

The Nationwide Retirement Institute® 2020 Health Care Consumer Survey

September, 2020
Presented by The Harris Poll

NFM-20007AO



Target Group and Method

This survey was conducted online from May 7 – 26, 2020 to a targeted subset of the U.S. population:

– 1,940 U.S. adults aged 24 or older:

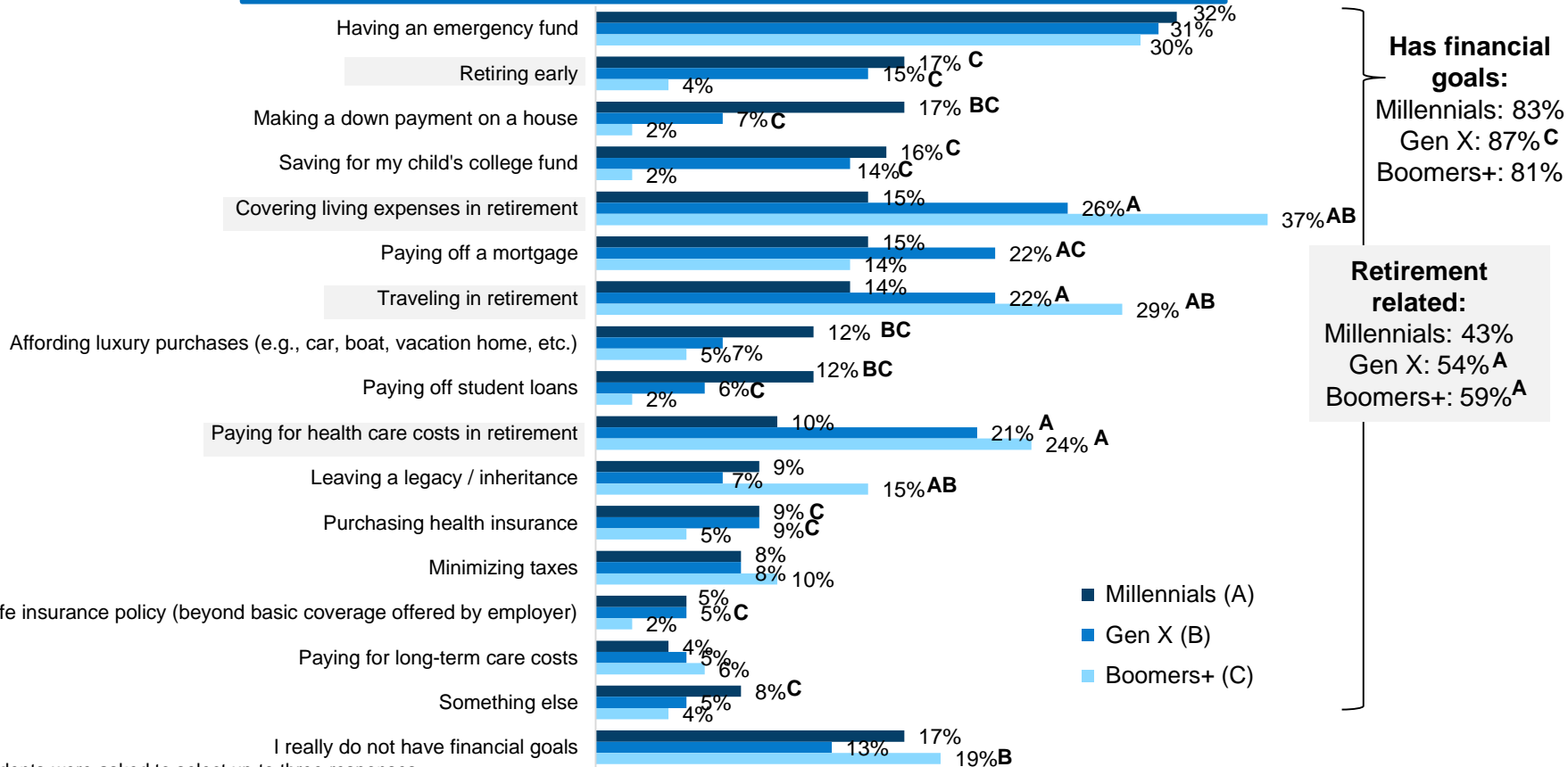
- **Millennials** – age 24-39 (n=392)
- **Gen X** – age 40-55 (n=534), or
- **Boomers+** – age 56+ (n=1,014)

Data were statistically weighted as needed to bring them in line with the population of US residents from the 2020 CPS for education, age by gender, race/ethnicity, region, household income, marital status, and household size. Our weighting algorithm also included a propensity score which allows us to adjust for attitudinal and behavioral differences between those who are online versus those who are not, those who join online panels versus those who do not, and those who responded to this survey versus those who did not.

8 in 10 across all generations have financial goals, with more than half of Gen Xers and Boomers+ reporting theirs to be retirement related

- Millennials are less likely to have financial goals related to retirement (understandably so, given it is further in the future for them)
- While there are several differences among generations, one notable exception is that about a third of all three say having an emergency fund is a financial goal

Financial Goals[^]



[^]Respondents were asked to select up to three responses.

Base: ALL QUALIFIED RESPONDENTS (Total n=1940): Millennials (n=392); Gen X (n=534); Boomers+ (n=1014)
 Q1n2019 Which of the following financial goals do you currently have? Please select up to three.

Three-quarters of Boomers+ have achieved certain financial milestones, compared to about two-thirds of Gen Xers and Millennials

- Only about a quarter or fewer across all generations have met with a financial professional or created a retirement plan.

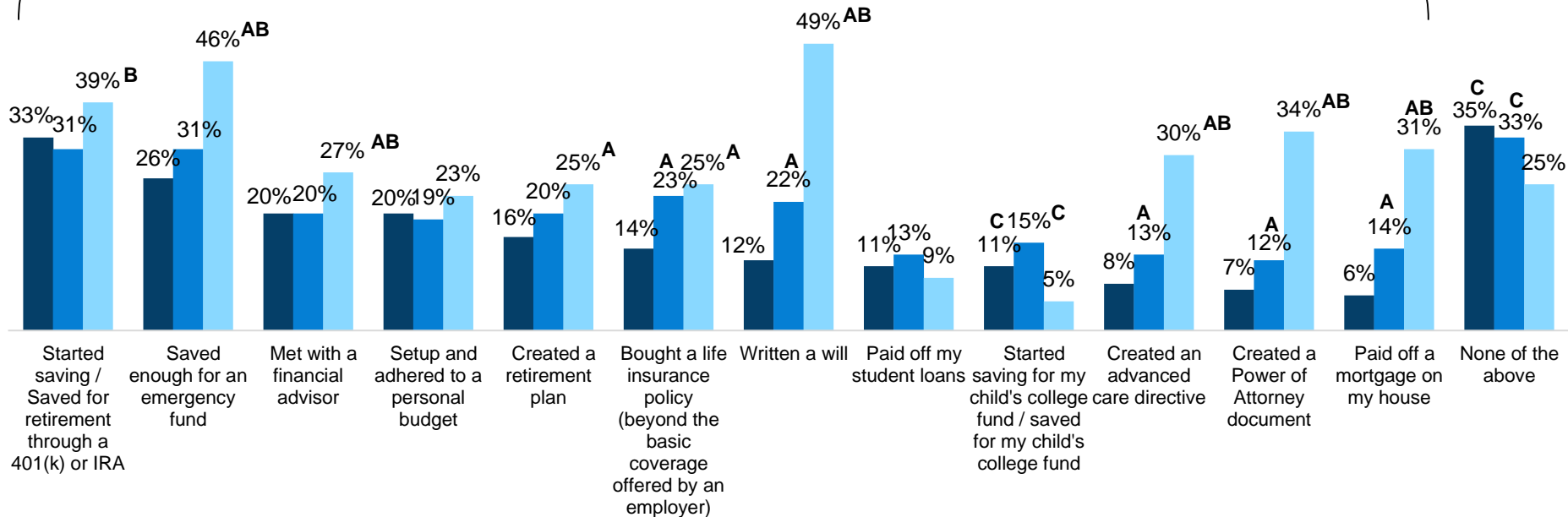
Financial Milestones Achieved

Accomplished a financial milestone:

Millennials: 65%
Gen X: 67%
Boomers+: 75%^{AB}

Overall, those who work with a financial professional are more likely than those who do not to have accomplished at least one of these financial milestones (92% vs. 58%)

■ Millennials (A) ■ Gen X (B) ■ Boomers+ (C)



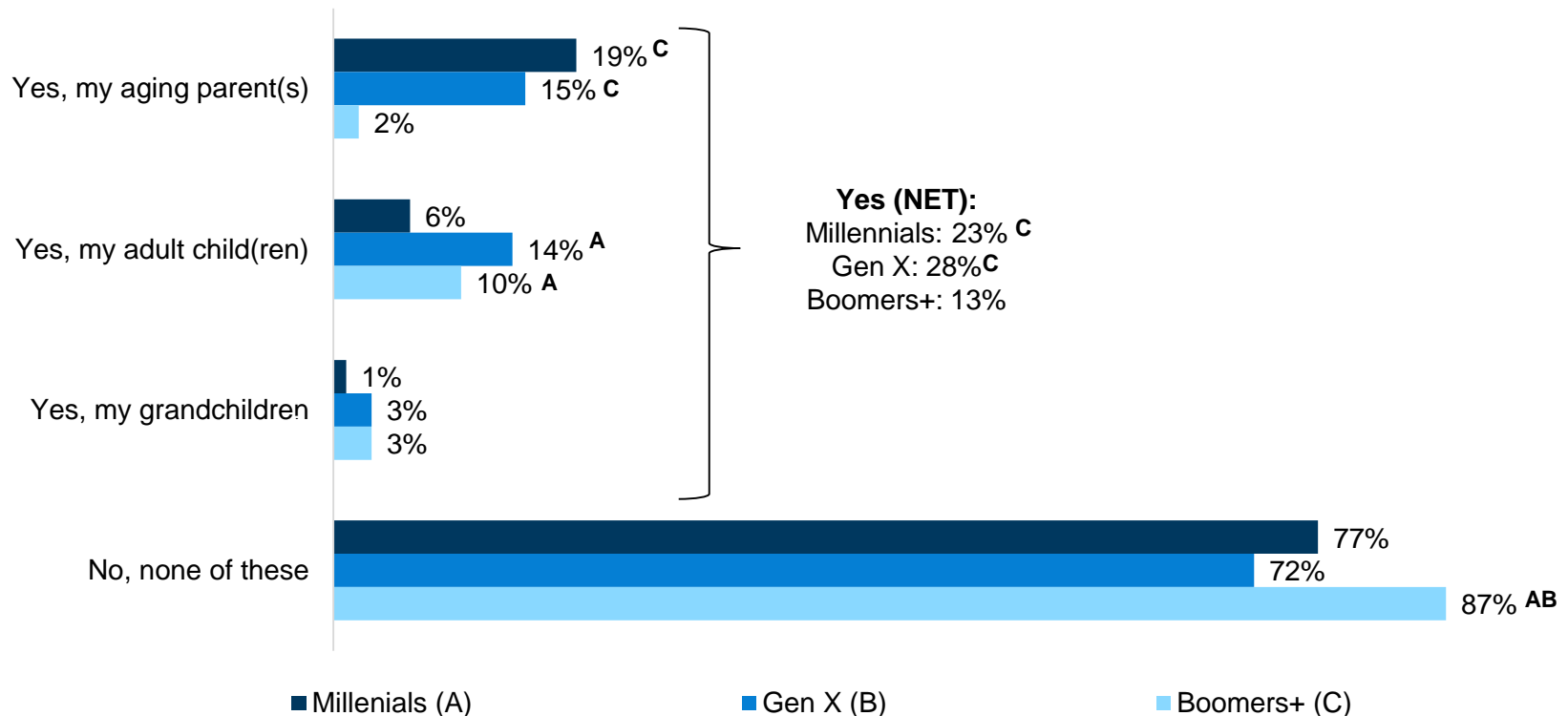
Base: ALL QUALIFIED RESPONDENTS (Total n=1940): Millennials (n=392); Gen X (n=534); Boomers+ (n=1014)

Q2HW Listed below are different financial related activities or milestones that may or may not apply to you. Please select all of the activities or milestones that you've accomplished.

Roughly a quarter of Millennials and Gen Xers are providing financial support to another family member, compared to only about 1 in 10 Boomers+

- About 1 in 5 Millennials and about 1 in 6 Gen Xers are providing financial support for their aging parent(s).
- About 1 in 8 Gen Xers and 1 in 10 Boomers+ are providing financial support for their adult child(ren).

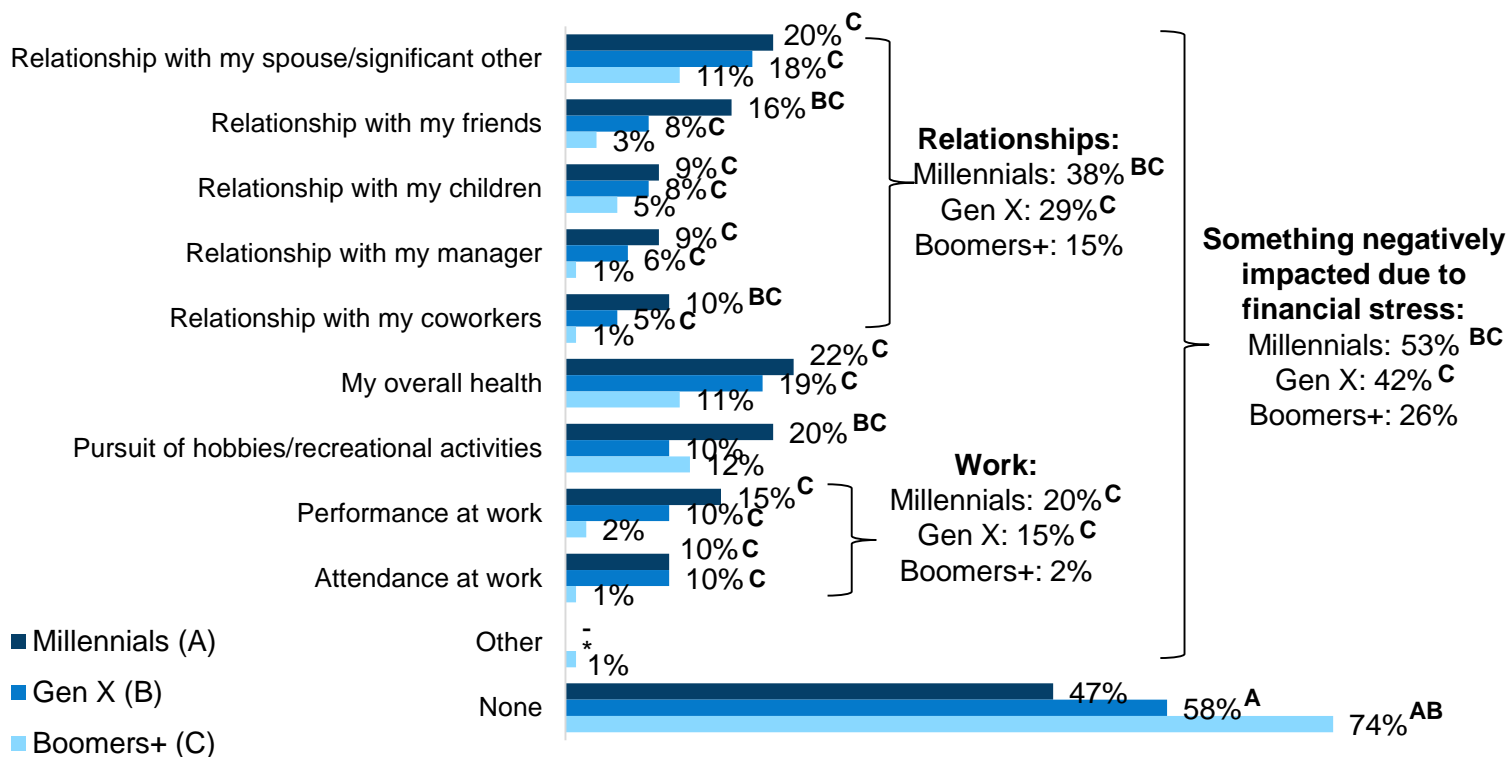
Do You Currently Provide Financial Support to Adult Child(ren)/Aging Parent(s)/or Grandchild(ren)?



Half of Millennials say some aspect of their life has been negatively affected by financial stress, compared to 4 in 10 Gen Xers and only a quarter of Boomers+

- Millennials are more likely than both Gen Xers and Boomers+ to say their relationships were negatively impacted, particularly those with their friends and coworkers.
- Millennials and Gen Xers are more likely than Boomers+ to say that their performance or attendance at work were negatively impacted.

