



WEALTH MANAGEMENT

# INSIGHTS

LIVE<sup>SM</sup>

Strategies for health care in retirement



## **Steve Betts**

### **Head of Fidelity Health, Fidelity Investments**

Steve is head of Fidelity Health, a strategic division of Fidelity's Workplace Investing business. Fidelity's mission is to inspire better futures and deliver better outcomes for its customers and businesses, helping more than 40 million people feel more confident in their most important financial goals, manage employee benefit programs for nearly 23,000 businesses, and support more than 3,600 advisory firms with innovative investment and technology solutions to grow their businesses. In his current position, Mr. Betts heads a set of high growth businesses focused on a variety of health care benefits solutions for employers and individuals. Key businesses include health savings accounts, health care benefits administration, and Fidelity's overall digital health care experience.

## **Jackie Calandriello, CFP®**

### **Vice President, Wealth Planner, Fidelity Investments**

Jackie is a Vice President, Wealth Planner at Fidelity Investments and is based in New York, NY. In this role, she partners with individuals, families, and businesses to obtain financial peace of mind through a holistic financial planning process customized based on her clients' unique goals and objectives. Prior to assuming her current role in 2021, Jackie was a Financial Advisor at Ameriprise Financial from 2008-2010 and 2016 – 2021. She was also a Financial Advisor at MetLife from 2010-2016. Jackie earned a Bachelor of Science degree in Mathematics from Polytechnic University. She is a CERTIFIED FINANCIAL PLANNER™ Practitioner and has passed the Series 7 and 66 exams.

## **Benjamin Isgur**

### **Vice President, Health Care Thought Leadership, Fidelity Investments**

Ben has spent more than 25 years guiding US and global health benefit leaders and decision makers with industry intelligence and research-based perspectives. Prior to joining Fidelity Investments, Ben founded a health research institute for a global consulting firm, where he led a team of industry experts, policy analysts and economists dedicated to developing original and independent thought leadership. Ben also developed health policy as a legislative director in the Texas House of Representatives and as a government relations officer for the City of Austin. Ben received a master's degree from the LBJ School of Public Affairs at the University of Texas at Austin where he was a US Department of Defense fellow. Ben is a fellow with the American College of Healthcare Executives and serves as a board member for multiple health-related not-for-profits.





## **Stefne A. Lynch**

### **Vice President – Annuity Product Management & Client Engagement, Fidelity Investments**

Stefne is the annuity product management and client engagement lead at Fidelity Investments Life Insurance Company. She joined Fidelity in 2023 with a keen focus on helping customers achieve their retirement goals and protect their financial plans with insurance solutions. Stefne's journey in financial services started 24-years-ago at Salomon Smith Barney before moving on to MassMutual and Symetra, in a variety of sales, distribution, and relationship management roles. She is a national speaker at industry conferences on retirement risk mitigation, retirement income strategies, long-term care planning, and behavioral finance. Stefne received her Bachelor of Arts degree from Smith College with honors.



## 19 Years of Cost of Care Monthly Trends

	Category	2004 Monthly Cost	2023 Monthly Cost	Total Increase (\$)	Total Increase (%)
	Private Room Nursing Home <sup>2</sup>	\$5,432	\$9,733	\$4,301	79%
	Assisted Living Facility <sup>3</sup>	\$2,400	\$5,350	\$2,950	123%
	Home Health Aide <sup>1</sup>	\$3,514	\$6,292	\$2,778	79%
	Home Maker Services <sup>1</sup>	\$3,175	\$5,720	\$2,545	80%

