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Nationwide Retirement Institute®

# Health care: Plan for costs in retirement

• Not a deposit • Not FDIC or NCUSIF insured • Not guaranteed by the institution  
• Not insured by any federal government agency • May lose value



# Important things you should know

• Not a deposit • Not FDIC or NCUSIF insured • Not guaranteed by the institution • Not insured by any federal government agency • May lose value

This material is not a recommendation to buy or sell a financial product or to adopt an investment strategy. Investors should discuss their specific situation with their financial professional.

This information is general in nature and is not intended to be tax, legal, accounting or other professional advice.

This material should be regarded as educational information on health care and is not intended to provide specific advice. Nationwide and its representatives do not give legal or tax advice. An attorney or tax advisor should be consulted for answers to specific questions.

The information provided is based on current laws, which are subject to change at any time, and has not been endorsed by any government agency.

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# Nationwide Retirement Institute®

Education and  
insights



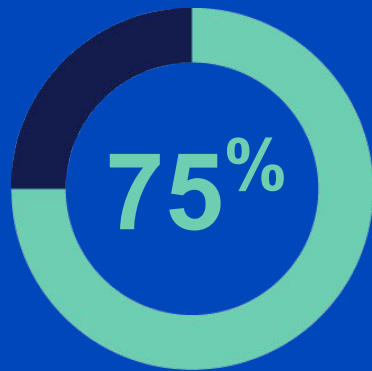
Tools



Consultative  
support



# Why individuals need to plan for health care expenses



Percentage who are not sure of or can't estimate their health care costs in retirement<sup>1</sup>

**\$315,000**

Estimated out-of-pocket health care costs for a 65-year-old couple in retirement<sup>2</sup>

<sup>1</sup> "Nationwide Health Care Consumer Survey" conducted by The Harris Poll on behalf of the Nationwide Retirement Institute (September 2023).

<sup>2</sup> "Health Care Expenses in Retirement Average \$67,000 — Even with Medicare Coverage," Martha C. White, Money.com (September 29, 2022).

# Agenda

- 1 Current state of health care costs in retirement

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- 2 Understanding health care costs in retirement

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- 3 Creating a plan to address health care costs

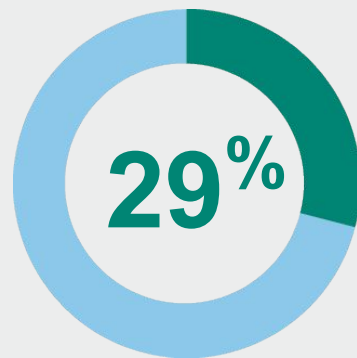
# Current state of health care costs and retirement

# Inflation in the past 2 decades<sup>1</sup>

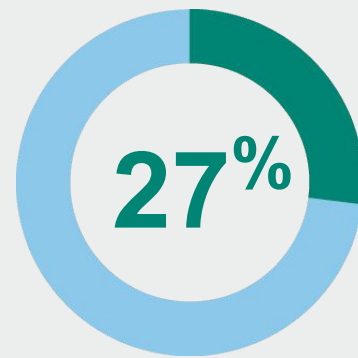


**Significant for  
those on a  
fixed income**

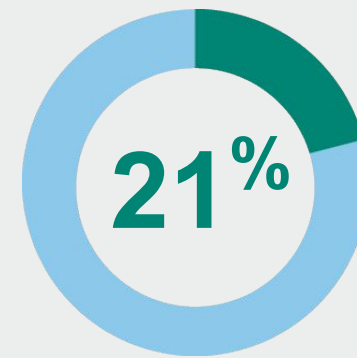
## Large firms (200+ employees) offering retiree health benefits