Life Aspects Negatively Impacted by Financial Stress in Past



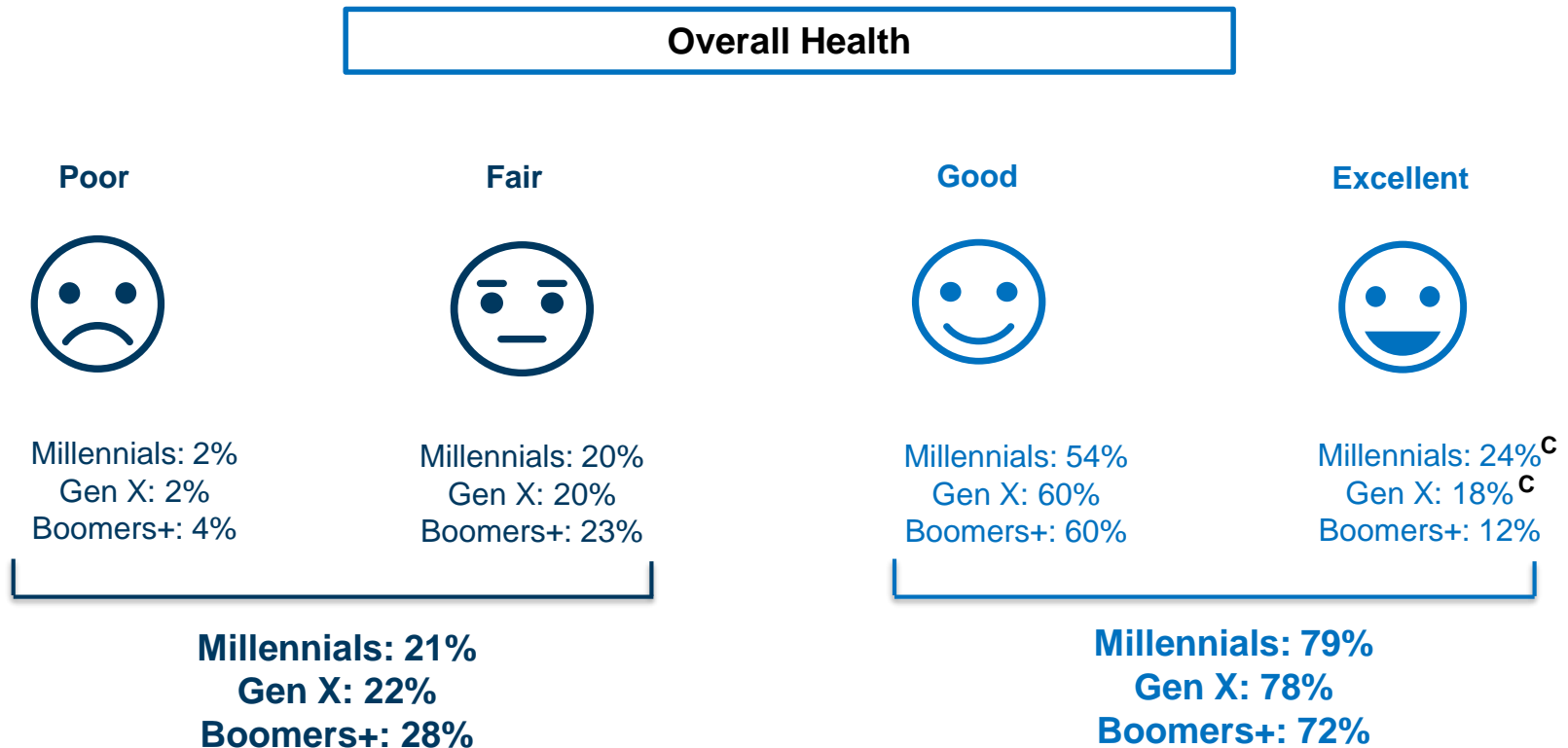
Base: ALL QUALIFIED RESPONDENTS (Total n=1940): Millennials (n=392); Gen X (n=534); Boomers+ (n=1014)

Q19HW Thinking about your personal experiences, have any of the following been negatively impacted due to financial stress in the past?

Please select all that apply.

A majority across all generations feel they are in excellent or good health

- Perhaps unsurprisingly, Millennials and Gen Xers are more likely than Boomers+ to say they are in excellent health, though this is still only about a quarter or less.
- More than half in each generation feel they are in “good” health.



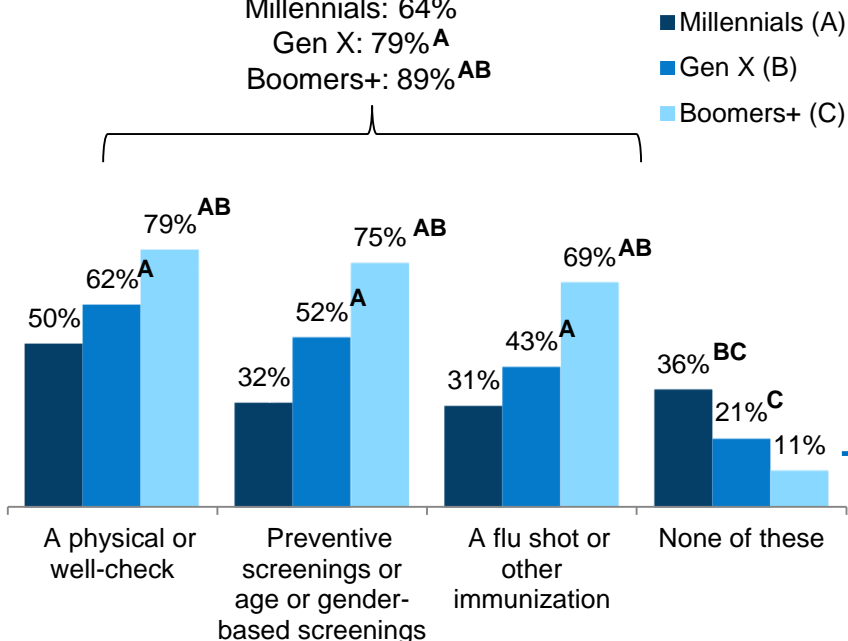
Millennials less likely than Gen Xers and Boomers+ to have received preventative health services in the past year

- While half of Millennials received a physical or well check, less than a third had preventative screenings or a flu shot.
- Those who haven't had a preventative health service in the past year most commonly say they don't know why they didn't have them done, with about 1 in 5 or less citing that costs are too high or the services aren't necessary.

Preventative Health Services Received

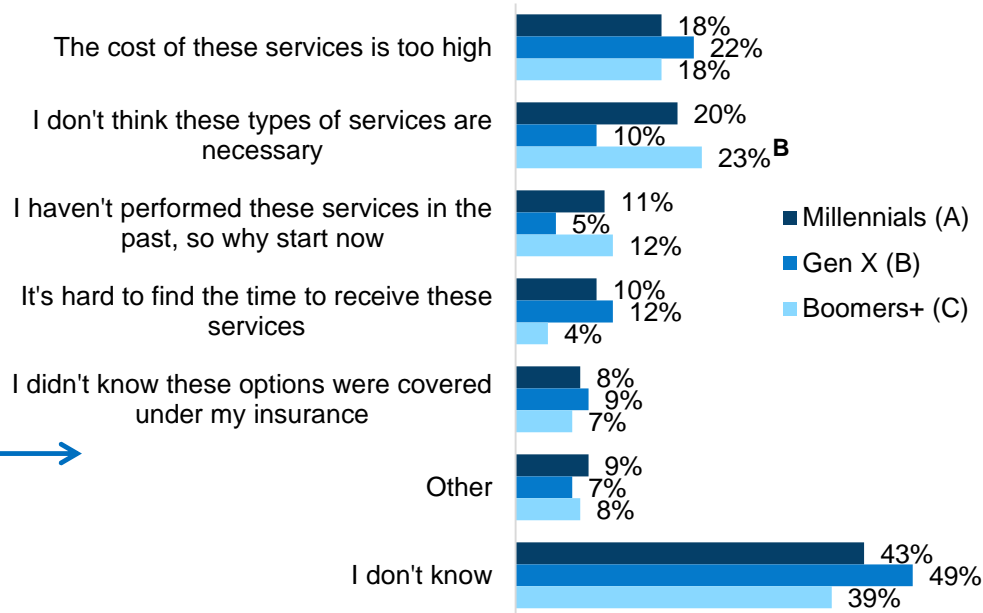
Received preventative service in the past year:

Millennials: 64%
Gen X: 79%^A
Boomers+: 89%^{AB}



Reasons Have Not Received Preventative Health Services

[Among those who have not had preventative health services]



Base: ALL QUALIFIED RESPONDENTS (Total n=1940) : Millennials (n=392); Gen X (n=534); Boomers+ (n=1014)

Q24BHW Have you received any of the following preventative health services within the past year? Please select all that apply.

Base: HAVE NOT HAD PREVENTATIVE HEALTH SERVICES: Millennials (n=139); Gen X (n=130); Boomers+ (n=105)

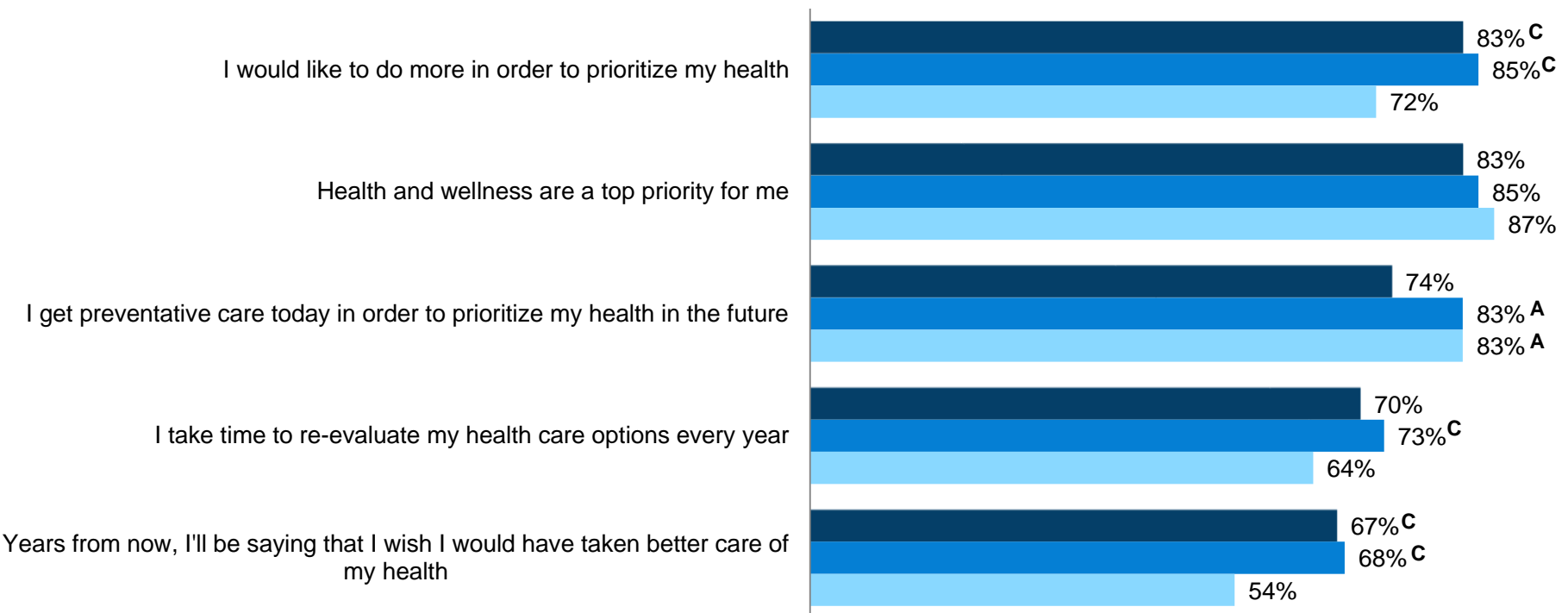
Q24CHW Which of the following best describes why you haven't received any of these preventative health services within the past year? Please select all that apply.

Despite being less likely than Boomers+ to have received preventative health services last year, Millennials and Gen Xers are more likely to say they would like to do more to prioritize their health

- They are also more likely than Boomers+ to say that years from now, they'll be saying they wish they would have taken better care of their health.
- Boomers+ and Gen Xers are more likely than Millennials to say they get preventative care today in order to prioritize their health in the future.

Agreement with Statements About Health (Somewhat/Strongly Agree)

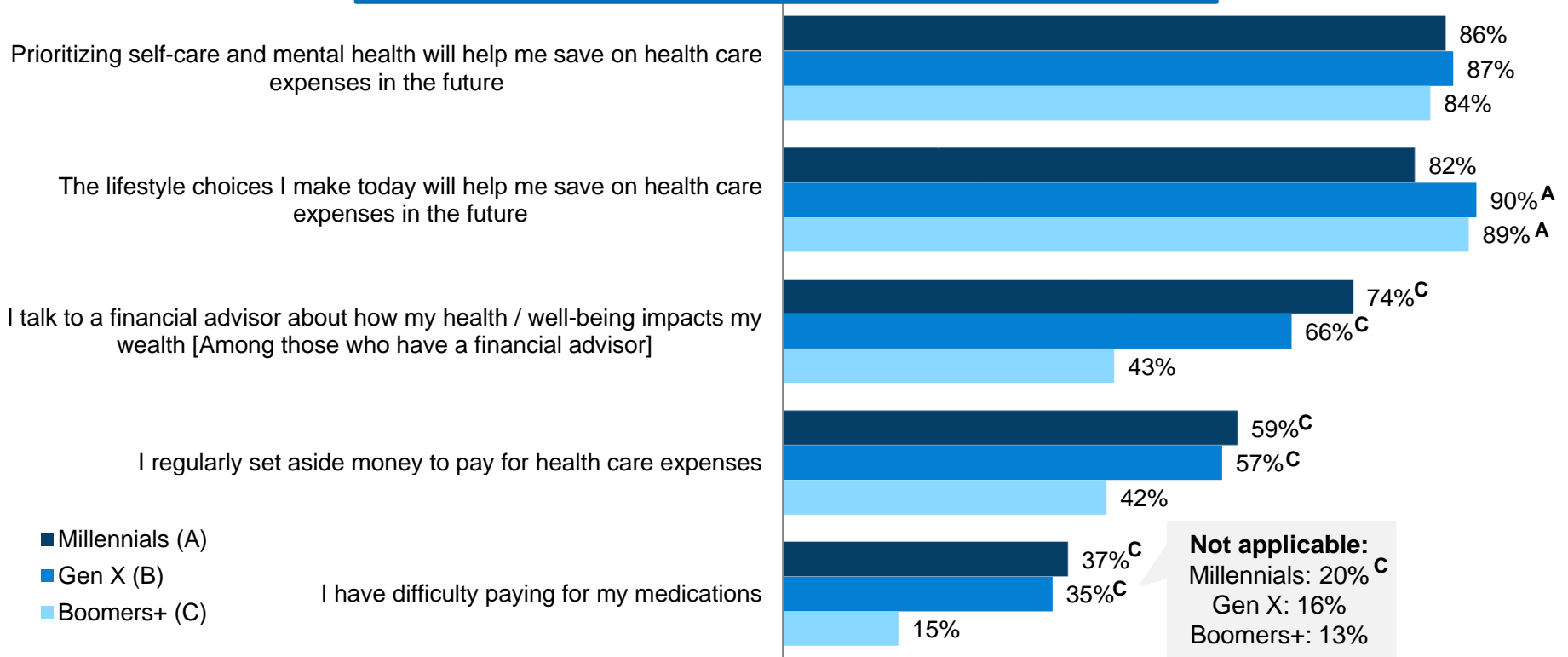
■ Millennials (A) ■ Gen X (B) ■ Boomers+ (C)



Strong majorities across generations recognize that prioritizing self-care and mental health will help them save on health care expenses in the future and that the lifestyle choices they make today will also help them save

- Gen Xers and Boomers+ are more likely than Millennials to agree that lifestyle choices made today will help save on future health care expenses.
- Millennials and Gen Xers are more likely than Boomers+ to regularly set aside money to pay for healthcare expenses and among those who have a financial professional, are also more likely to talk to their financial professional about how their health and wellbeing impacts their wealth.

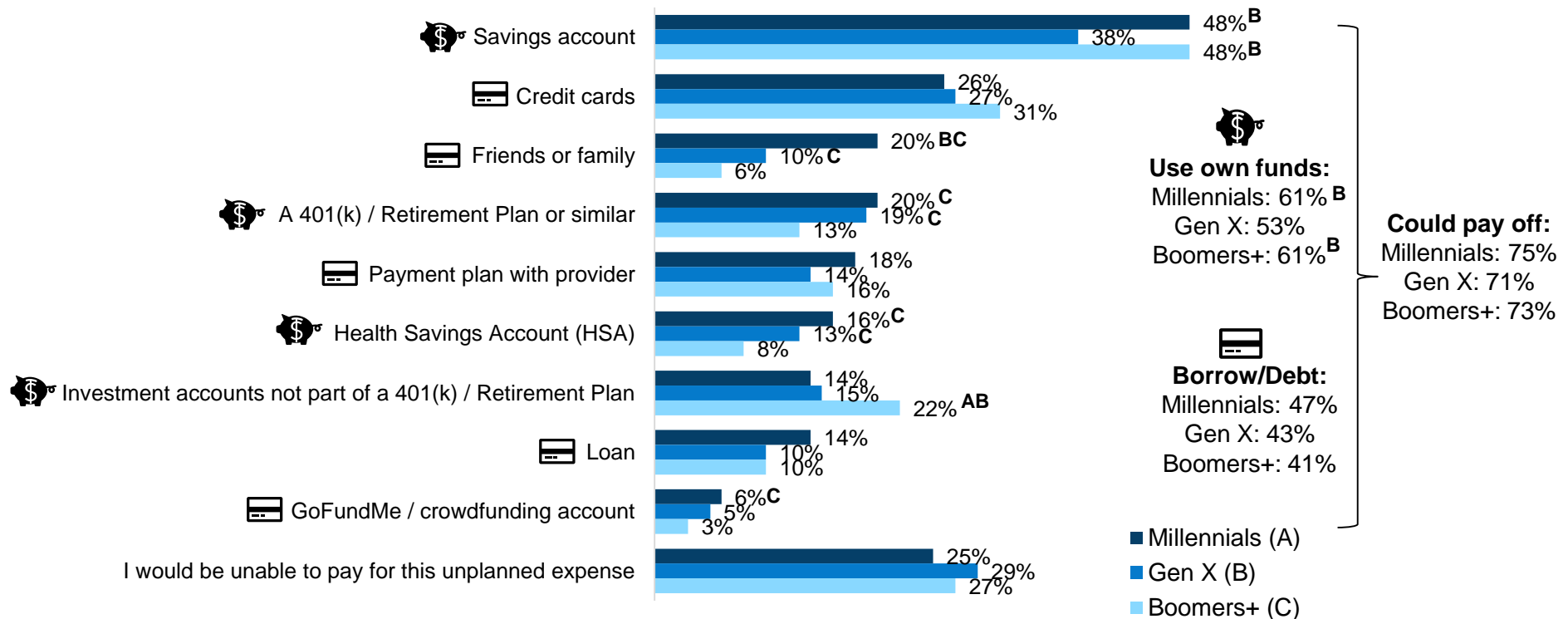
Agreement with Statements About Health and Wealth (Somewhat/Strongly Agree)



A quarter or more across all generations would not be able to pay off a \$5,000 health care bill today

- Most commonly, all generations say they could pay it off using a savings account, but Millennials and Boomers+ are more likely to say this than Gen Xers.

