# 2024 HARKIN RETIREMENT SECURITY SYMPOSIUM

## Navigating the Journey to Financial Wellness

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# Foreword

The annual Harkin Retirement Security Symposium addresses contemporary policy issues and legislative changes surrounding access to and adequacy of retirement savings, inequality in retirement preparedness, and financial literacy and wellness. Our theme for 2024, Navigating the Journey to Financial Wellness, brought together several organizations that we collaborated with for events, research projects, or outreach initiatives in the past couple of years, as well as a slate of new and valuable connections.

In framing the discussion about financial wellness and its relationship to retirement security, we use a definition of financial wellness that resonated with the work that we have done, a framework developed by the National Endowment for Financial Education. The [Personal Finance Ecosystem] is a dynamic illustration of the variety of factors that determine financial wellbeing and emphasizes that financial wellness is not a static concept but rather a constantly evolving state. The Personal Finance Ecosystem places an emphasis on the variety of factors that play a role during a lifetime of financial decisions – a person's environment, financial knowledge and access, and public policies that determine a choice architecture that is constantly evolving.

In this framework, those who are interested in improving financial wellbeing are catalysts for change, who may work on knowledge, policy, behavior, or social supports. For this event, we gathered representatives of the full range of such catalysts for change with the goal to expand access to all resources that their organizations provide in this space and, consequently, to deliver on our promise to connect people with policy.

This event would not have been possible without our sponsors: Prairie Meadows, Principal Foundation, Iowa Bankers Association, and the Iowa Department of Insurance and Financial Services. We appreciate your support of our mission to provide access to high quality policy analysis for policy makers and citizens!

In this publication, we have compiled highlights from the panels and presentations from the symposium, as well as the two keynote speakers. If you would like to revisit the event in more detail, it is available on The Harkin Institute YouTube channel.

**Rayna L. Stoycheva, Ph.D.**
Director of Retirement Security Policy



Left: Alejandro Hernandez, Dean of the Zimpleman College of Busines at Drake University, introduces Rayna Stoycheva during opening remarks.

Right: Rayna Stoycheva, Director of Retirement Security Policy, gives her opening remarks at the symposium.

# Morning Keynote

## Adam Carroll, Speaker, Author and Educator

Ladies and gentlemen, it's going to be a good day today. I have it on great authority that today's going to be a lot of fun, that you're going to learn a lot, but personally, the reason I think it's going to be a good day is as I was getting dressed this morning and I put on my pants, which I haven't worn these particular pants in a couple of weeks, I found this $20 bill.

Adam Carroll speaking at the podium with a cash prop during his morning keynote presentation.

How many of you get excited when you have found money? Anyone in here? Yes. And I know the amount is different for everyone. Some might get excited by a couple bucks.  Some might be excited by 5 or 10. But $20 for me, oh, boy, today's going to be a good day.

I thought, my entire day is going to change because of this $20 bill. Like, as an example, I bought the venti this morning. I get up to the window to pay, and this barista, very friendly, he said, "by the way, you get extra stars today if you pay for it in the app." And I thought, well, I have an app right here on my distraction device. Go ahead and charge it. Which means that  are you tracking with me? I still have the $20 bill.

I have two goals for everyone here today. Number one, I would like you to have fun. I have been teaching money for 20plus years. And I started teaching at the high school and college level. And I slowly started aging up into adults. And now I teach all ages. But what I found is that when people are laughing, they're learning. And I think one of the things that we have to do is we have to make money relatable, and we have to make it fun because in today's day and age, money is becoming more and more abstract. It's not real anymore. And so, we have to teach people how do we handle money in a way that's very real, has very real consequences, but we're technically using kind of fake money along the way.

Number two, I would love for you to get at least one solid idea out of every single speaker or presenter on the stage today. We have amazing presenters. The panelists are going to rock your world. Great ideas will be shared. And what I would ask is that for every single person that comes up, will you take away one key idea from each one? Please say yes. Awesome! Very good.

We are at a point in time when money has become less and less real. We're using numbers today that most people couldn't even fathom. When I started doing financial education, it was around 2004, and at the point in time when I started teaching students about money, there was $200 billion in student loan debt outstanding in America. As of ten years later, 2014, there was $1.2 trillion worth of student loan debt in America. So, we borrowed a trillion dollars in ten years. And now we're sitting at around $1.8 trillion 20 years later. So, we slowed down a bit but still impressive. But when I throw out the word a trillion, it's hard to even fathom what that amount is for most people.

Also, about ten years ago, I did a TEDx event at the London Business School about a research project that I had done. I played a game of monopoly with my children, and I put real cash on the table to play the game. And my hypothesis was that my children would play the game differently if I had $10,000 in cold, hard cash on the kitchen table versus them just using slips of paper. So, one Friday afternoon I went to the teller window, and I said, "I need $9,990 in all these denominations of bills that you would normally find on a monopoly board."

And all of the tellers were very gracious, and they were hovering around the window, asking me what I was going to do with all this money. And I said, I'm going to go to Prairie Meadows. I'll be back shortly. Don't worry about it. But I get home, and I put $10,000 in cold, hard cash on the kitchen table. And you have never seen children's eyes light up like mine did when they each got $1500 in starter capital. And you've never seen anyone's eyes light up like my wife's when it all went back on Monday.

But what I thought was, if we're playing with real money, will it have them play differently? And the reason I had this hypothesis was I had been spending the last several years traveling on college campuses, delivering a message of financial literacy. And this is what I saw. I saw students, freshmen primarily, that would sit back, like, this doesn't apply to me. Don't really care. And then I had seniors sitting up front, sweating beads of sweat because they were, like, oh, my gosh! My parents are going to cut me off, and I have to know this stuff.

