

# Strengthening the health-wealth connection



Many people have prioritized their personal health and wellness as a result of the COVID-19 pandemic. Positive lifestyle choices can not only help people enjoy longer and better lives in retirement, they can also have a financial benefit by managing future health care costs.

The latest Nationwide Retirement Institute® survey on health care uncovered opportunities for financial professionals to make the health-wealth connection with their clients. By incorporating health care into financial planning conversations, financial professionals can encourage clients to make positive choices that improve both their health and wealth in retirement.



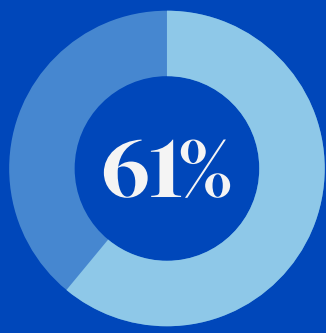
## Clients believe health affects wealth

Health and wellness are top priorities for many investors. Still, many want to do more to improve their overall health as a way to achieve better retirement outcomes.

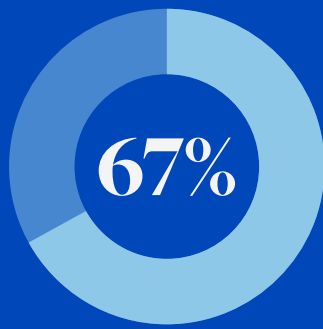
**89%** of adults age 25+ believe lifestyle changes today will help them save on health care expenses in the future.<sup>1</sup>

**61%** of adults age 25+ with financial professionals talk to them about how health and wellbeing impact their wealth.<sup>1</sup>

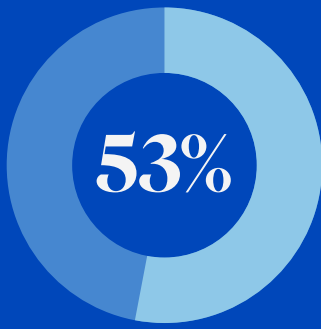
## COVID has altered health perceptions



61% worry more now about their own health than they did before COVID.<sup>1</sup>



67% worry more now about their families' health than they did before COVID.<sup>1</sup>



53% worry more now about their financial stability than they did before COVID.<sup>1</sup>

## Retirement health care costs remain a mystery

Many adults age 25+ fear what rising health care costs could mean for their financial future. The majority of adults age 25+ (55%) are either unsure or unable to estimate their annual retirement health care costs. Those who have estimated what they think health care will cost during their retirement typically undershoot the actual expenses current retirees pay.

Annual health care expenses in retirement:



**\$2,200**

Median estimate of annual retirement health care costs by adults age 25+<sup>1</sup>



**\$6,700+**

Actual annual health care expenditures by people age 65 and older<sup>2</sup>

## Build confidence through health & wealth planning

The opportunity for financial professionals comes in helping clients build confidence in their financial future through holistic health and wealth planning.

Around half of adults age 25+ are either somewhat or not at all confident in their ability to achieve the following in retirement<sup>1</sup>:

**48%** Have a successful financial strategy

**48%** Maintain good physical health

**47%** Manage and pay for necessary health care costs



Strengthening the connection between health and wealth can help encourage clients to develop plans to help cover the rising costs of retirement health care and contribute to a more secure and comfortable financial future.

With a wide range of planning resources and solutions, including the Nationwide Health Care Cost Assessment tool, financial professionals can drive greater client retention and deliver added value for clients.

Individuals can learn more about planning for health care costs in retirement at [www.Nationwide.com/healthcareinsights](http://www.Nationwide.com/healthcareinsights)

Financial professionals can access resources to help guide client conversations at [www.NationwideFinancial.com/healthcare](http://www.NationwideFinancial.com/healthcare)



<sup>1</sup> 2021 Nationwide Retirement Institute Health Care Survey  
<sup>2</sup> "How have healthcare expenditures changed? Evidence from the Consumer Expenditure Surveys" U.S. Bureau of Labor Statistics, Nov. 2020 using Consumer Expenditure Survey data from 2018.

This Nationwide Retirement Institute® survey was conducted online within the U.S. by The Harris Poll on behalf of Nationwide between August 5 and August 24, 2021 among 1,817 U.S. adults age 25+ (general population sample) including 600 Millennials (age 25-40), 605 Gen Xers (age 41-56), and 612 Boomers+ (age 57+). Data was weighted as needed to bring them in line with the population of U.S. residents age 25+ from the 2020 Current Population Survey for age by gender, education, race/ethnicity, region, household income, marital status, and household size. To ensure the national sample was representative, the data were initially weighted by generation (Millennials 25-40, Gen Xers 41-56, and Boomers+ 57+) and then combined into a total 25+ group. 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.

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