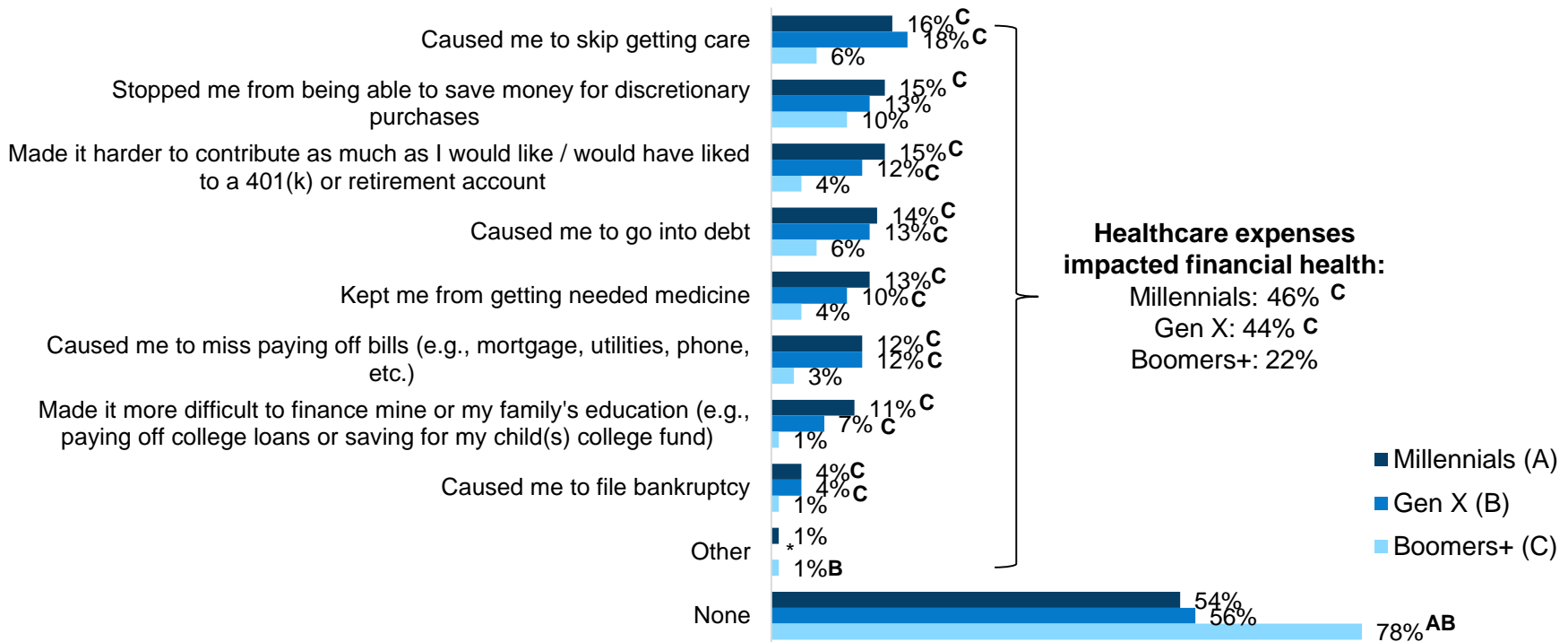
Ability to Pay Off a \$5,000 Health Care Bill Today



Millennials and Gen Xers twice as likely as Boomers+ to say health care expenses have impacted their financial health

- About 1 in 6 Millennials and Gen Xers say that health care expenses caused them to skip getting care, compared to less than 1 in 10 Boomers+.

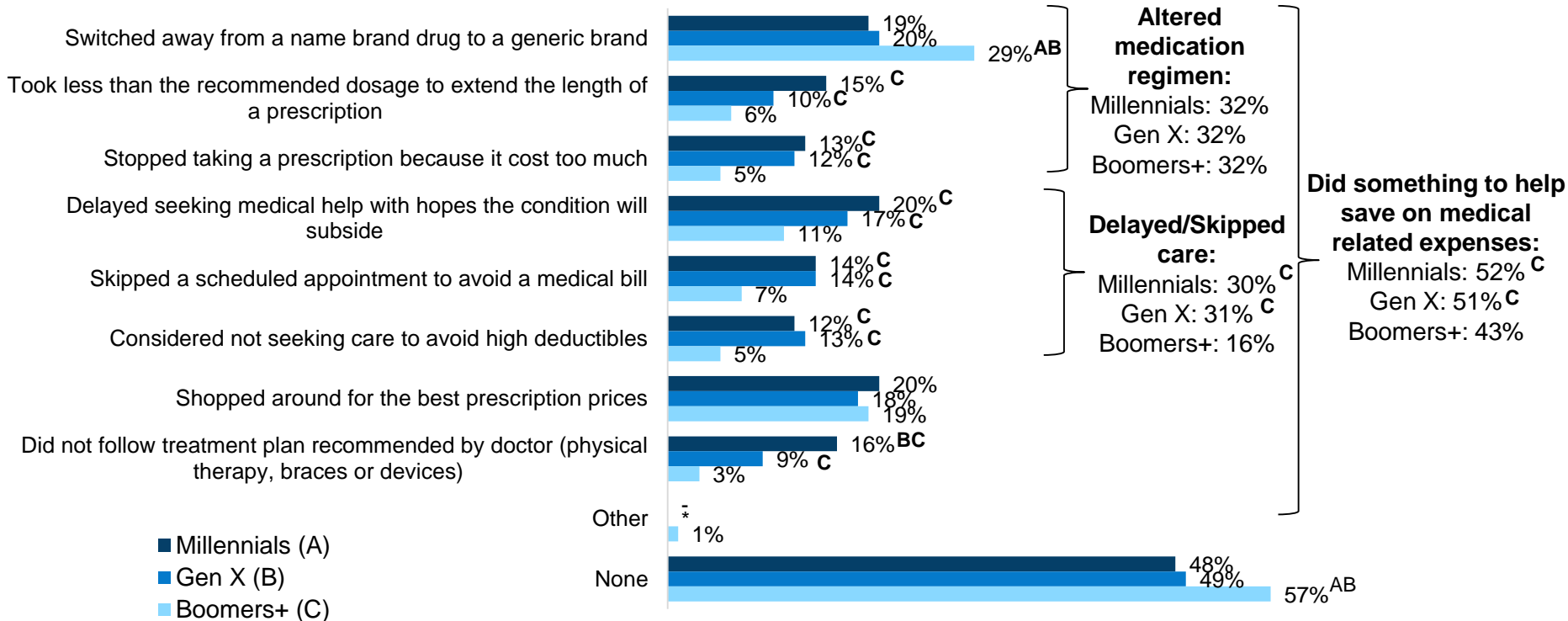
Impact of Healthcare Expenses on Financial Health



Half of Millennials and Gen Xers and 4 in 10 Boomers+ have done something to help save on medical related expenses, such as altering medication regimens or delaying/skipping care

- Boomers+ are more likely than Millennials and Gen Xers to have switched away from a name brand to a generic brand drug.
- Millennials and Gen Xers are more likely than boomers to have delayed or skipped care, took less than the recommended dosage to extend prescription length, or stopped taking a prescription because of cost.

Actions Taken to Help Save on Medical Expenses



Base: ALL QUALIFIED RESPONDENTS (Total n=1940): Millennials (n=392); Gen X (n=534); Boomers+ (n=1014)

Q18HW Which of the following have you done in the past to help save on medical related expenses? Please select all that apply.

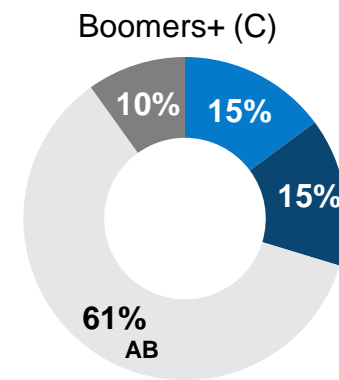
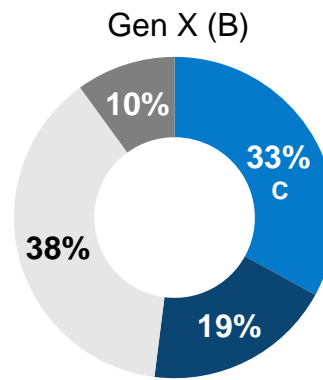
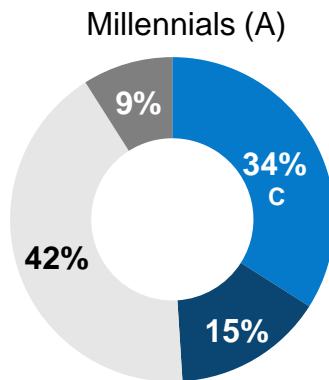
A third of employed Millennials and Gen Xers contribute to an HSA, compared to only about 1 in 7 Boomers+

- 6 in 10 Boomers+ who are employed say their employer does not offer an HSA, compared to around 4 in 10 Millennials and Gen Xers.

Employer Offers a Health Savings Account (HSA)

[Among those who are employed]

■ Yes, and I participate in/contribute to the HSA. ■ Yes, but I do not participate in/contribute to the HSA. ■ No ■ Not sure



YES (NET):

49%^C

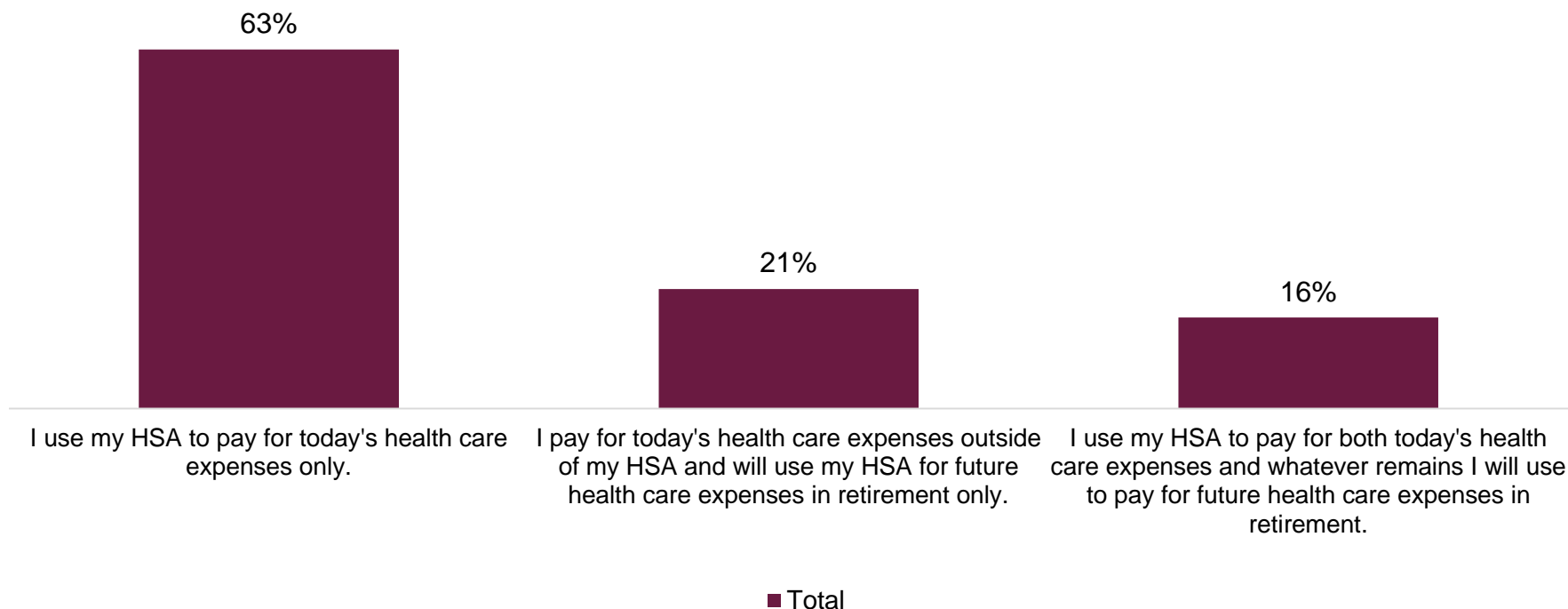
52%^C

30%

Most who contribute to an HSA use it to pay for today's health care expenses only.

- Less than a quarter say they'll use it for future health care expenses in retirement only or use it to pay both today's health care expenses and whatever is left for those in the future, in retirement.

Use or Planned Use of HSA[^] *[Among those who participate in/contribute to an HSA]*

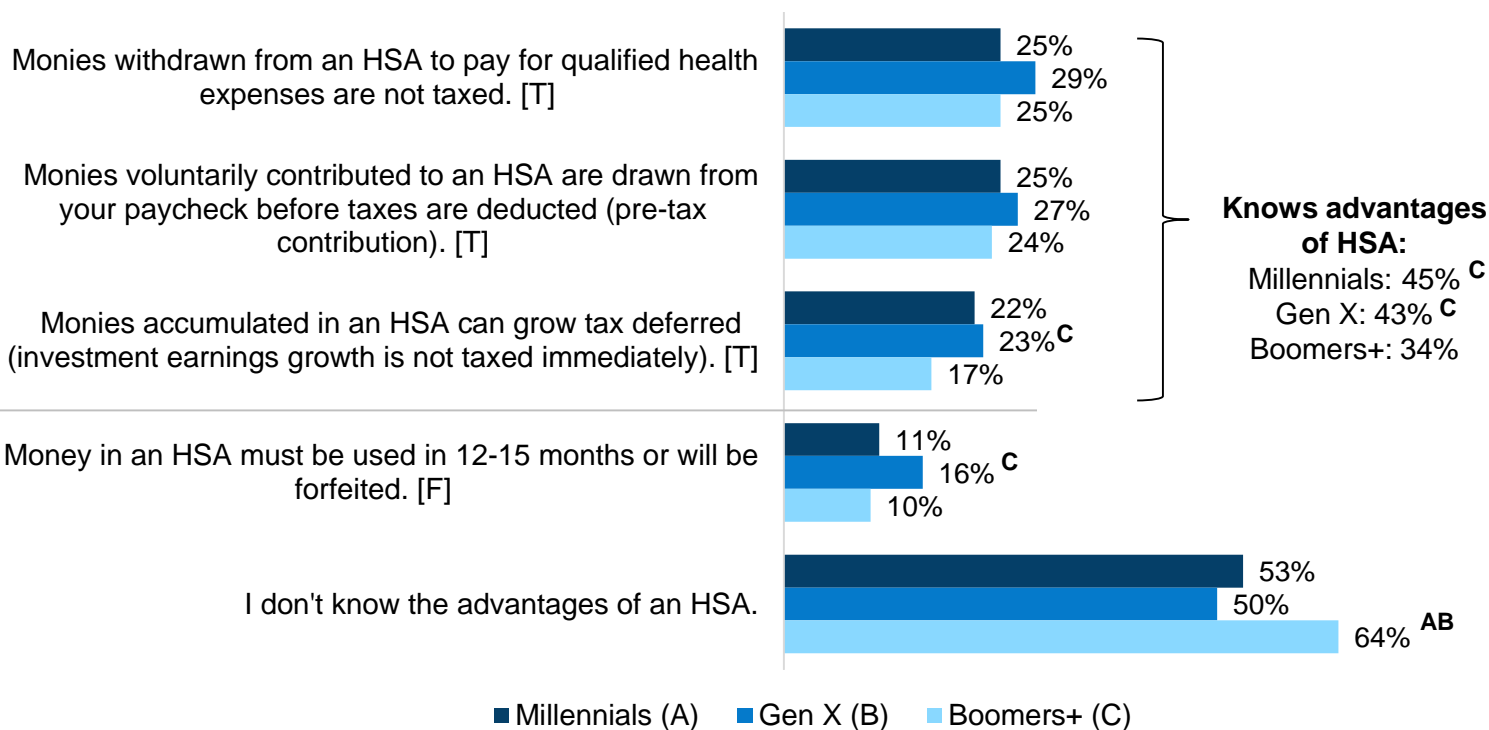


[^]Due to small sample sizes within each audience, only the total is shown

Given their greater likelihood to be participating in an HSA, Millennials and Gen Xers are more likely than Boomers+ to know the advantages

- About half of Millennials and Gen Xers know the advantages, compared to just over a third of Boomers+.
- Even so, only about a quarter or so of Millennials and Gen Xers claim to know about individual advantages.

