on his or her answers to each of the knowledge questions. The score was calculated by assigning a value of 1 to each correct answer, summing the 1s to arrive at each respondent's absolute score, and then dividing that score by the number of knowledge questions included in each respondent's calculation to arrive at the percentage of knowledge questions answered correctly. Because the score represents the percentage of questions answered correctly, the lowest possible score is 0 and the highest possible score is 100. Each respondent's score was calculated based on only questions asked of that respondent. Therefore, respondents were not penalized for questions that were not presented to them. For questions that required a numerical response (such as questions that asked respondents to estimate the percentage by which their benefit would increase if they were to delay claiming), responses within 2 percentage points of the correct percent were classified as a "correct" response in our calculation of this score.

### ***Differences by Demographics: Sex, Age, Education, Income, Savings, Race/Ethnicity***

As might be expected in light of the preceding discussion, men, respondents ages 62+, respondents with more education, those with higher incomes, those with more savings, and non-Hispanic whites had higher average overall knowledge scores than other respondents. Although the differences noted below in the average knowledge scores for each demographic group are statistically significant, the magnitude of the differences is relatively small, suggesting a need for increased knowledge across all demographic groups.

For example, the average knowledge score for men was 51, compared to 49 for women. Average knowledge scores by age group ranged from 48 for the youngest respondents (ages 52-56) to 51 for those ages 57-61 to 54 for those ages 62 and older. The average knowledge score among non-Hispanic whites was 51, which surpassed that of African Americans (46) and Hispanics (44).

Knowledge scores also increased with education, household income, and savings. For example, respondents with only a high school degree or less received an average knowledge score of 47, compared to an average score of 50 or more for those with at least some college education. (See Table) The average score for respondents with household incomes of \$50,000 or more was just above 50, while the average score for those with incomes below \$50,000 was in the high forties. Those who had accumulated at least \$250,000 in savings earned an average knowledge score of 54, compared to an average score of 51 for those with \$25,000-\$249,000 in savings and an average score of 47 for those with less than \$25,000 in savings.

***Differences by Expected Claiming Age and/or Years from Expected Claiming Age***

Also not surprising in light of the other knowledge differences revealed by this report, respondents who were closer to their expected claiming age received higher knowledge scores than those who were farther from claiming. Additionally, respondents who expected to claim after age 62 but before their FRA scored lower than respondents who expected to claim at other ages.

For example, respondents who expected to claim benefits within the next five years received an average knowledge score of 53, compared to approximately 48 for those who were more than five years from claiming. Additionally, the average knowledge score for those who expected to claim after age 62 but before their FRA was 48, which was lower than the average score for those who expect to claim at age 62 (50) and the average score for those who expect to claim at their FRA or later (52).



## B. EXPECTED CLAIMING AGE

When asked at what age they expect to start collecting their Social Security retirement benefits, a majority (57%) of respondents reported an age that is lower than their FRA. Approximately one in five (21%) indicated that they expect to claim at age 62 (the earliest age possible). Just over two in five (43%) reported an age that is equivalent to or greater than their FRA, with 18 percent expecting to claim at their FRA and 25 percent expecting to claim after their FRA.<sup>23</sup> Only one in ten (10%) expect to claim at age 70 or older, which would maximize their monthly benefits. The average expected claiming age was 65.5.

<b>Age at Which Respondents Expect to Claim Social Security Retirement Benefits</b>	
Base: All respondents (n= 2,053)	
<b>Age</b>	
62 (Early Retirement Age)	21%
63-65	34%
66 -67	28%
68-69	7%
70 or older	10%
Total	100%
<b>Age Relative to Respondent's Full Retirement Age (FRA)</b>	
Before FRA	57%
FRA	18%
After FRA	25%
Total	100%
<b>Average Age</b>	65.5

Source: Question SS2 and SS2a.

### ***Differences by Demographics: Sex, Age, Education, Income, Savings, Health***

Men, respondents ages 62+, respondents with more education, those with higher household incomes, those with higher savings, and those in better health expected to claim benefits later on average than other respondents.

<sup>23</sup> As explained previously, some respondents to this survey would reach their exact FRA a certain number of months after their birthday rather than on their birthday. In order to simplify the survey questions as well as simplify reporting the findings related to these respondents, all references to these respondents' FRAs refer to their rounded FRAs rather than their exact FRAs. See Appendix C for the rounded FRA used for each year of birth.

For example, men reported an average expected claiming age of 65.7 compared to 65.3 for women. Not surprisingly, respondents who were already ages 62+ reported a higher expected claiming age than younger respondents (66.7 for respondents ages 62+ vs. 65.2 for those ages 52-61). Also not surprising is the finding that respondents who described their current health as “excellent” or “good” expected to claim approximately a full year later (ages 65.9 and 65.6, respectively) than those who described their current health as poor (age 64.8).<sup>24</sup>

Expected claiming age also rose with education and household income. Specifically, respondents with only a high school degree or less expected to claim earlier (age 65.0) than those with more education, including approximately a full year earlier than those with a bachelor’s degree or more (age 66.1 for those with a post-graduate degree, 65.9 for those with a bachelor’s degree, and 65.4 for those with an associate’s degree).<sup>25</sup> Additionally, those with household incomes of \$50,000 or more expected to claim at an average age of 65.6, compared to 65.2 for those with incomes under \$50,000.

### ***Differences by Ownership of Retirement Accounts***

The average age at which respondents expected to claim varied by their ownership of retirement accounts. Specifically, respondents with a traditional pension or cash balance plan reported a lower average expected claiming age (expected claiming age of 65) than did respondents without a defined benefit plan (expected claiming age of 66). Of those without a traditional pension or cash balance plan, most had either a 401(k) or IRA. However, ownership of a 401(k) or IRA did not appear in and of itself to be associated with lower expected claiming ages as those who had a 401(k) or IRA and no traditional pension or cash balance plan reported an average expected claiming age of 66 -- higher than the average expected claiming age (age 65) of respondents who had a traditional pension or cash balance plan.<sup>26</sup>

Moreover, only approximately one in five (21%) respondents with a traditional pension or cash balance plan expected to claim benefits after their FRA, compared to one in three (33%) respondents without a traditional pension or cash balance plan (including 34% of respondents who had a 401(k) or IRA but no traditional pension or cash balance).

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<sup>24</sup> The fact that respondents who perceived themselves to be in excellent or good health expect to claim later on average than those in poor health may be related to the fact that those in better health expect to work longer than those in poor health. For example, respondents in excellent health expect to stop working at an average age of 68.4, compared to 67.6 for those in good health, and 65.9 for those in poor health.

<sup>25</sup> The lower expected claiming age of respondents with only a high school degree may reflect their expectations of stopping work earlier (age 66.1) than respondents with more education (age 67.6 for those with an associate’s degree and 68.5 for those with a bachelor’s degree or higher), which may reflect the greater tendency of respondents with less education to hold physically strenuous jobs that may be more difficult to perform at older ages.

<sup>26</sup> The lower expected claiming age of respondents with a traditional pension or cash balance plan may at least partially reflect the fact that respondents with these defined benefit plans expected to stop working earlier on average than other respondents. For example, on average, respondents with a traditional pension or cash balance plan expected to stop working at age 66 while respondents without either of these types of plans expected to stop working at age 69.

### ***Changes in Expected Claiming Age Over the Past Four Years***

When asked whether their expected claiming age had changed within the past four years, two in three (66%) indicated that it had not changed while nearly one quarter (23%) indicated that it had increased and one in ten (10%) indicated that it had decreased.

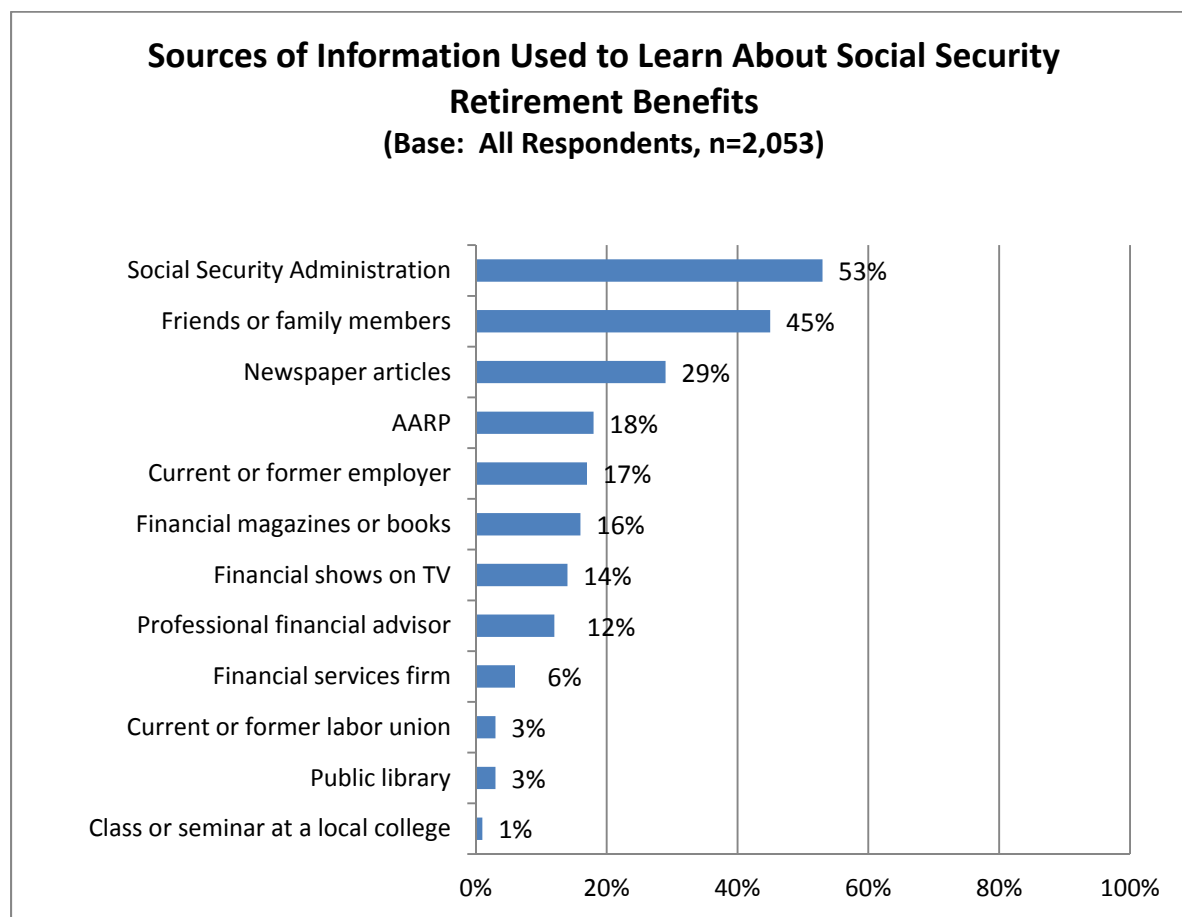
Among those who indicated that their expected claiming age had *increased* over the past four years, the most common reasons included *health care costs* (34%), *investment losses* (30%), *mortgage payments or other housing costs* (26%), and *something that I learned about how Social Security benefits are calculated* (25%).

Among those who indicated that their expected claiming age had *declined* over the past four years, the most common reasons, which were each cited by roughly one in five respondents, included *health care costs* (20%), *health problems (my own or a family member's)* (20%), *job loss (my own or a family member's)* (20%), *something that I learned about how Social Security benefits are calculated* (20%), and *advice that I received* (19%).

## C. SOURCES OF INFORMATION

In order to understand where people who are approaching their expected claiming age turn for information about Social Security retirement benefits, we asked respondents whether they had used certain sources of information to learn about either Social Security retirement benefits generally or when to start collecting benefits.

Consistent with the findings from our December 2009 survey, the most recent survey found that the *Social Security Administration* and *friends and family* were the most commonly consulted sources of information. Specifically, when asked whether they had used each of 12 different information sources to learn about benefits in general and/or when to collect their own benefits, just over half (53%) of respondents indicated that they had used the Social Security Administration and just under half (45%) indicated that they had consulted friends or family members. The next most commonly consulted sources included *newspaper articles* (29%), *AARP* (18%), a *current or former employer* (17%), *financial magazines or books* (16%), *financial shows on TV* (14%), and a *professional financial advisor* (12%).



Survey Question: “Have you used any of the following information sources to learn about Social Security retirement benefits or when you should start collecting your benefits?”

### ***Differences by Race/Ethnicity***

Non-Hispanic whites and African Americans were more likely than Hispanics to have consulted several of these information sources, including the *Social Security Administration* and *AARP*. Specifically, over half of non-Hispanic whites (55%) and African Americans (59%) had consulted the *Social Security Administration*, compared to just two in five (40%) Hispanics. *AARP* had been consulted by approximately one in four (24%) African Americans and just under one in five (18%) non-Hispanic whites but by only about one in ten (11%) Hispanics.

*Newspaper articles* were cited by approximately three in ten (31%) non-Hispanic whites, compared to less than one in four (23%) Hispanics.

African Americans (26%) were more likely than both non-Hispanic whites (18%) and Hispanics (11%) to have consulted a *current or former employer*. African Americans were also more likely than non-Hispanic whites to cite *financial shows on TV* (20% vs. 14%) and a *public library* (8% vs. 2%).

### ***Differences by Expected Claiming Age***

Respondents who expected to claim at their FRA or later were more likely than most other respondents to report that they had used many of these sources of information to learn about Social Security, including the *Social Security Administration*, *AARP*, *financial magazines or books*, *financial shows on TV*, and *newspaper articles*. In contrast, respondents who expected to claim at age 62 were more likely than other respondents to identify friends or family members as a source of information.

For example, six in ten (60%) respondents who expected to claim at their FRA or later had consulted the *Social Security Administration*, compared to just about half (52%) of those who expected to claim at age 62 and even fewer (44%) of those who expected to claim after age 62 but before their FRA.. Furthermore, approximately one in five (21%) of those who expected to claim at their FRA or later had consulted *AARP*, compared to only one in seven (15%) respondents who expected to claim before their FRA.

