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# Social Security Retirement Cornerstone

## Three Ways Social Security Discussions Can Grow Your Business

Too often advisors are overlooking their client's foundational retirement income vehicle – Social Security – in many of their planning discussions.

As reported in *ThinkAdvisor*, “A survey of future and current retirees found that only 52% of respondents who expect to retire within the next 10 years got advice from their advisor about Social Security. That means about half didn’t.”<sup>1</sup>

Based on a Harris Poll completed in 2016, of those Social Security discussions that did take place between advisors and their pre-retiree clients, just 45% were actually initiated by the advisors

themselves; while the majority started by clients. The online survey polled people age 50 and older, separating them into three categories: future retirees (planning to retire within 10 years), recent retirees (under 10 years into retirement) and 10-plus retirees (retired for 10 years or more).

The poll also showed that almost one-third of future retirees guessed or didn’t know how much their benefit would be, while others underestimated how much Social Security they would be able to collect – a clear disadvantage in building toward successful retirement income strategy.

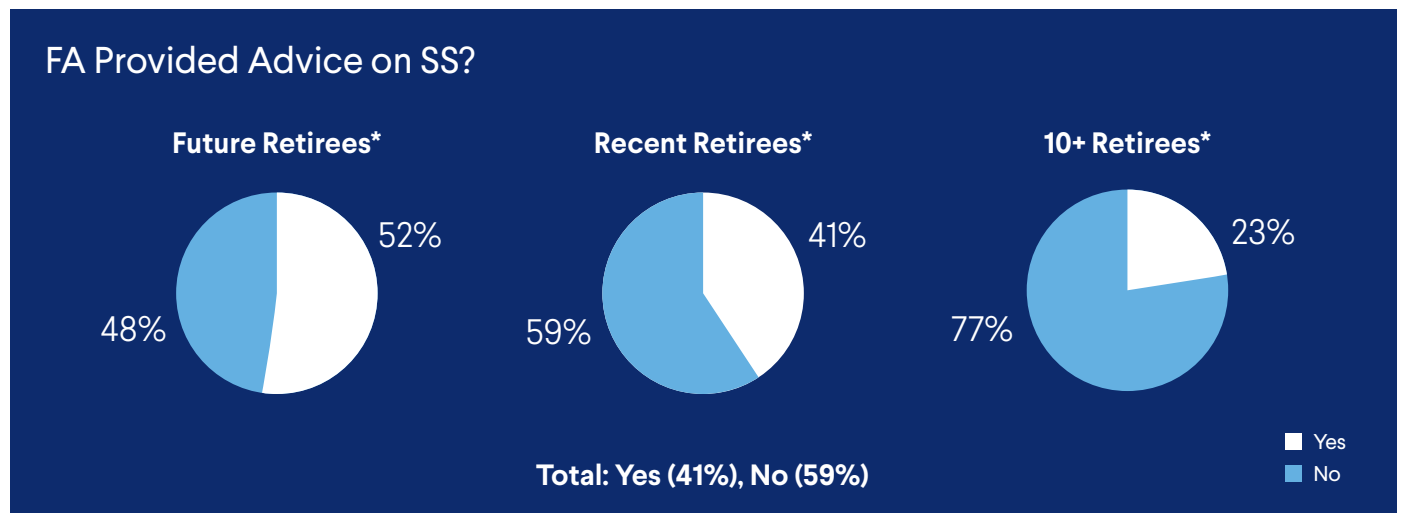
<sup>1</sup> *ThinkAdvisor* (Registration Required) [http://www.thinkadvisor.com/2016/06/17/top-4-reasons-you-better-discuss-social-security-w?page\\_all=1](http://www.thinkadvisor.com/2016/06/17/top-4-reasons-you-better-discuss-social-security-w?page_all=1)

# Social Security: An Important Factor in Any Conservative Income Plan

## 1. Social Security Discussions Demonstrate Your Added Value

By speaking up about an important topic where other advisors have stayed silent, you demonstrate your professional worth. The chance that another advisor has factored future social security payments into retirement income discussions is a flip of the coin.

The odds are, in fact, that other advisors could lose the client to your initiative. The Harris Poll noted that 76% of pre-retirees working with an advisor — or planning to — were somewhat or extremely likely to switch to an advisor who would show them how to maximize Social Security benefits. In order to collect the maximum Social Security payment, many other retirees already collecting Social Security also proved likely to change their advisors.