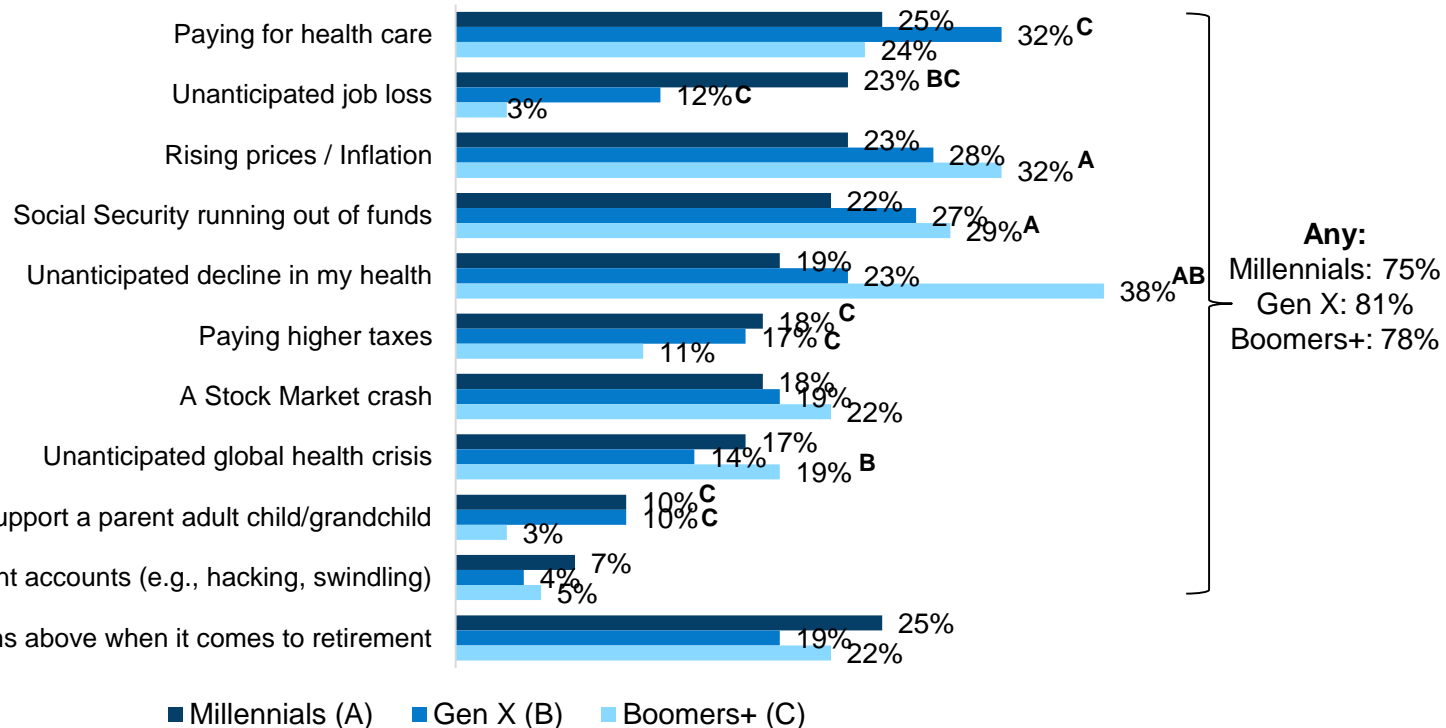
Knowledge of HSA Advantages



Majorities across all three generations are stressed about certain situations when it comes to retirement planning

- The most common situation Millennials and Gen Xers are stressed about when retirement planning is paying for health care, whereas for Boomers it is unanticipated decline in their health.
- Millennials are more likely than both Gen Xers and Boomers+ to be stressed about unanticipated job loss.

Situations Stressed About When Retirement Planning[^]



[^]Respondents were asked to select up to three responses.

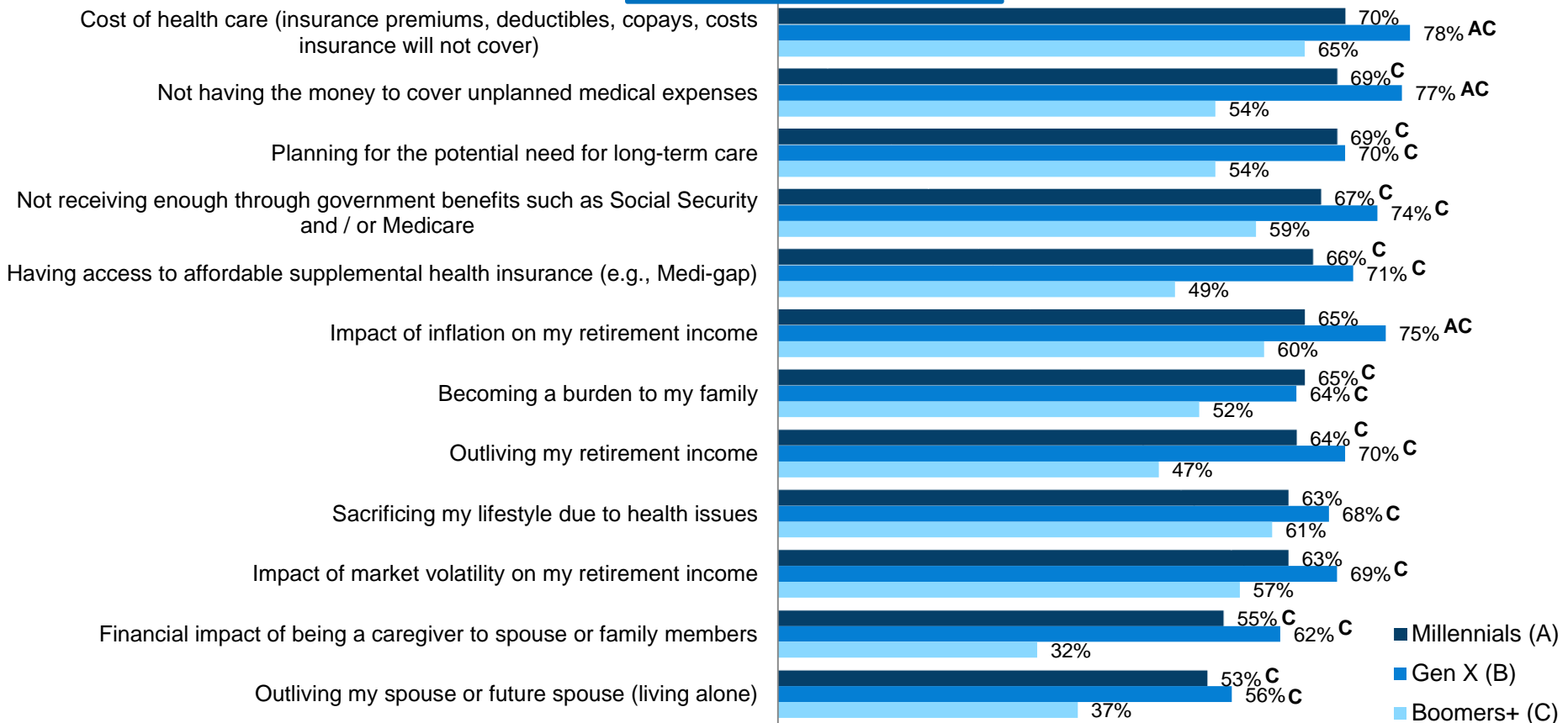
Base: ALL QUALIFIED RESPONDENTS (Total n=1940): Millennials (n=392); Gen X (n=534); Boomers+ (n=1014)

Q710 Which of the following situations, if any, are you most stressed about when it comes to your retirement [If not retired: planning]? Please select up to three.

When thinking about planning for retirement, Gen Xers are consistently more likely than Boomers+ (and sometimes Millennials), to express concern about various things

- One of the biggest concerns across all three generations is the cost of health care.
- Millennials and Gen Xers are much more likely than Boomers+ to express concern about the financial impact of being a caregiver or outliving their spouse.

Retirement Concerns (Somewhat/Very Concerned)



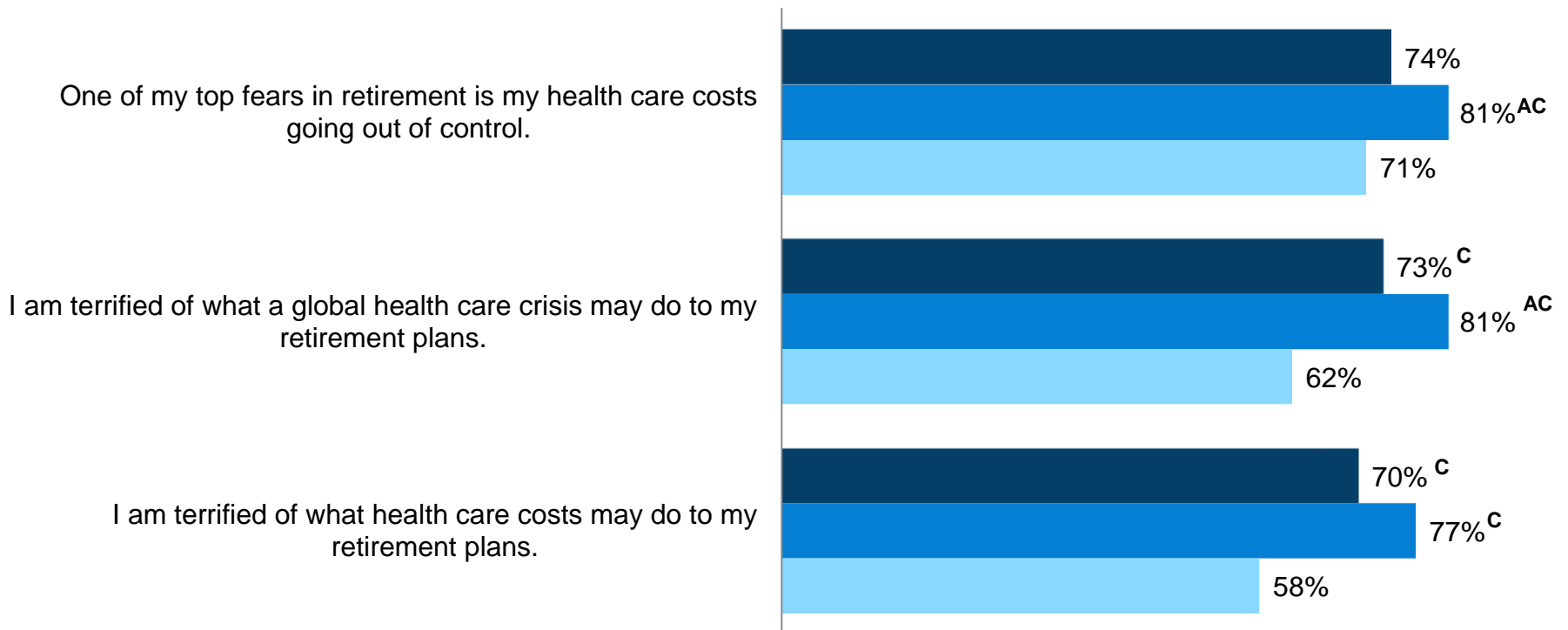
While a majority across all generations say one of their top fears in retirement is their health care costs going out of control, Gen Xers are more likely than Millennials and Boomers+ to agree

- Gen Xers are also more likely than Millennials and Boomers+ to be terrified of what a global health care crisis may do to their retirement plans.

Agreement with Statements About Retirement Plans

(Somewhat/Strongly Agree)

■ Millennials (A) ■ Gen X (B) ■ Boomers+ (C)



About half across all three generations have discussed retirement costs with someone

- Less than 1 in 5 have talked to a financial professional about retirement costs.
- Roughly 3 in 10 are planning for these costs, but haven't talked to anyone yet.
- Nearly a quarter of Millennials say they aren't planning for retirement costs yet.

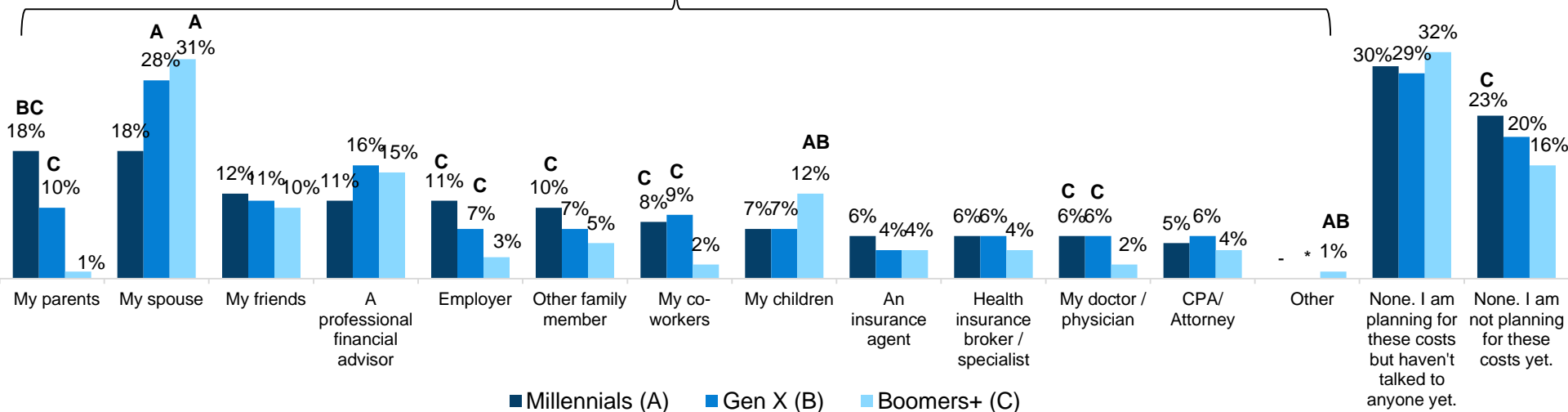
People Discussed Retirement Costs With

Discussed with anyone:

Millennials: 47%

Gen X: 50%

Boomers+: 51%



Base: ALL QUALIFIED RESPONDENTS (Total n=1940): Millennials (n=392); Gen X (n=534); Boomers+ (n=1014)

Q900 Have you discussed your retirement costs during retirement with any of the following people? Please select all that apply.

Half of Boomers+ have discussed health care costs in retirement with someone, compared with slightly fewer Gen Xers and Millennials

- Only about 1 in 10 have talked to a financial professional about health care costs in retirement.
- Roughly 3 in 10 are planning for these costs, but haven't talked to anyone yet.
- A quarter of millennials say they are not planning for these costs yet.

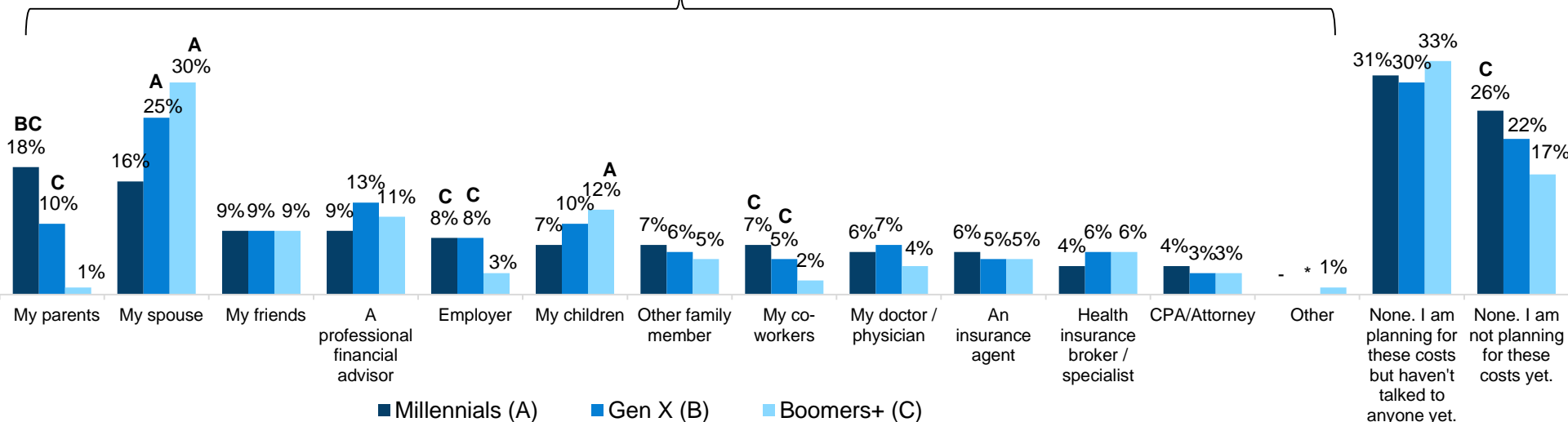
People Discussed Health Care Costs in Retirement With

Discussed with anyone:

Millennials: 44%

Gen X: 47%

Boomers+: 50%



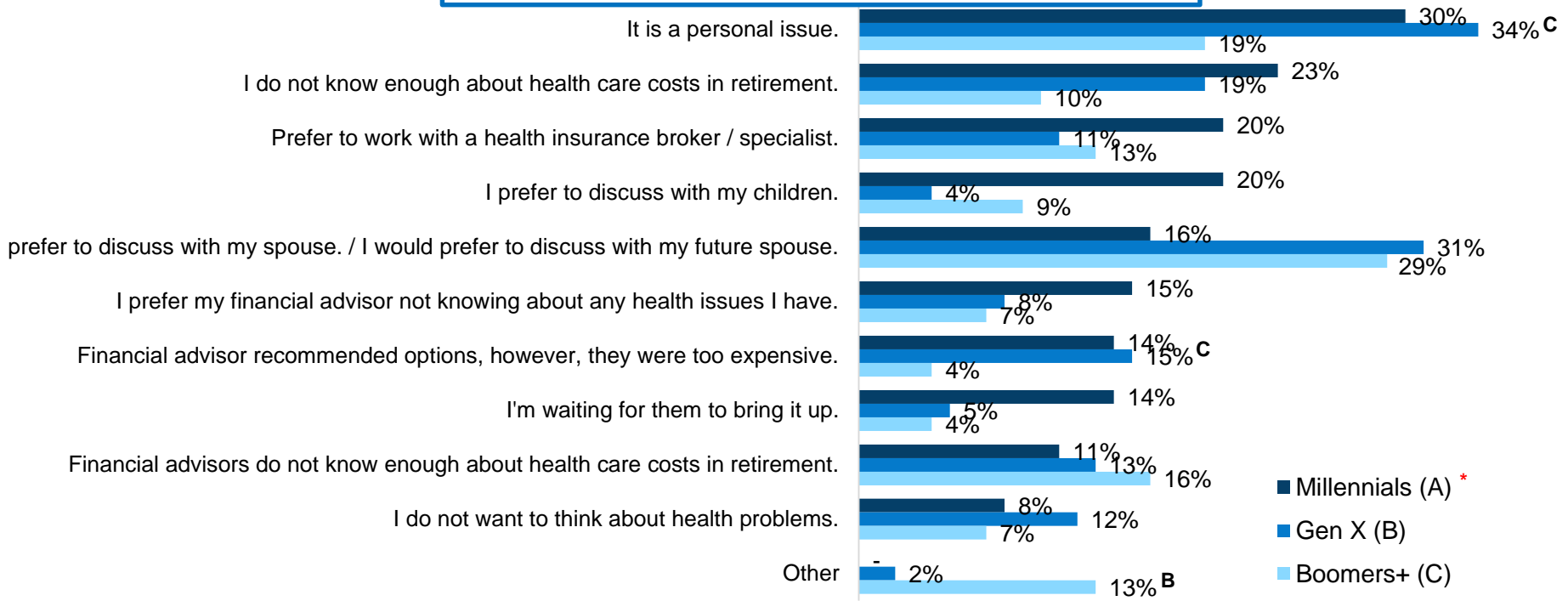
Base: ALL QUALIFIED RESPONDENTS (Total n=1940): Millennials (n=392); Gen X (n=534); Boomers+ (n=1014)

Q901 Have you discussed your health care costs during retirement with any of the following people? Please select all that apply.

health care cost planning in retirement, their most common reasoning is that it is a personal issue or that they prefer to discuss with their spouse

- For a few, they think financial professionals do not know enough about health care costs in retirement.