Compared to other respondents, those who expected to claim at their FRA were the most likely to have referred to *financial magazines or books*. Specifically, just over one in four (26%) respondents who expected to claim at their FRA had referred to financial magazines or books, compared to less than one in five (19%) of those who expected to claim after their FRA and just over one in ten (12%) of those who expected to claim before their FRA.

Respondents who expected to claim at age 62 were more likely than other respondents to have consulted *friends or family*. Specifically, slightly more than half (52%) of those expecting to claim at age 62 identified friends or family as a source of information that they had used, compared to approximately two in five (41%) of those expecting to claim after age 62 but before their FRA and just over two in five (44%) of those expecting to claim at their FRA or later. .

### ***Differences by Years from Claiming***

Respondents who were closer to their expected claiming age were more likely than those who were farther away from claiming to have utilized many of these information sources, including *the Social Security Administration, AARP, friends or family, a financial services firm, and a professional financial advisor.*

Specifically, six in ten (60%) respondents who expected to claim within the next five years had utilized the *Social Security Administration*, compared to approximately half of those who expected to claim more than five years from now. One in four (25%) of those who expected to claim within the next five years had consulted *AARP*, while only 17 percent of those who expected to claim 6-10 years from now and 12 percent of those who expected to claim more than 10 years from now had done so. *Friends or family* had been consulted by approximately half (51%) of those who expected to claim within the next five years but by just over one in three (36%) of those who expected to claim more than 10 years from now. Approximately one in seven (15%) of those who expected to claim within the next five years had consulted a *professional financial advisor*, compared to just one in ten (10%) of those who expected to claim more than 10 years from now.

## **D. SAVINGS NEEDED TO OFFSET REDUCED BENEFITS**

As mentioned previously, 62 is the earliest age at which a Social Security beneficiary may claim Social Security retirement benefits. In general, each year after age 62 by which a beneficiary delays claiming will result in larger monthly benefits. However, there is no advantage to claiming after age 70 as claiming at age 70 leads to maximum monthly benefits. Through the next section of the survey, we wanted to learn whether respondents who expected to claim benefits prior to age 70 would express any interest in delaying their claiming age if they were presented with an estimate of the additional savings that they would need in order to offset the reduction in monthly Social Security benefits that they would experience due to early claiming.

### ***Respondents Expecting to Claim Prior to Age 66***

Each respondent who expected to claim benefits before age 66 (an age equivalent or close to the FRA for most respondents) was presented with an example of a woman who expected to claim benefits at the age at which the respondent expected to claim. The respondent was then told that the woman would receive a monthly benefit of \$1,000 per month if she claimed at her expected claiming age but that her monthly benefit would increase by a certain dollar amount if she were instead to wait until age 66 to claim benefits. (An actual dollar amount of \$333, \$250, \$150, or \$75 was displayed depending on the respondent's expected claiming age. The displayed amount was equivalent to the dollar increase that an individual born between 1943 and 1954 would experience if they were to delay claiming until age 66 (their FRA)).

After reading the example, respondents were asked whether receiving the information about the additional savings needed to make up for claiming benefits early would lead them to wait until age 66 to claim benefits. Responses to this question were very evenly distributed, with approximately half indicating that this information would make them either very or somewhat likely to postpone claiming until age 66 (19% "very likely" and 31% "somewhat likely") and the remaining half indicating that the information was not likely to cause them to wait until age 66 (31% "not too likely" and 19% "not at all likely").

### **Differences by Expected Claiming Age**

Reported likelihood to be influenced by this information varied by expected claiming age, with respondents who expected to claim at age 62 (32%) less likely than those who expected to claim after age 62 but before their FRA (60%) to indicate that this information would make them at least somewhat likely to wait until age 66. This difference is not surprising as those who expect to claim at age 62 were nearly twice as likely as those who expect to claim after 62 but before their FRA (27% vs. 14%) to report a disability or health condition that would make working difficult beyond the age of 62.

### ***Respondents Expecting to Claim Between Ages 66 and 69***

For each respondent who expected to claim benefits at age 66 but before age 70, we presented a similar example in that the respondent received an example of a woman who expected to claim benefits at the respondent's own expected claiming age. However, for these respondents, the example addressed only the additional savings that the respondent would need in order to replace the additional monthly benefits that the respondent would receive if she/he were to instead delay claiming by *one more year* beyond her/his expected claiming age. Specifically, the respondent was told that the woman would receive a monthly benefit of \$1,000 per month if she claimed at her expected claiming age but that her monthly benefit would increase by \$80 if she were instead to delay claiming by one year beyond her expected claiming age. (The amount of \$80 is equivalent to the dollar increase that an individual born between 1943 and 1954 would experience for each year beyond age 66 (their FRA) that they delay claiming.)

After reading the example, respondents were asked whether receiving the information about the additional savings needed to make up for claiming benefits early would lead them to *postpone their expected claiming age by one year*. In response, just over six in ten (62%) respondents indicated that this information would make them either very or somewhat likely to postpone claiming by one year (27% "very likely" and 35% "somewhat likely") while just under four in ten (37%) indicated that the information was not likely to cause them to wait one more year (26% "not too likely" and 11% "not at all likely").

### **Differences by Expected Claiming Age**

Reported likelihood to be influenced by this information varied by expected claiming age, with respondents who expected to claim at their FRA (56%) less likely than those who expected to claim after their FRA (71%) to indicate that this information would make them at least somewhat likely to delay their expected claiming age by one year.<sup>27</sup>

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<sup>27</sup> This difference between respondents who expect to claim at their FRA and those who expect to claim after their FRA may reflect the fact that respondents who expect to claim at their FRA reported more savings than did respondents who expect to claim after their FRA and were also more likely to have a traditional pension or cash balance plan than those who expect to claim after their FRA.



## Appendix A

### Tables of Detailed Findings by Subgroup

Knowledge of Impact of Waiting Until Full Retirement Age (FRA) vs. Claiming At Age 62: Differences by Demographics and Expected Claiming Age		
		Percent Providing Correct Response: Monthly benefits would be <u>higher</u>
<b>Total</b>		89%
<b>Gender</b>		
Men	A	91% <sup>B</sup>
Women	B	86%
<b>Education</b>		
High School Degree or Less	C	83%
Some College/Associate's Degree	D	89% <sup>C</sup>
Bachelor's Degree	E	94% <sup>CD</sup>
Post-Graduate Degree	F	94% <sup>CD</sup>
<b>Household Income</b>		
Less than \$25,000	G	75%
\$25,000 - \$49,999	H	88% <sup>G</sup>
\$50,000 - \$99,999	I	91% <sup>G</sup>
\$100,000 or more	J	95% <sup>GHI</sup>
<b>Savings</b>		
Less than \$25,000	K	81%
\$25,000 - \$99,999	L	95% <sup>K</sup>
\$100,000 - \$249,999	M	95% <sup>K</sup>
\$250,000 or more	N	94% <sup>K</sup>
<b>Race/Ethnicity</b>		
Non-Hispanic whites	O	92% <sup>PQ</sup>
African Americans	P	76%
Hispanics	Q	73%
<b>Expected Claiming Age</b>		
Age 62	R	93% <sup>SU</sup>
After age 62 but before FRA	S	84%
FRA	T	93% <sup>SU</sup>
After FRA	U	88%

**Survey Question:** "Compared to the monthly Social Security retirement benefit that you [IF PPAGE<=62:will receive/IF PPAGE>62: would have received] if you [IF PPAGE<=62:start /IF PPAGE>62:had started] collecting benefits at age 62, would your monthly benefit [IF PPAGE<=FRA: be/IF PPAGE>FRA: have been] lower or higher if you instead [IF PPAGE<=FRA: wait/IF PPAGE>FRA: had waited] until age [INSERT FRA] to start collecting Social Security benefits, or would your monthly benefit be the same regardless of whether you start collecting at age 62 or age [INSERT FRA]?" Respondents were allowed to choose from three response options: "monthly benefits would be higher . . .," "monthly benefits would be lower . . .," and "monthly benefits would be the same . . .".

**Note:** Superscript letters are displayed in the table to note significant differences between the groups represented by each row at the 95% confidence level. For example, the "B" next to the 92% in the row for men signifies that the 92% of men is significantly higher than the 86% of women represented in row B.

Knowledge of Impact of Delaying One Year Beyond FRA vs. Claiming at FRA: Differences by Demographics and Expected Claiming Age		
		Percent Providing Correct Response: Monthly benefits would be <u>higher</u>
<b>Total</b>		62%
<b>Gender</b>		
Men	A	65% <sup>B</sup>
Women	B	59%
<b>Education</b>		
High School Degree or Less	C	50%
Some College/Associate's Degree	D	62% <sup>C</sup>
Bachelor's Degree	E	74% <sup>CD</sup>
Post-Graduate Degree	F	73% <sup>CD</sup>
<b>Household Income</b>		
Less than \$25,000	G	44%
\$25,000 - \$49,999	H	57% <sup>G</sup>
\$50,000 - \$99,999	I	66% <sup>GH</sup>
\$100,000 or more	J	71% <sup>GH</sup>
<b>Savings</b>		
Less than \$25,000	K	50%
\$25,000 - \$99,999	L	59% <sup>K</sup>
\$100,000 - \$249,999	M	67% <sup>K</sup>
\$250,000 or more	N	78% <sup>KLM</sup>
<b>Age</b>		
52-61	O	60%
62+	P	72% <sup>O</sup>
<b>Race/Ethnicity</b>		
Non-Hispanic whites	Q	66% <sup>RS</sup>
African Americans	R	44%
Hispanics	S	42%
<b>Expected Claiming Age</b>		
Age 62	T	62% <sup>U</sup>
After age 62 but before FRA	U	52%
FRA	V	74% <sup>TU</sup>
After FRA	W	67% <sup>U</sup>
<b>Years from Expected Claiming Age</b>		
5 years or less	X	69% <sup>Y</sup>
More than 5 years	Y	58%

**Survey Question:** Compared to the monthly Social Security retirement benefit that you [IF PPAGE<=FRA: will receive/IF PPAGE>FRA: would have received] if you [IF PPAGE<=FRA: start/IF PPAGE>FRA: had started] collecting benefits at age [INSERT FRA], would your monthly benefit [IF PPAGE<=FRA+1: be/IF PPAGE>FRA+1: have been] lower or higher if you instead [IF PPAGE<=FRA+1: wait/IF PPAGE>FRA+1: had waited] one more year until age [insert value of FRA+1] to start collecting Social Security benefits, or would your monthly benefit be the same regardless of whether you start collecting at age [INSERT FRA] or age [INSERT FRA+1]?

Respondents were allowed to choose from three response options: "monthly benefits would be higher . . .," "monthly benefits would be lower . . .," and "monthly benefits would be the same . . .".

**Note:** Superscript letters are displayed in the table to note significant differences between the groups represented by each row at the 95% confidence level. For example, the "B" next to 65% in the row for men signifies that the 65% of men is significantly higher than the 59% or women represented in row B.

Knowledge of Earliest Age to Claim in Order to Maximize Monthly Benefit: Differences by Demographics and Expected Claiming Age		
		Percent Providing Correct Response: Age 70
Total		29%
<b>Gender</b>		
Men	A	34% <sup>B</sup>
Women	B	25%
<b>Education</b>		
High School Degree or Less	C	20%
Some College/Associate's Degree	D	27% <sup>C</sup>
Bachelor's Degree	E	40% <sup>CD</sup>
Post-Graduate Degree	F	42% <sup>CD</sup>
<b>Household Income</b>		
Less than \$25,000	G	17%
\$25,000 - \$49,999	H	26% <sup>G</sup>
\$50,000 - \$99,999	I	32% <sup>G</sup>
\$100,000 or more	J	37% <sup>G</sup>
<b>Savings</b>		
Less than \$25,000	K	19%
\$25,000 - \$99,999	L	32% <sup>K</sup>
\$100,000 - \$249,999	M	31% <sup>K</sup>
\$250,000 or more	N	40% <sup>KLM</sup>
<b>Age</b>		
52-56	O	21%
57-61	P	32% <sup>O</sup>
62+	Q	48% <sup>OP</sup>
<b>Race/Ethnicity</b>		
Non-Hispanic whites	R	32% <sup>ST</sup>
African Americans	S	20% <sup>T</sup>
Hispanics	T	11%
<b>Expected Claiming Age</b>		
Age 62	U	22%
After age 62 but before FRA	V	22%
FRA	W	39% <sup>UV</sup>
After FRA	X	40% <sup>UV</sup>
<b>Years from Expected Claiming Age</b>		
5 years or less	Y	36% <sup>Z,AA</sup>
6-10 years	Z	28%
More than 10 years	AA	24%

**Survey Question:** "What is the earliest age at which you should start collecting Social Security retirement benefits if you wanted to receive your highest possible monthly benefit? (If you're not sure, please provide your best guess.)" The response options displayed included a list of ages from 62 to 75 as well as "doesn't matter" and "later than 75".

**Note:** Superscript letters are displayed in the table to note significant differences between the groups represented by each row at the 95% confidence level. For example, the "B" next to the 34% in the row for men signifies that the 34% of men is significantly higher than the 25% of women represented in row B.