I would ask the students at all of these schools, how much will you owe in student loan debt when you graduate? And guess what the number one answer was? "I don't know." And I'd say, ballpark, best guess, and they'd say, I couldn't even usher a guess. I have no clue how much. I watched students in dining centers go in and press their thumbprint into the reader to eat lunch for the day. And I started asking them, how much was it to get in here? And I had answers that ranged from $7 to $17. They didn't know because it was all abstract.

What I am hoping we can do today as a group is begin to figure out how do we make money more real in an era where it's getting more and more abstract? Because the young people today, what they are doing, is they are realizing that if I just have a debit or a credit card, I can get whatever I want. Many of them have no clue how much is in their Venmo account, but they're very excited when they open it and see money there.

So today what we're going to talk about is how do we make the lessons more real, more tangible, because I believe that we have to make the idea of money real and relatable for people before it gets to the point where it's all very, very intangible.

Quick story about the game of monopoly. Each of my children has their own personality. My daughter is not a very strategic player. She plays for community chest and chance cards. That's all. We call it the luck strategy. My middle son is a very strategic player.  He buys all the railroads. He buys all the utilities, and then he buys Boardwalk and Park Place and tries to bankrupt people that way. My youngest son buys everything that he lands on with no exception, which is fitting. He's always the wheelbarrow.

And when we started playing and we had real cash on the table, an amazing thing happened. My daughter started buying properties because she saw her brothers earning money. My youngest son didn't buy every single property that he landed on. Instead, he would count ahead to how many spaces his brother or mom, or sister or brother were owning properties. And he would say, how much is rent on this? And then he would recount his money. And in effect what it did was by playing with real cash, it made him more conservative. My middle son at the end, a very structured one, bought all the railroads, bought all the utilities, but instead of buying Boardwalk and Park Place, he bought Oriental and Baltic Avenue, which are where on the board? Right after you pass go. They are the cheapest properties on the board. And I said to my son, Nolan, at the time, he was 8, I said, Nolan, I'm curious, why did you buy those spaces? And he said, dad, they're just more affordable properties.

At which point I cried a solitary tear of pride because he's getting it! He bankrupted all of us around the table, the four of us that were remaining. He had 27 properties in his hand, $6800 in cash, more money than he had ever seen in his life.

I took this exercise, and I started applying it in classrooms. I taught it to teachers. I taught it to coaches. And I said, what we have to do is we have to raise the next generation around money where they understand the physical, tangible aspects of money before we give them cards and phones and watches to pay for things.

And here's the reason why. Our brain lights up differently. And this is the science, very interesting stuff behind this. People may even quote this later today. This was done at the M.I.T. Sloan School. And I'm going to read a little bit of this because I will give some of the technology and science behind it.

The M.I.T. researchers at the Sloan School of Management used functional MRI imaging in brain scans to figure out what parts of someone's brain light up. They said, we're going to give you $100 to go spend. And a part of these people's brains lit up called the nucleus accumbens, the pleasure center of the brain, where our dopamine is constantly registering. And effectively what they found was that if someone is in anticipation of getting money, their brain lights up in a way where it's not like release the brakes. It's more like step on the gas. I want to you think about this. As people are paying for things and they don't have the tangible aspect of sliding money across the table, what they're actually doing is having their nucleus accumbens start to fire. And I'll give you a great example to delineate the two ideas.

Number one, and this is a question for all of you, how many of you would be prone to keeping a $50 or $100 bill intact in your wallet or purse? Yeah, hard to break, right? And why is it hard to break? It's a big number, right? We don't have a lot of them. So, we might want to keep that $100 or $50 bill. The science behind it is there is a part of your brain that actually when you slide a $50 bill across to a cashier, a pain sensor fires in your brain. This is painful. I don't like to hand this over. Yet at the very same time, if you're at home and you're surfing Amazon and you hit oneclick ship for $47, the nucleus accumbens fires up and says, oh, boy, when are the drones coming?  They're going to drop this thing on my porch in no time. We are either in positive anticipation or we're in pain.

And what students don't realize today is that when they press their thumbprint on a reader or as we age into various categories later in life, we stop handling real money, and we're paying for things with a swipe of a credit card. Know this: We are actually putting our foot on the gas. We are not releasing the brakes, because our brains fire a different way when we are using that kind of technology.

So today my hope is this: That at the end of the day, as more and more folks get up and share, whether it be in the panels, whether it be speakers here on the dais, what I hope is that your takeaway from all of this is that we're going to figure out a way to make money really tangible right now, identify how it is real, so that when we start operating in areas where it's not real, we can actually understand the emotions that we're feeling around it.

And my hope today is that, again, some of the speakers and presenters are going to share this idea that the emotions we feel around money, and there are over 100 emotions that are tied to money, the emotions are why we make the decisions we do.  So, we first have to understand what our emotional connections are to money to understand the reality of money to then move forward to making great decisions.

But what I wanted to see, and I suggested this of college campuses everywhere, was that a student, if they were going to borrow money to go pay for school, they first had to take it out in cash to see what it looked like spread out and then go to the registrar or the financial office and say, this is for fall 2024 and push it in. I'm all in on campus. I'm all in on my college costs.

But what happens today, unfortunately, to further illustrate that money isn't real, a student will fill out a FAFSA, an email is sent from the university, not to the parent but to the student because they're now 18, and it says, click here to accept your financial aid offer. It's as simple as clicking a button. That immediately could generate 10, 12, 15, 20, $30,000 or more in student loan debt. The reason that I'm so passionate about this at a retirement readiness seminar is I have spent 20 years of my life preparing the young professionals for what it will look like to retire. And I think we all have to do a really good job of talking about money and making it very real for that generation.