Reasons Have Not Discussed Health Care Cost Planning in Retirement with Financial professional
[Among those who have a financial professional and have not discussed health care planning with them]



*Caution, small base <100, results are directional in nature and stat testing is not shown

Millennials and Gen Xers are more likely than Boomers+ to plan to discuss retirement costs or health care costs in retirement with a financial professional in the future

- However, still nearly a third of Millennials and Gen Xers say they don't know if they will, compared to only about a quarter of Boomers+.

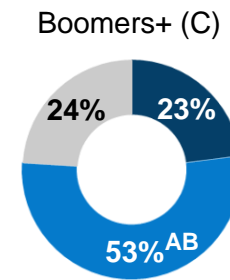
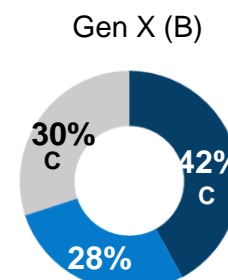
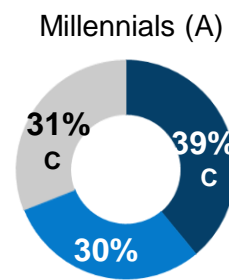
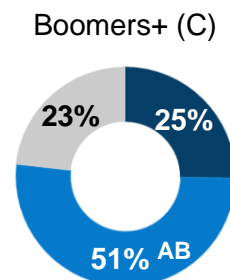
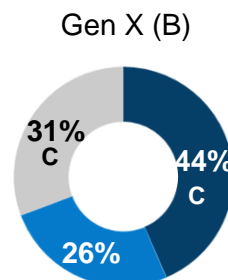
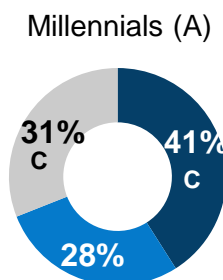
Planning To Discuss Retirement Costs/Health Care Costs During Retirement with Financial professional in Future

Retirement Costs

Health Care Costs in Retirement

■ Yes ■ No ■ Don't know

■ Yes ■ No ■ Don't know



Those who work with a financial professional are more likely than those who do not to say they plan to discuss retirement costs (65% vs. 19%) and health care costs in retirement (59% vs. 19%) with one in the future.

Only around a third across all generations feel knowledgeable about how to estimate how much they'll need to cover health care costs in retirement

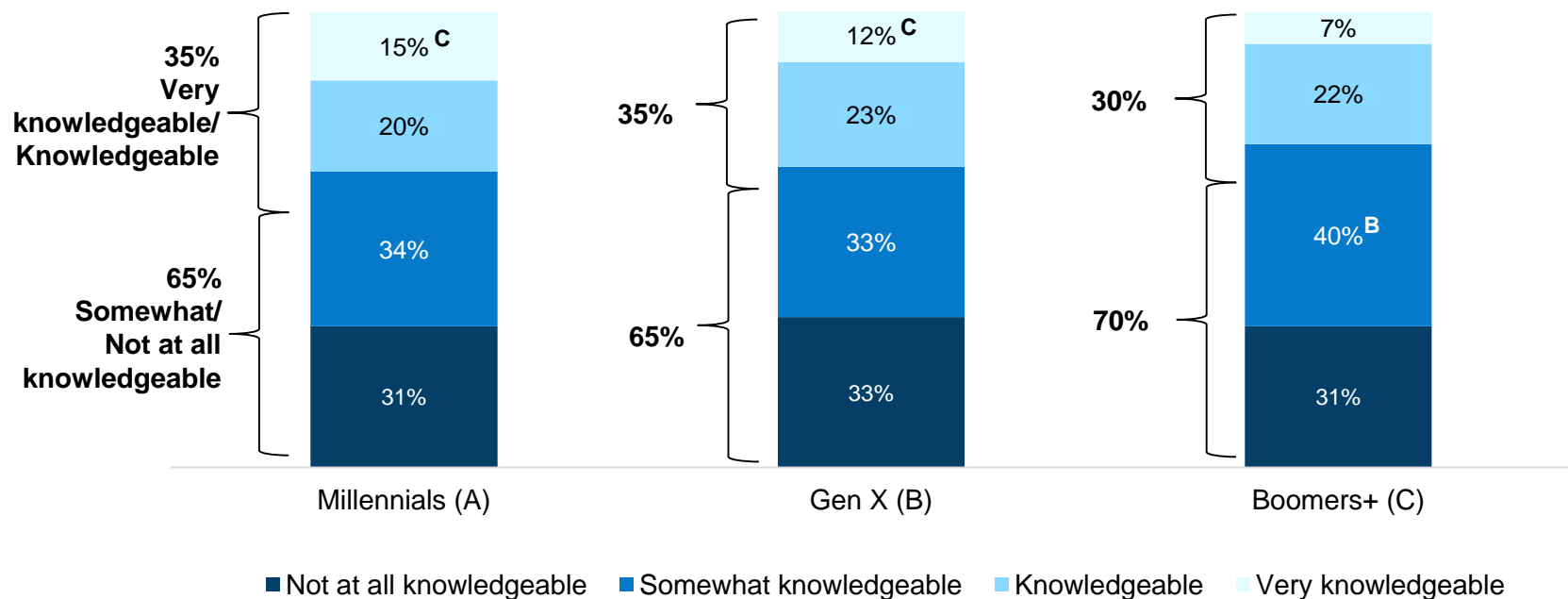
- Further, when asked how much they would estimate annual health care costs could be/are for themselves in retirement, over half say they aren't sure/can't estimate.

Knowledge of Health Care Costs in Retirement

Estimating how much I need to cover my health care costs in retirement

% Not Sure/Can't Estimate Annual Health Care Costs [Expected] in Retirement:

- Millennials: 63%
- Gen X: 56%
- Boomers+: 56%



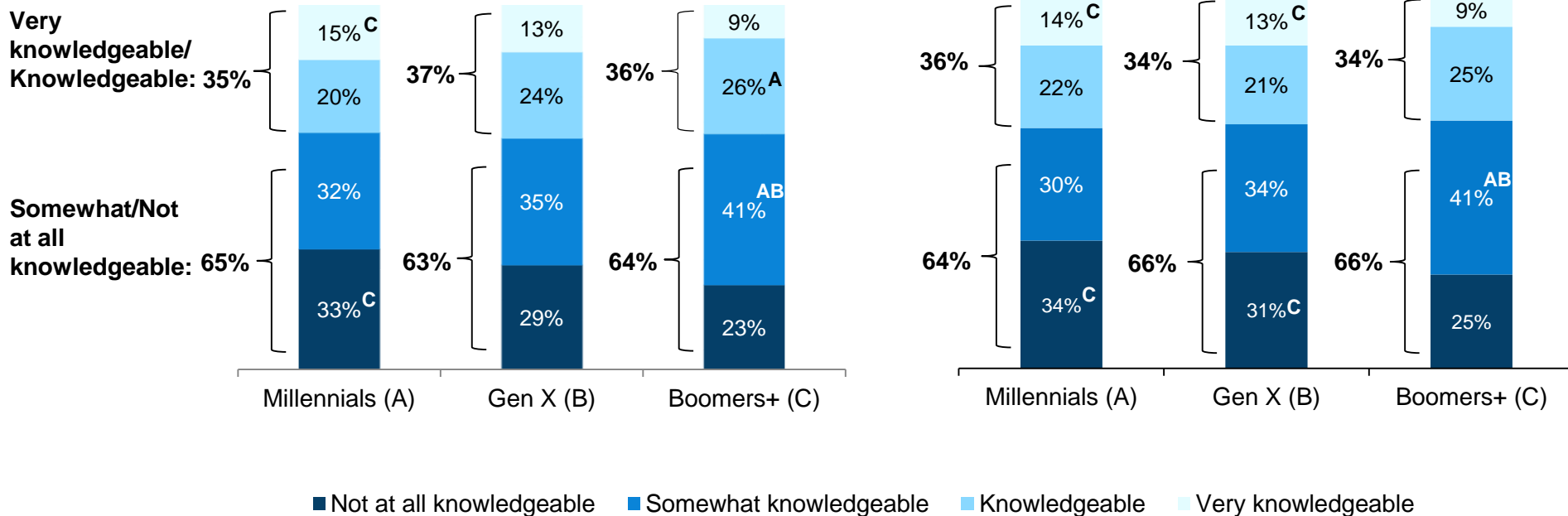
Majorities across generations not very knowledgeable on how Medicare works to cover medical costs in retirement or how much they should expect to pay out of pocket apart from Medicare

- For both statements, Millennials are more likely than Boomers+ to be at the extremes, either very knowledgeable or not at all knowledgeable, whereas Boomers+ are more likely than Millennials and Gen Xers to be somewhat knowledgeable about both topics.

Knowledge of Medicare Costs

How Medicare works to cover medical costs in retirement

How much I should expect to pay in out of pocket health care costs apart from Medicare



Despite their stated levels of knowledge, less than half of Millennials and Gen Xers can correctly identify whether even 1 of 10 statements about Medicare is true or false

- Boomers+ are significantly more likely than both groups to correctly identify whether all 10 statements are true or false.

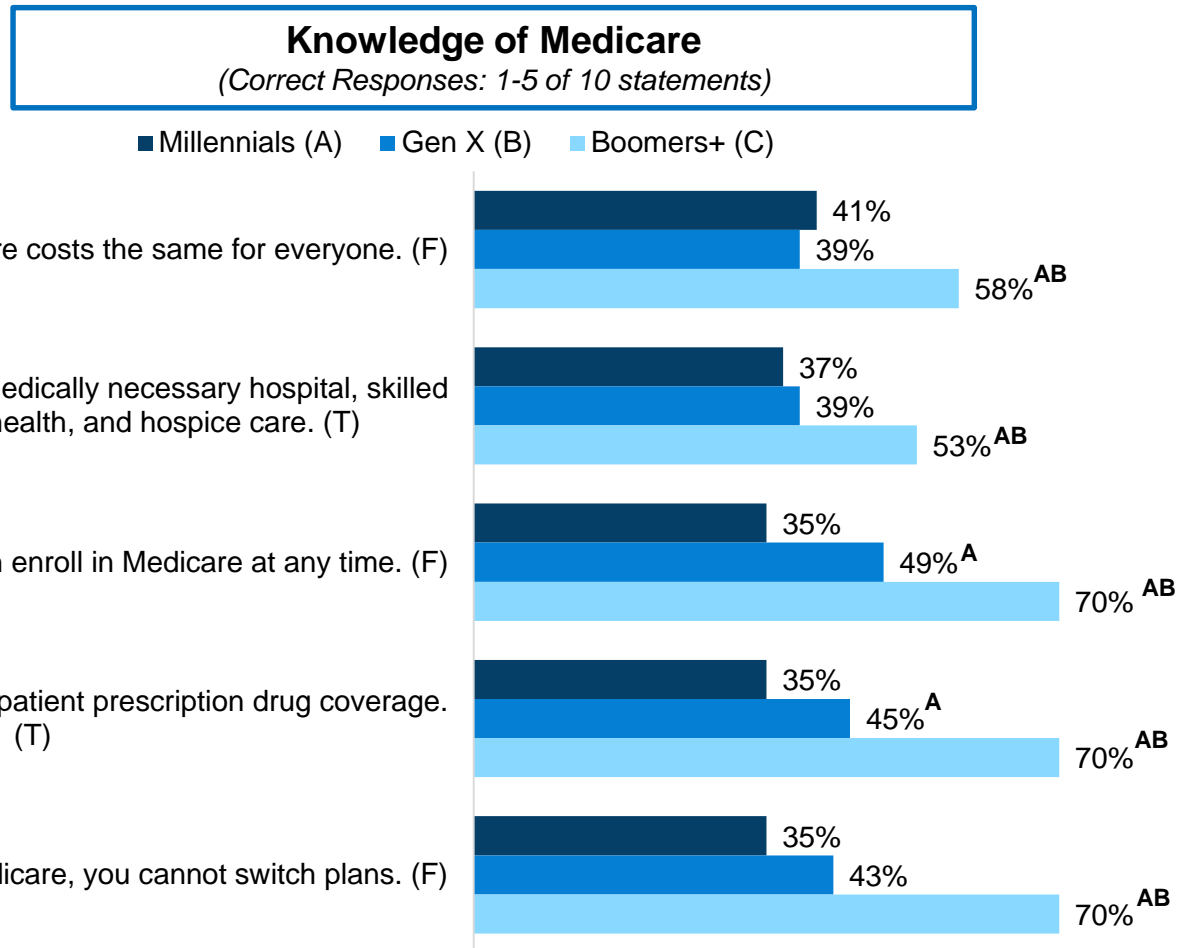


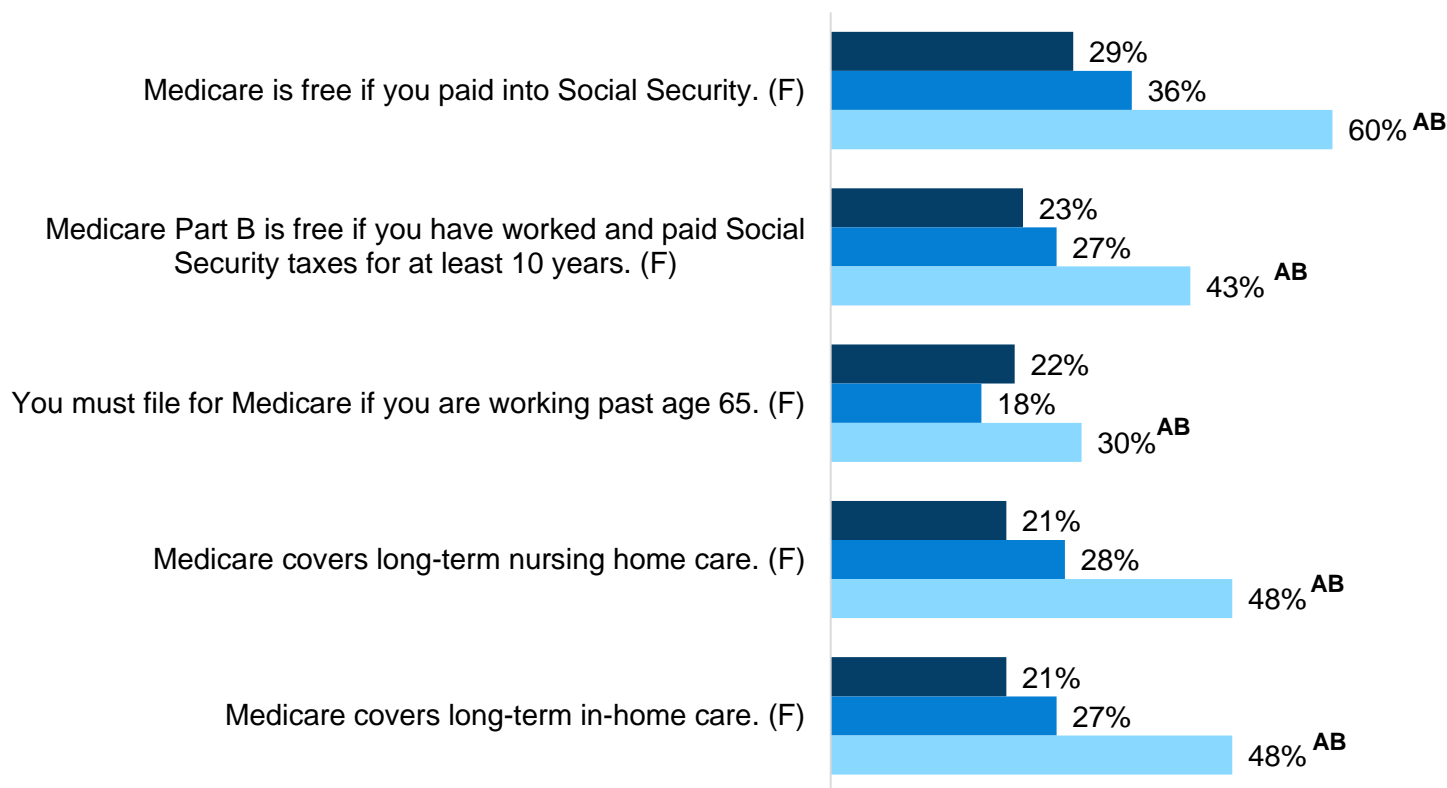
Chart continued on next slide

The biggest area for education among all generations is whether you have to file for Medicare if you work past 65

- Less than a third across any generation knows that this is false.
- Compared to most other statements, there is less knowledge among Boomers+ about whether Medicare covers long-term nursing or in-home care.