Overall Knowledge Score By Demographics and Expected Claiming Age		
		Average Knowledge Score
<b>Total</b>		50
<b>Gender</b>		
Men	A	51 <sup>B</sup>
Women	B	49
<b>Education</b>		
High School Degree or Less	C	47
Some College/Associate's Degree	D	50 <sup>C</sup>
Bachelor's Degree	E	53 <sup>CD</sup>
Post-Graduate Degree	F	52 <sup>C</sup>
<b>Household Income</b>		
Less than \$25,000	G	46
\$25,000 - \$49,999	H	48
\$50,000 - \$99,999	I	51 <sup>GH</sup>
\$100,000 or more	J	52 <sup>GH</sup>
<b>Savings</b>		
Less than \$25,000	K	47
\$25,000 - \$99,999	L	51 <sup>K</sup>
\$100,000 - \$249,999	M	51 <sup>K</sup>
\$250,000 or more	N	54 <sup>KLM</sup>
<b>Age</b>		
52-56	O	48
57-61	P	51 <sup>O</sup>
62+	Q	54 <sup>OP</sup>
<b>Race/Ethnicity</b>		
Non-Hispanic whites	R	51 <sup>ST</sup>
African Americans	S	46
Hispanics	T	44
<b>Expected Claiming Age</b>		
Age 62	U	50 <sup>V</sup>
After age 62 but before FRA	V	48
FRA	W	53 <sup>V</sup>
After FRA	X	51 <sup>V</sup>
<b>Years from Expected Claiming Age</b>		
5 years or less	Y	53 <sup>Z,AA</sup>
6-10 years	Z	49
More than 10 years	AA	48

Each respondent's "Knowledge Score" was calculated by assigning a value of 1 to each correct answer, summing the 1s to arrive at each respondent's absolute score, and then dividing that score by the number of knowledge questions included in each respondent's calculation to arrive at the percentage of knowledge questions answered correctly. Because the score represents the percentage of questions answered correctly, the lowest possible score is 0 and the highest possible score is 100. Each respondent's score was calculated based on only questions asked of that respondent. Therefore, respondents were not penalized for questions that were not presented to them. For questions that required a numeric response (absolute number or percent), responses were first converted to percentages and then all percentages within 2 percentage points of the correct percentage were classified as a "correct."

**Note:** Superscript letters are displayed in the table to note significant differences between the groups represented by each row at the 95% confidence level. For example, the "B" next to the 51 in the row for men signifies that the average score of 51 for men is significantly higher than the average score of 49 for women represented in row B.

## Appendix B

### ANNOTATED QUESTIONNAIRE

**Field period:**

December 21, 2011– January 10, 2012

**Survey Sample:** Adults ages 52-70 who are eligible for Social Security retirement benefits based on their own work history and have not yet claimed benefits but expect to claim within the next 15 years. (Excludes individuals who are currently receiving disability benefits.)

**Number of interviews (unweighted):**

2,053 (General Population); 1,678 White, non-Hispanic; 306 Hispanic; 361 African American, non-Hispanic.

**Qualification rate (overall):**

49.5% (4952 completed, 2451 qualified)

All reported percentages include qualified respondents and are weighted. The sample size reported reflect the number of unweighted cases. “Refused” responses are counted towards the bases.

## KEY DEMOGRAPHICS

### Gender

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
Male	49.1%	50.4%	49.2%	37.3%
Female	50.9%	49.6%	50.8%	62.7%

### Marital Status

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
Married	63.7%	65.7%	59.3%	49.7%
Not Married (NET)	31.0%	30.1%	32.6%	42.6%
Widowed	2.8%	2.8%	1.0%	3.0%
Divorced	15.4%	16.1%	14.5%	18.6%
Separated	2.0%	0.9%	7.0%	3.3%
Never Married	10.8%	10.3%	10.2%	17.7%
Living with Partner	5.3%	4.1%	8.0%	7.7%

### Education level (AARP categories)

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
Some college or less (NET)	64.8%	61.9%	84.9%	74.2%
Less than high school	7.7%	4.5%	27.6%	5.7%
High School	28.3%	27.7%	33.4%	38.3%
Some college	28.8%	29.8%	23.9%	30.3%
Bachelor's degree or higher	35.2%	38.1%	15.1%	25.8%

**Household Size**

	<b>General Population (n = 2053)</b>	<b>White, Non-Hispanic (n = 1678)</b>	<b>Hispanic (n = 306)</b>	<b>African American, Non-Hispanic (n = 361)</b>
<b>1</b>	21.1%	21.7%	14.1%	19.1%
<b>More than one (NET)</b>	78.9%	78.3%	85.9%	80.9%

**Race/Ethnicity**

	<b>General Population (n = 2053)</b>	<b>White, Non-Hispanic (n = 1678)</b>	<b>Hispanic (n = 306)</b>	<b>African American, Non-Hispanic (n = 361)</b>
<b>White, Non-Hispanic</b>	77.1%	100.0%	0.0%	0.0%
<b>Ethnic (NET)</b>	22.9%	0.0%	100.0%	100.0%
<b>Black, Non-Hispanic</b>	9.1%	0.0%	0.0%	100.0%
<b>Other, Non-Hispanic</b>	4.9%	0.0%	0.0%	0.0%
<b>Hispanic</b>	8.4%	0.0%	100.0%	0.0%
<b>2+ Races, Non-Hispanic</b>	0.6%	0.0%	0.0%	0.0%

## SCREENING QUESTIONS

### [TERMINATE IF REFUSED]

S1. Which of the following best describes you? Are you...

	General Population (n =2053)	White, Non-Hispanic (n =1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b><u>Not currently receiving Social Security benefits, but you expect to receive them at some point in the future</u></b>	94.6%	95.8%	90.3%	88.7%
<b><u>Not currently receiving Social Security benefits and you don't expect to receive them in the future</u></b>	5.4%	4.2%	9.7%	11.3%
<b><u>Currently receiving Social Security benefits</u></b>	0.0%	0.0%	0.0%	0.0%

[ASK IF NOT CURRENTLY RECEIVING AND DON'T EXPECT TO BE RECEIVE: S1=2]

[MP]

S2. Why don't you expect to receive Social Security benefits in the future?

	General Population (n = 110)	White, Non-Hispanic (n=73)	Hispanic (n=27)	African American, Non-Hispanic (n=29)
<b>Even though I will be eligible for Social Security benefits, I'm not sure if Social Security will be around by the time I decide to start collecting benefits</b>	58.8%	Results by race/ethnicity not shown due to small bases.		
<b>I have not worked long enough</b>	10.5%			
<b>My main job(s) have not been covered by Social Security</b>	0.0%			
<b>Other (specify):</b>	20.5%			
<b>Don't know</b>	13.3%			

[SHOW IF NOT SURE THAT SOCIAL SECURITY WILL AROUND: S2=1]

[DISPLAY]



For the rest of this survey, please assume that Social Security benefits will be around by the time you decide to start collecting benefits.

**[PROMPT ONCE; TERMINATE IF REFUSED]**

**[SP]**

**S8.** What is your current employment status?

	<b>General Population (n = 2053)</b>	<b>White, Non-Hispanic (n = 1678)</b>	<b>Hispanic (n = 306)</b>	<b>African American, Non-Hispanic (n = 361)</b>
<b>Working for pay on a full-time basis (at least 35 hours per week)</b>	63.1%	64.0%	60.9 %	60.5%
<b>Working for pay on a part-time basis (less than 35 hours per week)</b>	16.0%	16.1%	16.8 %	14.3%
<b>Completely retired and not working for pay and not looking for work</b>	7.5%	7.8%	4.7%	5.7%
<b>Unemployed and looking for work</b>	7.8%	6.4%	10.3%	14.1%
<b>On disability</b>	0.0%	0.0%	0.0%	0.0%
<b>Not working for pay and not looking for work (homemaker, student, other)</b>	5.6%	5.7%	7.2%	5.5%

**[ASK IF COMPLETELY RETIRED, UNEMPLOYED, OR NOT WORKING: S8=3, 4, OR 6]**

**[PROMPT ONCE; TERMINATE IF REFUSED]**

**[SP]**

**S9.** Have you ever been employed, either working for someone else or for yourself?

	<b>General Population (n =524)</b>	<b>White, Non-Hispanic (n = 419)</b>	<b>Hispanic (n = 96)</b>	<b>African American, Non-Hispanic (n = 95)</b>
<b>Yes</b>	100.0%	100.0%	100.0%	100.0%
<b>No</b>	0.0%	0.0%	0.0%	0.0%

**[PROMPT ONCE]**

**[NUMBER BOX, RANGE 0-99]**

**S10.** Since you turned 18 years old, about how many years in total have you worked for pay? (Please provide your best guess if you're not sure.)

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Less than 30 (NET)</b>	18.5%	15.6%	38.6%	22.0%
<b>30-39 (NET)</b>	48.7%	50.8%	42.1%	48.9%
<b>40+ (NET)</b>	32.8%	33.6%	19.3%	29.1%

**TERMINATE IF AGE=62+ AND HAVEN'T WORKED 10 YEARS OR AGE<62 AND WOULDN'T BE POSSIBLE TO WORK 10 YEARS PRIOR TO TURNING 62 (GIVEN # OF YEARS ALREADY WORKED AND # OF YEARS FROM AGE 62):**

**[TERMINATE IF:**

**S10=REFUSED OR (PPAGE=62+ AND S10<10) OR (PPAGE=52-61 AND S10 ANSWER +62 - PPAGE = LESS THAN 10]**

**[PROCEED IF:**

**PPAGE=62+ AND S10 = 10 OR MORE OR PPAGE<62 AND S10 ANSWER +62 - PPAGE= 10 OR MORE]**

**[ASK IF S8=3 OR 6 (COMPLETELY RETIRED OR NOT WORKING AND NOT LOOKING FOR WORK)]**

**S10a.** Do you expect to work for pay or look for work in the future?

	General Population (n = 344)	White, Non-Hispanic (n = 288)	Hispanic (n = 52)	African American, Non-Hispanic (n = 50)
<b>Yes</b>	25.1%	27.3%	Results for Hispanics and African Americans not shown due to small base.	
<b>No</b>	74.9%	72.7%		

**PROMPT ONCE**

**[ASK IF CURRENTLY WORKING, CURRENTLY UNEMPLOYED AND LOOKING, COMPLETELY RETIRED AND EXPECT TO WORK OR LOOK IN FUTURE, OR NOT WORKING BUT EXPECT TO WORK OR LOOK IN FUTURE: S8=1,2,4 OR ((S8=3 OR 6) AND S10A= 1 (YES)]**

**[DROP-DOWN BOX; 0-99]**

**S10b.** How many more years do you plan to work for pay? (Please provide your best guess if you're not sure.)

	General Population (n = 1796)	White, Non-Hispanic (n = 1469)	Hispanic (n = 268)	African American, Non-Hispanic (n = 317)
<b>0</b>	1.2%	1.0%	1.5%	2.9%
<b>1-5 Years</b>	30.4%	29.9%	31.6%	24.5%
<b>6-10 Years</b>	39.2%	39.6%	39.2%	42.0%
<b>11-20 Years</b>	25.9%	26.7%	20.9%	27.5%
<b>21+ Years</b>	3.2%	3.1%	6.6%	3.1%
<b>Refused</b>	0.2%	0.1%	0.0%	0.0%

[TERMINATE IF HAVEN'T ALREADY WORKED AT LEAST 10 YEARS OR DON'T PLAN TO WORK AT LEAST A TOTAL OF 10 YEARS: S10B ANSWER + S10 ANSWER = 9 OR LESS]

[PROCEED IF S10B=BLANK OR IF S10B ANSWER + S10 ANSWER=10 OR MORE]

[ASK IF COMPLETED RETIRED AND DON'T EXPECT TO WORK AGAIN OR NOT WORKING AND DON'T EXPECT TO WORK AGAIN: S10A=NO OR S10B=0 (RESPONSE OF "0" TYPED IN BY RESPONDENT)]:

[NUMBER BOX; RANGE 21-PPAGE]

S10c. At what age did you last work for pay? (If you're not sure, please provide your best guess.)

	General Population (n = 279)	White, Non-Hispanic (n = 225)	Hispanic (n = 40)	African American, Non-Hispanic (n = 49)
<b>Age 65 or younger (NET)</b>	97.6%	97.9%	Results for Hispanics and African Americans not shown due to small base.	
<b>Age 62 or younger (NET)</b>	91.2%	89.6%		
<b>Age 66 to 69 (NET)</b>	0.8%	0.0%		
<b>Age 70+ (NET)</b>	1.6%	2.1%		

[ASK IF WORKING: S8=1 OR 2]

[SP]

R1. Which of the following best describes you?

	General Population (n =1529)	White, Non-Hispanic (n = 1259)	Hispanic (n = 210)	African American, Non-Hispanic (n = 266)
Retired, but currently working	8.4%	7.6%	6.8%	12.7 %
Never been retired, and currently working	91.5%	92.3%	92.9%	86.8%
Refused	0.1%	0.1%	0.3%	0.5%

[ASK IF UNEMPLOYED AND LOOKING FOR WORK: S8=4]

[SP]

R2. Which of the following best describes you?

	General Population (n = 180)	White, Non-Hispanic (n = 131)	Hispanic (n = 44)	African American, Non-Hispanic (n = 45)
Retired, but currently working	9.6%	11.0%	Results for Hispanics and African Americans not shown due to small base.	
Never been retired, and currently working	89.7%	89.0%		
Refused	0.7%	0.0%		

[ASK IF NOT EMPLOYED AND NOT LOOKING FOR WORK: S8=6]

[SP]

R3. Which of the following best describes you?

	General Population (n = 149)	White, Non-Hispanic (n = 124)	Hispanic (n = 22)	African American, Non-Hispanic (n = 18)
Retired	37.6%	39.5%	Results for Hispanics and African Americans not shown due to small base.	
Never been retired	62.4%	60.5%		

## EXPECTED CLAIMING AGE

Intro:

Unless otherwise specified, please assume that the rest of the questions are about **Social Security retirement benefits** based on your own work history.

Please assume that you will be eligible to receive Social Security retirement benefits at some point in the future and that any future changes to the Social Security program will not affect your benefits.

(Some people receive other types of Social Security benefits, such as widow/widower benefits for people whose spouses have died or disability benefits for people with disabilities. But, please assume that the rest of the questions are about **Social Security retirement benefits** based on your own work history unless we specifically refer to other types of benefits.)

[TERMINATE IF REFUSED]

[NUMBER BOX; RANGE SHOULD BE RESPONDENT SPECIFIC, PPAGE TO 99]

[FOR AN EXAMPLE, SEE R17 IN SNO 13227]

**SS2.** At what age do you expect to start collecting Social Security retirement benefits? (If you have not thought about this before, please provide your best guess.)