The takeaway for us today as we talk about retirement readiness is how do we make money real before it becomes completely abstract? And I've given some ridiculous concepts and notions today. But all of it is very, very tangible, and it's found in the conversations that I have with people. A lot of anecdotal evidence that I have, but the evidence that I have is that there are a lot of folks out there who don't perceive money as real, they treat it as fake. And as such then get into serious problems down the road. Our goal is to help solve for that.

Adam Carroll speaking at the 2024 Harkin Retirement Security Symposium.


# Lunch Keynote

## Mark Miller, Author, Retirement Reboot

### Moderated by Chris Ferrell, Senior Economics Contributor; Minnesota Public Radio and Marketplace


Mark Miller (right) speaking at the Harkin Retirement Security Symposium, sitting next to Chris Ferrelll (left).

**CHRIS:** Mark, what prompted you to write the book, “Retirement Reboot”?

**MARK:** In my work over the last 15 years covering retirement and aging, I’ve done a mix about both the personal finance side of this as well as public policy topics. And over the years it really struck me that a lot of the personal finance journalism that’s written about retirement is focused on the readers who probably least need the help. It’s really written for people who do have investments, do have assets that they need to make decisions about, do have perhaps some interesting tax challenges. And that the other side of the coin is people who are really struggling with the notion of retirement from a financial assets standpoint. And not much of the journalism was written for them. So, I wanted to write a book that would look at some things you can do if you are getting close to retirement, and you are not financially prepared.

And from a definition standpoint, I use a very simple definition of financial readiness for retirement. You look at the ability of a person to replace preretirement income: what percent of your preretirement income will you be able to replace in retirement with Social Security plus savings plus a pension, if you’re lucky enough to have such? And when you look at this, you see that depending on whose research you look at, there’s a lot of disagreement about what the right figure is. But I’m comfortable saying that at least half and perhaps closer to 60% of American households getting close to retirement, meaning within a tenyear window of retirement, are approaching it without adequate resources to replace their preretirement income.

I know that the focus here today is on financial education and literacy. I personally see a lot of value in the idea of financial education for young people around things like the risks of highrate credit cards and the basics of money management. Retirement, it seems to me, is a really different ball game. We’re talking about after decades of what has happened to you in your financial life, what is the cumulative situation you are in as retirement approaches? And retirement is an expensive proposition, and it’s a complex challenge. The transition to retirement is, I think, one of the most complicated ones.

I am a skeptic that financial education is a primary solution to the problems that ail us when it comes to retirement readiness. I’m not saying that it’s a bad thing to do, but I think it diverts attention from what is more primary, which in my mind are structural issues in our systems that lead us to a situation where at least half, maybe more, of households are going to struggle in retirement.

So, what are some of those structural issues? Well, we look at the competing needs for the available dollar, the high cost of housing, the high cost of childcare, the high cost of college, unexpected crises that affect people throughout their working lives, you know, health emergency, a divorce, a disability.

Somebody who is 55 years old in 2021 has lived or worked through four recessions that might have left them unemployed for extended periods of time. And economic downturns tend to hit older workers harder. They have a harder time bouncing back.  Two of the recessions were especially devastating, the Great Recession and also the pandemicinduced recession, led to severe job losses. And the Great Recession included a housing crash where people lost their homes, lost their home equity.

I think we tend to sometimes have short memories in this country about these events.

We tend to think they're in the rearview mirror, but they have longlasting impacts. If you are out of work for a few years, you don't really make up that ground. You will go back to work at some point and get back on track. But the losses are permanent, and they compound.

There is a lot of inequity built into the system. There's a lot of structural problems. I'll offer this very frank comment. I think I see the financial services industry plowing a lot of money into the financial education, and I would rather see a primary focus on addressing structural issues. That includes a more universal system for saving for retirement, improving and expansion of Social Security benefits, simplification of Medicare would be really awesome. There are a number of areas where I think the private sector could come to bear in a leadership role in trying to move public policy in a way that would bring solutions at scale.

**CHRIS:** In 2014 Senator Harkin introduced a bill that would bring everyone into the retirement savings system. With about half of the private sector workforce not covered by an employer plan, what do you think about addressing this structural issue?

**MARK:** That was a very visionary piece of legislation. And there have been subsequent ideas proposed in that area. People come in and out of coverage as they move around from job to job. Then problems come up with portability and movement of those dollars from job "A" to job "B" to job "C," or even they get left behind, which is the worst outcome. If the balances are small, the employer kicks them out of the plan, and they move into what's called a safe harbor I.R.A., typically a money market paying next to nothing but with high fees.

The 401(k) system is working very well for higherincome people who work for large companies. Large companies tend to have really good 401(k) plans, by which I mean strong investment menus, simple investment menus, and really low costs. There is a structural problem in the small business end of the 401(k) market, which is that there's a certain baseline cost to run and administer a 401(k) plan. When you spread those costs out across a very large pool of employees and a large pool of assets, you can get those costs down. And when you are talking about applying those costs to a small plan, it's much more difficult to do that. We did a simple simulation across three different scenarios, and the difference in the accumulation for this worker from the highest to the lowest cost at the point of retirement was, I think, about $1.5 million.

Social Security is typically going to replace, on average, about 40% of preretirement income, a bit less for affluent people and a bit more for lowerincome. How do you plug the rest of that gap? Generally, the rule of thumb is you need to replace 80% of your preretirement income which might not be right in all cases, and there are ways to adjust that to make the hurdle a little lower. But let's just say for argument's sake it is 80%.  And if you're going to get 40% from Social Security, the rest needs to come from this defined contribution system that just is not working very well in a lot of cases.

There have been several different proposals echoing what Senator Harkin proposed. One is called the guaranteed retirement account idea. You have these state initiatives, state auto I.R.A. programs, focused on people who work for small employers who don't have their own plans. Another idea is to open the federal Thrift Savings Plan (TSP) to anyone who does not have access to an employer plan. We need something along those lines: a federally sponsored automatic 401(k) plan that everybody would be enrolled in. It would be portable. It would move with you as you move through your life.