Source: Harris Poll; online sampling of clients with advisors <100

### Planning For Retirement Income

As you explore your customer's retirement income strategy, remember the importance of accounting for all of their income streams. As Wade Dokken and Wade Phau pointed out in *WealthVest's Rethinking Retirement*,<sup>2</sup> "Americans are concerned about outliving their wealth. With investments, this risk can only be self-managed through a conservative income plan based on spreading assets over a longer period than life expectancy."

<sup>2</sup>WealthVest *Rethinking Retirement* <http://www.investmentnews.com/assets/docs/CI101431916.PDF>

## Focusing on Client Needs: It's in Their *Best Interest* – and Yours

By closing your client's Social Security knowledge gap, you can also show your clients still another way that you are putting their best interest first while the financial industry awaits the final disposition of the Department of Labor's fiduciary rule.

Helping clients in areas other advisors overlook – such as navigating the right approach to drawing down Social Security payments – is an excellent way to distinguish yourself.

## 2. Counseling Clients to “Wait on Social Security Payments”

Many clients tend to take Social Security earlier than they actually need to. Most Americans begin to collect Social Security before their full retirement age, which is now 66 for those born between 1943 and 1954 and 67 for those born in 1960 and after.

“Those who take Social Security early are “potentially leaving hundreds of thousands of dollars on the table,” according to *ThinkAdvisor*.<sup>3</sup> By waiting a few more years before receiving Social Security, clients have a much better opportunity to better their retirement resources down the road.

age can collect 25% more than if they started to collect benefits at age 62, the first year of eligibility. According to the Harris Poll, collecting Social Security earlier was a decision that about one-quarter of recent retirees appeared to regret. More than 20% said they wished they waited until they were older before drawing down their Social Security.

In fact, retirees who wait until full retirement

### **Advisor Insight: Social Security Initiated Too Early? It's Not Too Late to Make Up a Retirement Shortfall**

Reduced Social Security payments from early withdrawals and volatile markets can take a toll on a retirement portfolio. Show your clients how to pick up the pace of accumulation and increase their flow of future retirement income by ordering and sending them ***Making Up a Retirement Shortfall***, one of 12 client-facing pieces in our Delaware Life Dimensions Retirement Education Series.

<sup>3</sup> *ThinkAdvisor* (Registration Required) [http://www.thinkadvisor.com/2016/06/17/top-4-reasons-you-better-discuss-social-security-w?page\\_all=1](http://www.thinkadvisor.com/2016/06/17/top-4-reasons-you-better-discuss-social-security-w?page_all=1)

### 3. Social Security Discussions Can Uncover Other Client Needs

According to the Harris Poll, “Almost one-third of future retirees guess or don’t know how much their benefit will be, and many underestimate how much Social Security they will be able to collect, while almost one-quarter of recent retirees surveyed reported that they received less Social Security than they had expected.”

Among those retired for 10 years or more, the numbers were even more dramatic: one-third received lower amounts than expected. These lower payments, however, can uncover a critical retirement income gap and open a door to discussions about other solutions that can ensure future income growth.

**Advisor Insight:**  
**When It Comes to Guaranteed Income, Social Security is Not the Only Arrow in the Quiver**

Other vehicles offer a variety of payout options including choices that allow for guaranteed lifetime income right along your client’s Social Security payments. Show prospective clients the choices they have when you send them our client-facing piece ***Guaranteeing Income for Life***, another one of 12 client-facing pieces in our Delaware Life Dimensions Retirement Education Series. Order your copies today.

## Conclusion

While concerns about Social Security’s long-term solvency may dominate the national retirement dialogue, many financial advisors reiterate that it remains an important piece of every retirement planning puzzle, especially for those already in retirement.

In simple terms, advisors who take Social Security into consideration can help clients make the most of their benefit while recommending other strategies that include choices that allow for guaranteed lifetime income and asset protection.

## Next Steps: Put “Three Ways” To Work Today

The need for qualified, objective professional expertise in all areas related to Social Security came through in case after case in the Harris poll discussed above.

Consider downloading our client-facing piece *Optimizing Social Security*, which is designed to open the door to further dialogues with those retirement-minded investors who need you most.



### Social Security Optimizer

#### Is Your Social Security Payment Strategy Aligned with Your Future Goals?

I would like to ensure that your Social Security payments will be working as hard as you have toward your future retirement. The Social Security Optimizer is a two-part exercise comprised of a brief questionnaire and a personal interview to determine how well your Social Security strategy aligns with your long-term retirement goals.

#### Would you like me to help?

If you answer a few questions below and email this back to me it will provide me with just enough details to follow up with a personal call. Should we get started?