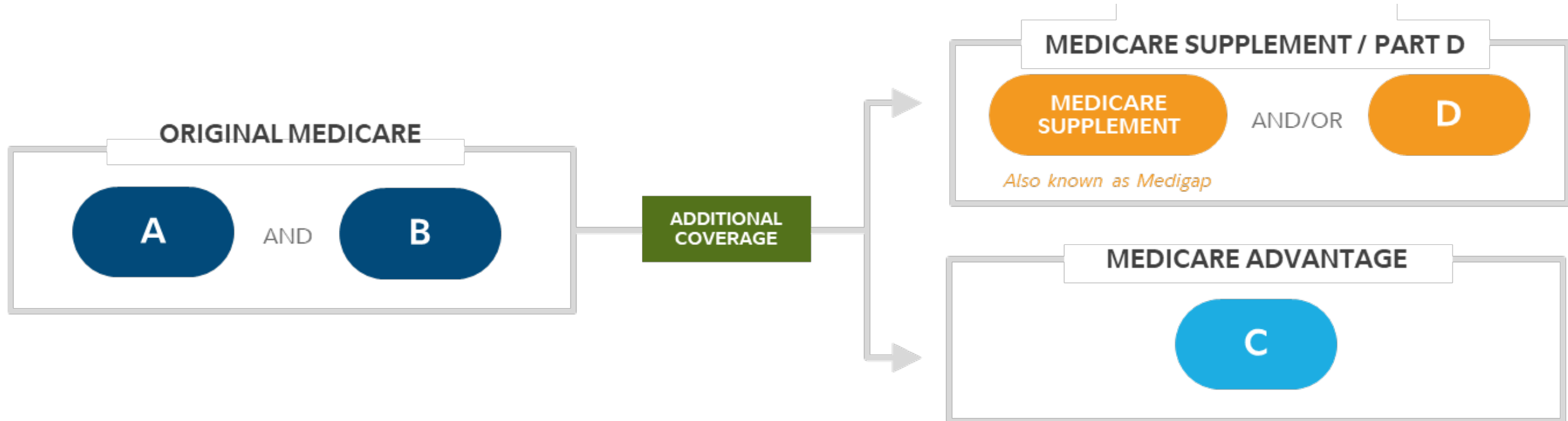
Genworth Cost of Care Survey 2014–2023, conducted by CareScout® (<https://www.genworth.com/aging-and-you/finances/cost-of-care.html>).

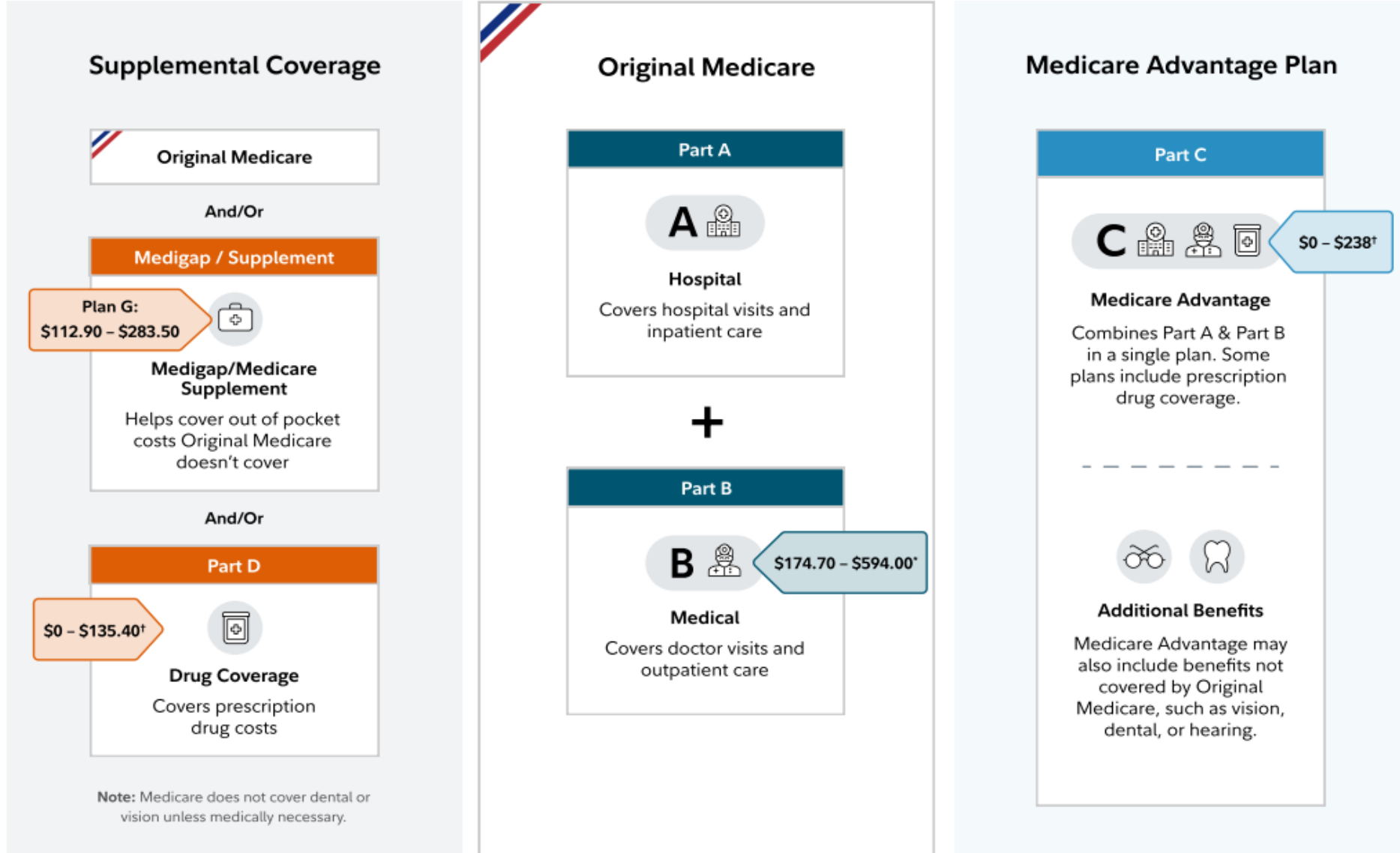
<sup>1</sup> Based on annual rate divided by 12 months (assumes 44 hours per week by 52 weeks).