**2020**



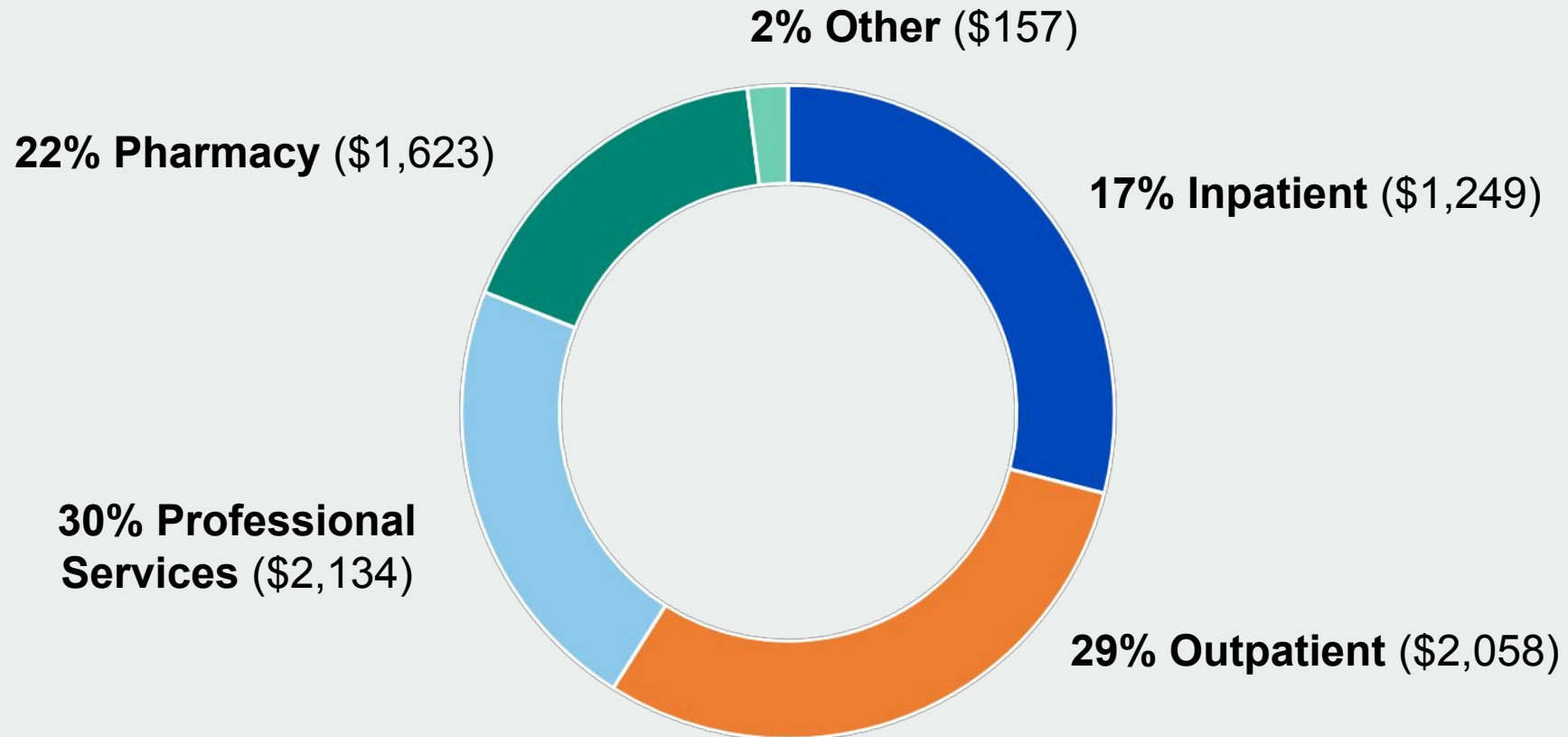
**2021**



**2023**



## 2023 Milliman Medical Index: Average health care spending



# Surprises about health care expenses



**More than  $\frac{3}{4}$**

Amount of health care  
premiums paid by  
employers<sup>1</sup>

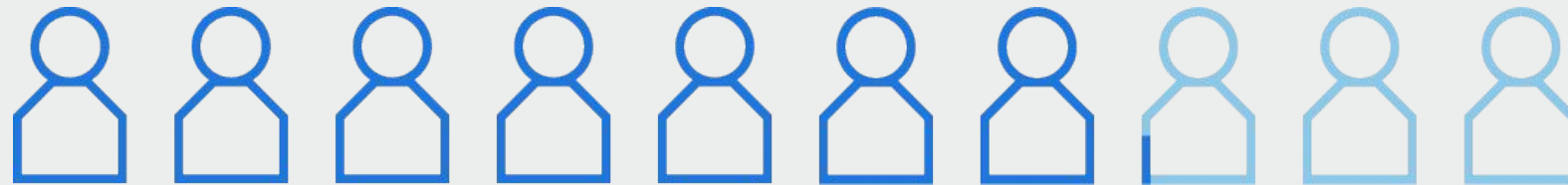


**Medicare  
isn't free**

<sup>1</sup> "Medical plans: Share of premiums paid by employer and employee for single coverage," U.S. Bureau of Labor Statistics (March 2022).

# Understanding the various health care costs in retirement

**Nearly three-quarters (72%) of people wished they had a better understanding of Medicare coverage.**



<sup>1</sup> "Nationwide Health Care Consumer Survey" conducted by The Harris Poll on behalf of the Nationwide Retirement Institute (September 2023).



Understanding the various health care costs in retirement

## Who is eligible for Medicare?

**An individual age 65 or older is eligible for Medicare if they:**

- > Collect (or qualify to collect) Social Security or Railroad Retirement benefits, or
- > Are a current U.S. resident and either
  - A U.S. citizen or
  - A permanent resident having lived in the U.S. for 5 years in a row prior to applying

# 7-month initial enrollment period

3 months **BEFORE** the  
month you turn 65



3 months **AFTER** the  
month you turn 65







Understanding the various health care costs in retirement

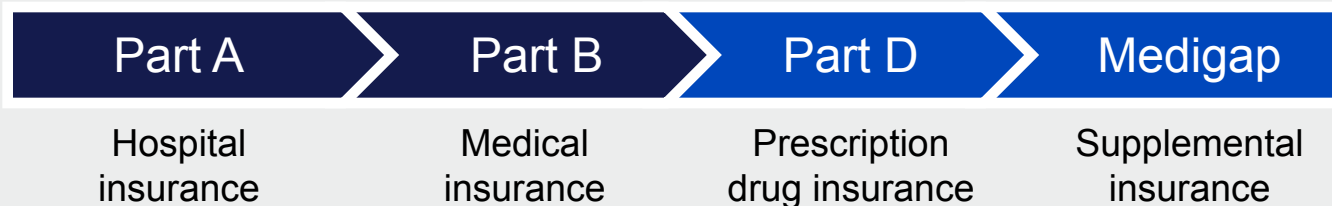
## Clients who work past age 65

- > Can enroll in Part B later, during SEP
- > Compare coverage before deciding to delay
- > Consider Part A enrollment

