

12 People Who Are Changing Your Retirement

These pioneers are shaping the way Americans will live, work and play later in life.

By **KELLY GREENE**

February 16, 2008; Page R1

Joseph Coughlin describes his work as "trying to get people to 'age cool.'" More specifically, as director of AgeLab, a research program at the Massachusetts Institute of Technology, he is pushing advances in transportation, health care and housing off drawing boards and into older adults' lives.

And he can't do it quickly enough.

"If we don't hurry," he says, "the products being designed now aren't going to be there when the [baby] boomers need them."

Prof. Coughlin is one of hundreds of people across the country whose work, in effect, is shaping the future of retirement. The motives may vary -- educators, entrepreneurs, philanthropists and policy makers are all involved in the effort -- but the goals are much the same: to learn about, and improve the quality of, later life.

Demographics, of course, explain the sense of urgency. Each day, on average, almost 8,000 people in the U.S. turn 60. Just last month, the first of 78 million baby boomers reached age 62 and became eligible for Social Security.

Which "change agents" are having the biggest impact on retirement? We put that question to experts in aging nationwide. From dozens of candidates, we selected the following 12 people. If you want to know what your future might look like -- how Americans will live, work and play in later life -- these individuals are designing some of the answers.

William Bengen **The Numbers Guy**



It's the most frequent question, and biggest concern, for many people approaching retirement: How big a nest egg will I need, and how do I make it last?

William Bengen is working on that.

Mr. Bengen, a certified financial planner in El Cajon, Calif., has already achieved what amounts to rock-star status in the retirement-planning business. His pioneering research in the 1990s gave rise to the "4% rule": Withdraw no more than about 4% a year from your nest egg, and it's highly likely that your savings will last 30 years. That finding has already helped to establish budgets and spending patterns for numerous retirees.

Today, Mr. Bengen, age 60, continues to refine his research. In 2006, he introduced a method of withdrawing funds from nest eggs that tailors the 4% rule to individual circumstances. (It's online at www.fpanet.org/journal. Click on "Past Issues & Articles," then on "Past Issues," and go to August 2006.) And now, he is researching, he says, "the possibility that dividend-paying stocks, particularly those that increase dividends over time, might provide a better retirement resource than the S&P 500." As Mr. Bengen explains: "The thesis is that those have at least as high a total return as S&P 500 stocks, and they have lower volatility.... If you have stocks that don't go down as much in the bear markets, you're better off."

Mr. Bengen doesn't see himself as shaping baby boomers' financial future. He says he simply wants to help his 60 or so clients.

"I was starting to get some clients who were planning for retirement," he recalls, "and they were asking me, 'How much can I take out, and how should I set up my investments?' And I couldn't find a thing substantiated by any research."

Joseph Coughlin **Harnessing Technology**



In the mid-1990s, before joining MIT, Prof. Coughlin was working for a federal contractor, studying the aging population's potential impact on transportation.

"It was like unwrapping an onion," he remembers. "We hadn't thought about housing, [or] the future of work. And we certainly hadn't thought about transportation."

That epiphany led to the creation, in 2000, of AgeLab, where Prof. Coughlin and his colleagues are designing -- and pushing companies to embrace -- technology that will enhance older adults' daily lives.

One of his favorite breakthroughs is a "personal adviser" that Procter & Gamble Co. has licensed, based on AgeLab research, to help food shoppers identify products that are healthy for them. The device, to be attached by supermarkets to their grocery carts, is like a minicomputer with a scanner. Shoppers insert smart cards that contain their dietary particulars. Then, as they shop, they swipe products past the scanner to get the

device's opinion. Let's say you're prehypertensive and scan a box of crackers; after reading the bar code, Prof. Coughlin says, the adviser may suggest trying a different product with a lot less salt.

Eric Dishman **Helping People Stay Home**



For no small number of people, aging means losing their independence -- and, eventually, leaving their homes.