**CHRIS:** What's the most important thing you've learned from the 15 years reporting on retirement issues?

**MARK:** First, complexity is the enemy. And this does, I think, speak to the question of financial literacy. You know, the two things are, one is the structural issue, as I just described. The other is the complexity of the challenges that people face at the point of retirement. You know, when you're young, the main challenge in terms of retirement planning is just to save. If you are doing that and if you're in a good 401(k) plan, that's great.

As retirement approaches, you face a lot of complex questions. What age to claim Social Security? The transition from employersponsored health insurance to Medicare is really complicated and actually can be kind of treacherous. Same if you're transitioning from an Affordable Care Act plan to Medicare. And then as you move into retirement, you know, dealing with deaccumulation. What's a safe amount to be withdrawing from your account every year? There's debate about that. How to match Social Security with what you are drawing down from savings. Should you tap home equity in some way or not? Tax rates.

**CHRIS:** You know, there's some kind of rethinking about this word "retirement". In 2023, one in five people 65 years and older were employed, that's four times the number of the mid'80s. What do you think about the idea of working longer?

**MARK:** Well, I think working longer, when it can be done, can be one of the most important leverage points to improving your retirement outcome for a few reasons. One, it's more years of living from wage income and fewer years of living off your savings. Two, it can enable a later Social Security claim. And we'll get to Social Security in a minute. But the later you claim up to age 70, you get more monthly income, dramatically more, actually. It can be more years of saving, and later in life is typically when people have their highest wages. And it also means more years with employersubsidized health insurance, which generally means less expensive than being on Medicare, although sometimes that's a close call. The research shows that even working a few more years can be hugely beneficial in terms of improving retirement outcomes. But I always say that working longer is a great aspiration, but it is not a plan. The reason it is not a plan is, life happens, you know. People have illnesses or they need to leave work to care for a family member who is ill. Job burnout happens. Job losses happen. You know, people who lost jobs close to retirement in the Great Recession, lots of them just never went back to work.

**CHRIS:** Why is it so critical to understand Social Security and Medicare?

**MARK:** Let's start with Social Security. You can claim a retirement benefit as early as 62, or you can wait as late as 70. And the amount of benefit you receive is going to revolve around what's called the full or normal retirement age. And this is a confusing phrase. You would think that full would mean maximum. But what it actually means is 100% of the benefit you've earned, and that's typically for most people right now about 66 years old, and it's moving to 67. And if you wait beyond that, you continue to earn delayed retirement credits up to age 70, which increase your benefit.

But, of course, in order to delay, you have to have income to live on. If you are still working, that's great. And if you're not, then it can become more difficult to delay. There is some research showing that people who have financial assets can even benefit by delaying Social Security and living off of savings while they wait. I think there is plenty of evidence that suggests that that can be a good strategy, but it's one that people find a little scary. Again, it kind of runs against human behavioral psychology, what we think we ought to do, we should hang on to those savings. But what you're doing really is buying additional pension income because Social Security is guaranteed for your lifetime.

So generally speaking, I say that for most people, delayed claiming is a good thing. It's not universally the case, and it's a very personal decision. And there can be really good reasons to file early. You know, let's say you're not in good health. You really just need the money.

**CHRIS:** Now, I'm sure you've heard this. People will say, well, Social Security is not going to be there.

**MARK:** Right, every year the Social Security trustees come out with their report on the health of the program. And every year it generates the headlines in the news that Social Security is headed towards insolvency in 2033, 2034. And people hear the word "insolvency," and think, there's going to be nothing left for me, to your question. So, it's a really unfortunate word. What it means is that that's the point at which the Social Security trust fund will have been depleted and the program will only be paying out benefits based on the cash flow coming in from the payroll tax, which will be sufficient to meet only about 80% of the promised benefit. So, absent any action to change that, that's an acrosstheboard cut of 20% or so in Social Security benefits for everybody, including current retirees.

People like me have forever been thinking, well, Congress is going to get around to doing something. And yet they don't. I'll summarize it this way. The Democrats have coalesced around a plan that is pretty cohesive and reasonable. It calls for increases in taxes on highincome people and some modest increases in benefits at the same time to restore solvency. Now, solvency, by law, Social Security is supposed to project solvency 75 years into the future. But the plans that are on the table from the democratic side generally extend solvency seven to ten years, and then we'll say that's not good enough. But at least it would forestall the problem.

Now, on the Republican side, you have basically two camps. There is not a unified position anymore. Trump has said repeatedly, well, I'm not going to touch Social Security. But in reality, not touching it means that we head to the 20% cut and the cliff.  So, if you don't touch it, you're saying we're going to cut Social Security 20%.

Congressional Republicans, kind of more of the tea party caucus in Congress, puts out an annual more substantive, detailed proposal every year in something called the Republican Study Committee document, which you can download online. It calls for higher retirement ages and means testing of Social Security primarily as a way to solve the problem. And some modest benefit increases of the lowincome end.

So higher retirement age, that's one of the things you'll often hear discussed as a solution to Social Security's problems. We are all living longer, so we should raise the retirement age. Well, number one, we're not all living longer. The increases in longevity mostly are being seen in higherincome, bettereducated cohorts. And even though this sounds like a reasonable thing to say, what people don't understand it is still a benefit cut. If your full retirement age is 66, you get to 66, you file, you get 100%. If full retirement age is 68, you've now got to wait two more years to get to that, and you may not necessarily live two more years.

