

# For Your Benefit

MAY 2017

## 3 Ways To Overcome Retirement Planning Behavior Challenges

We all have different views of our post-career lifestyle, personal interests, beach house with an ocean view, an inbox that isn't overflowing with urgent work projects and saving for retirement is obviously important. But it also causes stress and confusion.

Much of it can be explained by behavioral finance. As time goes on, clients and prospects will look to advisors to improve both retirement plan engagement and outcomes. Offering solutions to combat behavioral finance challenges is critical to stand out in today's competitive marketplace.

### Limit Choices To Minimizing Procrastination

Limiting the choice participants have to make is an effective strategy for dealing with behavioral finance challenges. A study involving, of all things, jam found that when grocery store patrons were presented with 24 different types and flavors, they purchased less than when only offered six. [1] The point being less is more. The more investment choices through which a plan participant must wade, the less likely he or she is to make a decision. Helping plan sponsors to narrow down their offerings can be instrumental in increasing plan participation. More and more, plan sponsors are seeing an increase in plan participation because of automatic enrollment. Instead of waiting for employees to opt in to plans, autoenrolling participants into a qualified default investment alternative (QDIA) helps eliminate two behavioral finance challenges: procrastination and too many choices. Plan participants can always opt out of a plan in which they were automatically enrolled at any time, but less work and fewer choices at the outset can often drive better participation overall.

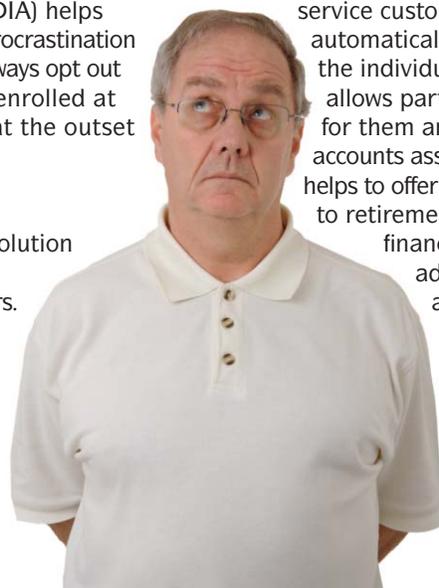
### Overcome Inertia

While auto-enrollment as a plan design solution is a major step in combating the behavioral finance challenge, it doesn't address all barriers. Participants are often autoenrolled at a relatively low savings rate—3 percent being most common. And if an automatic savings increase is not implemented as part of the auto-enrollment plan design, many employees are simply stuck at a lower savings rate inadequate for reaching their retirement

goals. The reason? Most participants are predisposed to inertia: the tendency to remain unchanged. Proactively managing their savings rate and the discipline to increase on an annual basis—or after receiving a raise or bonus—is not something with which the average participant follows through. As a plan advisor, you can help eliminate this additional behavioral finance obstacle of inertia by advocating for higher default savings rates and built-in automatic escalation features. In addition, work with your clients to develop more strategic employer-matching formulas, for instance one that rewards participants for saving more initially, or increasing to a certain savings level within a specified time frame.

### Provide Plan Participants With A Personalized Approach

Managed advice services also offer a solution to the inertia challenge. Managed services are approved and available as a QDIA within an auto-enrollment plan design solution. These services help customize a retirement plan based on a plan participant's goals, retirement timelines and projected retirement income needs. While most managed services only focus on the investment side, there are a few services that manage the individual's savings rate over time. When evaluating these services as potential QDIA, you'll want to understand if the service customizes a savings rate for the participant, and automatically builds in an annual increase personalized to the individual's needs. Also, evaluate whether the service allows participants to include supplemental information for them and their partner, such as outside retirement accounts associated with a previous employer, or an IRA. It helps to offer a more accurate and comprehensive approach to retirement planning. By addressing these behavioral finance principles, advisors can help proactively address any retirement planning barriers that arise. With fewer barriers, plan sponsors can see higher enrollment, plan participants can be more retirement ready, and advisors can help everyone be more successful.