Knowledge of Medicare, Continued (Correct Responses: 6-10 of 10 statements)

■ Millennials (A) ■ Gen X (B) ■ Boomers+ (C)



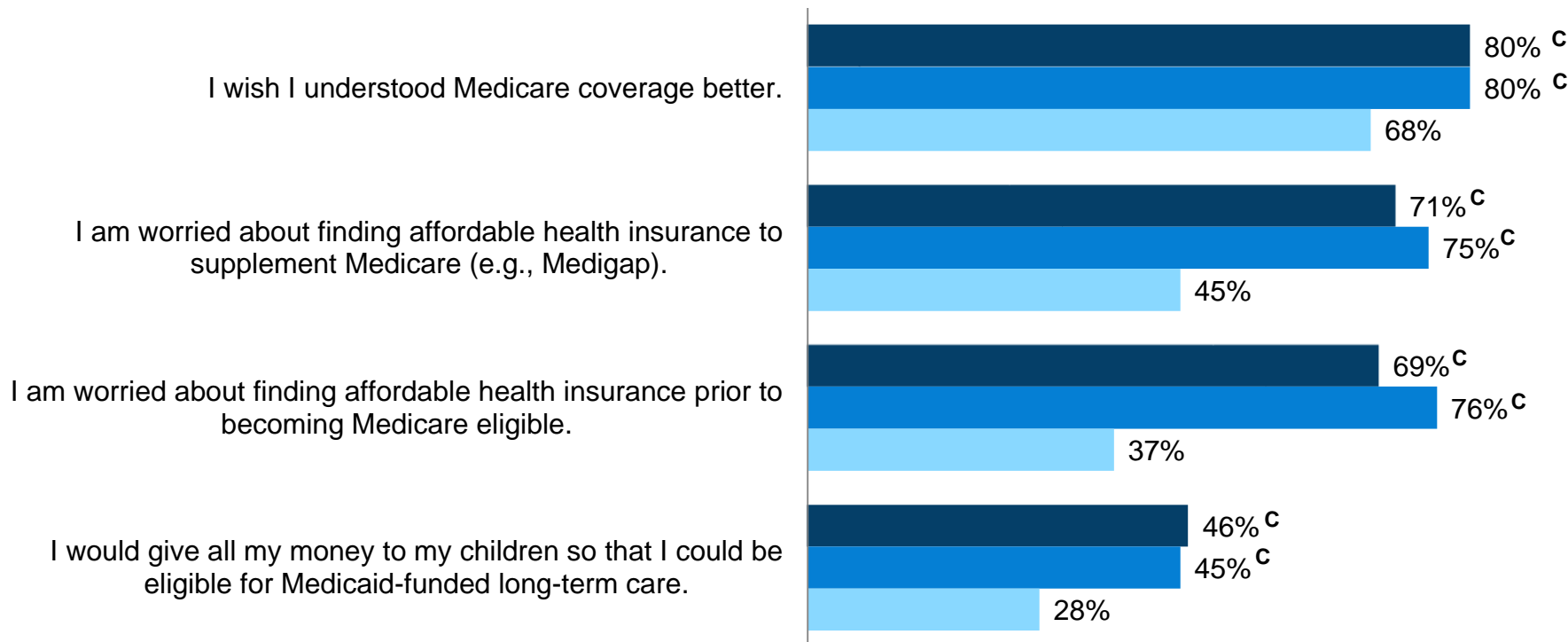
Millennials and Gen Xers appear to acknowledge their lack of knowledge, with 8 in 10 saying they wish they understood Medicare coverage better

- Despite evidence suggesting they know quite a bit more than their younger counterparts, a majority of Boomers+ say they wish they knew more as well.
- Millennials and Gen Xers are also more likely than Boomers+ to be worried about finding affordable health insurance both prior to becoming Medicare eligible and to supplement it once they are eligible.

Agreement with Statements About Medicare

(Somewhat/Strongly Agree)

■ Millennials (A) ■ Gen X (B) ■ Boomers+ (C)



More than half of Millennials and Gen Xers impacted in one of the listed ways by COVID-19, compared to about 2 in 5 Boomers+

- These differences span most of the items listed, but are driven primarily by having hours cut or job loss.
- The only area where Boomers+ are more likely than Millennials to be impacted is in losing a significant amount of money in their investments (Gen Xers are also more likely than Millennials to say this).

COVID-19 Personal Impacts

Affected by COVID-19 in at least one of these ways:

Millennials: 52%^C

Gen X: 57%^C

Boomers+: 37%

■ Millennials (A)

■ Gen X (B)

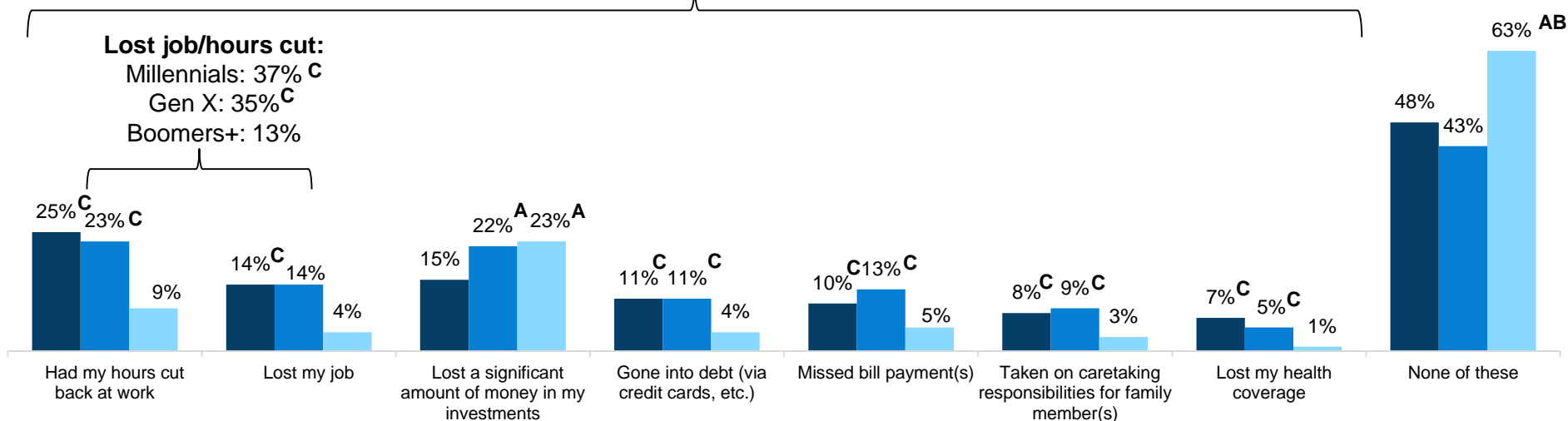
■ Boomers+ (C)

Lost job/hours cut:

Millennials: 37%^C

Gen X: 35%^C

Boomers+: 13%

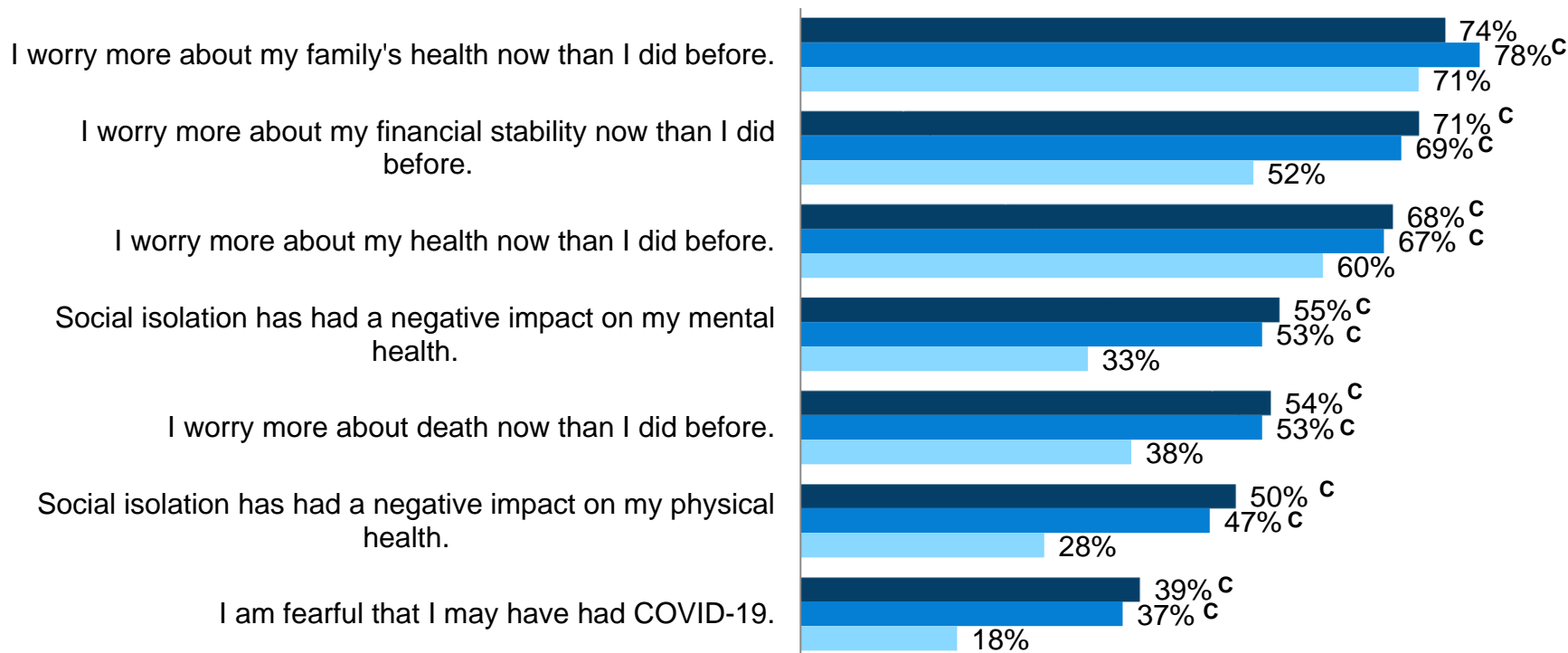


Across all generations, at least 7 in 10 say they worry more about their family's health now than they did before the COVID-19 pandemic

- In general, Millennials and Gen Xers are more worried than Boomers+ about things because of COVID-19 - they are more likely to worry more now than before about their financial stability, their health, and death.
- Over half of Millennials and Gen Xers say social isolation has had a negative impact on their mental or physical health, compared to a third or fewer Boomers+.

Agreement with Statements About COVID-19 Impact (Somewhat/Strongly Agree)

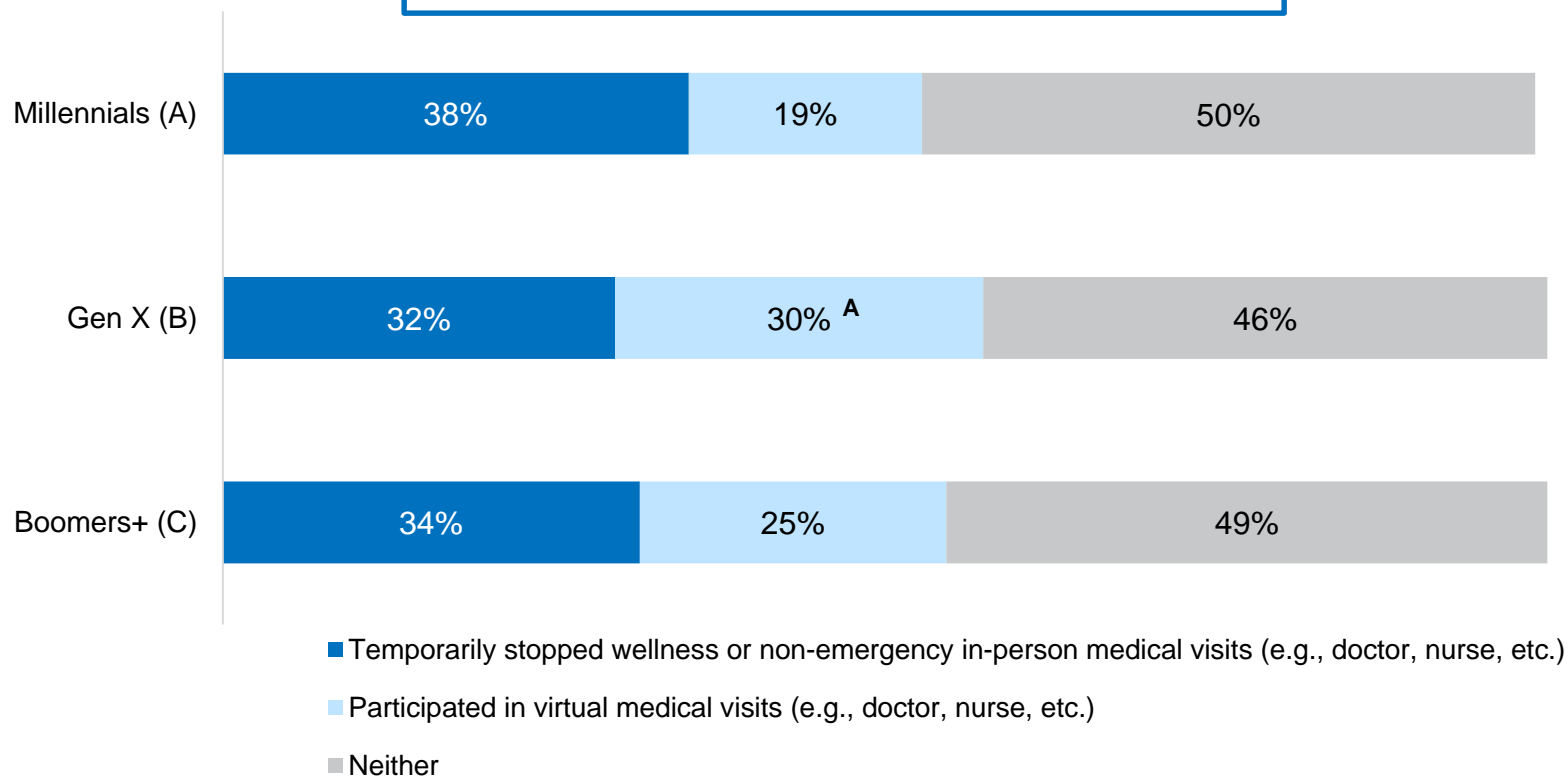
■ Millennials (A) ■ Gen X (B) ■ Boomers+ (C)



More than a third in each generation have temporarily stopped wellness or non-emergency in-person medical visits as a result of COVID-19

- Fewer have participated in virtual medical visits, with Gen Xers being more likely than Millennials to do so.
- Roughly half in each generation have neither temporarily stopped wellness/non-emergency visits nor participated in virtual medical visits as a result of COVID-19.

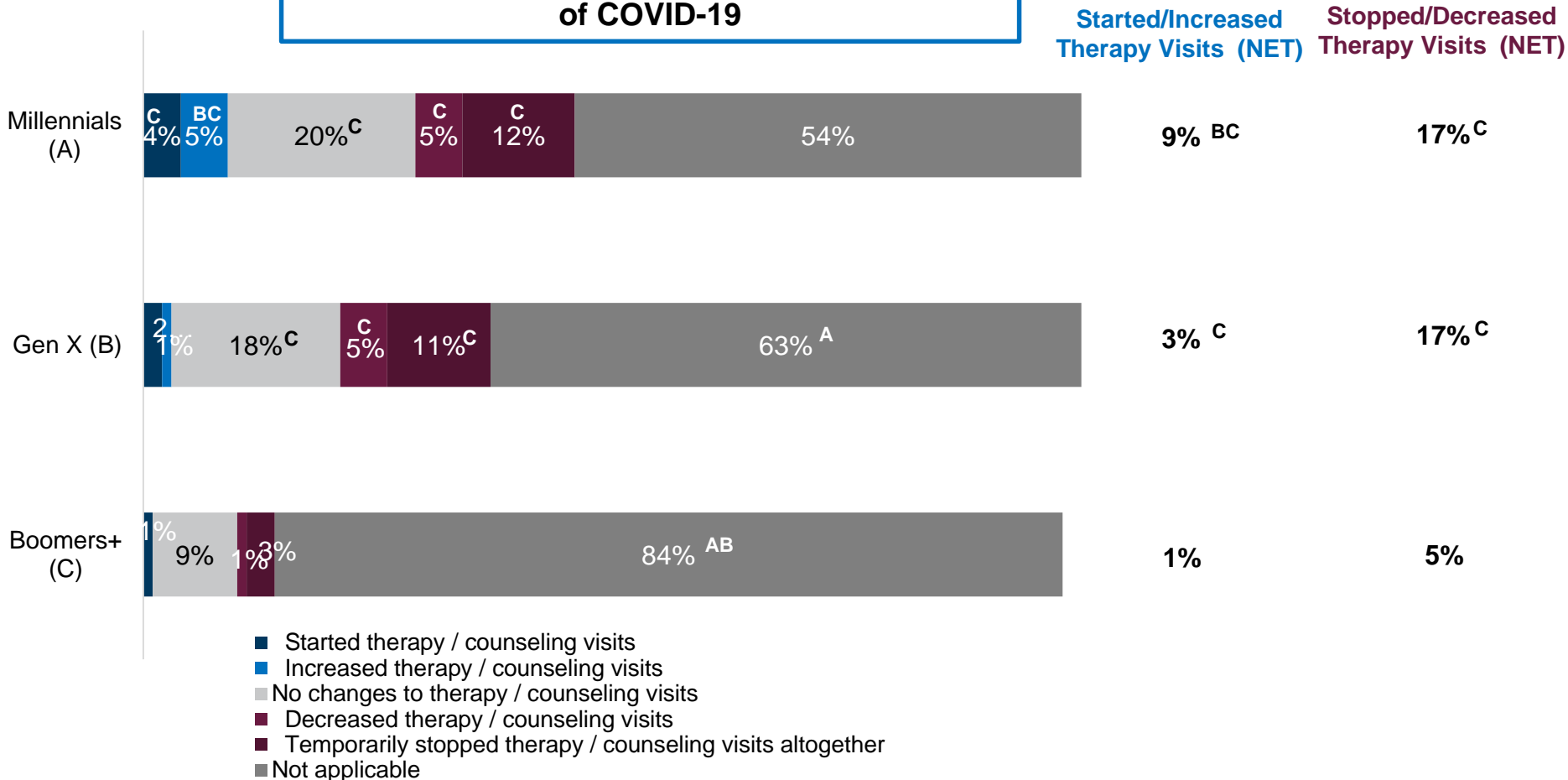
Actions Taken Or Planning to Take As a Result of COVID-19