I think what's actually going to happen is we're going to get right up to that cliff, and then there will be an emergency solution. And the emergency solution will be a debtfinanced bailout of Social Security, meaning that there will be an injection of general revenue into the program to avert the cut, which will mean borrowing to do it. That would be a profound change in Social Security's finances because the program up till now has been selffinanced, meaning that it's 100% financed from the payroll tax.

**CHRIS:** Now I want to ask you briefly about Medicare, which whenever I write about Medicare, I always feel that every sentence has the potential to be wrong. Because there is an exception to everything when it comes to Medicare.

**MARK:** My poster child for complexity in the retirement system. Bar none, it's the most complicated. Well, there's a few things, I think that are really critical. One is to understand the mandatory signup rules for Medicare. Everybody is supposed to be enrolled at 65 with one major exception, that if you're still working at 65 and you have health insurance from an employer. And if you don't sign up, you start accruing these late enrollment penalties, 10% of the part B premium for every 12 months of delay, and that's a lifetime penalty.

The second really big thing about Medicare is that we now have this bifurcated system of Medicare and Medicare Advantage, which is the commercially offered, managed care alternative, allinone solution to the traditional feeforservice Medicare. And Medicare Advantage is becoming very, very popular. It's about half of all enrollment now, and people think it's going to get higher.

It's a very seductive, compelling marketing proposition because it can be less expensive in terms of the amount you pay up front in premiums, and people like the simplicity of the allinone solution. Very often they are looking at something that's being offered by an insurance company that they may already know from a job, without understanding a couple things about this. One is that the Medicare Advantage is really different than the employer insurance that you might have had.

And the other thing that's really critical to understand is that a decision to go into Medicare Advantage at the point of initial enrollment might, from a practical standpoint, be an irrevocable decision. When you enroll in traditional Medicare: Medicare part A and B, and part D prescription, very often you will also be signing up for a Medigap supplemental plan. They capture total out of pocket costs, including copays. Well, the Medigap enrollment rules are that at the initial point of enrollment in part B, there is a window, a guaranteed enrollment access window that's open to you, meaning that Medigap insurers can't turn you away for a preexisting condition, and they have to offer you the best prevailing rate in the market. But if you choose to switch from Medicare Advantage to traditional Medicare, and need to buy Medigap, you may not be able to get a Medigap at that point because you've missed that guaranteed issue window.

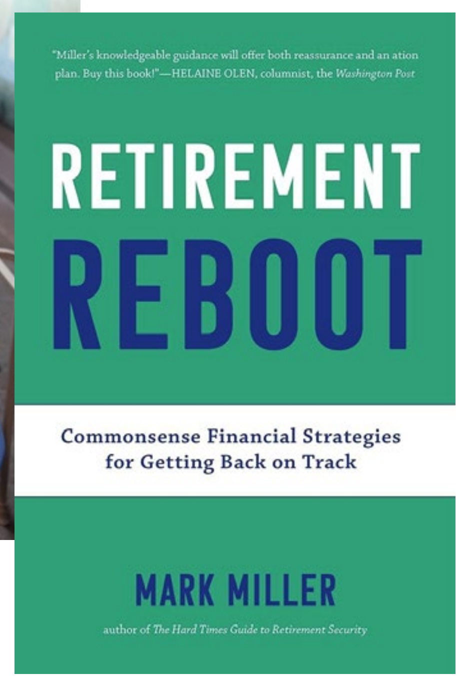
Then on top of all that is how complicated it is to shop for plans. And I knew you were going to have a panel on all of this in the afternoon featuring folks from the Iowa SHIIP program, that's great. But this is an incredibly complicated thing, and there's not enough good advice out there. The SHIIP program does really great work, but it's under resourced. It is not at scale in the way it needs to be in terms of being able to advise everybody, providing this kind of unbiased advice that they are expected to provide.

And, again, I go back to the point that I think there are structural problems. You know, we try to figure out how do we get better people advice and education? How about just simplifying Medicare? There is really no reason we have to have a standalone part D drug plan. It could be a standard benefit in part B. I do a lot of writing about Medicare, like you, I am always worried I am about to get something wrong. It's just how complicated Medicare is.

Top: Chris Ferrell (left) and Mark Miller (right) pose after their lunch keynote.

Bottom left: Mark Miller talking to an attendee while signing a copy of his book after the lunch keynote.

Bottom right: Cover of Mark Miller's book "Retirement Reboot".



# Panel One

## Financial Education Curriculum and Best Practices

- The landscape of financial literacy education in the United States is rapidly evolving. In the past three years, the number of states that mandate financial literacy education has surged from 8 to 25.
- It makes sense to start financial literacy education early because children begin to learn executive functioning skills -- the ability to plan, juggle multiple tasks, and exercise self-control -- at an early age. The sooner children learn how money works, the sooner they can start making money work for them.
- While the push for financial literacy education is gaining momentum, serious hurdles exist. These include the need for more qualified educators, the training of general teachers on financial education, a lack of coordination between the elementary, middle, and high school levels, and the absence of financial literacy education as a graduation requirement in some states.
- To ensure equitable access to financial literacy education, the panelists provide free resources and materials to train teachers, a free curriculum for students, universal savings accounts for children, and educational resources that are accessible to students with disabilities and students who speak different languages.
- The relationship between parents, children, and financial literacy is reciprocal. Children learn financial lessons from observing how their parents spend and talk about money. When children receive financial literacy education in school, they bring the lessons they learn back home.

### Question and Answer Recap

**Question:** How can we tap into intergenerational opportunities to teach and mentor financial literacy initiatives?

**Answer:** Seniors and people of all ages can volunteer at community organizations that teach financial literacy to youth, like Junior Achievement Finance Park of Central Iowa. Organizations that teach children about financial literacy encourage them to talk to their family members and educators about finances, hoping to spread wisdom from lived experiences to students.