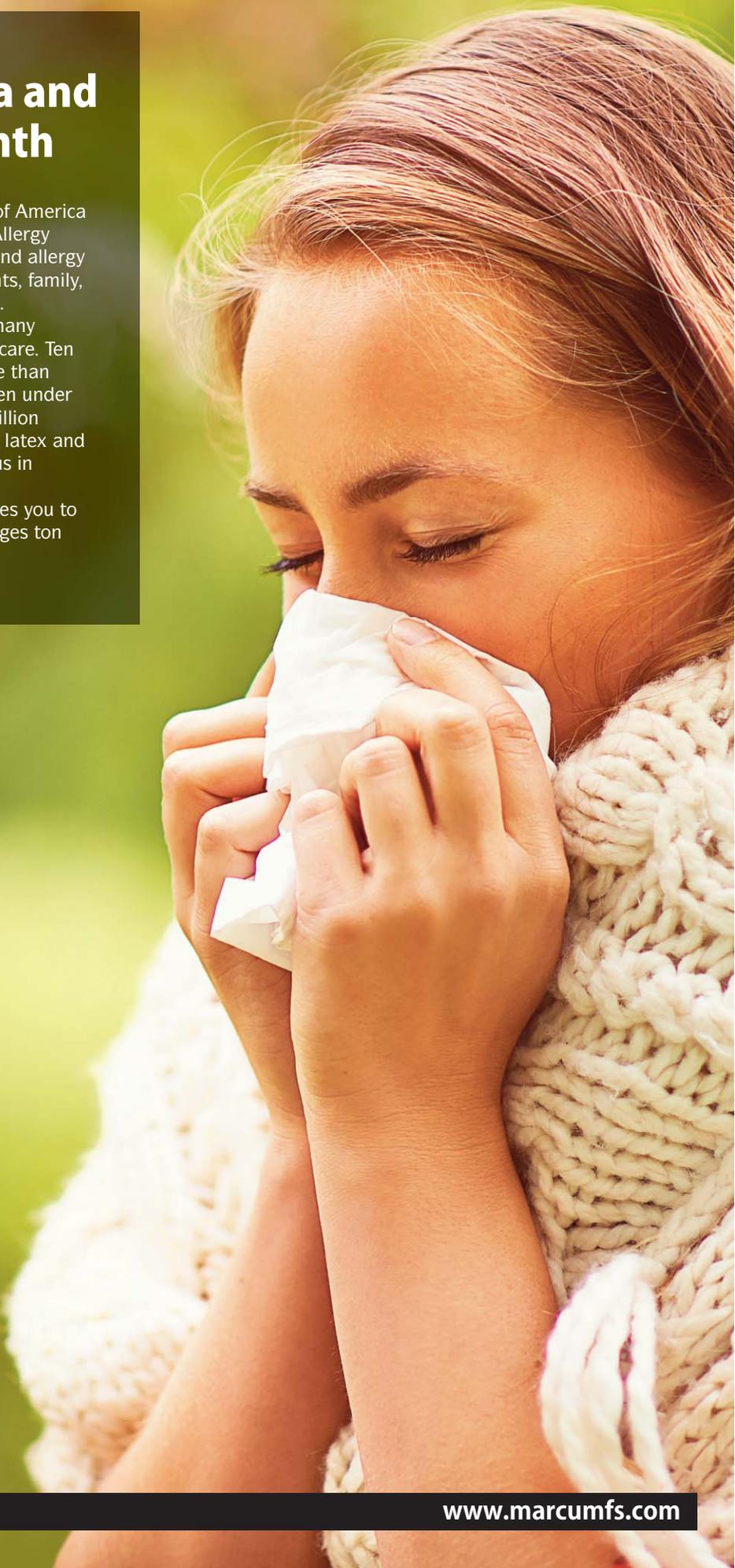


# May is National Asthma and Allergy Awareness Month

Each year, the Asthma and Allergy Foundation of America (AAFA) declares May to be "National Asthma and Allergy Awareness Month." It's a peak season for asthma and allergy sufferers, and a perfect time to educate your patients, family, friends, coworkers and others about these diseases.

There is no cure for asthma and allergies, and many deaths are preventable with proper treatment and care. Ten people a day die from asthma. Asthma affects more than 24.5 million Americans. More than 6 million children under the age of 18 suffer from asthma. More than 50 million Americans have all types of allergies – pollen, skin, latex and more. The rate of allergies is climbing. Please join us in raising awareness for these common diseases.

It's easy for you to celebrate with us! AAFA invites you to use our resources and tools to bring healthy messages to work, school and home.



# Tips for Coping With Spring Allergies

After a long, cold winter, nothing feels better than spending time outside in the warm spring sun – unless you have allergies. When plants grow and bloom in the spring, they also produce pollen. Pollen is what causes your allergies to flare up. Plants release tiny pollen grains that fertilize other plants of the same species.

Pollen from trees, weeds and grasses are light enough to travel by wind and cause the most problems.

If you are allergic to a type of pollen, you might have what most people call “hay fever.” Experts call it “seasonal allergic rhinitis.”

## What Are the Symptoms of Spring Allergies?

When you are allergic to pollen, your immune system sees it as a foreign substance. This causes your immune system to react. It can cause these symptoms:

- Runny nose and mucus production
- Sneezing
- Itchy nose, eyes, ears and mouth
- Stuffy nose (nasal congestion)
- Red and watery eyes
- Swelling around the eyes

If you have allergic asthma, you might also have asthma symptoms when pollen counts are high.

## How Can I Get Relief From Spring Allergies?

One of the best ways to manage your spring allergy symptoms is to see a boardcertified allergist. An allergist can help you come up with a plan to treat your allergies. Your allergy treatment plan may involve:

- Taking allergy medicines before your allergy season begins
- An Immunotherapy option for your type of allergy
- Check pollen counts at [Pollen.com](http://Pollen.com) and American Academy of Allergy Asthma & Immunology so you can avoid outdoor activities on days when counts are high.
- Also, follow these tips to control pollen in your home so when you return indoors, your exposure to pollen is reduced:
  - Keep windows closed.
  - Remove your shoes before entering your home.
  - Don't allow pets on your bed or in your bedroom.
  - Take a shower, wash hair and change clothes at night to remove pollen.
  - Use allergy covers on your pillows and mattresses.

You can also follow these tips to reduce your pollen exposure while you are outside:

- Avoid going outdoors during peak pollen times. Pollen is usually highest from 5 to 10 a.m. and at dusk. Pollen is also higher on warm, breezy days.
- Wear a hat to cover your hair.
- While in the car, set your air conditioner to the “recirculate air” setting.

You don't have to dread spring allergies. With the right treatment, you can keep your spring allergies under control and still enjoy the season.

It is important to stay up-to-date on news about asthma and allergies. By joining our community and following our blog, you will receive ongoing information about managing your health. Our community also provides an opportunity to connect with other people who manage asthma and allergies.