Nearly 1 in 10 Millennials have started or increased therapy/counseling visits as a result of COVID-19, but a similar amount have temporarily stopped them altogether

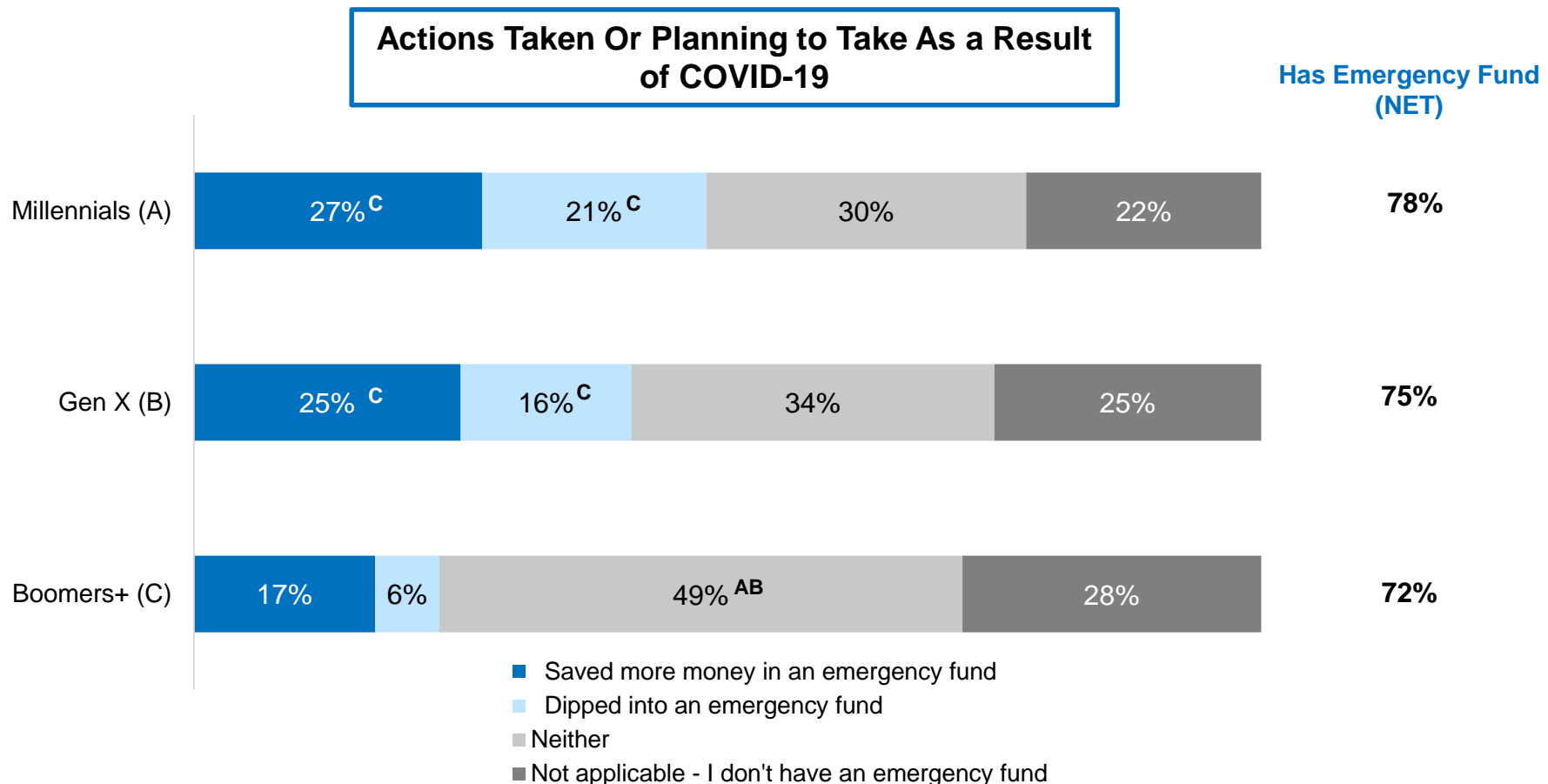
- Millennials and Gen Xers are more likely than Boomers+ to go to therapy/counseling visits in general.

Actions Taken Or Planning to Take As a Result of COVID-19



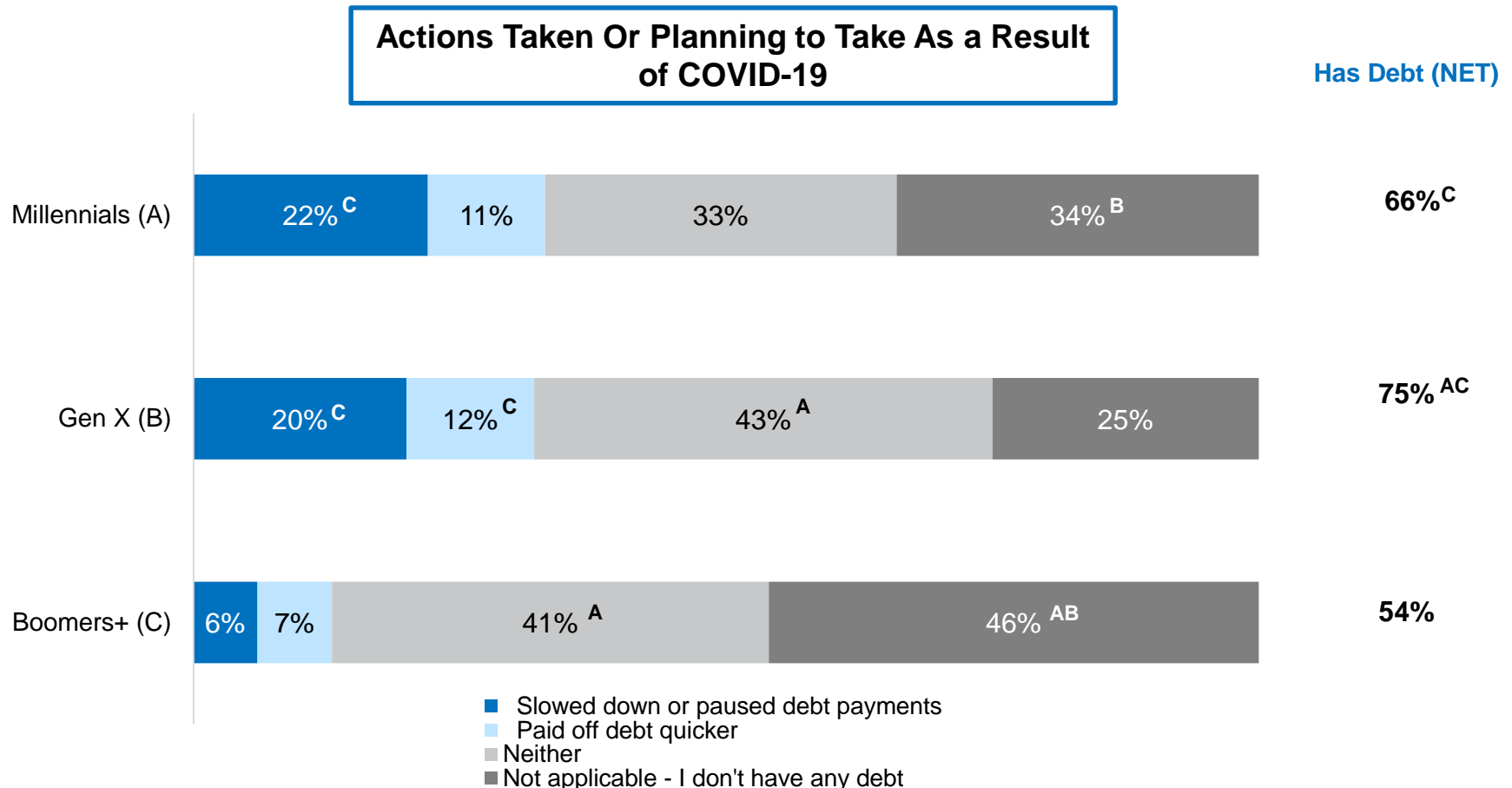
A quarter of Millennials and Gen Xers have saved more money into an emergency fund as a result of COVID-19

- Conversely, 1 in 5 Millennials and 1 in 6 Gen Xers have dipped into an emergency fund.
- Boomers+ are more likely than both to have neither saved more nor dipped into an emergency fund.



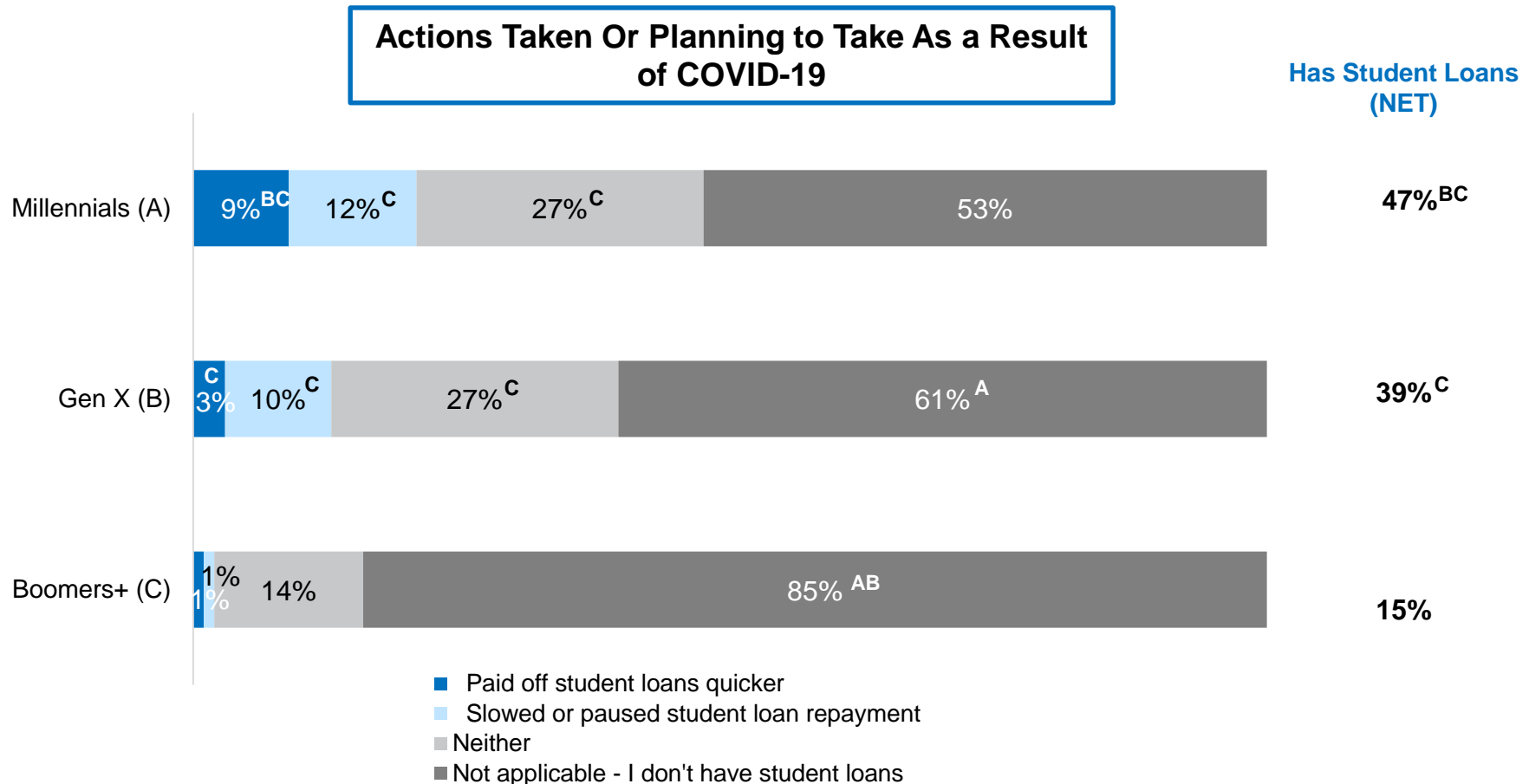
One in 5 Millennials and Gen Xers have slowed down or paused debt payments as a result of COVID-19, compared to less than 1 in 10 Boomers+

- Millennials and Gen Xers are more likely to have debt; two thirds of Millennials and three quarters of Gen Xers have debt, compared to about half of Boomers+.



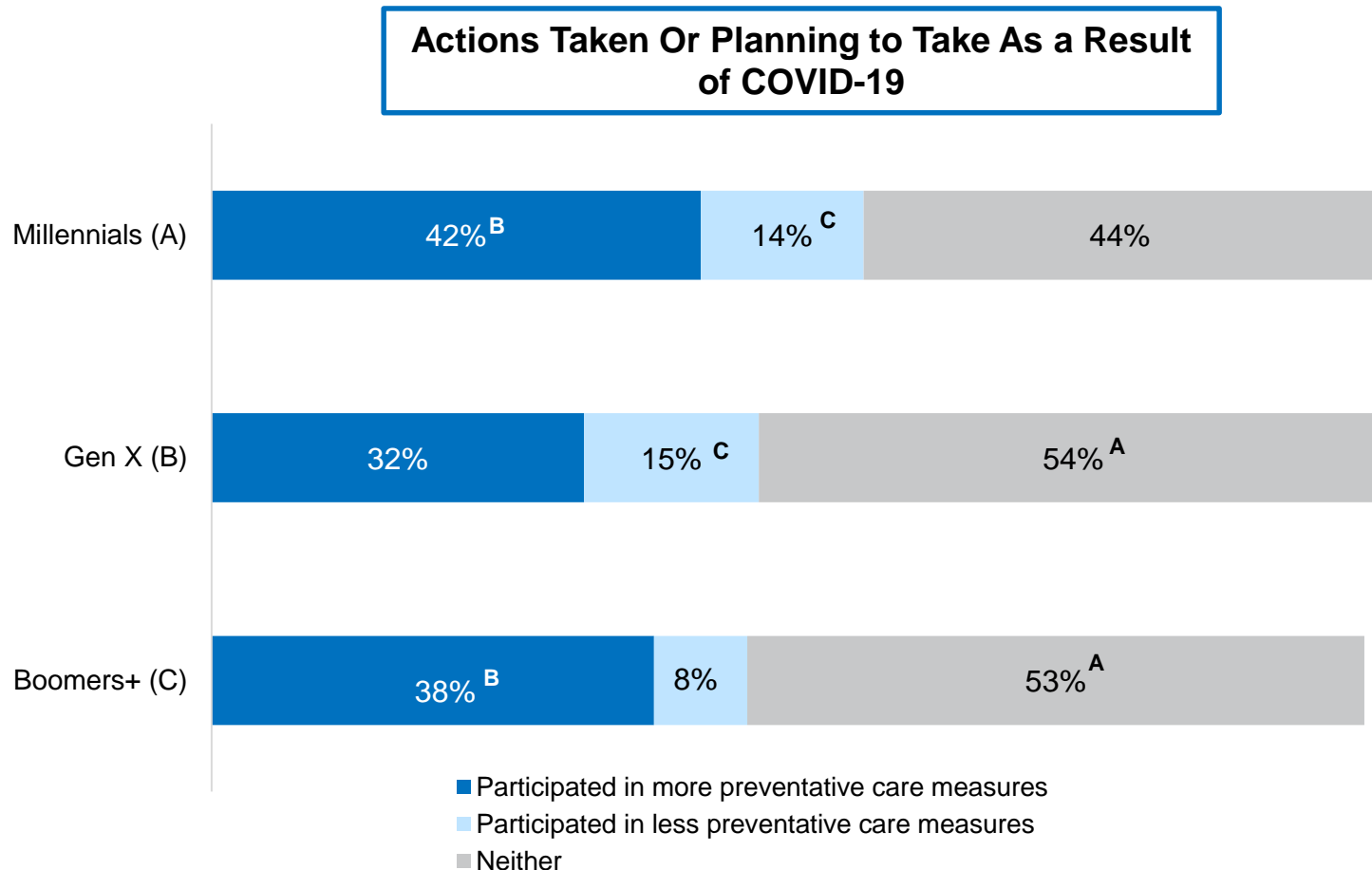
About 1 in 10 Millennials and Gen Xers have slowed or paused their student loan repayment as a result of COVID-19

- Millennials are more likely, particularly compared to Boomers+, to have student loans; nearly half of Millennials have student loans, compared to about 2 in 5 Gen Xers and less than 1 in 5 Boomers+.