# Two options for Medicare coverage

## Original Medicare

A blend of coverage from the government (Part A and Part B) and private health insurers (Part D and Medigap)



## Medicare Advantage

Offered through private insurance approved by Medicare (Medicare Part C)



Medicare Advantage  
(hospitalization, medical and prescription drugs)

- Government-provided insurance
- Private insurance



# Additional costs specific to Part A and Part B (2024 figures)

## Part A

- > Hospital deductible: \$1,632
- > Daily hospital co-payments
  - \$0 for first 60 days of inpatient care
  - \$408 per day for days 61-90
  - \$816 per lifetime reserve day after day 90 (beneficiaries have 60 nonrenewable lifetime reserve days)
- > Daily skilled nursing facility co-payments
  - \$0 for first 20 days of inpatient care
  - \$204 per day for days 21-100

## Part B

- > Annual deductible: \$240
- > Co-insurance: 20% of Medicare-approved cost for covered services

## Part B premium (2024 figures)

The Part B premium is **\$174.70 per month**, but higher-income people could pay more.

Income-Related Monthly Adjustment Amount (IRMAA)		
2022 individual income (MAGI)	Married income (MAGI)	Part B
\$103,000 or less	\$206,000 or less	\$174.70
\$103,001 – \$129,000	\$206,001 – \$258,000	\$244.60
\$129,001 – \$161,000	\$258,001 – \$322,000	\$349.40
\$161,001 – \$193,000	\$322,001 – \$386,000	\$454.20
\$193,001 – \$500,000	\$386,001 – \$750,000	\$559.00
\$500,001 and above	\$750,001 and above	\$594.00

Understanding the various health care costs in retirement

# What's NOT covered by Part A and Part B

- > Most dental care
- > Most vision care
- > Routine hearing care, including hearing aids
- > Most foot care
- > Most long-term care
- > Most alternative medicine
- > Most care received outside the U.S.
- > Most nonemergency transportation



To look up whether a specific service is covered, visit [medicare.gov/coverage](https://www.medicare.gov/coverage).



