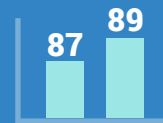


2021 Retirement Healthcare Costs Data Report

Key Takeaways

- Healthcare expenses will continue their historical trend of inflating at 2-2.5 times the rate of U.S. Inflation.
- Lifetime health costs for most couples retiring in 2021 can range from \$156,208 to \$1,022,997.
- Factors which most strongly impact expenditures include coverage, health, longevity, income, and state.
- The average retiree's Medigap premiums will grow by 7.7% each year throughout their retirement.
- When considering longevity, healthy retirees may spend more cumulatively than those with chronic conditions.

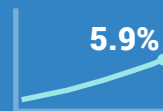
An Average, Healthy 65-Year-Old Couple Retiring in 2021...



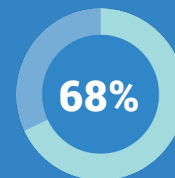
Can expect to live to 87 (male) and 89 (female).



Will spend \$662,156 on their healthcare costs throughout retirement.



Will experience an average annual cost inflation of 5.9%.



Will spend 68% of their Social Security benefits on healthcare costs.

Looking Ahead to 2021

- The COVID-19 pandemic will continue to impact how Americans handle their healthcare needs
- Healthcare spending will be affected by the long-term effects of COVID-19 infection, the viability and availability of a vaccine, and to what extent Americans “catch up” on elective health services
- An Executive Order will require hospitals to publish their charges and negotiated rates, helping people compare prices
- Retirees in the highest Medicare IRMAA threshold will pay an additional \$430 each month for Parts B and D premiums based on their modified adjusted gross income
- Over the 2020's, Medicare Part B premiums will inflate by an average of 5.9% per year, Part D by 4.9%, and dental premiums and out-of-pocket spending by 4.5%

To read our 2021 Retirement Healthcare Costs Data Report, [click here](#).