

2007 MINORITY RETIREMENT CONFIDENCE SURVEY

FACT SHEET

ATTITUDES ABOUT SOCIAL SECURITY AND MEDICARE

Most workers have little confidence that Social Security and Medicare will provide future retirees with benefits equal to those received by retirees today. Although funding problems with Medicare are more acute than those with Social Security, workers have slightly higher levels of confidence about Medicare than about Social Security.

Confidence in Social Security

- Hispanic workers are more likely than African-Americans to feel confident about the future value of benefits provided by Social Security (51 percent *very* or *somewhat* confident vs. 40 percent). Workers overall (30 percent) are less likely than minority workers to feel confident (Figure 1).

Figure 1
Confidence That Social Security Will Continue to Provide Benefits of at Least Equal Value to Benefits Received by Retirees Today, by Race/Ethnicity

	All Workers	African-Americans	Hispanics
Very confident	7%	9%	13%
Somewhat confident	24	31	38
Not too confident	34	26	25
Not at all confident	34	34	22

Source: Employee Benefit Research Institute, Mathew Greenwald & Associates, Inc., and The Rockefeller Foundation, 2007 Minority Retirement Confidence Survey.

- Larger shares of Hispanics than workers overall in almost every income category say they are confident about Social Security. In addition, Hispanics born outside the United States are more likely than those who are native-born to express confidence (57 percent vs. 39 percent).
- Among African-Americans, more than 4 in 10 with household income \$25,000–\$49,999 (42 percent) report they are confident about future benefits from Social Security, compared with 28 percent of workers overall.

Confidence in Medicare

- Minority workers are also more likely than workers overall to express confidence about the future value of benefits from Medicare (Figure 2).

Figure 2
Confidence That Medicare Will Continue to Provide Benefits of at Least Equal Value to Benefits Received by Retirees Today, by Race/Ethnicity

	All Workers	African-Americans	Hispanics
Very confident	6%	10%	14%
Somewhat confident	30	32	34
Not too confident	33	27	28
Not at all confident	28	26	15

Source: Employee Benefit Research Institute, Mathew Greenwald & Associates, Inc., and The Rockefeller Foundation, 2007 Minority Retirement Confidence Survey.

- Hispanics with household income under \$25,000 are especially likely to report they are *very* or *somewhat* confident (64 percent). In addition, foreign-born Hispanics are more likely than native-born to say they are confident (56 percent vs. 44 percent).
- Differences between African-Americans and workers overall appear to be the result of differences in income distribution.

Social Security Retirement Age

- Workers overall cite the correct age at which they will be eligible for unreduced benefits from Social Security more often than minority workers. However, native-born Hispanics (16 percent) are statistically as likely as workers overall to give the correct age (Figure 3).

Figure 3
Age When Workers Expect to Receive Unreduced Social Security Benefits, by Race/Ethnicity

	All Workers	African-Americans	Hispanics
Too early (net)	51%	64%	49%
Before 62	8	8	13
62–64	13	18	12
65	30	37	23
Correct (net)	18	9	10
65	1	1	1
66–67	17	9	9
Too late	9	7	4
Not eligible	2	<0.5	3
Don't know	20	18	33

Source: Employee Benefit Research Institute, Mathew Greenwald & Associates, Inc., and The Rockefeller Foundation, 2007 Minority Retirement Confidence Survey.

- One reason that minority workers may be less likely to cite the correct eligibility age for unreduced Social Security benefits is that they are less likely to remember receiving a benefits statement from Social Security. Three-quarters of workers overall report they remember receiving a statement from Social Security in the past year, compared with less than 6 in 10 African-Americans and half of Hispanics (Figure 4).

Figure 4
Recall of Receiving a Social Security Statement in Past Year, by Race/Ethnicity

	All Workers	African-Americans	Hispanics
Yes	76	58	50
No	22	40	49
Don't know	2	1	1

Source: Employee Benefit Research Institute, Mathew Greenwald & Associates, Inc., and The Rockefeller Foundation, 2007 Minority Retirement Confidence Survey.

- The differences between workers overall on one hand, and African-Americans and Hispanics on the other, appear regardless of household income, except that those with income of at least \$75,000 are equally likely to report receiving a statement.
- Native-born Hispanics are more likely than foreign-born to recall seeing a statement (64 percent vs. 41 percent).