



Put Your Future Health Care Expenses in Focus

ANNUITIES | INCOME

Retirement Insights



Brighthouse

FINANCIAL®

Build for what's ahead™

Planning for your financial future? Consider Health Care in your calculations.

Studies find that retirees' expenses decrease as they age – with the exception of health care costs.¹ Why? Because the cost of co-pays, deductibles, wellness visits, prescriptions, exercise, and eating well are only part of the equation. As people age, their health can change, leading to additional and increasing health care expenses.

Senior Health by the Numbers



2 out of 3 adults older than 65 have two or more chronic conditions and need coordinated care.²



Average Medigap plan monthly premium for additional health insurance costs not covered by Medicare (\$4,152 per year) in 2019.³



Average surcharge high-income seniors will face for Medicare Part B and Prescription Drug Plan coverage.⁴

Dare to Prepare

Perception



80% of workers are confident they will have enough money to cover medical expenses during retirement.⁵



77% of workers are confident in their ability to do a good job planning for retirement.⁵

Reality



As a general rule, one should set an expected retirement spending target of 85% of the estimated (after-tax) income they're receiving pre-retirement.⁶



45% of American workers have less than \$25,000 in savings and investments.⁷



The Cost Concern Is Real

Older homeowners spent \$6,802 toward health care in 2018, a 48% increase from 2008.⁹

And With Good Reason

Retirees often say that health care costs are greater than they anticipated.⁵



A retiring 65-year-old couple will need an average of \$833 per month⁸ to cover medical costs throughout a 30-year retirement.

How to Take Control Over health care Costs in Retirement

1. Take preventive health care seriously by eating well, exercising daily, minimizing alcohol consumption, and avoiding tobacco.
2. Factor health care costs into your total retirement picture and plan for the unexpected. Use our Future Income Planner to get a snapshot of your income needs at **brighthousefinancial.com**.
3. Explore alternative ways to help fund future health care expenses, including:

Brighthouse Financial Income Annuities

Both immediate and deferred annuities are retirement products designed to help you set aside guaranteed income¹⁰ for future daily and discretionary expenses using a portion of your assets.

Single Premium Immediate Annuity

An immediate annuity, like a Brighthouse Income Annuity,¹¹ can help with:

- Health care savings accounts
- Pensions and Social Security
- Regular health care costs, such as wellness visits and prescription programs

Deferred Income Annuity

A deferred income annuity, like Brighthouse Guaranteed Income Builder[®], can help to:

- Plan for future expenses with deferred income payments
- Cover assisted living expenses, gaps in primary care coverage, additional Medicare premiums, and more

Secure predictable, stable income for immediate or future health care expenses.

Contact your financial professional or visit **brighthousefinancial.com** to get a quote, receive more information, or access the Brighthouse Financial income annuity tools.

- ¹ Expenses You Can Eliminate in Retirement. U.S. News, August 3, 2020.
- ² The Challenge of Managing Multiple Chronic Conditions. U.S. Department of Health & Human Services, as of January 2020. [hhs.gov](https://www.hhs.gov)
- ³ What Is the Cost of Supplemental Health Insurance for Seniors? HealthMarkets Insurance Agency, December 3, 2019. [healthmarkets.com](https://www.healthmarkets.com)
- ⁴ What You'll Pay for Medicare in 2021. Kiplinger, December 16, 2020.
- ⁵ 2021 Retirement Confidence Survey. Employee Benefits Research Institute.
- ⁶ Retirement Benefits. Social Security Administration, as of January 2021. [ssa.gov](https://www.ssa.gov)
- ⁷ 2018 Retirement Confidence Survey Fact Sheet. Employee Benefits Research Institute.
- ⁸ How to plan for rising health care costs. Fidelity Investments, May 6, 2021.
- ⁹ 2019 Profile of Older Americans. The Administration for Community Living, May 2020. [acl.gov](https://www.acl.gov)
- ¹⁰ Guarantees are subject to the financial strength and claims-paying ability of the issuing insurance company.
- ¹¹ Referred to as Single Premium Immediate Annuity or SPIA in the contract and on related forms.

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Brighthouse Life Insurance Company
11225 North Community House Road
Charlotte, NC 28277
[brighthousefinancial.com](https://www.brighthousefinancial.com)

Brighthouse Life Insurance Company of NY
285 Madison Avenue
New York, NY 10017