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NATIONWIDE RETIREMENT INSTITUTE<sup>®</sup>

# Health Care

**Insights from the 2018 Nationwide<sup>®</sup> Health Care  
and Long-term Care Consumer Survey**

*Surveyed: affluent U.S. adults age 50 or older with a household income of \$150k+*

## Health care costs are a major concern as adults age

***\$8,800***

Respondents' estimated annual health care costs in retirement for themselves



***\$14,000***

Respondents' estimated annual health care costs in retirement for their partners

# People are afraid that health care costs will undermine their retirement goals



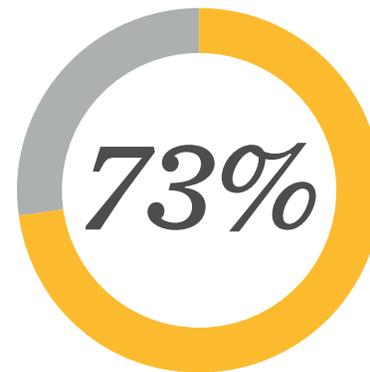
**6 in 10**

terrified of how health care **costs may derail** their retirement plans



very **confident/confident**  
in their plan for living  
comfortably in retirement

*yet,*



say one of their top retirement  
**concerns is health care costs**  
going out of control

Respondents aren't confident in their understanding of Medicare—and whether they will be able to afford what Medicare doesn't cover

**72%**

wish they understood Medicare coverage better



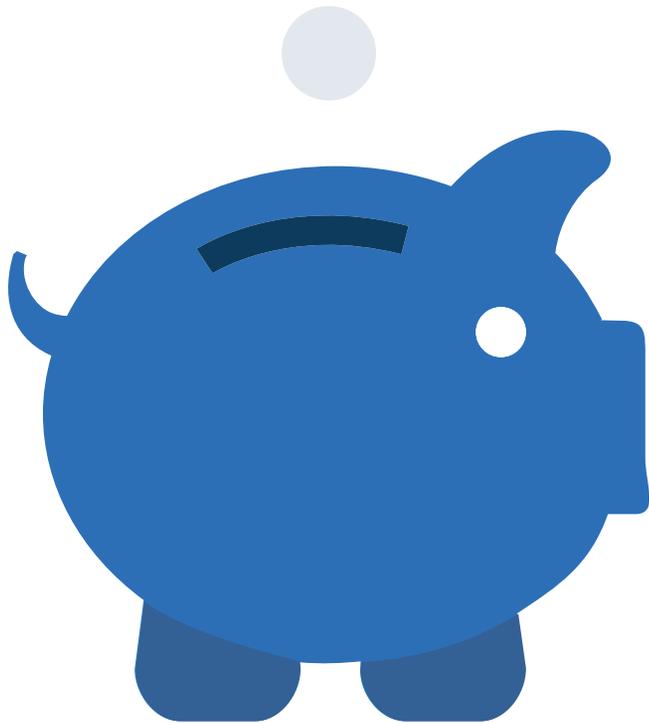
**40%**

somewhat/not at all confident in their plan for **paying for health care costs** beyond what Medicare covers

**56%**

Over half are very/somewhat concerned about **not having the money** to cover unplanned medical expenses in retirement

Such concerns about health care costs in retirement are well-founded—adults are already unable to handle unexpected health care costs



***\$5,174***

the average maximum amount  
respondents can cover in  
unplanned expenses today

# Some aging Americans have engaged in behaviors that could be damaging to their health to reduce spending on health care costs

## 6 in 10

have done something to avoid or minimize health care costs



One-fifth have **engaged in some type of behavior that could negatively impact their health**, including:

- 7%** delaying treatment when sick
- 7%** reducing spending on groceries
- 6%** skipping routine/preventative screenings
- 3%** not filling prescriptions
- 2%** cutting pills in half

# Workers are not leveraging the benefits of HSA plans

**4 in 10**

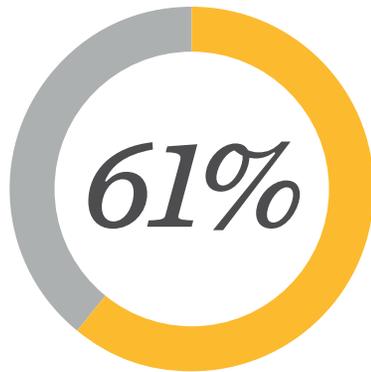
of those with access to an HSA are not taking advantage of it



**65%**

of those who participate/  
contribute to an HSA **aren't using**  
**it as an investment vehicle**

## Many Americans have not taken advantage of financial advisors' expertise



feel that professional financial **advisors or consultants are well-equipped** to discuss health care costs during retirement



Only about a quarter have **talked to a professional** financial advisor about health care costs during retirement



While about a third **have not discussed health care costs in retirement** with anyone, including their spouse

# How to prepare? Discuss health care costs in retirement with a financial advisor

**78%**

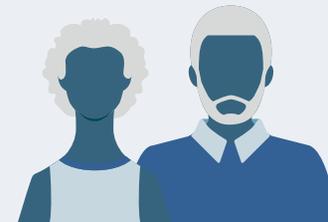
up from 73% last year, **expect their financial advisors to provide advice on planning** for health care costs in retirement

**46%**

Nearly half believe that it is **very important/important to discuss** health care costs in retirement with a professional financial advisor or consultant



The perceived value of these health care discussions with advisors increases dramatically to 67% among adults who have already talked to an advisor about these topics





## CLIENTS

Work with a financial advisor to **complete a personalized Nationwide Health Care Cost Assessment.**

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## ADVISORS

To learn more about Nationwide's Health Care Cost Assessment, call your wholesaler or the Retirement Institute Income Planning Team at **1-877-245-0763** or visit [nationwidefinancial.com/healthcare](https://nationwidefinancial.com/healthcare)



The fourth annual Health Care/Long-term Care Survey was conducted online within the United States by The Harris Poll on behalf of Nationwide from February 5-22, 2018 among 1,007 adults ages 50 and older who have a household income of \$150k or more ("affluent adults"), and 522 U.S. adults ages 50 and older who are or have been caregivers. Caregivers are defined as those providing paid or unpaid long-term care to a friend or family member, not through an agency, business, or non-governmental organization. Data are weighted where necessary by age by gender, race/ethnicity, region, education, income, marital status, and propensity to be online to bring them in line with their actual proportions in the population. This material is not a recommendation to buy, sell, hold, or rollover any asset, adopt an investment strategy, retain a specific investment manager or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition or particular needs of any specific person. Investors should work with their financial professional to discuss their specific situation.

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