# More costs: Supplemental coverage

## Part D



Covered drugs  
vary by plan

## Medigap



Helps cover  
out-of-pocket costs



Typically pays only  
for services approved by  
Medicare

## What Part D covers

### Prescription drugs

- > Lists of approved drugs vary by plan

### Coverage may change

- > Should review every year

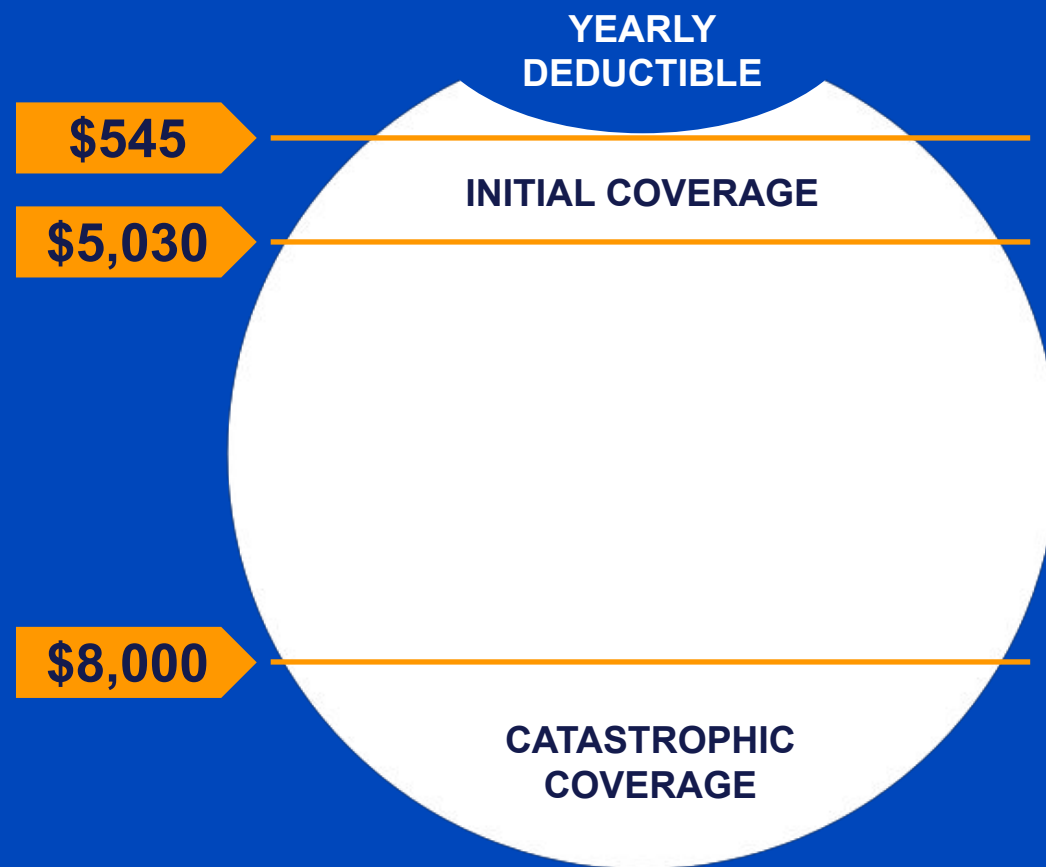
### Premiums vary

- > Subject to IRMAA and late enrollment penalties

### Income-Related Monthly Adjustment Amount (IRMAA)

2022 individual income (MAGI)	Married income (MAGI)	Part D
\$103,000 or less	\$206,000 or less	Plan premium
\$103,001 – \$129,000	\$206,001 – \$258,000	+ \$12.90
\$129,001 – \$161,000	\$258,001 – \$322,000	+ \$33.30
\$161,001 – \$193,000	\$322,001 – \$386,000	+ \$53.80
\$193,001 – \$500,000	\$386,001 – \$750,000	+ \$74.20
\$500,001 and above	\$750,001 and above	+ \$81.00

# Part D “Donut Hole” (2024 figures)



## Phase 1

Deductible: Patient pays 100%

## Phase 2

Initial coverage: Plan-specified co-payment or co-insurance for each medication

## Phase 3

Donut hole: Pay no more than 25% of cost of covered drugs

## Phase 4

Catastrophic coverage: \$0 out-of-pocket costs for covered drugs

## What Medigap plans cover



Helps cover  
out-of-pocket costs



Typically pays only  
for services approved  
by Medicare

# Medicare supplement insurance (Medigap) plans

	A	B	C	D	F <sup>1</sup>	G <sup>1</sup>	K	L	M	N
Part A co-insurance and hospital costs	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Part B co-insurance or co-payment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100% <sup>2</sup>
Blood (first 3 pints)	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Part A hospice care co-insurance or co-payment	100%	100%	100%	100%	100%	100%	50%	75%	100%	100%
Skilled nursing facility care co-insurance			100%	100%	100%	100%	50%	75%	100%	100%
Part A deductible		100%	100%	100%	100%	100%	50%	75%	50%	100%
Part B deductible			100%		100%					
Part B excess charges					100%	100%				
Foreign travel emergency (up to plan limits)			80%	80%	80%	80%			80%	80%
Out-of-pocket limit in 2024 <sup>3</sup>	N/A	N/A	N/A	N/A	N/A	N/A	\$7,060	\$3,530	N/A	N/A

**Plan C & Plan F aren't available if you turned 65 on or after January 1, 2020, and to some people under age 65. You might be able to get these plans if you were eligible for Medicare before January 1, 2020, but not yet enrolled.**

<sup>1</sup> Plans F and G also offer a high-deductible plan in some states.

<sup>2</sup> Plan N pays 100% of the costs of Part B services, except for co-payments for some office and emergency room visits.

<sup>3</sup> Plans K and L have an out-of-pocket yearly limit and Part B deductible. After you meet them, the plan will pay 100% for approved services.



## 2024 cost of Medicare premiums

	Monthly	Annual
Medicare Part A	\$0.00	\$0.00
Medicare Part B	\$174.70	\$2,096.40
Medicare Part D	\$66.75	\$801.00
Medigap Plan G	\$132.50	\$1,590.00
<b>Total per person</b>	<b>\$373.99</b>	<b>\$4,487.40</b>
<b>Total per couple</b>	<b>\$747.90</b>	<b>\$8,974.80</b>

This grid shows you the actual cost of premiums based on a couple's annual income below \$206,000 married filing jointly. This is for illustrative purposes only.

## Option 2 — Medicare Part C: Medicare Advantage Plans

**Offered by private companies to replace Original Medicare and secondary insurance**

- > Numerous options by county:
  - Managed Care (HMO/PPO)
  - Nonmanaged Care (PFFS/MSA)
- > Most plans include Part D benefit (MA-PD)
- > Hearing, dental and vision may be covered
- > Costs may increase for out-of-network doctors
- > Available to those:
  - Seeking an alternative to Parts A & B
  - Who live within the plan's service area
  - Who do NOT have end-stage renal disease
- > Cost is the same as Part B premium, plus any other applicable costs

# Switching plans

## Guaranteed

Original Medicare + Medigap

Medicare Advantage



OK during open enrollment

Medicare Advantage

Different Medicare Advantage



OK during open enrollment

## Not guaranteed (subject to medical underwriting)

Original Medicare + Medigap

Original Medicare + Different Medigap



Can try anytime



May be denied

Medicare Advantage

Original Medicare + Medigap

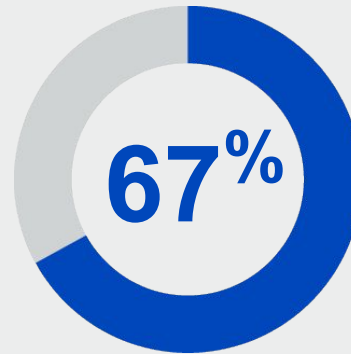


May be denied anytime except during a special enrollment period

# The LTC coverage choice matters



Most people surveyed would  
**prefer to receive care at home**



think it is **more important than ever** to stay at home for long-term care

## Activities of daily living

- > Bathing
- > Dressing
- > Eating
- > Transferring
- > Toileting
- > Continence