### Panelists:

- **Stefanie Wager**, Social Studies, Financial Literacy, and World Languages Consultant; Iowa Department of Education [Moderator]
- **Jennifer Anderson,** Financial Skills for Smart Living Administrator; University of Northern Iowa
- **Suzanne Bartholomae,** Associate Professor and Extension State Specialist; Iowa State Extension
- **Ryan Osborn,** President; Junior Achievement of Central Iowa
- **Amanda Volz,** Director of Professional Development; NextGen Personal Finance



Left: Members of panel one onstage.

Right: Members of panel one posing after speaking.

# Panel Two

## Financial Wellness for Vulnerable Populations

- Financial wellness is based on four pillars: control over day-to-day finances, the ability to absorb any type of shock, being empowered to make a choice which is the crucial pillar, and setting and working towards financial goals.
- Access is also crucial to financial wellbeing. Access to financial institutions like banking and access to free services to elevate low to moderate-income individuals.
- Financial vulnerability reflects challenges with all four pillars, as well as access to financial services. The most financially vulnerable households are also difficult to reach in the community because they face so many barriers. Financial vulnerability has tangible economic costs for the entire community.
- Companies can connect and help serve the individuals in affected communities by continuing to invest in organizations that can provide you with data to help inform your decision, as well as by working with a community organization that is supporting the vulnerable populations on the ground. Representation matters, it is important to make sure the community voices are heard around the table for the populations you are serving to help inform your decisions.
- Struggles with finances and struggles with both mental and physical health are linked and work in both directions. Bad finances can affect one's mental and physical health and a decrease in mental health can lead to overspending and physical health symptoms.
- To serve the financially vulnerable, companies need to build trust with individuals and the community, as well as know the community. In order to best serve the people, you need to know their needs and how to serve them the best. Be engaged with communities and what their needs actually are. Sometimes it is easy for organizations to determine what we think or feel the needs are and the solutions do not necessarily align. We need to rethink this approach.

### Question and Answer Recap

**Question:** How do you support students with disabilities currently in college with their financial wellness?

**Answer:** There are colleges that support students with things like food pantries and clothing closets, as supportive wrap-around services to make sure that that student has what they need. We talk about equity, so that a student has equal access to the classroom, but now they have those extra supports to make sure that they reach graduation. For students with disabilities, it is also important to bolster the behavioral health services on campus.

### Panelists:

- **Jo Christine Miles,** Director of Principal Foundation and Principal Community Relations; Principal [Moderator]
- **Ena Babic Barnes,** Executive Director; Iowa Credit Union Foundation
- **Joy Esposito,** Assistant Director, currently serving as Interim Director; Evelyn K. Davis Center for Working Families
- **Angela Fontes,** Vice President of Policy and Research, Financial Health Network



Left: Members of panel two onstage.

Right: Members of panel two posing after speaking.

# Panel Three

## Medicare Choice and Managing Health Care Costs in Retirement

- The Medicare program has become increasingly complex with the number of choices available and very short deadlines to make decisions.
- Although there are resources available to help with those decisions, surveys continue to show that many people do not utilize these resources and prefer to consult with family and friends or make these decisions on their own.
- At the initial enrollment stage, people struggle with navigating the deadlines, the sequence of choices, and simply processing the volume of information.
- With the increased reliance on social media, it is also concerning whether individuals will use information there to make decisions instead of taking the time to speak with a counselor at a SHIIP office.
- Justice in Aging is advocating to reduce the number of plan options so that it is meaningful to make comparisons between plans. When there are that many plan options, it is impossible to make an informed decision.
- The choice between traditional Medicare and Medicare Advantage is not balanced. With Medicare, you are choosing a more comprehensive network of providers, but no supplemental benefits. With Medicare Advantage, you have dental and vision, but may have limited access to some providers. It is difficult to weigh the value of these and many times it is not discussed outside of the one-on-one counseling with the SHIIP program.
- The Medicare.gov Plan Finder is also a good alternative to review plan options, although it does not do as well for those who have dual coverage (Medicare and Medicaid). CMS is working on improving how the Plan Finder works.
- Medicare coverage includes a lot of preventive services and more vaccines have been added recently.
- There are several programs to help offset costs, including for prescription drug coverage, Part B premiums, or co-pays.
- Iowa SHIIP counselors are available for phone, Zoom, or in-person one-on-one conversations about enrollment and benefits.
- Many people also do not do this, but it is important to evaluate your coverage every year.

### Question and Answer Recap

**Question:** A lot of people do not understand the difference between traditional Medicare and Medicare Advantage, even after they are enrolled. Specifically, from a practitioner point of view, prior authorization in MA is a big difference in how care is provided. What do you think will happen going forward with this?

**Answer:** We do need the Centers for Medicare and Medicaid Services (CMS) to address the issue of prior authorization because it does create inequities in health care. CMS has issued regulations about this in the last several years, but a lot more needs to be done.

### Panelists

- **Joshua Pearson,** Senior Fellow, The Harkin Institute [Moderator]
- **Amber Christ,** Managing Director of Health Advocacy, Justice in Aging
- **Kristin Griffith,** Iowa SHIIP/SMP Director
- **Paige Yontz,** Advocacy Manager, AARP Iowa


Members of panel three posing after speaking.