[INSERT NOBACK]

[PROMPT ONCE; TERMINATE IF REFUSED]

[ASK IF SS2<62]

[NUMBER BOX; RANGE PPAGE TO 99]

**SS2A.**

You entered an age below 62. 62 is the earliest age at which people can start collecting Social Security retirement benefits. With that in mind, please re-enter the age at which you expect to start collecting Social Security retirement benefits based on your own work history.

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
Age 65 or younger (NET)	55.2%	52.4%	66.6%	62.3%
Age 62 or younger (NET)	20.8%	20.6%	14.9%	22.7%
Age 66 to 69 (NET)	34.8%	37.4%	22.7%	28.9%
Age 70+ (NET)	10.1%	10.2%	10.7%	8.8%

[NOTE TO PROGRAMMER: PLEASE IMPLEMENT THE BELOW TERMINATION INSTRUCTION]

[TERMINATE IF EXPECTED CLAIM AGE IS MORE THAN 15 YEARS FROM NOW (SS2-PPAGE>15 OR SS2A-PPAGE>15)]

CREATE DATA-ONLY VARIABLE EXPCLAIMAGE BASED ON SS2 OR SS2A ANSWERS:

IF SS2> 61, EXPCLAIMAGE =SS2.

IF SS2<62 AND NOT REFUSED SS2A (WHERE SS2A >= 62), EXPCLAIMAGE =SS2A.

IF SS2A < 62 AND PPAGE >= 62: EXPCLAIMAGE = PPAGE + 1.

IF SS2A < 62 AND PPAGE < 62: EXPCLAIMAGE = 62.

#### QUALIFICATION SUMMARY:

QUALIFY if Respondent Expects to receive Soc Sec benefits in the future but is not currently receiving Soc Sec benefits or any disability benefits, and appears to be eligible for Soc Sec retirement Benefits (has worked at least 10 years or expects to have worked at least 10 years by age 62) and expects to claim benefits within the next 15 years:(PPage=62+ and S10answer + S10b answer=10 or more) OR (PPage <62 and (S10 answer+62-ppage=10 or more) and (S10 answer+S10b answer=10 or more)) AND (SS2-PPage<=15 or SS2a-Ppage<=15 or.

END OF SCREENING QUESTIONS

#### GENERAL KNOWLEDGE OF HOW BENEFITS ARE DETERMINED

[PROGRAM NOTE: CREATE DOV "ORDER" WITH VALUES 1-2 (1 = FORWARD RESPONSE ORDER; 2 = REVERSE RESPONSE ORDER). ROTATE AND RECORD VALUE OF DOV ORDER FOR EACH RESPONDENT. IF ORDER = 1, DISPLAY QUESTION RESPONSES AS DISPLAYED IN SURVEY. IF ORDER = 2, DISPLAY QUESTION RESPONSES IN REVERSE ORDER]

[ORDER QUESTION RESPONSES AS DETERMINED BY DOV "ORDER"] [SP]

**KG1.** How knowledgeable do you feel you are about how your Social Security retirement benefits are determined?

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Very / Somewhat knowledgeable (NET)</b>	45.7%	46.6%	45.6%	44.0%
<b>Very knowledgeable</b>	7.7%	7.7%	6.3%	8.1 %
<b>Somewhat knowledgeable</b>	38.0%	38.9%	39.3%	35.9%
<b>A little / Not at all knowledgeable (NET)</b>	54.0%	53.0%	54.4%	56.0%
<b>A little knowledgeable</b>	39.0%	39.4%	39.1%	34.7%
<b>Not at all knowledgeable</b>	14.9%	13.6%	15.4%	21.2%
<b>Refused</b>	0.3%	0.4%	0.0%	0.0%

[INSERT NO BACK]

**[ORDER QUESTION RESPONSES AS DETERMINED BY DOV “ORDER”]**

**[SP]**

**New Question 1.** As you may know, the amount of Social Security retirement benefits that you will receive will be determined based on the amount of money that you have earned from working. To the best of your knowledge, which of the following best reflects the years of earnings that are used to calculate Social Security benefits?

	<b>General Population (n =2053 )</b>	<b>White, Non-Hispanic (n = 1678)</b>	<b>Hispanic (n = 306)</b>	<b>African American, Non-Hispanic (n = 361)</b>
<b>All incorrect responses (NET)</b>	91.4%	93.1%	86.8%	82.8%
<b>Correct responses (NET)</b>	7.4%	6.0%	10.3%	14.9%
<b>Responses below 35 years (NET)</b>	75.0%	77.1%	72.3%	70.5%
<b>The 5 years during which your earnings were highest</b>	29.9%	32.4%	24.0%	18.6 %
<b>The 10 years during which your earnings were highest</b>	20.8%	22.1%	18.3%	13.4%
<b>The 15 years during which your earnings were highest</b>	4.9%	4.4%	10.3%	4.6%
<b>The 20 years during which your earnings were highest</b>	10.0%	9.2%	8.9%	15.2%
<b>The 25 years during which your earnings were highest</b>	4.8%	5.1%	4.0%	6.6%
<b>The 30 years during which your earnings were highest</b>	4.7%	4.0%	6.9%	12.2%
<b>The 35 years during which your earnings were highest</b>	7.4%	6.0%	10.3%	14.9%
<b>The 40 years during which your earnings were highest</b>	16.4%	15.9%	14.4%	12.3%
<b>Refused</b>	1.2%	0.9%	2.9%	2.3%

CHANGES IN EXPECTED CLAIMING AGE AND AGE AT WHICH EXPECT TO STOP WORKING
--

**SS3.**

**[SP]**

Earlier in the survey you indicated that you expect to start collecting Social Security retirement benefits at age **[INSERT VALUE OF EXPCLAIMAGE]**.

Within the past four years, have your expectations changed about when you will start collecting Social Security benefits?

**[SHOW IF (SS2 NE REFUSED AND SS2>61) OR SS2A NE REFUSED]**

**I**

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Yes, four years ago, I expected to start collecting benefits <u>earlier than</u> [INSERT VALUE OF EXPCLAIMAGE] / I do now</b>	23.0%	23.3%	25.1%	24.0%
<b>Yes, four years ago, I expected to start collecting benefits <u>later than</u> [INSERT VALUE OF EXPCLAIMAGE] / I do now</b>	10.3%	9.9%	11.2%	9.5%
<b>No, my expectations have not changed. (Four years ago, I expected to start collecting benefits at [INSERT VALUE OF EXPCLAIMAGE].)</b>	66.2%	66.4%	63.0%	65.5%
<b>Refused</b>	0.5%	0.4%	0.7%	1.0%



[INSERT NOBACK]

[ASK IF EARLIER OR LATER: SS3=1 OR 2]

[RANDOMIZE AND RECORD ORDER OF RESPONSE OPTIONS]

[MP]

SS4. Why have your expectations changed?

I

	General Population (n = 666)	White, Non-Hispanic (n = 547)	Hispanic (n = 101)	African American, Non-Hispanic (n = 111)
<b>Job/Work (NET)</b>	17.8%	19.1%	8.0%	26.2%
<b>Job loss - my own or a family member's</b>	15.7%	16.5%	7.4%	25.5%
<b>New job/Job prospects</b>	0.3%	0.4%	0.0%	0.2%
<b>Desire to retire/work less</b>	0.7%	0.8%	0.4%	0.0%
<b>Job satisfaction</b>	0.2%	0.3%	0.0%	0.0%
<b>Decided to keep working</b>	0.4%	0.5%	0.2%	0.5%
<b>Job stress/dissatisfaction</b>	0.5%	0.6%	0.0%	0.0%
<b>Financial (NET)</b>	54.8%	54.7%	66.2%	63.0%
<b>Investment losses</b>	23.4%	25.8%	18.9%	17.3%
<b>Health care costs</b>	29.8%	28.9%	37.4%	28.8%
<b>Education costs</b>	5.4%	4.4%	10.4%	4.9%
<b>Credit card debt</b>	13.0%	11.1%	14.8%	29.1%
<b>Mortgage payments or other housing costs</b>	21.8%	19.8%	34.8%	22.9%
<b>Economy/Recession</b>	2.8%	3.5%	0.3%	0.0%
<b>Need the money</b>	2.1%	2.4%	3.5%	2.1%
<b>Improvements in finances</b>	0.1%	0.2%	0.0%	0.0%
<b>Health (NET)</b>	19.6%	15.5%	11.7%	36.2%
<b>Health problems – my own or a family member's</b>	16.9%	15.2%	12.9%	32.8%
<b>Health improvements – my own or a family member's</b>	3.6%	0.9%	16.9%	6.3%
<b>Family (NET)</b>	5.3%	4.7%	11.7%	8.3%
<b>Change in marital status</b>	3.8%	2.7%	11.7%	8.3%
<b>Depends on spouse retirement</b>	0.8%	1.0%	0.0%	0.0%
<b>Caregiving/family responsibility</b>	0.7%	1.0%	0.0%	0.0%

SS4. Why have your expectations changed? (continued)				
	General Population (n = 793)	White, Non-Hispanic (n = 547)	Hispanic (n = 101)	African American, Non-Hispanic (n = 111)
<b>Advice/Learning (NET)</b>	35.2%	31.8%	42.7%	36.0%
<b>Advice that I received</b>	17.5%	15.7%	25.3%	20.3%
<b>Something that I learned about how Social Security benefits are calculated</b>	23.3%	20.2%	26.4%	22.1%
<b>Other (NET)</b>	11.1%	12.8%	4.5%	7.6%
<b>Government/Congress actions</b>	2.6%	3.4%	0.1%	0.0%
<b>Concerns about Social Security solvency/fear of benefits reduction</b>	2.4%	3.1%	0.5%	0.1%
<b>Change in eligible age requirements/receive maximum benefits</b>	2.0%	2.2%	1.1%	1.5%
<b>Other</b>	4.1%	4.1%	2.7%	6.0%
<b>Refused</b>	0.2%	0.3%	0.0%	0.0%

[INSERT NOBACK]

[ASK IF EXPECT TO WORK AT LEAST ONE MORE YEAR: S10B>0] [SP]

SS5 Earlier you indicated that you expect to work for pay for about [INSERT S10B RESPONSE] more years. Does that mean that you expect to stop working completely at about age [PPAGE+S10B RESPONSE]?

I

	General Population (n = 1771)	White, Non-Hispanic (n = 1451)	Hispanic (n = 266)	African American, Non-Hispanic (n = 312)
<b>Yes</b>	54.3%	53.4%	59.0%	54.5%
<b>No</b>	45.6%	46.4%	41.0%	44.6%
<b>Refused</b>	0.2%	0.2%	0.1%	0.9%

[ASK IF SS5=2 (NO) OR IF S10B= ASKED BUT NOT ANSWERED]

[NUMBER BOX, RANGE PPAGE TO 99]

**SS5b.** At what age do you expect to stop working completely? (If you are not sure, please provide your best guess.)

	General Population (n = 780)	White, Non-Hispanic (n = 638)	Hispanic (n = 114)	African American, Non-Hispanic (n = 139)
Age 56-66	22.5%	20.0%	36.8%	32.4%
Age 67-77	59.2%	63.0%	41.6%	55.5%
Age 78+	16.9%	16.0%	21.2%	11.4%
Refused	1.2%	1.1%	0.6%	0.7%

[CREATE “STOPAGE DATA” VARIABLE FOR RESPONDENTS WHO EXPECT TO WORK AT LEAST ANOTHER YEAR. IF SS5=1 (YES): PPAGE+S10B=STOPAGE. IF SS5= 2 (NO) OR IF S10B= ASKED BUT NOT ANSWERED: SS5B ANSWER =STOPAGE. IF S10A=2 (NO) OR S10B= 0 BUT NOT BLANK (“0” TYPED IN BY RESPONDENT): S10C=STOPAGE]

[FOR ALL OTHER CASES WHERE THE ABOVE SPECIFICATION FOR “STOPAGE” DOES NOT APPLY, STOPAGE = EXPCLAIMAGE]

[INSERT NOBACK] [SP]

SS6a. Do you have an idea of how much your monthly Social Security retirement benefits will be if you start collecting benefits at [EXPCLAIMAGE] and [IF EXPCLAIMAGE>=STOPAGE OR IF S10B=0 YEARS: you are no longer working for pay at that time/IF EXPCLAIMAGE<STOPAGE: you are still working for pay at that time]?

	General Population (n =2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
Yes	35.8%	39.1%	18.9%	24.1%
No	29.6%	27.9%	40.3%	36.6%
Not sure	34.1%	32.4%	40.8%	39.3%
Refused	0.4%	0.6%	0.0%	0.0%

[FOR SS6B/SS6C: PLEASE PRESENT BOTH QUESTIONS ON THE SAME SCREEN SUCH THAT SS6C APPEARS AFTER THE RESPONDENT ANSWERS SS6B AND PRESSES “NEXT.” INSTEAD OF MOVING TO THE NEXT SCREEN, SS6C SHOULD BE PRESENTED]

[NUMBER BOX, RANGE 0-10,000]

**SS6b.** How much do you think your monthly Social Security retirement benefits will be if you start collecting benefits at **[Expclaimage]** and **[if Expclaimage>=Stopage or if S10b=0 years: you are no longer working for pay at that time /if Expclaimage<Stopage: you are still working for pay at that time]**? (Your best guess is fine.)

\$\_\_\_\_\_ per month

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>0-700 (NET)</b>	21.1%	19.5%	33.5%	20.1%
<b>701-1000 (NET)</b>	21.8%	21.5%	21.7%	28.4%
<b>1001-1400 (NET)</b>	20.0%	19.8%	16.2%	19.7%
<b>1401-1900 (NET)</b>	17.2%	18.0%	14.8%	15.1%
<b>1901+ (NET)</b>	16.5%	18.0%	8.4%	11.6%
<b>No Response</b>	3.5%	3.2%	5.4%	5.1%

**[ASK IF SS6b NOT SKIPPED OR REFUSED]**

**[ORDER QUESTION RESPONSES AS DETERMINED BY DOV “ORDER”]**

**[SP]**

**SS6c.** How confident are you that you correctly estimated what your monthly Social Security retirement benefits will be?