## Long-term care risk<sup>1</sup>

- > Age
- > Sex
- > Marital status
- > Lifestyle
- > Health history and family history

<sup>1</sup> <https://www.nia.nih.gov/health/what-long-term-care>

# Long-term care is not covered by Medicare

Skilled nursing facility care	Long-term care
Covered by Medicare after a 3-day (minimum) hospital stay	Not covered by Medicare or Medigap
You pay: <ul style="list-style-type: none"><li>&gt; \$0 for the first 20 days of each benefit period</li><li>&gt; \$204 per day for days 21 – 100</li><li>&gt; All costs for each day after day 100</li></ul>	Services include: <ul style="list-style-type: none"><li>&gt; Assistance with dressing, eating and other activities of daily living</li><li>&gt; In-home extended care or long-term caregiving</li><li>&gt; Cognitive long-term care</li></ul>

# Creating a plan for health care costs

Creating a plan for health care costs

# Funding sources

- > HSAs
- > Annuities
- > Life insurance
- > Investments







Creating a plan for health care costs

# Health savings accounts (HSAs)

- > Triple tax free
- > May pay LTC premiums
- > Many approved health expenses
  
- > Stop HSA contributions when you enroll in Medicare

# A personalized report just for you



## Be prepared for health care costs

*A personalized estimate of retirement health care costs to help you plan for the future*

Personalized Health Care Cost Assessment  
Includes Medicare, out-of-pocket, and long-term care expense estimates

Designed for Jim Smith and Linda Smith

Prepared by Sample Producer

\*\*\*\*\*  
\*\*\*\*\* XX 99999  
(999) 999-9999

The information collected on the Personalized Health Care Cost Assessment will be kept confidential and used to provide an estimate of a client's potential health care costs in retirement. The estimate is based on a client's specific financial situation and goals, as well as their current overall health condition. The client's financial situation and health conditions may change over time and this may affect their future changes. Please keep in mind that the estimates resulting from this fact finder are for hypothetical purposes only and are not guaranteed.

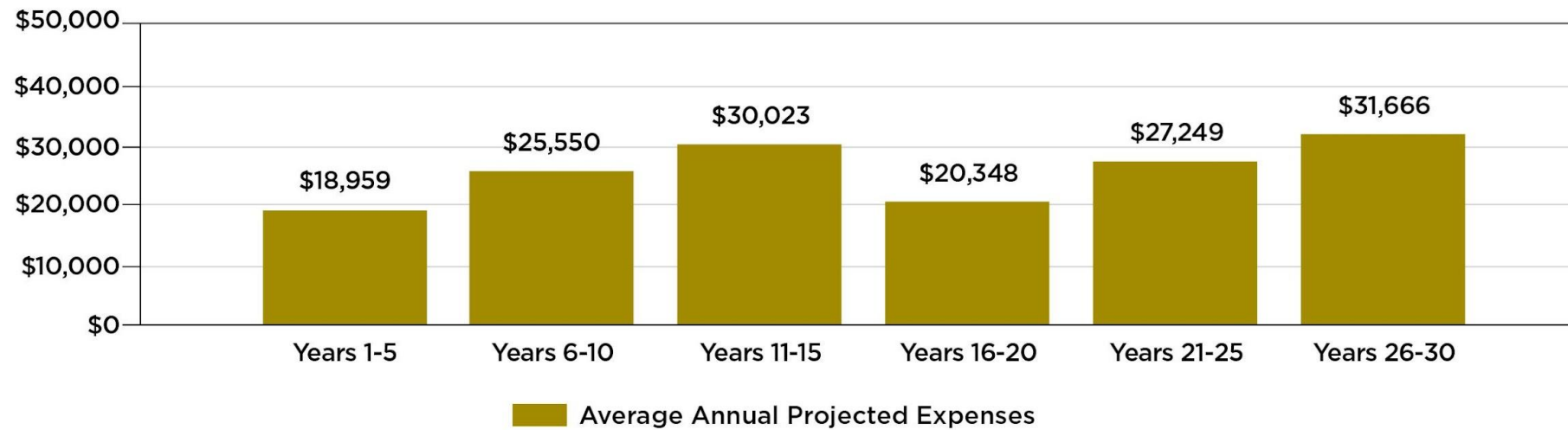
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# Samples from the report

## Average Annual Expenses per 5-Year Period

The following graph shows the *average* estimated annual cost of health care in retirement.





# Samples from the report



## Annual Expense Detail

Assuming retirement in 2028, your average health care expense from that point on is estimated to be \$17,421 a year. Talk to your financial professional about an accumulation strategy based on your individual situation to reach this goal.

Based on health care planning options, the following table estimates the annual health care expenses you could incur across two categories: premiums and additional costs.