Someday, technology being developed by Eric Dishman and his staff at Intel Corp. may help people stay in their homes longer.

Mr. Dishman has focused on ways to assist the elderly since he was a teenager helping care for a grandparent with Alzheimer's disease. Years later, he was working for Microsoft Corp. co-founder Paul Allen on a "nursing home of the future," he says, when someone made an observation that helped alter his approach to the matter completely.

"Someone said, 'I think we asked the wrong question,'" he recalls. "It's not how can we make the nursing home better through technology, but how can technology keep people independent?"

Mr. Dishman, 39, is general manager in charge of product research and innovation for Intel's Digital Health Group. Prototypes emerging from his group's offices and labs have a Jetsons-like feel: a carpet with sensors that may reduce the risk of a fall; a "caller ID on steroids," which shows and tells you who is at the front door and when you last spoke; a system that helps people with memory problems cook for themselves.

John Erickson **Helping People Leave Home**



In contrast to Mr. Dishman, John Erickson sees a future where millions of Americans *leave* their homes in later life. And he's preparing your accommodations.

Mr. Erickson, 63, is chairman and chief executive of closely held Erickson Retirement Communities, one of the country's largest developers of continuing-care retirement communities. In a CCRC, residents are guaranteed access to different levels of long-term care as they age.

Starting in Maryland in 1983 with a single facility (a renovated seminary), Mr. Erickson began developing retirement "campuses," where residents, among other activities, can produce their own TV shows. Today, the company has 20 CCRCs with 21,000 residents in 11 states. Mr. Erickson hopes to nearly double that number in five years.

Why should we leave our homes in later life? "Accidents, falls, depression, isolation," Mr. Erickson answers. "That's not what was meant for the last half of retirement."

Beyond housing, Mr. Erickson also may have a hand in shaping what older adults watch on television. In the past two years, he has spent an estimated \$100 million building Retirement Living TV, a cable network focused on later life. He also donated \$5 million in 2004 to start a professional program at the University of Maryland, Baltimore County, that combines management, policy and aging issues.

Charles Feeney **A Life of Purpose**



If you find yourself, in your 60s and 70s, immersed in a new career and a new passion -- teaching children to read, for instance, or helping an environmental organization -- you may have Charles Feeney to thank.

Mr. Feeney, 76, is the founding chairman of Atlantic Philanthropies, an international foundation that is committed to disbursing its entire \$4 billion endowment by 2020. A large chunk will go to help older adults "live healthier, independent lives with dignity, purpose and meaning," says Brian Hofland, director of Atlantic's international aging program.

The foundation, for instance, has helped fund the Purpose Prize, awards of \$100,000 given each year to five "social entrepreneurs" age 60 or older who are tackling some of society's biggest challenges. Civic Ventures, the San Francisco nonprofit that created the Purpose Prize, last year received \$10 million from Atlantic Philanthropies in part to stimulate development of "encore careers" for people 50 and older.

Mr. Feeney himself is a bit of a recluse. (He declined to be interviewed for this article.) He doesn't own a house or a car, and when flying, he typically travels coach, says Conor O'Clery, an Irish journalist and biographer of Mr. Feeney. It wasn't until 1997, after Mr. Feeney sold the company he founded (DFS Group, a chain of airport stores), that his sizable charitable efforts became public.

"A lot of what Chuck likes doing is building buildings at universities and hospitals," Mr. O'Clery says. "But more and more, he became concerned with health issues, and I think his interest in aging grew out of that."

Katherine Freund **Staying Mobile**

For millions of people, driving at some point will become impractical. How, then, to get to the supermarket, or to friends' homes?

A near-tragedy 20 years ago in the life of Katherine Freund is yielding some answers.



In 1988, Ms. Freund's 3-year-old son was hit by a car and nearly killed. The driver was 84 years old. That event sparked an interest in transportation issues that led, in the mid-1990s, to the development of the Independent Transportation Network.

