

Looking Beyond Retirement: Patterns and Predictors of End of Life Planning among Retirement Age Individuals

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End-of-life (EOL) health and financial planning has gained attention as new technologies extend the lives of individuals with chronic illnesses. However, prolonged medical care may have serious physical, emotional, and financial consequences for the dying and their families. Since the strains and consequences of the dying process are thought to be less severe for those who prepare for end of life, it is critical to study EOL planning behavior among retirement age individuals who are facing complex decisions regarding retirement and EOL issues.

The purpose of this study is to examine EOL planning strategies among retirement age individuals and factors that influence their planning strategies. The study is expected to fill the gap between financial estate planning and EOL health planning in the literature. Since prolonged medical treatment has financial consequences, EOL health planning should be viewed as a part of the packet among other estate planning issues. This study explores whether consumers (should) view EOL planning as a comprehensive, whole (financially, physically, psychologically) planning process.

The 2002/2003 wave of the Wisconsin Longitudinal Study, a sample of individuals aged 62-66, was used in the study. The influences of demographic factors, family characteristics, economic factors, and health status on EOL planning behavior were examined using logistic regressions. Moreover, multinomial logistic regression was used to examine the predictors of combination of EOL planning, and to determine whether individuals tend to consider EOL health planning and EOL financial planning jointly. Findings show that widows and those with higher net worth are more likely to have EOL health plans, while females, higher educated persons and those with higher net worth are more likely to have EOL financial plans. Additionally, compared to the “no EOL planning at all” group, females, higher educated persons and those with higher net worth are more likely to have EOL financial plans only or both EOL health and financial plans.

In light of the study’s results, EOL health plans appear to be done in combination with financial plans, not separately. Furthermore, there is no difference between the characteristics of those individuals who have financial plans only or both types of plans. Therefore, it is suggested that policy makers, health and financial professionals, and consumers, concerned about the consequences of the absence of EOL health plans, should facilitate the joint planning with finances, especially among those at higher risk of not having such plans (e.g. males, less educated persons, never married persons, and those who have little net worth).

Endnotes

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