Jim Smith					Linda Smith					Household Total	Total Without Part B
Age	Private or Part B Premiums	Part D and Supplemental Premiums	Additional Costs	Total	Age	Private or Part B Premiums	Part D and Supplemental Premiums	Additional Costs	Total		
65	\$2,672	\$2,797	\$3,754	\$9,223	65	\$2,672	\$2,797	\$1,995	\$7,464	\$16,687	\$11,343
66	\$2,830	\$3,020	\$4,067	\$9,917	66	\$2,830	\$3,020	\$2,082	\$7,932	\$17,849	\$12,189
67	\$2,983	\$3,260	\$4,237	\$10,480	67	\$2,983	\$3,260	\$2,167	\$8,410	\$18,890	\$12,924
68	\$3,103	\$3,513	\$4,503	\$11,119	68	\$3,103	\$3,513	\$2,287	\$8,903	\$20,022	\$13,816
69	\$3,233	\$3,785	\$4,897	\$11,915	69	\$3,233	\$3,785	\$2,414	\$9,432	\$21,347	\$14,881
70	\$3,372	\$4,073	\$5,199	\$12,644	70	\$3,372	\$4,073	\$2,549	\$9,994	\$22,638	\$16,884
71	\$3,520	\$4,378	\$5,513	\$13,411	71	\$3,520	\$4,378	\$2,690	\$10,588	\$23,999	\$18,959
72	\$3,682	\$4,706	\$5,850	\$14,238	72	\$3,682	\$4,706	\$2,838	\$11,224	\$25,462	\$18,098
73	\$3,859	\$5,053	\$6,186	\$15,098	73	\$3,859	\$5,053	\$2,992	\$11,904	\$27,002	\$19,284
74	\$4,048	\$5,428	\$6,539	\$16,015	74	\$4,048	\$5,428	\$3,157	\$12,633	\$28,648	\$20,552
75	\$4,250	\$5,824	\$6,904	\$16,978	75	\$4,250	\$5,824	\$3,332	\$13,406	\$30,384	\$21,884
76	\$4,471	\$6,249	\$7,294	\$18,014	76	\$4,471	\$6,249	\$3,513	\$14,233	\$32,247	\$23,305
77	\$4,713	\$6,698	\$7,703	\$19,114	77	\$4,713	\$6,698	\$3,702	\$15,113	\$34,227	\$24,801
78	\$4,972	\$7,166	\$8,082	\$20,220	78	\$4,972	\$7,166	\$3,896	\$16,034	\$36,254	\$26,310
					79	\$5,246	\$7,660	\$4,098	\$17,004	\$37,004	\$11,768
					80	\$5,534	\$8,181	\$4,311	\$18,026	\$38,026	\$12,492
					81	\$5,838	\$8,738	\$4,532	\$19,108	\$39,108	\$13,270
					82	\$6,159	\$9,323	\$4,767	\$20,249	\$40,249	\$14,090
					83	\$6,498	\$10,013	\$5,004	\$21,515	\$41,515	\$15,017
					84	\$6,856	\$10,740	\$5,248	\$22,844	\$42,844	\$15,988
					85	\$7,233	\$11,512	\$5,506	\$24,251	\$44,251	\$17,018
					86	\$7,631	\$12,334	\$5,772	\$25,737	\$45,737	\$18,106
					87	\$8,050	\$13,200	\$6,053	\$27,303	\$47,303	\$19,253
					88	\$8,493	\$13,958	\$6,305	\$28,756	\$48,756	\$20,283
					89	\$8,960	\$14,677	\$6,562	\$30,199	\$50,199	\$21,239
					90	\$9,453	\$15,388	\$6,825	\$31,666	\$51,666	\$22,213
Total	\$51,708	\$65,950	\$80,728	\$198,386		\$137,659	\$201,674	\$104,995	\$443,928	\$642,314	\$452,947
Average*	\$3,693	\$4,711	\$5,766	\$14,170		\$5,295	\$7,757	\$4,023	\$17,074	\$24,704	\$17,421

\*Averages are calculated from columns.

The information presented above is hypothetical. The accuracy or applicability of the tool's results to your circumstances is not guaranteed. We encourage you to talk to an investment professional about your situation. This tool is not an offer, representation or warranty by Nationwide or any of its affiliated companies and does not describe any specific products or services they offer. We are not responsible for the consequences of any decisions or actions taken in reliance upon or as a result of the information provided by this tool.

# Samples from the report

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68	\$3,103	\$3,513	\$4,503	\$11,119	68	\$3,103	\$3,513	\$2,287	\$8,903	\$20,022	<b>\$13,816</b>
69	\$3,233	\$3,785	\$4,897	\$11,915	69	\$3,233	\$3,785	\$2,414	\$9,432	\$21,347	<b>\$14,881</b>
70	\$3,372	\$4,073	\$5,199	\$12,644	70	\$3,372	\$4,073	\$2,549	\$9,994	\$22,638	<b>\$15,894</b>
71	\$3,520	\$4,378	\$5,513	\$13,411	71	\$3,520	\$4,378	\$2,690	\$10,588	\$23,999	<b>\$16,959</b>
72	\$3,682	\$4,706	\$5,850	\$14,238	72	\$3,682	\$4,706	\$2,836	\$11,224	\$25,462	<b>\$18,098</b>
73	\$3,859	\$5,053	\$6,186	\$15,098	73	\$3,859	\$5,053	\$2,992	\$11,904	\$27,002	<b>\$19,284</b>
74	\$4,048	\$5,428	\$6,539	\$16,015	74	\$4,048	\$5,428	\$3,157	\$12,633	\$28,648	<b>\$20,552</b>
75	\$4,250	\$5,824	\$6,904	\$16,978	75	\$4,250	\$5,824	\$3,332	\$13,406	\$30,384	<b>\$21,884</b>

