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For Your Benefit

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Don’t get infected!

Protect yourself from infectious diseases

At one time, measles and whooping cough were childhood diseases; children caught them and recovered and were then immune. As adults, they did not catch the disease again. New cases are increasingly found in working-age adults, though. The reasons include:

- **Fading immunity.** Immunity conveyed by childhood immunizations can fade over time, and some older adults had earlier, less effective versions of vaccines, so older workers are most susceptible to diseases that they have been vaccinated against.
- **Decreasing vaccination rates.** Increasing numbers of young adults entering the workforce were not vaccinated as children, making them susceptible as adults now that rates of these diseases are rising.
- **Increased exposure.** Hand-in-hand with fading immunity in workers and decreased vaccination is increased exposure to sick children. When children are vaccinated, the adult population is also protected, but decreasing vaccination rates and increasing disease rates in children mean adults are exposed to these diseases more frequently.

The threat of vaccine-preventable diseases affects all working populations, but older workers and younger workers who have never been vaccinated (including workers who come from countries where childhood vaccination programs are less widely available than in the United States.) are at highest risk. See your medical professional to assess your risk for catching infectious diseases.

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When disaster strikes

Know what to do

September is **National Preparedness Month**, so make sure you know what to do if a disaster—whether natural or man-made—should strike your workplace. Your response to an emergency must be automatic and based on clear communication and participation in training and drills.

The first step in emergency preparedness is knowing the hazards in your work areas. In addition, you need to know:

- How and to whom to report an emergency.
- The sound of an emergency alarm (or how to recognize any other kind of alarm system, such as a flashing light, that may be used in your facility).
- How to alert coworkers to evacuate the area.
- Your assigned responsibilities, if any, during an emergency, including shutdown procedures and manning critical operations, providing medical or other assistance, participating in a fire brigade, and helping others evacuate the facility.
- Where fire extinguishers and first-aid supplies are located and how to use these items correctly.
- The location of emergency exits and how to reach them quickly in an orderly fashion. Every employee should have a primary evacuation route and at least one alternate route in case the primary route is blocked in a real emergency.
- Your assigned point for assembling after evacuation so that the whereabouts and safety of all employees can be accounted for.

Keep yourself prepared by participating in regular emergency drills so that you will be able to respond quickly and calmly in any real situation. Don’t let time on the job make you too comfortable to be prepared.

In other words, stay as eager and alert during refresher emergency preparedness training as you did during initial orientation training when you were a new employee. And if you’re given special duties, such as medical and rescue response, participate in all required specialized training and refresher sessions to keep your skills sharp.

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Retirees and 401(k)s: Big money, big decisions

For many, it will be the biggest chunk of money they will ever see, and that makes the consequences of doing the wrong thing huge.

We're talking about the money workers have accumulated in their company-sponsored 401(k)s as they approach retirement. And we're talking huge numbers. Consider:

- The nation's 75 million Boomers are retiring at a rate of one every nine seconds through 2029, says John Piershale, wealth adviser at Piershale Financial Group in Crystal Lake, Ill.
- Baby Boomers have an average of $147,000 in their 401(k)s, according to Fidelity Investments. That number jumps to $285,000 for Boomers who have been saving in their 401(k) for 10 consecutive years.
- An estimated $324 billion was moved out of 401(k)s and into Individual Retirement Accounts in 2013, and that's expected to grow to $500 billion by 2019 as that retirement wave intensifies, according to Cerulli Associates, a Boston-based research firm.

Now the big question. You've done well in your 401(k) over the years, so why not just leave it where it is when you retire?

"This is the biggest decision of your life," says Dave Richmond, president of Richmond Brothers financial advisers in Jackson, Mich. "Lots of times, (the value is) bigger than your home."

Yet, most people have given little thought to what they'll do with the money when it's time to retire.

"Our general recommendation is when someone retires to move that money into an IRA so they have access to it rather than have to call their employer for the money when they need distribution," says Joe Heider, managing principal of Ohio region for Rehmann Financial. One problem with leaving it with your former company: There may be lags in the availability of your funds, he says.