# Discussion

## Achieving and Measuring Financial Capability

- There are multiple constructs defining the concept of financial capability or financial wellness. At the Financial Health Network, the focus is on financial health, which is seen as an objective measure, including cash flow, credit scores, debt, and savings. Whereas, the National Endowment for Financial Education has developed a framework that views financial wellness as part of an ecosystem that includes access, knowledge, and foundational factors. At the FINRA Foundation, financial capability consists of four pillars: current financial status, planning ahead, debt management, and financial knowledge.
- Some measures that are used to assess financial capability may need to be reassessed because they may have been created in a more academic or information-gathering context and may not be reflecting appropriately the extent of financial wellness or capability present in specific communities. A lot of this work focuses on how questions are framed and the specific words or scenarios that are used, which may not always provide the most accurate context for different groups.
- The FINRA Foundation produces the Financial Capability Study, a national survey repeated every 3 years, which allows us to analyze trends on a national and state level.
- The Financial Health Network produces an annual publication called the Financial Health Pulse, tracking trends on the four measures of financial health: spending, borrowing, saving, and long-term saving.
- The National Endowment for Financial Education focuses on studies that connect self-reported attitudes toward financial well-being and access.
- Consistent findings across surveys include reported anxiety about the future state of their financial well-being, including retirement security.  Another consistent finding is widening gaps between Black and Hispanic households and White households.

### Question and Answer Recap

**Question:** From your research work, can you discuss whether the financial aid provided to families during the pandemic improved their financial health?

**Answer:** Research does show an increase in the overall financial health of families as a result of programs that were put in place to support families with children.

### Panelists

- **Gary Mottola,** Research Director; Financial Industry Regulatory Authority [Moderator]
- **Angela Fontes,** Vice President of Policy and Research, Financial Health Network
- **J. Michael Dedmon,** Director, Research; National Endowment for Financial Education


Members of the Achieving and Measuring Financial Capability Discussion onstage speaking.


Members of the Achieving and Measuring Financial Capability Discussion posing after the discussion.

# Financial Wellness Fair Exhibitors

## AARP Iowa

AARP is the nation's largest nonprofit, nonpartisan organization dedicated to empowering people 50 and older to choose how they live as they age. With a statewide presence and nearly 330,000 members in Iowa, AARP strengthens communities and advocates for what matters most to families: health security, financial stability, and personal fulfillment. To learn more, visit www.aarp.org/IA.

## Ascensus (Iowa 529 College Savings)

College Savings Iowa is Iowa's direct-sold 529 plan and is administered by State Treasurer Rob Smith. It provides a tax-advantaged way to save the future education costs on behalf of a future scholar, which could be a child, grandchild, neighbor or even yourself.

The earnings on your investments grow deferred from federal and state income taxes. The money in your account is federally tax-free if it is withdrawn to pay for tuition, room and board, books, supplies and other qualified expenses, and all withdrawals are free from Iowa income taxes if you are an Iowa taxpayer. College Savings Iowa funds can be used at any eligible education institution in the United States or abroad. To learn more, visit collegesavingsiowa.com

## Foster Group

*Making Financial Lives Truly Cared For® Since 1989*
Founded by Jerry Foster in 1989 as Retirement & Investment Advisors, Foster Group has always been committed to encouraging lives of meaning and generosity for our team, our clients, and our communities.

Today, Foster Group is a privately held, independent, fee-only financial planning and investment management firm. We are headquartered in West Des Moines, Iowa, with a regional office in Omaha, Nebraska. Our 24 shareholders* are active in the firm and represent multiple age groups. They have been selected intentionally to ensure that the level of service our clients receive today can be delivered and improved upon for generations to come.

PLEASE SEE IMPORTANT DISCLOSURE INFORMATION at www.fostergrp.com/disclosures. A copy of our written disclosure Brochure as set forth on Part 2A of Form ADV is available at www.fostergrp.com. *Data as of 7/1/2023.

## Iowa Bankers Association

The Iowa Bankers Association (IBA) was established in 1887 and is the nation's largest state banking association. IBA provides members with a strong voice at the state and federal levels of government. The organization also offers a wealth of other resources to support the success of Iowa banks including compliance, education, marketing, human resources, insurance and mortgage services. To learn more, visit https://www.iowabankers.com/.

## Iowa Center for Economic Success

The Iowa Center empowers Iowans to achieve financial freedom through small business ownership. If equitably and properly supported, entrepreneurship is a solution to socio-economic disparity. But many entrepreneurs lack access to the education, capital, and professional networks required to support generational wealth building. The Iowa Center delivers three lines of direct service to address these gaps: Business Coaching, Credit + Lending, and Tax Services.

The Iowa Center is home to the Iowa Center Women's Business Center, the only Women's Business Center partnered with the US Small Business Administration in the State of Iowa. The Iowa Center provides equitable access to capital as an SBA certified Microlender, and through The Iowa Center Loan Fund Community Development Financial Institution (CDFI). The Iowa Center also leads the statewide Volunteer Income Tax Assistance (VITA) Coalition which provides free income tax preparation services for individuals, families, and small businesses who generally earn up to $64,000 per year.

Link to our website: www.TheIowaCenter.org
To learn more: Erin Strawn estrawn@theiowacenter.org
To volunteer for VITA: Karla Evans kevans@theiowacenter.org

## Iowa Department of Insurance and Financial Services

The Department of Insurance and Financial Services (DIFS) administers and coordinates various regulatory, service, and licensing functions of the state relating to the business of insurance, banking and credit unions in Iowa. DIFS recognizes financial literacy and investor education are critical life skills for all Iowans. We strive to help Iowans by providing information to help them make prudent financial choices and to be wise and safe investors. Information provided by DIFS and our partners help Iowans of all ages to understand basic financial principles, the financial products they are purchasing, and to be aware of different scams and fraudulent schemes currently being used. This education is delivered in a variety of ways, including school programs, free online courses, and in-person events. Free online courses can be found at the following links: save4lateriowa.gov and smarther.iowa.gov If you have any questions about these resources, please contact Heather Kriener, heather.kriener@iid.iowa.gov.

## Iowa Jump$tart Coalition

The Iowa Jump$tart Coalition envisions a time when all Iowans will be financially literate and equipped to achieve lifetime financial goals upon graduating high school. This is a nonprofit organization of more than 30 individuals and organizations representing business, government and education who have joined together to improve the personal financial literacy of all Iowans. It is an affiliate of the national Jump$tart Coalition for Personal Financial Literacy. Learn more at https://iowajumpstart.org/.

