

CASE STUDY

Retirement Analytics

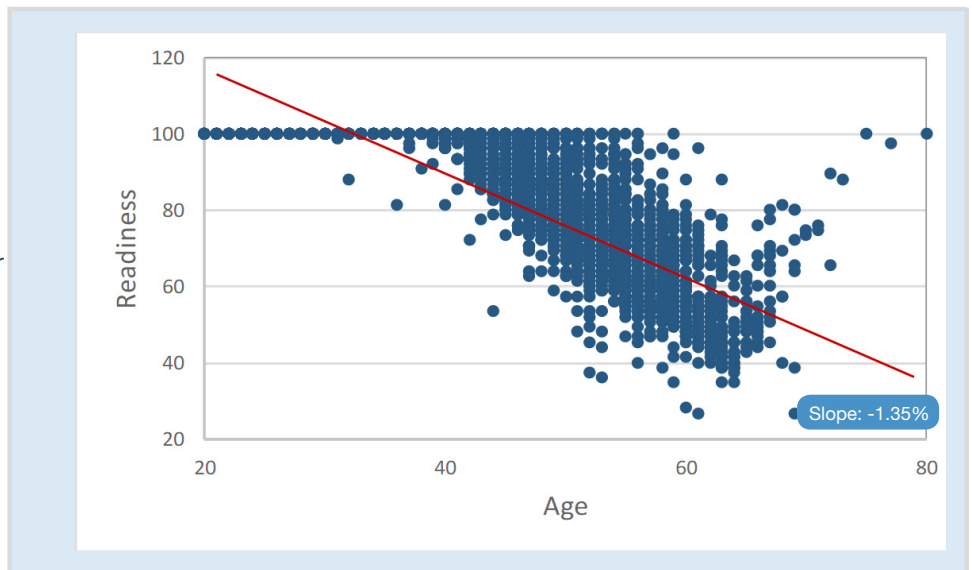


Quantifying an Employer's Cost for a Workforce Delaying Retirement

Reports indicate that 35% of the U.S. population has \$0 savings, 69% have less than \$1,000 in savings, and 85% have less than \$10,000 in savings.

Let's contrast these statistics with a retirement readiness calculation. A US worker earning \$70,000 per year will need approximately \$50,000 (~70%) in each year of retirement. With a remaining life expectancy of 20 years, the worker needs to \$1,000,000 over this 20-year period.

Innovu tested the retirement readiness of a 2,800-employee trucking company and found that each year that an employee aged in place, his/her readiness to retire decreased by 1.35%. For example, an employee at age 62 is 1.35% less ready to financially retire than they were at age 61.



In addition, for every 1 year that an employee over the age of 60 aged in place, the company's medical and pharmaceutical expenses for that employee increased by 5.5%.

To quantify the comparative difference in cost between their employees over the age of 60 who were increasingly less-ready to retire versus a comparable worker under the age of 40, the company's 5-year net present value expense in income paid, medical cost, and pharmaceutical cost for their older workers was \$17 million.

About Innovu

Innovu delivers secure, cloud-based data analytic solutions to self-funded employers and to their benefit advisors and business associations. By securely integrating benefits and risk data across all programs—medical, Rx, vision, dental, wellness/biometrics, workers' compensation, disability, absenteeism, safety, retirement, etc.—we create a 360-degree view of their workforce risk and cost. Employers use this correlative, never-before-seen insight to design and measure targeted benefits programs and interventions that improve member health and mitigate business risk.

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