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## Social Security a “screamingly good” deal: Financial Engines

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By Editorial Staff     *Fri, Jun 20, 2014*

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Surveys show that millions of Americans have given up hope that Social Security will “be there” for them. Meanwhile, lots of people in the financial advice industry are celebrating the bounty of the allegedly near-bankrupt program, and rushing to remind their clients that big benefits lie in store for those who claim later.

Yet, ironically, there's little evidence that a majority in Congress would be amenable to the higher payroll taxes that will probably be needed to make those generous, inflation-indexed Social Security checks a reality.

The latest advisory firm to find hidden virtue in Social Security is Financial Engines. The provider of financial advice and managed accounts to millions of participants at large defined contribution plans announced this week that it will educate large numbers of plan participants on the benefits of delaying Social Security benefits, and how they might live on their qualified savings during the interim.

The new integrated offering is available online and through Financial Engines' advisor representatives to participants at Akzo Nobel, HD Supply, Motorola Solutions, Sargent & Lundy, Teradyne, UL and other firms, the company said in a release. Financial Engines will also make a free interactive Social Security planner available to the public at [www.financialengines.com](http://www.financialengines.com).

Financial Engines is making the services available to employers offering Income+, its program for helping 401(k) participants take systematic withdrawals from their plan accounts after they retire. Record keepers currently or committed to supporting Income+ with Social Security and income planning services include Aon Hewitt, Mercer and Xerox. The cost of Income+ is included in what employees pay in managed account fees.

Over the past three months in limited release, the services have identified more than \$500 million in additional Social Security benefits available for near-retirees<sup>2</sup>. The median amount of additional benefits found for a typical married couple is well over \$100,000.

It's becoming more widely recognized that by claiming at age 70, the higher-earning and shorter-lived spouse—most often the husband—can significantly augment his widow's income, thanks to the 100% spousal benefit that Social Security provides.

Users can consider different strategies and receive a clear, personalized retirement income plan based on Financial Engines' patented Income+ methodology. The comprehensive plan includes multiple income sources, including part-time work and pensions, and shows how retirement savings in a 401(k) or IRA can be converted into income to help defer Social Security.

“Delaying Social Security is a screamingly good deal, especially in today’s low interest rate environment,” said the Financial Engines’ release.

Participants with access to the new services through their employers can talk with a Financial Engines advisor certified by the National Social Security Advisor program at no additional cost. The advisors can create Social Security and income plans, answer questions and even share their screens so individuals can see the plans take shape in real time.

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