Roughly 2 in 5 Millennials and Boomers+ and a third of Gen Xers have participated in more preventative care measures as a result of COVID-19

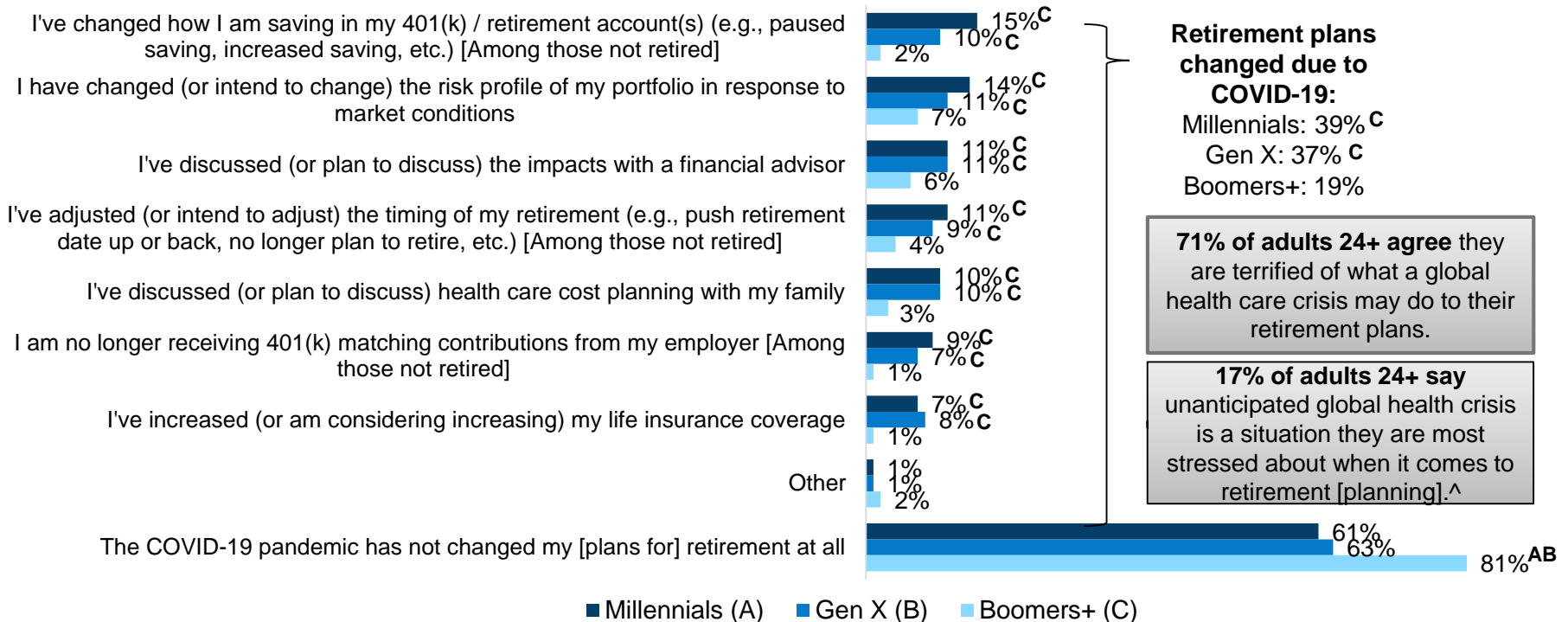
- Around 1 in 6 Millennials and Gen Xers have actually participated in less.



Millennials and Gen Xers nearly twice as likely to say their retirement plans have changed due to COVID-19

- While 7 in 10 across all generations agree they are terrified of what a global health care crisis may do to their retirement plans, for nearly 2 in 5 Millennials and Gen Xers COVID-19 has already impacted their retirement plans - most commonly in how they are saving in their 401(k) or retirement accounts or changing the risk profile of their portfolio in response to market conditions.

COVID-19 Impact on Retirement



[^]Respondents were asked to select up to three responses.

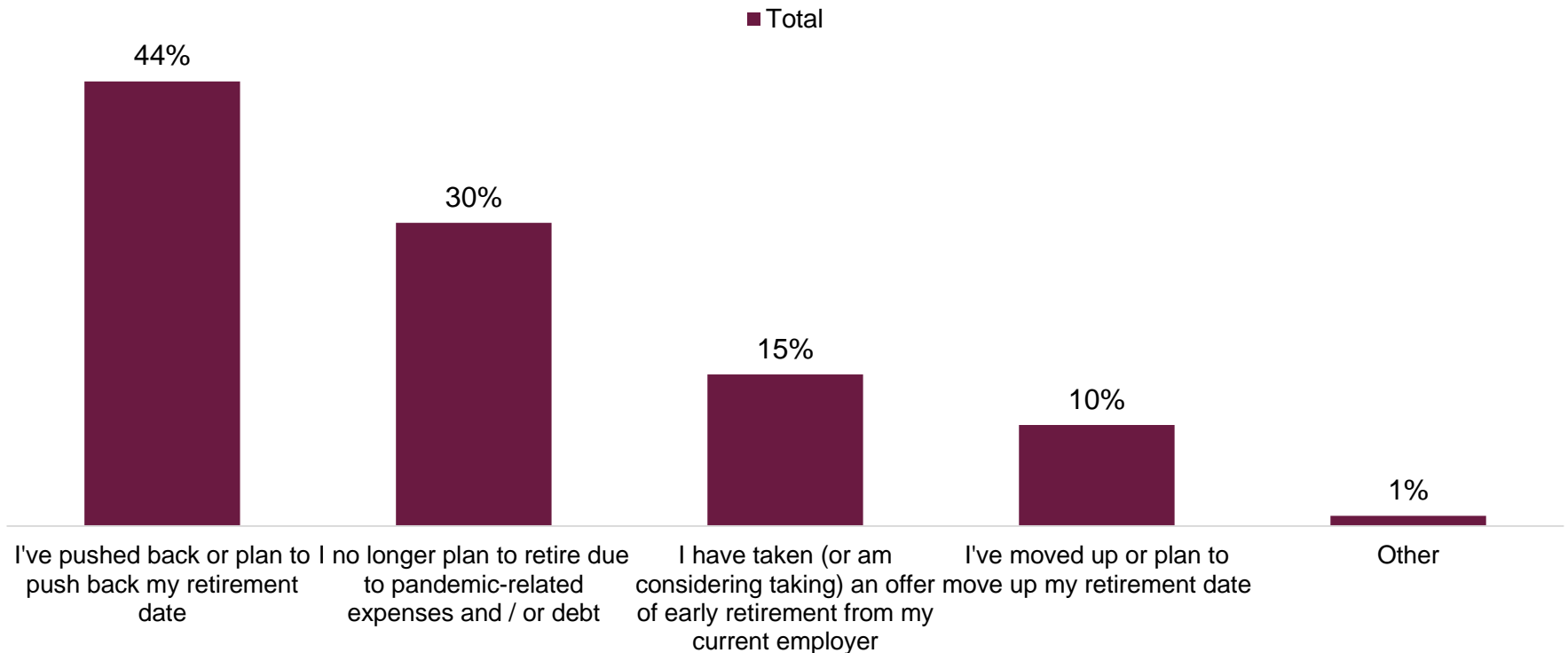
Base: ALL QUALIFIED RESPONDENTS (Total n=1940): Millennials (n=392); Gen X (n=534); Boomers+ (n=1014)
 Q5n2020 How, if at all, has the COVID-19 pandemic impacted your [if not retired: plans for] retirement? NOT RETIRED: planning? Please select up to three.
 Please select all that apply.

Base: ALL QUALIFIED RESPONDENTS (Total n=1940): Millennials (n=392); Gen X (n=534); Boomers+ (n=1014)
 Q710_11 Which of the following situations, if any, are you most stressed about when it comes to your retirement [IF NOT RETIRED: planning]? Please select up to three.
 Q740_14 How much do you agree or disagree with the following statements? "I am terrified of what a global health care crisis may do to my retirement plans."

Those who adjusted or plan to adjust their retirement timing due to COVID-19 most commonly say they've pushed or plan to push back their retirement date

- 3 in 10 say they no longer plan to retire due to pandemic related expenses and/or debt.
- 1 in 10 have moved up or plan to move up their retirement date.

Impacts on Timing of Retirement Due to COVID-19[^] *[Among those who adjusted or plan to adjust their retirement timing]*



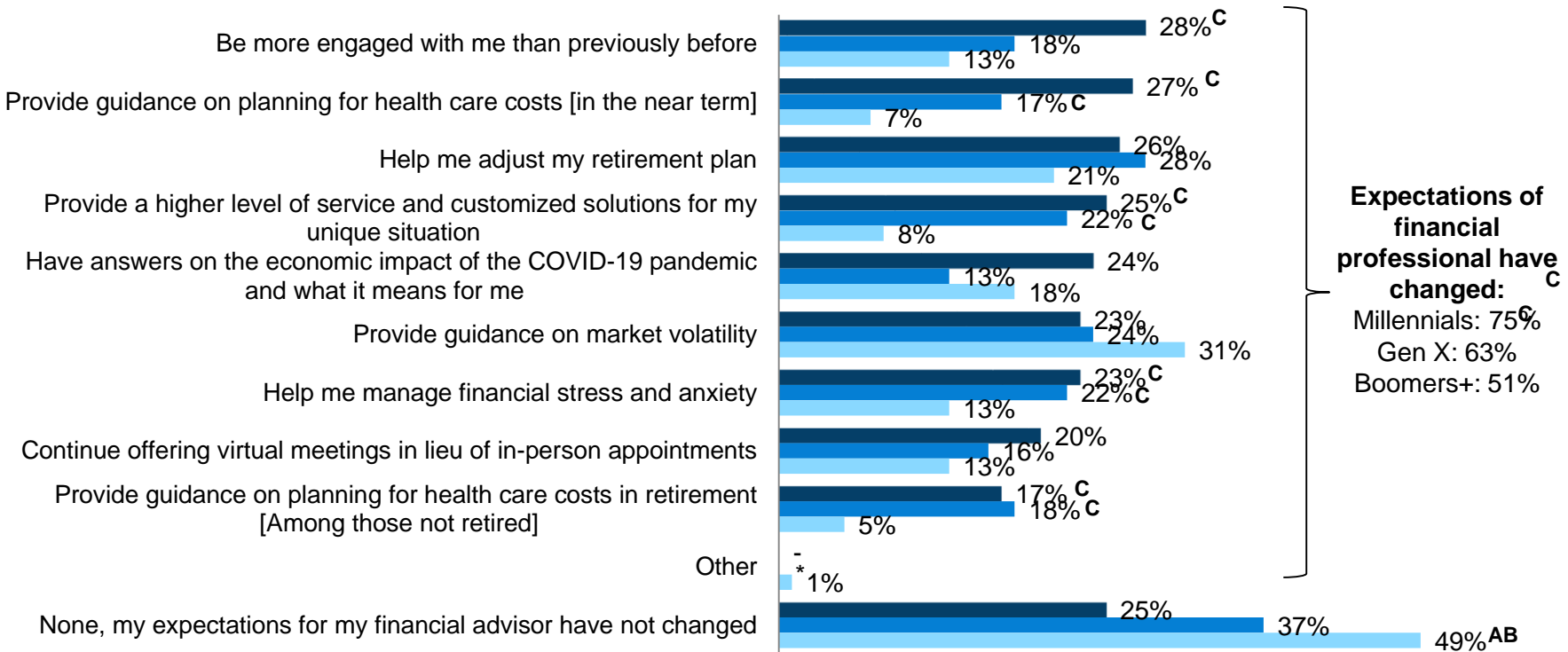
[^]Due to small sample sizes within each audience, only the total is shown

Across all generations (particularly Millennials and Gen Xers), those who have a financial professional say their expectations of them have changed due to COVID-19

- Most common expectations among Millennials are for their financial professional to be more engaged with them and provide guidance on planning for near-term health care costs (both significantly more so than Boomers+).
- Among Gen Xers, the most common expectation is to help them adjust their retirement plan, and among Boomers+, its to provide guidance on market volatility.

Ways Expectations of Financial professional Have Changed Due to COVID-19

[Among those who have a financial professional]



Base: HAS A FINANCIAL professional: Millennials (n=127); Gen X (n=175); Boomers+ (n=330)

Q6n2020 As a result of the COVID-19 pandemic, how, if at all, has your expectation of your financial professional changed? Please select all that apply. "I expect my professional to..."

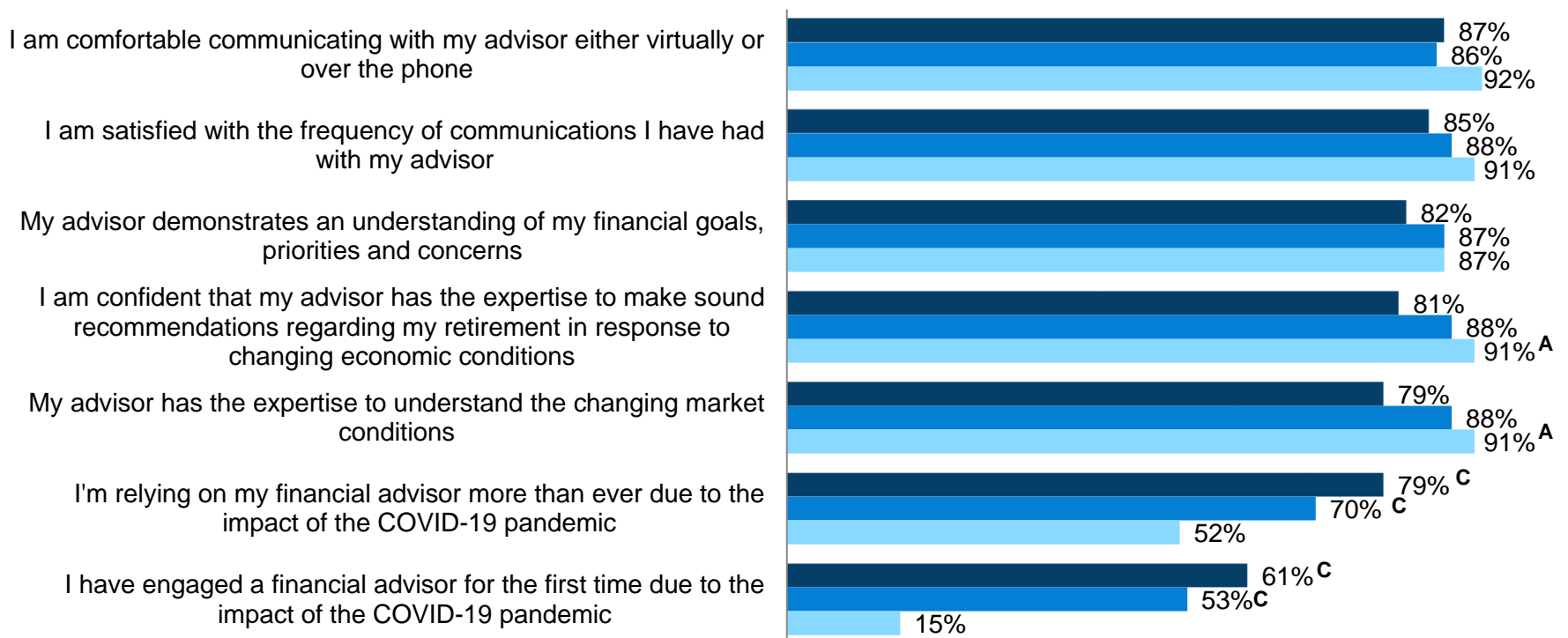
About 8 in 10 Millennials, 7 in 10 Gen Xers, and half of Boomers+ who have financial professionals are relying on them more than ever due to the impact of the COVID-19 pandemic

- More than half of Millennials and Gen Xers with an financial professional say they've engaged one for the first time due to the impact of COVID-19.

Agreement with Statements about Financial professionals and COVID-19

[Among those who have a financial professional]
(Somewhat/Strongly Agree)

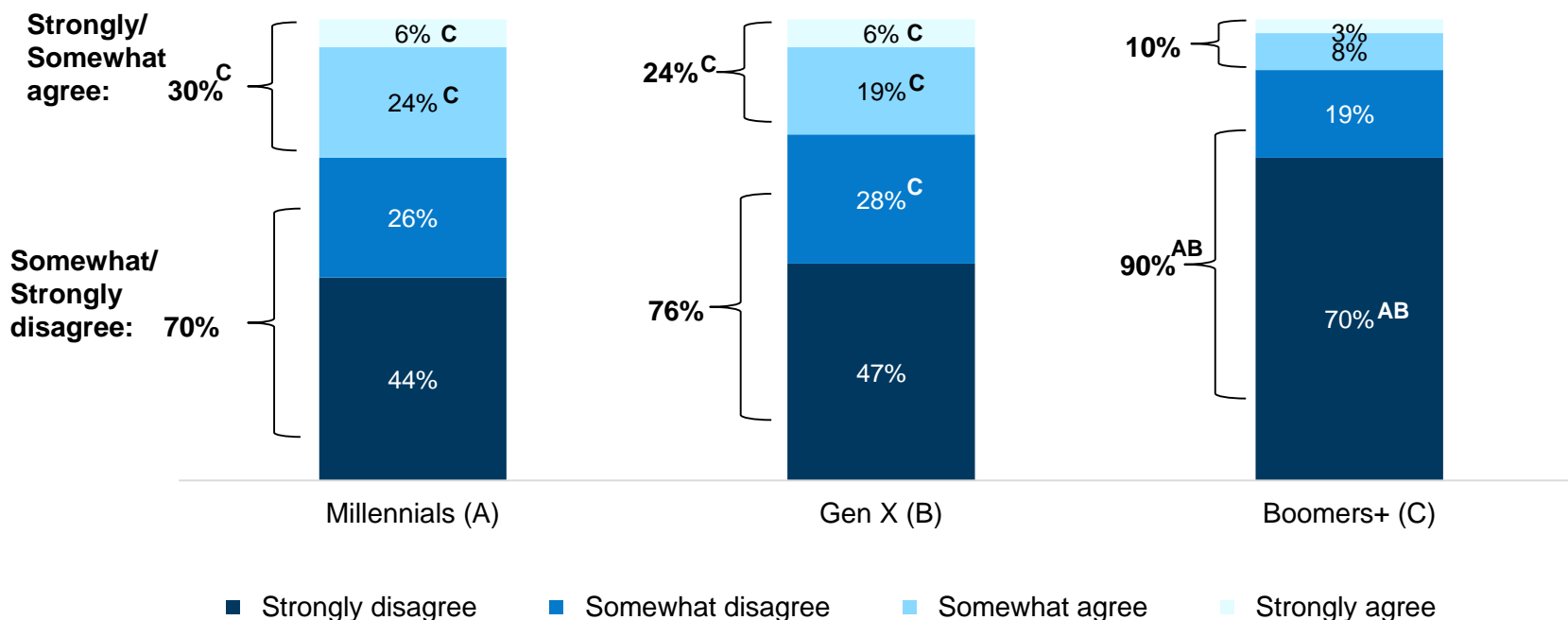
■ Millennials (A) ■ Gen X (B) ■ Boomers+ (C)



3 in 10 Millennials and about a quarter of Gen Xers who don't currently have a financial professional say they plan to engage one for the first time due to COVID-19

- Only 1 in 10 Boomers+ say the same.

Plan to Engage a Financial professional For the First Time Due to Impact of COVID-19 Pandemic
[Among those who do not have a financial professional]



Base: DOES NOT HAVE A FINANCIAL professional: Millennials (n=265); Gen X (n=359); Boomers+ (n=684)

Q8n2020 How much do you agree or disagree with the following statement?

I plan to engage a financial professional for the first time due to the impact of the COVID-19 pandemic.

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