	General Population (n = 1988)	White, Non-Hispanic (n = 1627)	Hispanic (n = 297)	African American, Non-Hispanic (n = 350)
<b>Very / Somewhat confident (NET)</b>	49.1%	50.9%	30.4%	51.1%
<b>Very confident</b>	7.4%	7.9%	3.7%	6.2%
<b>Somewhat confident</b>	41.7%	43.0%	26.7%	44.9%
<b>Not very / Not at all confident (NET)</b>	50.8%	49.1%	69.4%	47.2%
<b>Not very confident</b>	31.6%	29.7%	44.8%	28.9%
<b>Not at all confident</b>	19.3%	19.4%	24.6%	18.3%
<b>Refused</b>	0.1%	0.0%	0.2%	1.6%

**IMPACT OF WAITING UNTIL FULL RETIREMENT AGE (FRA) RATHER THAN CLAIMING AT AGE 62**

**[CREATE DATA VARIABLE FRA (FULL RETIREMENT AGE) AND RECORD: SEE TABLE A IN APPENDIX AND USE PPAGE TO CALCULATE FRA; FOR ALL INSERTS INVOLVING FRA AND FRA+1 PLEASE USE ROUNDED VALUES]**

**[RANDOMIZE AND RECORD ORDER OF RESPONSE OPTIONS]**

**[SP]**

**New Question 2.**

**[DISPLAY BELOW QUESTION TITLE IN BOLD]**

**Impact of Waiting Until Age [INSERT VALUE OF DATA ONLY VARIABLE FRA] to Collect Benefits vs. Collecting at Age 62**

Compared to the monthly Social Security retirement benefit that you [IF PPAGE<=62:will receive/IF PPAGE>62: would have received] if you [IF PPAGE<=62:start /IF PPAGE>62:had started] collecting benefits at age 62, would your monthly benefit [IF PPAGE<=FRA:be/IF PPAGE>FRA:have been] lower or higher if you instead [IF PPAGE<=FRA:wait/IF PPAGE>FRA: had waited] until age [INSERT VALUE OF DATA-ONLY VARIABLE FRA] to start collecting Social Security benefits, or would your monthly benefit be the same regardless of whether you [IF PPAGE <= FRA:start/IF PPAGE > FRA:HAD STARTED] collecting at age 62 or age [INSERT VALUE OF DATA-ONLY VARIABLE FRA]?

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
Monthly benefits would be <u>lower</u> if you {start/had started} collecting at age {FRA} rather than age 62	4.5%	3.9%	8.9%	5.5%
Monthly benefits would be <u>higher</u> if you {start/had started} collecting at age {FRA} rather than age 62	88.6%	91.9%	72.7%	76.3%
Monthly benefits would be the <u>same</u>	6.4%	3.8%	15.5%	18.2%
Refused	0.6%	0.4%	2.9%	0.0%

[ASK IF NEW QUESTION 2=2 (HIGHER)]

[SP WITH DROP DOWN AND NUMBER BOXES; RANGE FOR DROP DOWN MENU: 0-100; RANGE FOR NUMBER BOX: 0-9999]

[PROGRAM NOTE: FOR AN EXAMPLE OF THIS QUESTION TYPE, SEE SNO 13227, KG3]

**New Question 3.** Assume that your monthly Social Security retirement benefit would be \$1,000 if you [if ppage<=62:start//IF PPAGE>62:had started] collecting Social Security at age 62. By how much do you think your monthly benefit [IF PPAGE<=FRA:would increase//IF PPAGE>FRA:would have increased] if you [IF PPAGE<=FRA:wait//IF PPAGE>FRA:had waited] until age [INSERT VALUE OF DATA ONLY VARIABLE FRA] to start collecting Social Security benefits? Please enter your best guess of the increase in your monthly benefit below, or a percentage increase.

**Change in Monthly Benefit if You [IF PPAGE<=FRA:Wait//IF PPAGE>FRA:Had Waited} Until Age [INSERT VALUE OF DATA ONLY VARIABLE FRA] To Collect Benefits vs. Collecting at Age 62:**

Estimate increase in dollars: \$\_\_\_\_\_

.....1

Or, Estimate percentage increase: [DROP-DOWN MENU THAT ALLOWS

RESPONDENT TO SELECT A % POINT FROM 0% TO 100%] .....2

	General Population (n = 1786)	White, Non-Hispanic (n = 1503)	Hispanic (n = 241)	African American, Non-Hispanic (n = 272)
Less than 10%	9.3%	9.5%	10.2%	10.9%
10%-19%	17.5%	16.5%	19.8%	19.4%
20%-29%	29.8%	30.6%	29.3%	25.3%
30%-39%	14.4%	15.6%	9.0%	13.5%
40%-49%	8.9%	9.2%	7.1%	9.0%
More than 50%	20.1%	18.6%	24.6%	21.9%

{ CORRECT RESPONSE IS BETWEEN 30.5% AND 41.2% DEPENDING ON RESPONDENT'S AGE. SEE TABLE B IN APPENDIX C. }

**[IF RESPONDENT ENTERS DOLLAR AMOUNT THAT IS GREATER THAN \$1,000 FOR NEW QUESTION 3 = 1]**

**[SP]**

**NEW QUESTION 3.1.** You just entered a response of “\$[INSERT RESPONSE FROM Q3 = 1]”. Did you mean that the monthly benefit at age [INSERT VALUE OF DATA ONLY VARIABLE FRA] would be \$[INSERT RESPONSE FROM Q3 = 1 NUMBER BOX] higher for a total monthly benefit of [CALCULATE, RECORD, AND INSERT: \$1000+\$ VALUE OF NUMBER BOX ENTRY FOR Q3 = 1]?

	General Population (n = 117)	White, Non-Hispanic (n = 98)	Hispanic (n = 25)	African American, Non-Hispanic (n = 22)
<b>Yes, that is what I meant. The monthly benefit at age [INSERT VALUE OF DATA ONLY VARIABLE FRA] would be [CALCULATE AND INSERT: \$1000+\$ VALUE OF NUMBER BOX ENTRY FOR Q3 = 1].</b>	14.7%	Results by race/ethnicity not shown due to small base.		
<b>No, I meant that the monthly benefit at age [INSERT VALUE OF DATA ONLY VARIABLE FRA] would be [INSERT VALUE OF NUMBER BOX ENTRY FOR Q3 = 1]</b>	81.1%			
<b>Refused</b>	4.2%			

IMPACT OF DELAYING ONE YEAR BEYOND FULL RETIREMENT AGE (FRA)
--

[INSERT NOBACK]

[ORDER RESPONSES AS DETERMINED BY NQ2 RANDOMIZATION]

[SP]

New Question 4.

[DISPLAY BELOW QUESTION TITLE IN BOLD]

**Impact of Waiting Until Age [INSERT VALUE OF DATA ONLY VARIABLE FRA+1] to Collect Benefits vs. Collecting at Age [INSERT VALUE OF DATA ONLY VARIABLE FRA]**

Compared to the monthly Social Security retirement benefit that you [IF PPAGE<=FRA:will receive/IF PPAGE>FRA: would have received] if you [IF PPAGE<=FRA:start/IF PPAGE>FRA:had started] collecting benefits at age [INSERT VALUE OF DATA ONLY VARIABLE FRA], would your monthly benefit [IF PPAGE<=FRA+1:be/IF PPAGE>FRA+1:have been] lower or higher if you instead [IF PPAGE<=FRA+1:wait/IF PPAGE>FRA+1:had waited] one more year until age [insert value of FRA+1] to start collecting Social Security benefits, or would your monthly benefit be the same regardless of whether you [IF PPAGE <= FRA+1:start/IF PPAGE > FRA+1: HAD STARTED] collecting at age [INSERT VALUE OF DATA ONLY VARIABLE FRA] or age [INSERT VALUE OF FRA+1]?

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Monthly benefits would be <u>lower</u> if you [START/HAD STARTED] collecting at age [INSERT VALUE OF FRA +1] rather than age [INSERT VALUE OF DATA ONLY VARIABLE FRA]</b>	1.7%	1.0%	7.4%	4.0%
<b>Monthly benefits would be <u>higher</u> if you [START/HAD STARTED] collecting at age [INSERT VALUE FRA+1] rather than age [insert value of data only variable FRA]</b>	61.7%	65.7%	41.8%	43.5%
<b>Monthly benefits would be the <u>same</u></b>	35.3%	32.1%	50.5%	50.3%
<b>Refused</b>	1.3%	1.2%	0.3%	2.1%



[ASK IF NEW QUESTION 4 =2 (HIGHER)]

[SP WITH DROP DOWN AND NUMBER BOXES; RANGE FOR DROP DOWN MENU: 0-100; RANGE FOR NUMBER BOX: 0-9999]

**New Question 5.**

Assume that your monthly Social Security retirement benefit would be \$1,000 if you [IF PPAGE<=FRA:start/IF PPAGE>FRA:had started] collecting Social Security at age [INSERT VALUE OF DATA ONLY VARIABLE FRA]. By how much do you think your monthly benefit [IF PPAGE<=FRA+1:would increase/IF PPAGE>FRA+1:would have increased] if you [IF PPAGE<=FRA+1:wait/IF PPAGE>FRA+1:had waited] one more year until age [INSERT VALUE OF DATA ONLY VARIABLE FRA+1] to start collecting Social Security benefits rather than collecting benefits at age [INSERT VALUE OF DATA ONLY VARIABLE FRA]? Please enter your best guess of the increase in your monthly benefit below, or a percentage increase.

Change in Monthly Benefit if You [IF PPAGE<=FRA+1:Wait/IF PPAGE>FRA+1:Had Waited} Until Age {FRA+1} To Collect Benefits vs. Collecting at Age [INSERT VALUE OF DATA ONLY VARIABLE FRA]

Estimate increase in dollars: \$\_\_\_\_\_

.....1

Or, Estimate percentage increase: [DROP-DOWN MENU THAT ALLOWS

RESPONDENT TO SELECT A % POINT FROM 0% TO 100%] .....2

	General Population (n = 1249)	White, Non-Hispanic (n = 1064)	Hispanic (n = 158)	African American, Non-Hispanic (n = 175)
Less than 4%	22.9%	23.2%	16.4%	22.0%
5%-8%	25.2%	27.5%	18.0%	12.2%
9%-12%	28.3%	26.9%	32.5%	32.2%
13% or more	23.5%	22.4%	33.1%	33.6%

{ CORRECT RESPONSE IS BETWEEN 7.5% AND 8% DEPENDING ON RESPONDENT'S AGE. SEE TABLE C IN APPENDIX C. }

**[ASK IF RESPONDENT ENTERS DOLLAR AMOUNT THAT IS GREATER THAN \$1,000 IN NEW QUESTION 5 = 1]:**

New Question 5.1.

You just entered a response of \$[INSERT RESPONSE FROM NUMBER BOX NEW QUESTION 5=1]. Did you mean that the monthly benefit at age [INSERT VALUE OF FRA+1] would be \$[INSERT RESPONSE FROM NUMBER BOX NEW QUESTION 5=1] higher for a total monthly benefit of \$[CALCULATE, RECORD, AND INSERT: \$1000+RESPONSE FROM NUMBER BOX NEW QUESTION 5=1]?

	General Population (n = 37)	White, Non-Hispanic (n = 30)	Hispanic (n = 7)	African American, Non-Hispanic (n = 5)
Yes, that is what I meant. The monthly benefit at age [INSERT VALUE OF FRA+1] would be \$[CALCULATE AND INSERT: \$1000+RESPONSE FROM NUMBER BOX NEW QUESTION 5=1].	Results not shown due to small base.			
No, I meant that the monthly benefit at age [INSERT VALUE OF FRA+1] would be \$[INSERT RESPONSE FROM NUMBER BOX NEW QUESTION 5=1].				
Refused				

**[CREATE DATA ONLY VARIABLE "ORDER2" WITH VALUES 1-2 (1 = FIRST; 2 = LAST). ROTATE AND RECORD ORDER2 VALUES. IF ORDER2 = 1, PLACE "DOESN'T MATTER" AS FIRST ENTRY IN RESPONSE LIST FOR KP5; IF ORDER2 = 2, PLACE "DOESN'T MATTER" AS LAST ENTRY IN RESPONSE LIST FOR KP5]**

[SP]

**KP5 .** What is the earliest age at which you should start collecting Social Security retirement benefits if you wanted to receive your highest possible monthly benefit? (If you're not sure, please provide your best guess.)

KP5=10 (70 YEARS) IS THE CORRECT ANSWER

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
Doesn't matter	4.1%	3.0%	10.7%	3.8%
62-65 (NET)	18.4%	14.3%	41.6%	33.3%
62	5.5%	3.8%	13.6%	12.2%
63	0.5%	0.4%	0.5%	2.1%
64	0.8%	0.3%	3.9%	2.0%
65	11.6%	9.8%	23.6%	17.1%
66-69 (NET)	35.0%	36.8%	29.0%	34.4%
66	13.1%	13.5%	13.3%	15.4%
67	15.5%	16.4%	9.6%	13.4%
68	5.2%	5.9%	2.7%	3.9%
69	1.3%	1.1%	3.3%	1.8%
70	29.4%	32.0%	10.6%	20.1%
More than 70 (NET)	12.5%	13.4%	7.8%	6.4%
71	0.9%	0.9%	0.2%	0.2%
72	5.2%	6.0%	4.2%	2.5%
73	0.2%	0.3%	0.0%	0.1%
74	0.0%	0.0%	0.0%	0.0%
75	2.9%	2.9%	1.2%	1.1%
Later than 75	3.3%	3.3%	2.2%	2.4%
Refused	0.7%	0.5%	0.3%	1.9%

# KNOWLEDGE OF EARNINGS TEST

## [RANDOMIZE AND RECORD ORDER OF RESPONSE OPTIONS]

[SP]

KG4. Please read the following about Ted and provide a response below.

