

Lack of financial planning linked to higher risk of death in US and UK

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People who are less socioeconomically advantaged have lower life expectancies, with a number of possible underlying mechanisms, such as less ability to spend on health care or the psychological effects of economic inequality.

Prior research also shows that many households struggle to financially prepare for old age. However, few researchers have explored whether forward-thinking financial decision making is itself associated with lower risk of death.

To address this potential link, Gladstone and Hundtofte analyzed data spanning a 22-year period for 11,478 older people living in the US and participating in the Health and Retirement Study, as well as 10 years' worth of data on 11,298 UK participants in the English Longitudinal Study of Aging. Both studies asked participants to complete questionnaires that included questions about [health](#), [life expectancy](#), and how far into the future they typically planned their finances when making spending or saving decisions.

Their findings have been published in *PLoS ONE*.

The researchers found that people who planned their finances further into the future had a lower risk of dying during the study periods. This association held true even after statistically accounting for other factors that could affect mortality risk, such as demographics, income, and self-reported life expectancy—which could inform financial planning decisions.

In addition, people who planned further into the future had better self-reported health, and this association was strongest for the least financially advantaged participants. The researchers note this finding suggests that longer-term planning may be most beneficial for the health of people without financial buffers for large or sudden expenses.

The researchers also note that these findings do not confirm a cause-effect relationship, and more research is needed. Nonetheless, this study could help inform efforts to reduce health disparities among [older people](#).

The authors add, "Our study suggests that a lack of financial planning is not only bad for your wallet, but also for your health and longevity. By encouraging people to think more about their future needs and goals, we may be able to improve their well-being and reduce health disparities."

More information: A lack of financial planning predicts increased mortality risk: Evidence from cohort studies in the United Kingdom and United States., *PLoS ONE* (2023). [DOI: 10.1371/journal.pone.0290506](https://doi.org/10.1371/journal.pone.0290506). [journals.plos.org/plosone/arti ... journal.pone.0290506](https://journals.plos.org/plosone/article?id=10.1371/journal.pone.0290506)

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