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76	\$4,471	\$6,249	\$7,294	\$18,014	76	\$4,471	\$6,249	\$3,513	\$14,233	\$32,247	\$23,305
77	\$4,713	\$6,698	\$7,703	\$19,114	77	\$4,713	\$6,698	\$3,702	\$15,113	\$34,227	\$24,801
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					83	\$6,498	\$10,013	\$5,004	\$21,515	\$21,515	\$15,017
					84	\$6,856	\$10,740	\$5,248	\$22,844	\$22,844	\$15,988
					85	\$7,233	\$11,512	\$5,506	\$24,251	\$24,251	\$17,018
					86	\$7,631	\$12,334	\$5,772	\$25,737	\$25,737	\$18,106
					87	\$8,050	\$13,200	\$6,053	\$27,303	\$27,303	\$19,253
					88	\$8,493	\$13,958	\$6,305	\$28,756	\$28,756	\$20,263
					89	\$8,960	\$14,677	\$6,562	\$30,199	\$30,199	\$21,239
					90	\$9,453	\$15,388	\$6,825	\$31,666	\$31,666	\$22,213
Total	\$51,708	\$65,950	\$80,728	\$198,386		\$137,659	\$201,674	\$104,595	\$443,928	\$642,314	\$452,947
Average*	\$3,693	\$4,711	\$5,766	\$14,170		\$5,295	\$7,757	\$4,023	\$17,074	\$24,700	\$17,421

# Samples from the report



## Long-term Care Expense Detail

The costs estimated in this section are specifically for the purposes of providing funding for long-term care expenses. Long-term care begins after one demonstrates the inability to perform at least 2 out of 6 Activities of Daily Living (ADLs) - or- has cognitive impairment, which includes such conditions as Dementia and Alzheimer's.

Jim Smith

The following shows long-term care summary and cost information for Jim Smith in OH, metro region Columbus. Projected amounts are expressed as future dollars.

**Should you need long-term care, it is projected to begin around age 75 in 2038.**

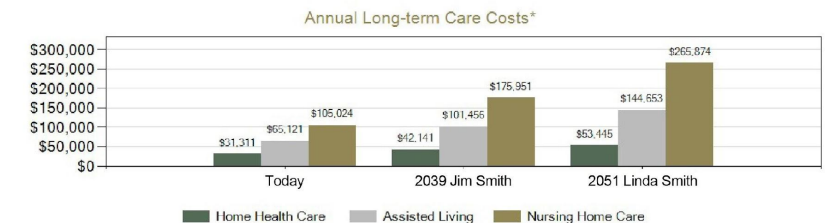
	Home Health Care	Assisted Living	Nursing Home Care
Monthly Cost Today	\$2,609	\$5,427	\$8,752
Annual Cost Today	\$31,311	\$65,121	\$105,024
Projected Inflation Rate*	2.0%	3.0%	3.5%
Projected Monthly Cost at Claim	\$3,512	\$8,455	\$14,663
Projected Annual Cost at Claim	\$42,141	\$101,456	\$175,951

Linda Smith

The following shows long-term care summary and cost information for Linda Smith in OH, metro region Columbus. Projected amounts are expressed as future dollars.

**Should you need long-term care, it is projected to begin around age 87 in 2050.**

	Home Health Care	Assisted Living	Nursing Home Care
Monthly Cost Today	\$2,609	\$5,427	\$8,752
Annual Cost Today	\$31,311	\$65,121	\$105,024
Projected Inflation Rate*	2.0%	3.0%	3.5%
Projected Monthly Cost at Claim	\$4,454	\$12,054	\$22,156
Projected Annual Cost at Claim	\$53,445	\$144,653	\$265,874



\* The inflation rates assumed in this report are based on publicly available cost of care surveys from 2016 to 2018. The actual future costs of care will be different from historical cost of care. Assisted Living Facility costs and Skilled Nursing rates are based on "metro region" average daily rates multiplied by 365 days per year or on a "monthly basis multiplied by 12 months". Home Health Care costs are based on 25.3 hours per week and based on the costs per metro region.

# Samples from the report





# A tool to help you plan

## The Nationwide Health Care/LTC Cost Assessment

- > Estimates your future health care expenses
- > Uses calculations from one of the world's leading actuarial firms



Complete this form and have your financial professional return it to the Insights and Solutions Planning Team, IPLNDES@nationwide.com  
Fax: 1-855-256-4220

Have questions? Call 1-877-245-0763

### Health Care/LTC Cost Assessment Fact Finder

Wholesaler name: \_\_\_\_\_ Meeting reference: \_\_\_\_\_  
Report type requested:  Medicare costs only  Long-term care costs only  Both

REPORT REQUESTED BY:	BROKER/DEALER	BGA	IMO	RIA
First Name:	Last Name:			
Firm/BGA/IMO Name:	Phone:			
Send Report To (Email):	Address (Street, City, State, ZIP Code):			

Client and spouse/partner information								
<i>Couples and partners sharing a household should complete all of the fields below, even if you are planning for only one spouse or partner. The assessment considers the availability of receiving care from a spouse or partner in determining the health care and long-term care cost estimate.</i>								
	First Name	Last Name	Sex	Current Age	Retirement Age	Retirement Location(s)		
						State(s)	City* (City)	County
Client								
Spouse/ Partner								