Assume Ted is 63-years old. He currently holds a job with an annual salary of \$40,000 and also currently collects Social Security retirement benefits. To the best of your knowledge, how does his salary affect his current monthly Social Security benefits?

KG4=1 IS THE CORRECT ANSWER

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
His salary from work <u>reduces</u> his current monthly Social Security benefit	75.9%	79.1%	60.2%	67.2%
His salary from work <u>increases</u> his current monthly Social Security benefit	6.5%	4.9%	14.9%	9.8%
His salary from work has <u>no effect on</u> his current monthly Social Security benefit	16.9%	15.4%	24.9%	20.9%
Refused	0.7%	0.7%	0.0%	2.1%

[INSERT NOBACK]

[ASK IF KG4=1 (REDUCE)]

[RANDOMIZE AND RECORD ORDER OF RESPONSE OPTIONS] [SP]

KG5 Which of the following best describes your understanding of the reduction in Ted's current monthly Social Security retirement benefit due to his salary from work?

[Survey note: wording for KG5 has been changed since last survey]

KG5=2 IS THE CORRECT ANSWER

	General Population (n = 1578)	White, Non-Hispanic (n = 1323)	Hispanic (n = 206)	African American, Non-Hispanic (n = 248)
Ted will never get back the benefits that were withheld	70.6%	72.4%	54.9%	60.1%
After he reaches a certain age, Ted will get back the benefits that were withheld	28.5%	26.7%	41.2%	39.6%
Refused	1.0%	0.9%	3.9%	0.3%

[INSERT NOBACK]

[ASK IF KG5=2 (WILL GET BACK)]

[RANDOMIZE AND RECORD ORDER OF RESPONSES]

[SP]

**NEW QUESTION 6.** You indicated that, once Ted reaches a certain age, he will get back the Social Security benefits that had been withheld while he was working. Which of the following **best describes how** you think Ted will get back the benefits that were withheld?

	General Population (n = 447)	White, Non-Hispanic (n = 361)	Hispanic (n = 71)	African American, Non-Hispanic (n = 88)
Once Ted reaches a certain age, he will receive an extra one-time Social Security payment equal to all of the benefits that had been withheld	4.2%	3.1%	Results for Hispanics and African Americans not shown due to small base.	
Once Ted reaches a certain age, each of his future Social Security payments will be adjusted upward so that he will gradually get back the benefits that had been withheld	94.1%	94.7%		
Refused	1.7%	2.2%		

## KNOWLEDGE OF SPOUSAL BENEFITS

[DEMOGRAPHIC INFORMATION ANNOTATED AT BEGINNING OF QUESTIONNAIRE]

[ASK IF XCOREDT = 1] QMARIT [SP]

Are you now married, widowed, divorced, separated, never married, or living with a partner?

Married .....1  
Widowed.....2  
Divorced .....3  
Separated.....4  
Never married.....5  
Living with partner .....6

**[PROGRAM NOTE: PLEASE SAVE QMARIT AS A SEPARATE VARIABLE AND DO NOT OVERWRITE THE STANDARD DEMO PPMARIT]**

[IF XCOREDT = 1, THEN ASK BELOW QUESTION IF QMARIT = 1-4]

[IF XCOREDT = 2, THEN ASK IF PPMARIT = 1-4 (MARRIED, WIDOWED, DIVORCED, SEPARATED)]

**KG6.** Please read the following about John and Helen and provide a response below. Assume that John and Helen have been married for 20 years. Both are 62 years old. Helen has never worked but John has worked long enough to be eligible for Social Security retirement benefits. To the best of your knowledge, could Helen receive Social Security spouse benefits based on John's benefits while he is alive?

[KG6=1 IS THE CORRECT ANSWER]

	General Population (n = 1790)	White, Non-Hispanic (n = 1485)	Hispanic (n = 254)	African American, Non-Hispanic (n = 286)
<b>Yes</b>	47.6%	46.2%	57.7%	53.5%
<b>No</b>	51.3%	52.5%	41.8%	45.8%
<b>Refused</b>	1.1%	1.4%	0.5%	0.7%

#### KNOWLEDGE OF SURVIVOR'S BENEFITS

[INSERT NOBACK]

[IF XCOREDT = 1, THEN ASK BELOW QUESTION IF QMARIT = 1-4]

[IF XCOREDT = 2, THEN ASK IF PPMARIT = 1-4 (MARRIED, WIDOWED, DIVORCED, SEPARATED)]

[SP]

**KG7.** Assume again that John and Helen have been married for 20 years. Both are 62 years old. Helen has never worked. John has worked long enough to be eligible for Social Security retirement benefits. If John dies before Helen, could Helen receive Social Security widow benefits after John dies?

KG7=1 IS THE CORRECT ANSWER

	General Population (n = 1790)	White, Non-Hispanic (n = 1485)	Hispanic (n = 254)	African American, Non-Hispanic (n = 286)
<b>Yes</b>	95.4%	96.3%	89.8%	95.3%
<b>No</b>	3.7%	2.6%	10.2%	3.9%
<b>Refused</b>	0.9%	1.1%	0.0%	0.8%

[INSERT NOBACK]

[IF XCOREDT = 1, THEN ASK BELOW QUESTION IF QMARIT = 1-4]

[IF XCOREDT = 2, THEN ASK IF PPMARIT = 1-4 (MARRIED, WIDOWED, DIVORCED, SEPARATED)]

[SP]

KG7b. Again, assume that John and Helen have been married for 20 years. Both are 62 years old. However, in this case, assume that Helen and John have **each worked** long enough to be eligible for Social Security retirement benefits. Helen has worked for fewer years than John, and Helen's earnings in a typical year are always much less than John's earnings. If John dies before Helen, could Helen receive Social Security widow benefits after John dies?

KG7B=1 IS THE CORRECT ANSWER

	General Population (n = 1790)	White, Non-Hispanic (n = 1485)	Hispanic (n = 254)	African American, Non-Hispanic (n = 286)
Yes	90.7%	90.7%	93.6%	92.0%
No	8.6%	8.4%	6.4%	7.6%
Refused	0.7%	0.9%	0.0%	0.4%

[INSERT NOBACK]

[ASK IF YES TO KG7 OR KG7B: KG7=1 OR KG7B=1]

[SP]

KG8. Can the age at which John starts collecting his own Social Security retirement benefits affect the amount of monthly widow benefits that Helen is eligible to collect after John dies?

KG8=1 IS THE CORRECT ANSWER

	General Population (n = 1759)	White, Non-Hispanic (n = 1461)	Hispanic (n = 249)	African American, Non-Hispanic (n = 279)
Yes	77.9%	79.5%	70.2%	65.3%
No	21.4%	19.7%	29.5%	34.1%
Refused	0.7%	0.7%	0.4%	0.6%

[INSERT NOBACK]

[ASK IF YES TO KG8: KG8=1]

[SP]

**KG9.** What is the earliest age at which John should start collecting his Social Security retirement benefits if he wants Helen to receive the highest possible monthly widow benefit in case he dies before her? (If you're not sure, please provide your best guess.)

**KG9=9 (70 YEARS) IS THE CORRECT ANSWER**

	General Population (n = 1390)	White, Non-Hispanic (n = 1173)	Hispanic (n = 180)	African American, Non-Hispanic (n = 200)
<b>62-65 (NET)</b>	25.8%	23.4%	45.8%	44.4%
<b>62</b>	7.7%	6.5%	18.5%	16.9%
<b>63</b>	0.6%	0.2%	2.1%	0.0%
<b>64</b>	0.7%	0.4%	3.7%	0.6%
<b>65</b>	16.7%	16.3%	21.6%	26.8%
<b>66-69 (NET)</b>	38.1%	39.0%	38.9%	33.4%
<b>66</b>	17.0%	17.3%	16.4%	14.8%
<b>67</b>	14.8%	15.1%	16.5%	17.0%
<b>68</b>	5.0%	5.5%	1.4%	0.9%
<b>69</b>	1.4%	1.1%	4.6%	0.6%
<b>70</b>	24.8%	25.9%	11.4%	14.5%
<b>More than 70 (NET)</b>	11.1%	11.4%	3.9%	7.7%
<b>71</b>	0.8%	0.7%	0.7%	0.0%
<b>72</b>	4.8%	5.1%	1.8%	5.0%
<b>73</b>	0.0%	0.0%	0.0%	0.2%
<b>74</b>	0.1%	0.1%	0.0%	0.0%
<b>75</b>	2.5%	2.3%	1.2%	0.2%
<b>Later than 75</b>	2.9%	3.2%	0.2%	2.4%
<b>Refused</b>	0.2%	0.3%	0.0%	0.0%



[INSERT NOBACK]

[ASK IF YES TO KG7 OR KG7B: KG7=1 OR KG7B=1][SP]

KG10. After John dies, can the age at which Helen starts collecting her Social Security widow benefits affect the amount of monthly widow benefits that she is eligible to collect?

KG10=1 IS THE CORRECT ANSWER

	General Population (n = 1759)	White, Non-Hispanic (n = 1461)	Hispanic (n = 249)	African American, Non-Hispanic (n = 279)
<b>Yes</b>	51.5%	52.0%	47.9%	47.7%
<b>No</b>	47.9%	47.3%	52.0%	52.3%
<b>Refused</b>	0.6%	0.7%	0.2%	0.0%

[INSERT NOBACK]

[ASK IF YES TO KG10: KG10=1][SP]

KG11. After John dies, what is the earliest age at which Helen should start collecting her Social Security widow benefits in order to receive the highest possible monthly widow benefit? (If you're not sure, please provide your best guess.)

KG11=5 OR 6 (66 OR 67 YEARS) IS THE CORRECT ANSWER (BASED ON FRA OF MOST RESPONDENTS)

	General Population (n = 911)	White, Non-Hispanic (n = 759)	Hispanic (n = 124)	African American, Non-Hispanic (n = 132)
<b>62-65 (NET)</b>	49.4%	45.4%	74.6%	71.7%
<b>62</b>	27.6%	25.1%	53.1%	37.7%
<b>63</b>	1.1%	1.1%	1.5%	0.3%
<b>64</b>	0.3%	0.2%	1.3%	0.0%
<b>65</b>	20.4%	19.0%	18.7%	33.7%
<b>66-67 (NET)</b>	24.8%	24.9%	16.4%	20.2%
<b>66</b>	15.3%	15.2%	12.5%	8.8%
<b>67</b>	9.5%	9.6%	3.9%	11.4%
<b>More than 67 (NET)</b>	25.1%	28.9%	9.0%	7.3%
<b>68</b>	3.4%	4.3%	0.2%	0.3%
<b>69</b>	0.4%	0.5%	0.0%	0.5%
<b>70</b>	14.6%	16.5%	6.8%	6.1%
<b>71</b>	0.5%	0.6%	0.0%	0.0%
<b>72</b>	1.9%	2.3%	0.6%	0.2%
<b>73</b>	0.0%	0.0%	0.0%	0.0%
<b>74</b>	0.1%	0.2%	0.0%	0.0%
<b>75</b>	2.0%	2.1%	1.4%	0.2%
<b>Later than 75</b>	2.0%	2.3%	0.0%	0.0%
<b>Refused</b>	0.7%	0.8%	0.0%	0.9%

<b>SOURCES OF INFORMATION</b>
-------------------------------

[INSERT NOBACK]

[RANDOMIZE AND RECORD ORDER OF GRID ITEMS]

[GRID SP ACROSS]

S11-a. Have you used any of the following information sources to learn about Social Security retirement benefits or when you should start collecting your benefits?

a. The Social Security Administration

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Yes</b>	52.9%	55.1%	40.0%	58.7%
<b>No</b>	41.9%	40.9%	45.3%	35.6%
<b>Don't know</b>	3.3%	2.4%	12.2%	3.6%
<b>Refused</b>	1.9%	1.6%	2.5%	2.1%

b. Your current or former employer

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Yes</b>	17.2%	17.5%	11.1%	26.1%
<b>No</b>	77.1%	78.1%	73.1%	67.2%
<b>Don't know</b>	3.5%	2.2%	13.3%	4.7%
<b>Refused</b>	2.3%	2.2%	2.5%	1.9%

c. AARP

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Yes</b>	17.8%	18.2%	10.7%	24.3%
<b>No</b>	76.2%	76.5%	77.2%	68.5%
<b>Don't know</b>	3.2%	2.5%	8.9%	4.8%
<b>Refused</b>	2.8%	2.7%	3.2%	2.4%

d. Your current or former labor union

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Yes</b>	2.8%	2.9%	2.2%	4.0%
<b>No</b>	91.1%	92.5%	83.0%	84.8%
<b>Don't know</b>	3.5%	2.2%	10.6%	7.5%
<b>Refused</b>	2.7%	2.4%	4.2%	3.7%

e. Friends or family members

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Yes</b>	44.9%	45.5%	41.8%	45.4%
<b>No</b>	50.2%	50.0%	49.7%	49.4%
<b>Don't know</b>	2.6%	2.1%	6.6%	2.9%
<b>Refused</b>	2.3%	2.4%	1.9%	2.3%

f. A financial services firm

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Yes</b>	6.0%	6.5%	4.6%	7.1%
<b>No</b>	88.0%	89.1%	81.1%	83.5%
<b>Don't know</b>	3.3%	2.1%	10.4%	6.2%
<b>Refused</b>	2.7%	2.3%	3.9%	3.2%

g. A professional financial advisor

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Yes</b>	12.1%	13.3%	8.6%	12.1%
<b>No</b>	81.8%	82.6%	75.2%	79.7%
<b>Don't know</b>	2.8%	1.5%	11.0%	4.2%
<b>Refused</b>	3.3%	2.6%	5.3%	4.0%

h. Financial magazines or books

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Yes</b>	15.9%	16.7%	14.6%	17.1%
<b>No</b>	78.1%	78.6%	68.7%	77.2%
<b>Don't know</b>	3.2%	2.4%	10.9%	2.6%
<b>Refused</b>	2.9%	2.4%	5.8%	3.1%

i. Financial shows on TV

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Yes</b>	14.4%	14.1%	17.5%	20.4%
<b>No</b>	79.8%	81.1%	68.4%	74.9%
<b>Don't know</b>	3.4%	2.5%	11.1%	3.7%
<b>Refused</b>	2.4%	2.3%	3.0%	1.0%

j. A class or seminar at a local college

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Yes</b>	1.2%	1.2%	3.0%	2.8%
<b>No</b>	92.9%	93.9%	85.1%	88.8%
<b>Don't know</b>	2.9%	1.9%	8.8%	5.6%
<b>Refused</b>	3.0%	3.0%	3.0%	2.9%

k. Public library

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Yes</b>	2.6%	2.0%	4.3%	7.9%
<b>No</b>	91.5%	93.1%	83.7%	85.5%
<b>Don't know</b>	2.8%	1.9%	9.4%	4.5%
<b>Refused</b>	3.0%	3.0%	2.6%	2.1%

l. Newspaper articles

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Yes</b>	28.5%	31.4%	22.6%	25.2%
<b>No</b>	65.4%	63.8%	63.7%	67.9%
<b>Don't know</b>	3.2%	2.1%	11.0%	4.6%
<b>Refused</b>	2.9%	2.7%	2.7%	2.2%

[SP]

S11-b. Have you used the Internet to learn about Social Security retirement benefits or when you should start collecting your benefits?