Your Name \_\_\_\_\_

Marital Status ☐ Single ☐ Married ☐ Widowed ☐ Divorced

Gender ☐ Male ☐ Female

Date of Birth (mm/dd/yy) \_\_\_\_\_

Are you receiving Social Security benefits now? ..... ☐ Yes ☐ No

If “Yes,” at what age did you start receiving your benefits? \_\_\_\_\_

When did you file? (mm/dd/yy) \_\_\_\_\_

Amount of your monthly benefit? \$ \_\_\_\_\_

#### Your Earnings

(please refer to your current Social Security Benefit Statement at <https://www.ssa.gov/myaccount/> )

Statement date (mm/dd/yy) \_\_\_\_\_

Estimated benefit at full retirement age \$ \_\_\_\_\_

At what age would you like to stop working? \_\_\_\_\_

If you plan to work after 62, what is your expected annual income \$ \_\_\_\_\_

Have you considered discussing your Social Security strategy with a financial advisor?..... ☐ Yes ☐ No

The information collected on this questionnaire will be kept confidential and used to provide an estimate of your Social Security benefits in retirement. Keep in mind that any estimate resulting from this fact finder is for hypothetical purposes only and is not a guarantee. This material is not a recommendation to buy, sell, hold or rollover any asset, adopt an investment strategy, retain a specific investment manager or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition, or particular needs of any specific person. Investors should work with their financial professional to discuss their specific situation. This is being provided for informational purposes only and should not be construed as investment, tax, or legal advice. The information provided is based on current laws, which are subject to change at any time, and has not been endorsed by any government agency.

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Why Not Establish a Goal to Email 10 Copies a Week of “Social Security Optimizer” for Four Weeks to Prospective Clients?

Check the Boxes

	Week 1	Week 2	Week 3	Week 4
1				
2				
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## About Delaware Life Insurance Company

We pride ourselves on creating a seamless experience that gives people exactly what they need — no distractions, no frustration. Just honesty, accuracy and efficiency. Our customers want to see results. So we create products that perform every time: client-focused, no fuss, with smart indexes and low fees. We believe that annuities are a core part of smart financial planning. Less risky than stocks and with competitive returns. So we offer streamlined annuities that perform as promised — so you can plan for new possibilities.

Our product lines include variable annuities, fixed annuities, fixed index annuities, and variable life insurance. Delaware Life manages approximately 320,000 in-force annuity and life insurance policies representing \$36.4 billion in assets under management and \$14.2 billion of invested assets as of December 31, 2017.

We work with a national network of financial professionals to help people make smart decisions as they build for their future. Founded in 2013, Delaware Life is a proud member of Group One Thousand One: an ecosystem of businesses making insurance more useful, intuitive, and accessible for everyone.

## Consider These Exceptional Fixed Index Annuities from Delaware Life

### Delaware Life Target Income 10<sup>SM</sup>\*

A flexible premium deferred fixed index annuity built for clients focused on retirement income planning and guaranteed lifetime income. Target Income 10<sup>SM</sup> also delivers competitive accumulation potential and principal protection. With an optional rider, available for an additional cost, your clients are guaranteed an 8% simple interest roll-up on each contract anniversary for up to 10 years. And for all premiums paid during the first year of the contract, Delaware Life will add a 10% bonus to their benefit base.

### Assured Income 7<sup>®</sup>\*

A flexible premium deferred fixed index annuity that provides predictable lifetime income and a guaranteed 9% annual simple interest roll-up during the first 10 contract years. It offers a bailout endorsement and a fee refund feature at no additional cost.

### Retirement Stages 7<sup>®</sup>\*

A flexible premium deferred fixed index annuity that guarantees principal against losses and the opportunity to earn interest based on the performance of a stock market index. Optional benefits, available for an additional cost, can guarantee growth in a client's Benefit Base for income purposes and guarantee return of their premium payments without surrender charges. To provide diversification and options for a variety of market conditions, Retirement Stages 7<sup>®</sup> has a range of choices for earning interest, including a Deutsche Bank-sponsored index, a Morgan Stanley-sponsored index, an S&P 500<sup>®</sup> Index and a Fixed Account.

### Retirement Chapters 10<sup>®</sup>\*

A flexible premium fixed index annuity that guarantees principal against losses while offering the opportunity to earn interest based on the performance of a stock market index. It adds a 5% bonus on a client's first-year premium payments and has an option to guarantee growth in a client's Benefit Base for income purposes (available for an additional cost). Retirement Chapters 10<sup>®</sup> has a broad menu of options for earning interest—a package of choices that includes two Deutsche Bank-sponsored indexes, an S&P 500<sup>®</sup> Index and a Fixed Account.

\*Products, riders and features may vary by state, and may not be available in all states. Marketing material may not be approved in all states.

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