Assessment questions <i>Check Yes or No</i>	Client's response		Spouse's/partner's response	
If you plan to retire prior to age 65, will you need to purchase private health insurance?	Yes	No	Yes	No
<b>CURRENT HEALTH</b> <i>This assessment is not designed for persons already diagnosed with Alzheimer's, Parkinson's or other disqualifying conditions.</i>				
Diagnosed with high blood pressure?	Yes	No	Yes	No
Diagnosed with high cholesterol?	Yes	No	Yes	No
Diagnosed with Type 1 diabetes?	Yes	No	Yes	No
Diagnosed with Type 2 diabetes?	Yes	No	Yes	No
Diagnosed with cardiovascular disease?	Yes	No	Yes	No
	Years since diagnosis:		Years since diagnosis:	
Diagnosed with cancer?	Yes	No	Yes	No
	Years since diagnosis:		Years since diagnosis:	
Diagnosed with multiple sclerosis?	Yes	No	Yes	No
<b>LIFESTYLE AND HEALTH HISTORY</b>				
Currently a tobacco user?	Yes	No	Yes	No
Dependent on a cane, walker or wheelchair?	Yes	No	Yes	No
Family history of diabetes or cardiovascular disease?	Yes	No	Yes	No

Annual income in retirement		
<i>Select the range that best fits your actual or estimated post-retirement income (not your income level before retirement). Use your modified adjusted gross income (MAGI) and assume today's dollars. Your retirement income helps determine the cost for Medicare Parts B &amp; D.</i>		
Married filing jointly; married couples filing a joint tax return	Individual: for single persons filing an individual tax return	
	Individual 1	Individual 2
\$206,000 or less	\$103,000 or less	
\$206,001 to \$258,000	\$103,001 to \$129,000	
\$258,001 to \$322,000	\$129,001 to \$161,000	
\$322,001 to \$386,000	\$161,001 to \$193,000	
\$386,001 to \$750,000	\$193,001 to \$500,000	
\$750,001 or above	\$500,001 or above	

**Medicare coverage** *Select only one option*

*All Medicare premiums plus additional medical costs will be used as the default option if no other option is selected. Not required for LTC-only reports.*

Include Medicare parts A, B and D, plus supplemental insurance premiums and out-of-pocket expenses.

Include Medicare parts A, B and D, plus supplemental insurance premiums only.

Include Medicare parts A, B and D only.

\* City/metro data will be used if available; otherwise, statewide averages will be used.

# A tool to help you plan

Assessment questions <i>Check Yes or No</i>	Client's response	Spouse's/partner's response
If you plan to retire prior to age 65, will you need to purchase private health insurance?	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No
<b>CURRENT HEALTH</b> <i>This assessment is not designed for persons already diagnosed with Alzheimer's, Parkinson's or other disqualifying conditions.</i>		
Diagnosed with high blood pressure?	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No
Diagnosed with high cholesterol?	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No
Diagnosed with Type 1 diabetes?	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No
Diagnosed with Type 2 diabetes?	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No
Diagnosed with cardiovascular disease?	<input type="radio"/> Yes <input type="radio"/> No Years since diagnosis: <input type="text"/>	<input type="radio"/> Yes <input type="radio"/> No Years since diagnosis: <input type="text"/>
Diagnosed with cancer?	<input type="radio"/> Yes <input type="radio"/> No Years since diagnosis: <input type="text"/>	<input type="radio"/> Yes <input type="radio"/> No Years since diagnosis: <input type="text"/>
Diagnosed with multiple sclerosis?	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No
<b>LIFESTYLE AND HEALTH HISTORY</b>		
Currently a tobacco user?	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No
Dependent on a cane, walker or wheelchair?	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No
Family history of diabetes or cardiovascular disease?	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Yes <input type="radio"/> No

# A tool to help you plan

Annual income in retirement		
<i>Select the range that best fits your actual or estimated post-retirement income (not your income level before retirement). Use your modified adjusted gross income (MAGI) and assume today's dollars. Your retirement income helps determine the cost for Medicare Parts B &amp; D.</i>		
Married filing jointly: married couples filing a joint tax return	Individual: for single persons filing an individual tax return	
	Individual 1	Individual 2
<input type="radio"/> \$206,000 or less	<input type="radio"/>	<input type="radio"/> \$103,000 or less
<input type="radio"/> \$206,001 to \$258,000	<input type="radio"/>	<input type="radio"/> \$103,001 to \$129,000
<input type="radio"/> \$258,001 to \$322,000	<input type="radio"/>	<input type="radio"/> \$129,001 to \$161,000
<input type="radio"/> \$322,001 to \$386,000	<input type="radio"/>	<input type="radio"/> \$161,001 to \$193,000
<input type="radio"/> \$386,001 to \$750,000	<input type="radio"/>	<input type="radio"/> \$193,001 to \$500,000
<input type="radio"/> \$750,001 or above	<input type="radio"/>	<input type="radio"/> \$500,001 or above

# Summary

## **It's important to plan for health care costs in retirement:**

- > Inflation and increased longevity will drive up health care expenses
- > Medicare has many associated expenses, and possible penalties
- > Long-term care may be needed by many, and it is expensive

**Contact with your financial professional to talk about your health care expenses in retirement.**