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Yes</b>	24.3%	25.6%	21.6%	16.1%
<b>No</b>	75.3%	74.0%	78.4%	83.8%
<b>Refused</b>	0.4%	0.4%	0.0%	0.1%

[ASK IF S11\_D (LABOR UNION) = 2 OR 3 OR REFUSED/SKIPPED]

[SP]

S11-c. Have you ever belonged to a labor union?

	General Population (n = 1980)	White, Non-Hispanic (n = 1619)	Hispanic (n = 291)	African American, Non-Hispanic (n = 338)
Yes	30.0%	30.4%	24.2%	33.2%
No	69.5%	69.4%	74.0%	66.1%
Refused	0.5%	0.3%	1.8%	0.6%

[EXPECTED RELIANCE ON SOCIAL SECURITY]

[RANDOMIZE AND RECORD ORDER OF GRID ITEMS, HOWEVER, ITEM D SHOULD ALWAYS APPEAR AFTER ITEMS A, B, AND C]

[PROGRAM NOTE: FOR THIS RANDOMIZATION PLEASE RANDOMIZE AND RECORD RESPONSE OPTIONS A-C AND E-F SEPARATELY, THEN DISPLAY RESPONSES A-C (IN RANDOMIZED ORDER) FOLLOWED BY RESPONSE D AND THEN DISPLAY E-F (IN RANDOMIZED ORDER)]

[GRID SP ACROSS]

D16. For each of the following possible sources of income in retirement, please indicate whether you expect it to be a major source of income, a minor source of income, or not a source of income in [(IF XCOREDT = 2 AND PPMARIT = 1) OR (XCOREDT = 1 AND QMARIT = 1):your and your spouse's/IF (XCOREDT = 2 AND PPMARIT = 6) OR (XCOREDT = 1 AND QMARIT = 6):your and your partner's/IF (XCOREDT = 2 AND PPMARIT NE 1 OR 6) OR (XCOREDT = 1 AND QMARIT NE 1 OR 6): your] retirement

- a. An employer-sponsored retirement savings plan, such as a 401(k), tax-deferred annuity or 403(b), thrift savings, money purchase, or profit-sharing plan

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
Not a Source	35.5%	36.6%	31.8%	33.1%
Minor Source	30.8%	30.5%	25.9%	31.3%
Major Source	31.7%	31.3%	39.9%	33.4%
Refused	1.9%	1.7%	2.3%	2.2%

- b. An employer-provided traditional pension or cash balance plan, with the benefit based on salary and years of service

	<b>General Population (n = 2053)</b>	<b>White, Non-Hispanic (n = 1678)</b>	<b>Hispanic (n = 306)</b>	<b>African American, Non-Hispanic (n = 361)</b>
<b>Not a Source</b>	43.7%	45.8%	31.6%	35.8%
<b>Minor Source</b>	22.6%	21.0%	28.6%	25.1%
<b>Major Source</b>	31.3%	31.3%	34.4%	35.7%
<b>Refused</b>	2.4%	1.9%	5.5%	3.3%

- c. An individual retirement account or IRA

	<b>General Population (n = 2053)</b>	<b>White, Non-Hispanic (n = 1678)</b>	<b>Hispanic (n = 306)</b>	<b>African American, Non-Hispanic (n = 361)</b>
<b>Not a Source</b>	39.6%	39.0%	44.7%	49.3%
<b>Minor Source</b>	39.8%	41.9%	24.7%	29.6%
<b>Major Source</b>	18.7%	17.6%	25.7%	18.5%
<b>Refused</b>	2.0%	1.6%	4.9%	2.6%



- d. Other personal savings or investments **outside of** a retirement account, such as mutual funds, stocks, certificates of deposit, or annuities

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Not a Source</b>	37.2%	35.6%	39.9%	46.2%
<b>Minor Source</b>	39.4%	41.0%	29.4%	37.7%
<b>Major Source</b>	20.8%	21.1%	27.5%	13.7%
<b>Refused</b>	2.5%	2.3%	3.2%	2.3%

- e. Employment

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Not a Source</b>	29.1%	29.8%	25.5%	25.1%
<b>Minor Source</b>	45.0%	48.6%	23.1%	37.5%
<b>Major Source</b>	23.1%	18.9%	48.0%	32.7%
<b>Refused</b>	2.8%	2.7%	3.4%	4.7%

f. Social Security

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Not a Source</b>	3.5%	2.9%	6.0%	5.3%
<b>Minor Source</b>	36.8%	38.8%	24.8%	26.3%
<b>Major Source</b>	58.1%	57.0%	65.1%	65.8%
<b>Refused</b>	1.6%	1.3%	4.1%	2.6%

[ASK IF SOCIAL SECURITY A MAJOR OR MINOR SOURCE IN D16: D16 = 3 OR 2]

[SP]

D17.

What percent of your household income in retirement do you expect will come from Social Security? (Your best guess is fine.)

	General Population (n = 1956)	White, Non-Hispanic (n = 1605)	Hispanic (n = 287)	African American, Non-Hispanic (n = 336)
<b>Less than 25%</b>	18.7%	19.3%	15.8%	11.7%
<b>25 – 50%</b>	36.8%	37.5%	31.2%	30.0%
<b>51 – 75%</b>	22.1%	22.8%	22.8%	24.2%
<b>76 – 100%</b>	12.6%	12.0%	15.1%	18.7%
<b>Don't know</b>	9.5%	8.0%	15.1%	15.5%
<b>Refused</b>	0.3%	0.4%	0.0%	0.0%

[PLEASE AUTOFILL A VALUE OF 0 = “NONE” IN THE DATA FILE IF D16\_F = 1]

[NO BACK]

## Private Market Comparison

[Ask if expclaimage <= 65]

Q1A. Now, please read the following and provide a response below.

Joan would like to retire at age {insert expclaimage}. If she starts collecting Social Security retirement benefits at age {insert exp claim age}, she will receive \$1,000 per month from Social Security for the rest of her life. If she instead waits until age 66 to collect Social Security benefits, she will receive {if expclaimage=62: \$1,333 / if expclaimage=63: \$1,250 / if expclaimage=64: \$1,150 / if expclaimage=65: \$1,070} per month (not including adjustments for changes in the cost of living). That is an increase of {if expclaimage=62: \$333 / if expclaimage=63: \$250 / if expclaimage=64: \$150 / if expclaimage=65: \$70} per month that Joan would receive for the rest of her life if she waits until age 66 to collect benefits.

Joan would like to collect benefits at age [insert expclaimage] rather than waiting to age 66 because she is not sure that she will need the additional {if expclaimage=62: \$333 / if expclaimage=63: \$250 / if expclaimage=64: \$150 / if expclaimage=65: \$70} per month. If it turns out that she does need an additional {if expclaimage=62: \$333 / if expclaimage=63: \$250 / if expclaimage=64: \$150 / if expclaimage=65: \$70} per month, she thinks that she may have enough saved for retirement to make up the difference. Just to be sure, Joan checked with a financial advisor who told her that she would need to have saved at least {if expclaimage=62: \$100,000 / if expclaimage=63: \$75,000 / if expclaimage=64: \$45,000 / if expclaimage=65: \$21,000} by the time that she retires if she wants to be able to withdraw {if expclaimage=62: \$333 / if expclaimage=63: \$250 / if expclaimage=64: \$150 / if expclaimage=65: \$70} per month during retirement. (This assumes that she will be retired for about 25 years and that her savings will be held in safe bank accounts that are unlikely to be affected by changes in the financial markets.)

You indicated earlier that you expect to start collecting Social Security benefits at age {insert exp claim age}. If you knew that you would need at least {if expclaimage=62: \$100,000 / if expclaimage=63: \$75,000 / if expclaimage=64: \$45,000 / if expclaimage=65: \$21,000} in retirement savings to make up for the lower monthly benefits that you would receive by collecting Social Security at age {insert exp claim age} rather than age 66, how likely would you be to wait until age 66 to collect Social Security benefits?

	<b>General Population (n = 1158)</b>	<b>White, Non- Hispanic (n = 913)</b>	<b>Hispanic (n = 185)</b>	<b>African American, Non-Hispanic (n = 229)</b>
<b>Very/Somewhat likely (NET)</b>	49.2%	46.3%	61.6%	61.9%
<b>Very likely</b>	18.6%	20.3%	19.4%	18.8%
<b>Somewhat likely</b>	30.5%	26.0%	42.2%	43.2%
<b>Not too/at all likely (NET)</b>	49.4%	52.7%	34.4%	35.3%
<b>Not too likely</b>	30.9%	32.3%	21.1%	25.2%
<b>Not at all likely</b>	18.5%	20.4%	13.3%	10.0%
<b>Refused</b>	1.4%	1.0%	4.0%	2.8%

**[Ask if expclaimage >= 66 and exclaimage < 70]**

Q1B. Now, please read the following and provide a response below.

Joan would like to retire at age {insert expclaimage}. If she starts collecting Social Security retirement benefits at age {insert exp claim age}, she will receive \$1,000 per month from Social Security for the rest of her life. If she instead waits until {insert expclaimage + 1} to collect Social Security benefits, she will receive \$1,080 per month (not including adjustments for changes in the cost of living). That is an increase of \$80 per month that Joan would receive for the rest of her life if she waits until age {insert exp claim age + 1} to collect benefits.

Joan would like to collect benefits at age {insert exp claim age} rather than waiting to age {insert exp claim age + 1} because she is not sure that she will need the additional \$80 per month. If it turns out that she does need an additional \$80 per month, she thinks that she may have enough saved for retirement to make up the difference. Just to be sure, Joan checked with a financial advisor who told her that she would need to have saved at least \$24,000 by the time that she retires if she wants to be able to withdraw \$80 per month during retirement. (This assumes that she will be retired for about 25 years and that her savings will be held in safe bank accounts that are unlikely to be affected by changes in the financial markets.)

You indicated earlier that you expect to start collecting Social Security benefits at age] {insert exp claim age}. If you knew that you would need at least \$24,000 in retirement savings to make up for the lower monthly benefits that you would receive by collecting Social Security at age {insert exp claim age} rather than age {insert exp claim age + 1}, how likely would you be to wait until age {insert exp claim age + 1} to collect Social Security benefits?

	General Population (n = 697)	White, Non-Hispanic (n = 603)	Hispanic (n = 81)	African American, Non-Hispanic (n = 99)
<b>Very/Somewhat likely (NET)</b>	61.8%	61.6%	Results for Hispanics and African Americans not shown due to small base.	
<b>Very likely</b>	26.7%	26.5%		
<b>Somewhat likely</b>	35.1%	35.1%		
<b>Not too/at all likely (NET)</b>	37.3%	37.9%		
<b>Not too likely</b>	26.1%	27.4%		
<b>Not at all likely</b>	11.2%	10.5%		
<b>Refused</b>	0.9%	0.5%		

POTENTIAL EFFECT OF HEALTH/DISABILITY ON WORK
---

[PROMPT ONCE] [SP]

[ASK IF EMPLOYED FULL TIME OR PART TIME: S8=1 OR 2]

**S11.** Do you have any health conditions or disabilities **that may make it difficult for you** to continue working at least part-time [IF PPAGE<62, INSERT “beyond the age of 62”; IF PPAGE=62+, INSERT “for at least another year or two”]?

	General Population (n = 1529)	White, Non-Hispanic (n = 1259)	Hispanic (n = 210)	African American, Non-Hispanic (n = 266)
<b>Yes</b>	13.5%	13.4%	11.9%	18.7%
<b>No</b>	86.5%	86.6%	88.1%	81.3%
<b>Refused</b>	0.0%	0.1%	0.0%	0.0%

PROMPT ONCE [SP]

[ASK IF RETIRED OR OTHER: S8=3 OR 6] S12.

Do you have any health conditions or disabilities that **would make it difficult for you** to work at least part time?

	General Population (n = 344)	White, Non-Hispanic (n = 288)	Hispanic (n = 52)	African American, Non-Hispanic (n = 50)
<b>Yes</b>	22.5%	22.9%	Results for Hispanics and African Americans not shown due to small base.	
<b>No</b>	76.9%	76.3%		
<b>Refused</b>	0.6%	0.8%		

[ASK IF UNEMPLOYED: S8=4]

**S13.** Do you have any health conditions or disabilities that would make it difficult for you to work at least part time, assuming that you were able to find a job?