The program offers rides -- round the clock, seven days a week -- to older adults in the Portland, Maine, area. Fees average \$8 a trip. Riders can trade in their cars and get credit for travel; volunteer drivers can bank their hours on the road to use later for themselves or family.

Ms. Freund, 57, serves as president and executive director of ITNAmerica, which has grown into a national organization. While in Portland the program provides nearly 17,000 rides a year to about 1,000 members age 65 and older, ITNAmerica now has nine affiliates, which provided almost 26,000 rides last year, and expects to have 40 affiliates by 2010.

Sheryl Garrett **Spreading Financial Literacy**



Sheryl Garrett is on a mission to bring financial planning to the masses.

In the late 1990s, Ms. Garrett, a certified financial planner in Shawnee Mission, Kan., says she came to realize that many middle-class families knew little about managing money and retirement finances -- and couldn't afford to pay for help. Accordingly, instead of tying her fees to commissions or the size of a client's assets (common practices among financial advisers), she decided to charge by the hour.

"It's sort of like going to the dentist," says Ms. Garrett, who is 45. "You don't pay your dentist a retainer -- you pay him for time and expertise."

She soon found herself profiled in financial publications and fielding requests from consumers as far away as Massachusetts and California who wanted to hire her. In response, in July 2000, she launched Garrett Planning Network Inc., which now has almost 300 advisers across the U.S. The certified financial planners pay \$7,500 to license the business model. They are required to offer their services exclusively as fiduciaries (meaning they are legally obligated to put their clients' interests first) and on a fee-only basis. Hourly rates are about \$175.

Ms. Garrett is also seeking ways to raise financial literacy among the wider public, including possibly through electronic games, a nighttime soap opera or a personal-finance makeover TV show.

Michael Merzenich **Keeping Minds in Shape**



Michael Merzenich is working to make "brain exercise" as much a part of your routine in retirement as walking or jogging.

As chief scientific officer at Posit Science Corp., a San Francisco software maker, Dr. Merzenich, age 65, is at the forefront of efforts to improve mental health in later life. His interest in the field dates to the mid-1980s, when he was involved in experiments training animals at the University of California, San Francisco.

"We were watching [the animals'] brains change as they acquired skills and abilities," he remembers. Consequently, he began investigating tools that could promote and measure mental fitness in humans.

His first company, Scientific Learning Corp., started in 1996, created software for children struggling with language problems. Posit Science, which Dr. Merzenich founded in 2003, is focused on older adults. Its first product was designed to improve memory and cognition (thinking and processing speed), mainly through listening exercises; this spring, the company plans to release a new brain-training program focused on vision.

Dr. Merzenich, still a neuroscience professor at UCSF and an inventor with more than 50 patents, is working on exercises that support decision making, fine motor control (playing musical instruments, for example), and gross motor control (to help restore balance).

Bernard Osher **Senior School Master**

Returning to school, in some fashion, is high on many people's to-do lists in retirement. Bernard Osher is helping to build the classrooms and programs you might enter.

Mr. Osher helped his family start Golden West Financial Corp. in the 1960s and created a personal foundation in the 1970s. Today, he is pouring nearly \$200 million into what has become known as lifelong learning, or college-based education for older adults.

A native of Biddeford, Maine, Mr. Osher had his first significant exposure to the practice in 2000 during a visit to the Fromm Institute for Lifelong Learning at the University of San Francisco. "I came away very impressed," he says, particularly with "the joy of learning" that he witnessed.

Several months later, a trip to the Senior College at the University of Southern Maine in Portland sealed his interest. The Bernard Osher Foundation made a \$2.2 million gift to the Maine program in 2001, allowing the university to expand its peer-taught courses and workshops to more than 1,000 students ages 50 and older. Since then, the foundation has donated \$73 million to nearly 120 lifelong-learning institutes on university

campuses from Maine to Hawaii. Future grants will be used primarily to augment those programs.