## Iowa Senior Health Insurance Information Program (SHIIP)/Senior Medicare Patrol (SMP)

SHIIP-SMP Services help Iowans understand the complexities of Medicare, save on health care costs, and prevent fraud. SHIIP-SMP is administered by the Iowa Insurance Division and is supported through state and federal funding. A network of certified and trained volunteer counselors is available via local SHIIP-SMP sites in nearly every Iowa county. Meetings can take place however you are most comfortable — in-person, on the phone, or through video conferencing. The service is completely free and confidential, and SHIIP-SMP Counselors do not sell or promote any insurance companies, agents, or products. SHIIP-SMP counselors are ready to assist with personal, one-on-one support. Whether you are preparing to enter the Medicare system or navigating existing benefits, SHIIP-SMP can guide you toward solutions that best fit your needs, now, and in the future.

This project was supported, in part by grant numbers 90SAPG0070 and 90MPPG0086, from the U.S. Administration for Community Living, Department of Health and Human Services, Washington, D.C. 20201.
SHIIP-SMP Toll free consumer line: 1-800-351-4664
Website: https://shiip.iowa.gov

## ISL Education Lending

ISL Education Lending is a nonprofit corporation offering private student loans for students and families who have exhausted other sources of aid. In addition, ISL Education Lending provides scholarships and programs for families and reinvests funds in programs to benefit students and borrowers. The organization's mission is to help Iowa students and families obtain the resources necessary to succeed in postsecondary education. This means more than providing student loan products. ISL Education Lending shares ways to save money, minimize education debt and maximize earning potential. To learn more, visit www.iowastudentloan.org.

## Junior Achievement of Central Iowa

Junior Achievement (JA) of Central Iowa is a non-profit education organization. With proven expertise in career readiness, entrepreneurship, and financial literacy, JA empowers K-12 students with a skillset and mindset to create a bright future. JA connects schools and businesses through a standard-aligned curriculum and a network of over 2,500 volunteers to deliver relevant and inspiring learning experiences. In the 2022-2023 school year, JA of Central Iowa served 28,114 students with 361,023 instructional hours through in-school programs, on-site simulations, digital platforms, and summer camps. JA currently partners with 173 schools across 27 counties.

Link to our website: https://centraliowa.ja.org
To learn more about how to get involved at JA of Central Iowa, contact Jenna Hull at jenna@jacentraliowa.org
For volunteer information, contact Richard TeKippe at richard@jacentraliowa.org

## Prairie Meadows

Prairie Meadows operates as a public nonprofit dedicated to lessening the burden of government by raising funds for charitable organizations and community improvement projects. Prairie Meadows supports Iowa nonprofit organizations that support arts and culture, education, economic development and human services. Through its grant programs, Prairie Meadows continually works to strengthen and expand opportunities and infrastructure, and services offered within the community. A dynamic nonprofit partnership between Prairie Meadows and Polk County has generated more than $2.2 billion in funding over 30 years. To learn more, visit https://www.prairiemeadows.com/about-us/seeourimpact.

## Social Security Administration

Social Security provides financial protection for our nation's people, supporting Americans throughout all of life's journeys.
SSA administers retirement, disability, survivor, and family benefits, and enroll individuals in Medicare. SSA also provides Social Security Numbers, which are unique identifiers needed to work, handle financial transactions, and determine eligibility for certain government services.

Learn more at SSA.gov or create or sign into your personal my Social Security account at SSA.gov/myaccount.


Representatives from Iowa Junior Achievvement speak with an attendee at their exhibit booth.

# Photo Gallery



(Top Left) Retirement Security Advisory Committee member Donna Mueller talks with Symposium Speaker Katie Averill.

(Top Right) Undergraduate Communications Assistant, Alex Bates, moderating Q&A.

(Middle Left) Jessica Graves-Butler from the Iowa Treasurer's Office presents on ABLE accounts in Iowa.

(Middle Right) Dr. Richard Demming asking a question to panelists.

(Bottom) Exhibitors from the Iowa Center for Economic Success talk to another exhibitor at their booth.

# About The Harkin Institute

The Harkin Institute for Public Policy & Citizen Engagement is a nonpartisan policy research institution focused on the four main policy areas that shaped Senator Tom Harkin's career: labor and employment, people with disabilities, retirement security, and wellness and nutrition.

The Harkin Institute aims to improve the lives of all Americans by giving policymakers access to high-quality information and engaging citizens as active participants in the formation of public policy.

The Harkin Institute conducts research in our four policy areas and hosts events like the Harkin International Disability Employment Summit and the Harkin on Wellness Symposium. THI also provides educational opportunities for students and offers a fellowship program that brings together diverse, insightful professionals to facilitate cooperative, high-quality, nonpartisan research, analysis, and education.

## The Harkin Institute Staff

- **Michael Berger,** UpLift Project Coordinator
- **Ashley Ezzio,** UpLift Project Coordinator
- **Jennifer Fiihr**, Operations Director
- **Lila Johnson**, Graphic Designer & Digital Accessibility Specialist
- **Kathryn Kuckelman**, Communications Manager
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- **Adam Shriver**, Interim Director of Wellness and Nutrition Policy
- **Rayna Stoycheva**, Director of Retirement Security Policy
- **Daniel Van Sant**, Director of Disability Policy

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- **Charles E. Cook, Jr.**, Founder, The Cook Political Report
- **Ruth R. Harkin**, Former Senior Vice President, United Technologies Corporation
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## The Harkin Institute Retirement Security Advisory Committee

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- **Michael Kreps**, Principal, Groom Law Group
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