	General Population (n = 180)	White, Non-Hispanic (n = 131)	Hispanic (n = 44)	African American, Non-Hispanic (n = 45)
<b>Yes</b>	13.1%	17.9%	Results for Hispanics and African Americans not shown due to small base.	
<b>No</b>	84.3%	82.0%		
<b>Refused</b>	2.6%	0.2%		

## Demographics

[SURVEY NOTE: FROM PANEL DATA: GENDER, EDUCATION (IF ASKED WITHIN PAST YEAR), MARITAL STATUS (IF ASKED WITHIN PAST YEAR), # OF CHILDREN UNDER AGE 18 IN HOUSEHOLD (IF ASKED WITHIN PAST YEAR), RACE/ETHNICITY

(NOTE: IF EDUCATION, MARITAL STATUS, AND # OF CHILDREN UNDER 18 IN HOUSEHOLD WERE NOT ASKED WITHIN THE PAST YEAR, PLEASE ASK AS NEW QUESTIONS.)]

[SP]

Q8. How would you describe your current health?

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Excellent/ Good (NET)</b>	79.2%	79.6%	79.6%	71.2%
<b>Excellent</b>	17.4%	17.4%	18.0%	13.2%
<b>Good</b>	61.8%	62.2%	61.6%	58.1%
<b>Fair/ Poor (NET)</b>	20.6%	20.1%	20.4%	28.2%
<b>Fair</b>	18.9%	18.3%	18.4%	26.7%
<b>Poor</b>	1.7%	1.8%	2.0%	1.5%
<b>Refused</b>	0.2%	0.2%	0.0%	0.5%

[SP]

D7. Do you [IF (XCOREDT = 2 AND PPMARIT = 1) OR (XCOREDT = 1 AND QMARIT = 1):and your spouse] own or rent your home?

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Own</b>	80.7%	84.5%	63.7%	62.3%
<b>Rent</b>	18.5%	14.8%	34.5%	37.7%
<b>Refused</b>	0.7%	0.7%	1.8%	0.0%

[ASK IF OWN, D7 = 1][SP]

**D8. Do you [IF (XCOREDT = 2 AND PPMARIT = 1) OR (XCOREDT = 1 AND QMARIT = 1)]:and your spouse] have a mortgage on your home?**

	General Population (n = 1769)	White, Non-Hispanic (n = 1486)	Hispanic (n = 218)	African American, Non-Hispanic (n = 267)
<b>Yes</b>	63.1%	62.5%	65.2%	70.6%
<b>No, mortgage is paid off</b>	27.5%	28.6%	20.4%	25.6%
<b>No, never had a mortgage</b>	8.9%	8.2%	14.0%	3.9%
<b>Refused</b>	0.6%	0.6%	0.4%	0.0%

**[RANDOMIZE AND RECORD ORDER OF RESPONSE OPTIONS, HOWEVER, RESPONSE “D” SHOULD REMAIN LAST]**

**[MP]**

**D20. And just to be sure we have the correct information, do you [IF (XCOREDT = 2 AND PPMARIT = 1 (MARRIED)) OR (XCOREDT = 2 AND PPMARIT = 6 (LIVING WITH PARTNER)) OR XCOREDT = 1 AND QMARIT = 1 OR 6:and/or your] [IF (XCOREDT = 2 AND PPMARIT = 1) OR (XCOREDT = 1 AND QMARIT = 6): spouse/IF (XCOREDT = 2 AND PPMARIT = 6) OR (XCOREDT = 1 AND QMARIT = 6): partner] CURRENTLY have:**

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Money in an employer-sponsored retirement savings plan, such as a 401(k), tax deferred annuity or 403(b), thrift savings, money purchase, or profit-sharing plan</b>	57.1%	60.6%	38.4%	44.0%
<b>An employer-provided traditional pension or cash balance plan, with the benefit based on salary and years of service</b>	50.2%	50.6%	35.5%	56.5%
<b>An individual retirement account or IRA</b>	50.3%	55.1%	21.4%	28.6%
<b>Other personal savings or investments <u>outside of</u> a retirement account, such as mutual funds, stocks, certificates of deposit, or annuities</b>	55.4%	59.1%	38.0%	39.3%
<b>Refused</b>	10.9%	9.0%	24.3%	15.0%



[SP]

D21. In total, about how much money would you say you **[IF (XCOREDT = 2 AND PPMARIT = 1 (MARRIED) OR 6 (LIVING WITH PARTNER)) OR (XCOREDT = 1 AND QMARIT = 1 OR 6):and your] [IF (XCOREDT = 2 AND PPMARIT = 1) OR (XCOREDT = 1 AND QMARIT = 1): spouse/IF (XCOREDT = 2 AND PPMARIT = 6) OR (XCOREDT= 1 AND QMARIT = 6): partner]** currently have in savings and investments, not including the value of your primary residence? Please include savings, certificates of deposits, stocks, bonds, mutual funds, employer-sponsored retirement savings plans, and other investments, but do not include the value of defined benefit plans.

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
<b>Less than \$1,000</b>	14.3%	12.0%	30.9%	23.5%
<b>\$1,000 to less than \$10,000</b>	8.9%	8.3%	10.8%	16.9%
<b>\$10,000 to less than \$25,000</b>	8.3%	7.4%	11.8%	12.8%
<b>\$25,000 to less than \$50,000</b>	7.4%	7.4%	7.0%	9.1%
<b>\$50,000 to less than \$100,000</b>	10.4%	11.1%	8.5%	8.7%
<b>\$100,000 to less than \$150,000</b>	8.3%	9.0%	3.5%	6.1%
<b>\$150,000 to less than \$250,000</b>	10.9%	11.2%	7.0%	5.6%
<b>\$250,000 to less than \$500,000</b>	12.7%	14.3%	7.7%	3.2%
<b>\$500,000 to less than \$1 million</b>	6.9%	8.3%	2.0%	1.7%
<b>\$1 million or more</b>	4.2%	4.8%	0.8%	0.5%
<b>Refused</b>	7.5%	6.3%	9.9%	11.9%

[SP]

D22. Which of the following categories best describes the combined **annual income** of ALL MEMBERS of your household, before taxes, including wages or salary, pensions, and all other sources?

	General Population (n = 2053)	White, Non-Hispanic (n = 1678)	Hispanic (n = 306)	African American, Non-Hispanic (n = 361)
Under \$20,000	9.6%	7.6%	20.4%	12.0%
\$20,000 to just under \$30,000	9.7%	9.0%	17.0%	12.9%
\$30,000 to just under \$40,000	10.9%	10.8%	9.7%	13.4%
\$40,000 to just under \$50,000	7.9%	7.9%	8.9%	8.9%
\$50,000 to just under \$60,000	8.8%	9.4%	4.2%	12.3%
\$60,000 to just under \$70,000	7.1%	7.4%	9.2%	7.0%
\$70,000 to just under \$80,000	6.9%	7.3%	6.6%	6.3%
\$80,000 to just under \$100,000	10.7%	11.4%	7.6%	5.7%
\$100,000 to just under \$150,000	14.0%	14.6%	7.9%	6.6%
\$150,000 or more	7.8%	9.0%	1.9%	2.3%
Refused	6.6%	5.5%	6.5%	12.7%

[ASK IF WORKING: S8 = 1 OR 2]

[SP]

D23. Which of the following categories best describes your before-tax **INDIVIDUAL annual income** FROM WORKING, excluding pensions and any other sources of income?

	General Population (n = 1529)	White, Non-Hispanic (n = 1259)	Hispanic (n = 210)	African American, Non-Hispanic (n = 266)
Under \$20,000	13.2%	11.7%	25.7%	9.2%
\$20,000 to just under \$30,000	13.7%	12.4%	22.4%	22.7%
\$30,000 to just under \$40,000	13.8%	13.3%	11.5%	22.8%
\$40,000 to just under \$50,000	9.6%	10.5%	6.6%	9.5%
\$50,000 to just under \$60,000	9.4%	10.5%	5.6%	9.7%
\$60,000 to just under \$70,000	7.3%	7.0%	8.4%	6.9%
\$70,000 to just under \$80,000	6.3%	6.7%	4.5%	4.3%
\$80,000 to just under \$100,000	9.3%	9.7%	5.9%	3.3%
\$100,000 to just under \$150,000	9.8%	10.2%	5.2%	2.7%
\$150,000 or more	3.5%	3.9%	0.6%	1.4%
Refused	4.1%	4.1%	3.7%	7.5%

**[DEMOGRAPHIC INFORMATION ANNOTATED AT BEGINNING OF QUESTIONNAIRE]**

**[ASK IF XCOREDT = 1]**

**QEDUC**

**[SP]**

What is the highest level of school you have completed?

No formal education .....	1
1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> , or 4 <sup>th</sup> grade .....	2
5 <sup>th</sup> or 6 <sup>th</sup> grade .....	3
7 <sup>th</sup> or 8 <sup>th</sup> grade .....	4
9 <sup>th</sup> grade .....	5
10 <sup>th</sup> grade .....	6
11 <sup>th</sup> grade .....	7
12 <sup>th</sup> grade NO DIPLOMA .....	8
HIGH SCHOOL GRADUATE – high school DIPLOMA or the equivalent (GED) .....	9
Some college, no degree.....	10
Associate degree.....	11
Bachelor's degree.....	12
Master's degree.....	13
Professional or Doctorate degree.....	14

**Variable name:** QPPEDUCAT

**Type:** SP

**Variable Text:** Education - categorical

**Response list:**

1. Less than HS
2. HS
3. Some college
4. Bachelor or higher

QEDUC	QPPEDUCAT
1-8	1
9	2
10-11	3
12-14	4

**[PROGRAM NOTE: PLEASE KEEP QEDUC AND QPPEDUCAT AS SEPARATE VARIABLES AND DO NOT OVERWRITE STANDARD DEMO PPEDUC OR SUBSEQUENT PPEDUCAT]]**

**[ASK IF XCOREDT = 1]**

**QSIZE**

**[NUM; RANGE 1-15; DO NOT ALLOW DECIMALS]**

Including yourself, how many people currently live in your household at least 50% of the time?

**[SPACE]**

Please remember to include babies or small children, include unrelated individuals (such as roommates), and also include those now away traveling or in a hospital.

**QAGEGROUP****[NUMERIC GRID; RANGE 0-15; DO NOT ALLOW DECIMALS]**

How many members are there in each age group in your household?

1 year old or younger (0-12  
months old)  
2 to 5 years old  
6 to 9 years old  
10 to 12 years old  
13 to 17 years old  
18 years old or older

**[PROGRAM NOTE: PLEASE KEEP QSIZE, QAGEGROUP, AND ANY VARIABLES  
SUBSEQUENTLY CALCULATED FROM THIS DATA (QPPT0\_1, QPPT2\_5, QPPT6\_12,  
QPPT13\_17 AND QPPT18OV) AS SEPARATE VARIABLES. NO STANDARD DEMOS  
SHOULD BE REPLACED/OVERWRITTEN]****[KN CLOSE, PLEASE UPDATE QF1 TEXT SUCH THAT IT STATES:**

Please let us know if you have any comments about the survey.]

## Appendix C

### Tables Used to Determine Each Respondent's Full Retirement Age and Accuracy of Answers

TABLE A: Full Retirement Ages, Exact and Rounded				
Year of Birth	Age (at end of 2011)	SS Full Retirement Age	Rounded FRA	Rounded FRA +1
1959	52	66 and 10 months	67	68
1958	53	66 and 8 months	67	68
1957	54	66 and 6 months	67	68
1956	55	66 and 4 months	66	67
1955	56	66 and 2 months	66	67
1954	57	66	66	67
1953	58	66	66	67
1952	59	66	66	67
1951	60	66	66	67
1950	61	66	66	67
1949	62	66	66	67
1948	63	66	66	67
1947	64	66	66	67
1946	65	66	66	67
1945	66	66	66	67
1944	67	66	66	67
1943	68	66	66	67
1942	69	65 and 10 months	66	67
1941	70	65 and 8 months	66	67

<b>TABLE B:</b> <b>Change in Benefit Amount if Claim at Full Retirement Age Rather than Age 62</b>				
Year of Birth	Age at end of 2011	Monthly Benefit if Claim at FRA	Monthly Benefit if Claim at Age 62	% increase if claim at FRA rather than age 62
1941	70	1000	766	30.5%
1942	69	1000	758	31.9%
1943-1954	57-68	1000	750	33.3%
1955	56	1000	741	35.0%
1956	55	1000	733	36.4%
1957	54	1000	725	37.9%
1958	53	1000	716	39.7%
1959	52	1000	708	41.2%

**Note:** The monthly benefit amounts in this table are calculated based on the assumption that the respondent's monthly benefit would be \$1,000 if he/she were to claim at his/her FRA.

<b>TABLE C:</b> <b>Increase in Monthly Benefit Due to Delaying Claiming by One Year Beyond FRA</b>		
Year of Birth	Age at end of 2011	Increase in Monthly Benefit
1941-1942	69-70	7.5%
1943 or later	68 or younger	8.0%

**Note:** The rate for the previous year applies to individuals born on January 1<sup>st</sup>.

<b>TABLE D:</b> <b>Information to Insert in Private Market Question</b> <b>Based on Each Respondent's Expected Claiming Age</b>				
<b>Expected Claiming Age</b>	<b>Actual % increase in monthly benefit if wait until FRA to claim (vs. claiming at expected claiming age)</b>	<b>Actual monthly benefit if claim at FRA (assuming \$1000 if claim at expected claiming age)</b>	<b>Actual % increase in monthly benefit if wait one more year to claim (vs. claiming at expected claiming age)</b>	<b>Actual monthly benefit if wait one more year to claim (assuming \$1000 if claim at expected claiming age)</b>
62	33%	1,333		
63	25%	1,250		
64	15%	1,150		
65	7%	1,070		
66			8%	1,080
67			8%	1,080
68			8%	1,080
69			8%	1,080
70+ (NA - Do not ask question for respondents who expect to claim at age 70 or later) - 15% of 2010 respondents expected to claim at 70 or later.	NA	NA	NA	NA

**Note:** Values are relevant to the hypothetical character named "Joan" mentioned in the Private Market Comparison section of the questionnaire assuming that Joan's FRA is age 66.





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