John Rother
Advocate for the Aging

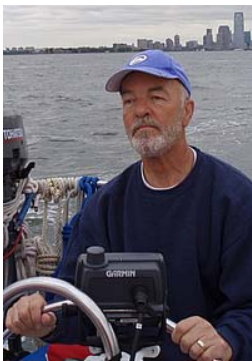
John Rother, AARP's policy director, is ultimately responsible for everything that the largest membership group for older Americans advocates at the state and national levels. He is constantly in motion, making about 80 speeches a year around the world and lobbying lawmakers nationwide.

"I've got the best job in Washington," says Mr. Rother, 60, who joined AARP in 1984 after serving as staff director and chief counsel to the Senate Special Committee on Aging.

Health care is his primary focus today. "It's too expensive, and we aren't getting our money's worth," he says. Fixing it "is going to take everything we know how to do -- prevention, better management of chronic care, improving quality, being smarter purchasers as the government and individuals."

In recent years, Mr. Rother has played a role in helping to pass - or block -- some of the most significant legislation in Congress: the Medicare prescription-drug benefit (not "everything we had hoped it would be, but...certainly better than nothing"); Social Security privatization; and the national do-not-call registry.

John P. Stewart
Urban Planner



John P. Stewart is working on a blueprint for making city services receptive to all of the needs of older Americans -- whether in health care, transportation, safety, employment or continuing education. To date, 16 cities have joined in the effort, including Baltimore, New York, Philadelphia, Chicago and Atlanta.

"I was really struck by the fact that we needed to change the way we look at aging services," says Mr. Stewart, who for 32 years worked as a Maryland state health and education administrator, and is now executive director of the Commission on Aging and Retirement Education for the city of Baltimore.

More than 25% of the U.S. work force is over 60 and living healthier lives, Mr. Stewart says. "A lot of people are going to have to work longer."

To focus on the question of what a senior-friendly city should look like, Mr. Stewart helped create a nonprofit think tank, the Baltimore City Center for Urban Aging Services and Policy Development. Issues under study include how to help grandparents who are raising their grandchildren; upgrading community senior centers with fitness equipment and personal trainers; and providing counseling to help cope with poverty and social isolation.

"This 'declinist' theory that people get old and should be put away is insane," says Mr. Stewart, 63. "We can be an asset."

William Thomas
Reinventing the Nursing Home



The spark for William Thomas's work came in 1991 while treating a patient in an upstate New York nursing home. "She grabbed my arm, pulled me down over the bed, looked in my eyes and said, 'I'm so lonely,'" he recalls.

To revitalize the place, he opened the doors to children, brought in parakeets, cats and dogs, and plowed up the grounds for a garden. The effort grew into the Eden Alternative, a nonprofit that has helped more than 500 nursing homes across the country shift their focus to their residents' emotional well-being and away from institutional scheduling.

Today, Dr. Thomas is widely regarded as a leader in efforts nationwide to bring humanity to the end of life. In 1999, while touring the country to promote the Eden Alternative's work and a novel about aging, "I realized that America's nursing homes are getting older faster than we are," he says.

Accordingly, he developed the idea of replacing traditional nursing homes with "Green Houses," cozier facilities centered on big kitchens with technology-laden bedrooms and nursing aides who also serve as housekeepers and companions. To date, there are 35 Green House projects; the Robert Wood Johnson Foundation is helping fund an expansion of the program.

For his next act, Dr. Thomas, 48, wants to become "the Dr. Spock of aging."

"The boomers are creeping toward elderhood, and I aim to help explain [the] terrain," he says. "The 'new' old age [is] a time of strength and growth and development and engagement."

--Ms. Greene is a staff reporter for The Wall Street Journal in Atlanta. She can be reached at encore@wsj.com.

CHANGING SHAPE OF LATER LIFE

PODCAST: WSJ's Kelly Greene speaks with Katherine Freund on transportation options for people who can't drive, Joseph Coughlin on products that can help people stay independent, and John Rother on what goes into "livable communities."