"With the amount of money flowing out, an IRA provides the structure to keep it tax free," Heider says. "You have a lot more investment flexibility, so you can tailor that IRA around your particular needs."

"We like people to roll over into an IRA because it finalizes the severance from their employer," says Andy Smith, senior vice president at the Mutual Fund Store and co-host of radio's Mutual Fund Show.

John Bucsek, managing director of MetLife Solutions Group, says the number of choices in the IRA is a big reason to roll over your retirement savings. "Normally in a 401(k), I can have 10 to 15 choices (of mutual funds)," he says. In an IRA, those choices become virtually unlimited. Some people, for example, feel variable annuities are an important part of retirement planning. But those options are almost never available in a 401(k), he says.

John Sweeney, executive vice president, retirement and investing strategies at Fidelity Investments, adds, in a rollover to an IRA, you get "the flexibility" of investment options and also guidance. "In some places, like Fidelity, (you can) walk into any office and get guidance about planning (and) how to structure your portfolio for income distribution."

Also, Piershale says, moving your money makes estate planning easier. "If you pass away and leave your money in a 401(k), there are options, but they are limited. If you roll your money into an IRA, it's so much easier. Your employer is not in the business of estate planning."

One drawback to the IRA rollover is possible higher fees. "The only trade-off might be that they may or may not experience slightly higher fees," says Heider. Your IRA will not be in as large a pool of capital as in a 401(k). The custodians may charge a flat fee. The options are more limited, so the internal fees may be a little higher."

While some people may feel secure leaving their money in their 401(k)s, there are additional reasons to consider a rollover into an IRA.

1. **Use the opportunity to get your financial planning team in place**. "Looking at a momentous time like going into retirement gives you a great chance to pause and plan," Richmond says. "Get your financial adviser, the person who does your taxes and make sure your retirement team is intact and all working for the same goal: to make sure you have gold in your golden years."
2. **Do a retirement plan**. Remember, your life is changing. You are probably going from a savings phase, to a distribution phase.

   Get a sense of what your income needs will be in retirement. "Spending will change. Savings will change. Your mortgage will change. Figure out how Social Security will be implemented into your retirement distribution plan," Smith says.

"People should work with an adviser," Heider says. "There are certainly situations where individuals may be very savvy and could do it themselves. (But) most people are far better served with an adviser. You seldom see attorneys represent themselves because they are too close to the matter. People get the same way about money."

3. **Make sure your beneficiaries are up to date**. "Beneficiary planning is so huge," Richmond says. "Once you die, there is no changing beneficiaries.

"Especially in a blended family, beneficiaries are not always up to date," says George Hunter of Hunter Capital in Columbia, Md. "By rolling over (into an IRA), you update your beneficiary. Some 401(k) plans are restrictive to who can benefit."

"We have to take a look at retirement in four phases," Bucsek says: "having enough money to retire; having enough money to stay retired; having enough to protect yourself against (the costs of) long-term care; and the fourth is transitioning your assets (after death) as orderly as possible. When someone gets them and is not supposed to, that is not good."

"Bring in someone who can help you make a decision," Hunter says. "Generally, the best decision is to roll that money into an IRA. It becomes more than mutual funds in an account. It becomes your future and the future of your wife and kids. And it becomes your long-term care insurance."

USA TODAY – Retirees and 401(k)s: Big money, big decisions

NEWS & NOTES

Heart Health

With produce abundant and affordable this time of year, fall is a great time to eat a healthier diet.

Million Hearts (www.millionhearts.hhs.gov), a program of the U.S. Department of Health and Human Services, has launched a Healthy Eating and Lifestyle Resource Center. The online resource features recipes and meal plans that emphasize managing sodium intake, which is a major contributor to high blood pressure and heart disease.

Million Hearts seeks to prevent a million heart attacks and strokes by 2017. The new healthy eating initiative was launched in partnership with the Centers for Disease Control and Prevention, whose director, Tom Frieden, MD, MPH, explains, "This resource helps people see that it's not about giving up the food you love, but choosing lower sodium options that taste great."

Frieden says it would be possible to prevent 11 million cases of high blood pressure each year if everyone reduced their daily sodium intake to 2,300 milligrams.