<sup>2</sup> Based on annual rate divided by 12 months.

<sup>3</sup> As reported, monthly rate, private, one bedroom.

Each part provides a different type of coverage





† 2024 average monthly premiums based on a 65-year-old non-tobacco individual, with the contracted health insurance carriers on our platform.

\* Part B Premiums for 2024 from <https://www.medicare.gov/your-medicare-costs/part-b-costs>

# MEDICARE PART B MONTHLY PREMIUMS AND IRMAA

If your yearly income in 2022 (for what you pay in 2024) was:








File individual tax return	File joint tax return	File married & separate tax return	You pay each month (in 2024)
\$103,000 or less	\$206,000 or less	\$103,000 or less	\$174.70
Above \$103,000 up to \$129,000	Above \$206,000 up to \$258,000	Not applicable	\$244.60
Above \$129,000 up to \$161,000	Above \$258,000 up to \$322,000	Not applicable	\$349.40
Above \$161,000 up to \$193,000	Above \$322,000 up to \$386,000	Not applicable	\$454.20
Above \$193,000 and less than \$500,000	Above \$386,000 and less than \$750,000	Above \$103,000 and less than \$397,000	\$559.00
\$500,000 or above	\$750,000 or above	\$397,000 or above	\$594.00

# MEDICARE PART D MONTHLY PREMIUMS AND IRMAA

If your filing status and yearly income in 2022 was:

File individual tax return	File joint tax return	File married & separate tax return	You pay each month (in 2024)
\$103,000 or less	\$206,000 or less	\$103,000 or less	Your plan premium
Above \$103,000 up to \$129,000	Above \$206,000 up to \$258,000	Not applicable	\$12.90 + your plan premium
Above \$129,000 up to \$161,000	Above \$258,000 up to \$322,000	Not applicable	\$33.30 + your plan premium
Above \$161,000 up to \$193,000	Above \$322,000 up to \$386,000	Not applicable	\$53.80 + your plan premium
Above \$193,000 and less than \$500,000	Above \$386,000 and less than \$750,000	Above \$103,000 and less than \$397,000	\$74.20 + your plan premium
\$500,000 or above	\$750,000 or above	\$397,000 or above	\$81.00 + your plan premium

4 main ways to obtain health care coverage to bridge the period between retirement and Medicare:

	 Target audience	 Estimated cost	 Considerations
<b>COBRA</b> 	Former employees	\$\$-\$\$\$	Few employers subsidize COBRA; you may need to pay the full cost of the coverage.
<b>SPOUSE'S PLAN</b> 	Eligible spouses/partners of covered employees	\$-\$\$	Not all employers offer this benefit; special rules or surcharges may apply.
<b>PUBLIC MARKETPLACE</b> 	Anyone	\$\$-\$\$\$	Qualification for federal assistance is based on your income level.
<b>PRIVATE INSURANCE</b> 	Anyone	\$\$-\$\$\$	Your former employer may provide a reimbursement account that can be used to help offset the cost of these plans.



The sooner you start thinking about your options before you need them, the better.



## 5 ways HSAs can help with your retirement

**See how HSAs can be a tax-efficient part of your retirement planning.**

→ [Learn more](#)

## Will your retirement income impact Medicare surcharges?

**See if your higher income level can mean paying more for Medicare Part B and Part D.**

→ [Learn more](#)

## How long-term care planning can help your loved ones

**Making plans for your care later in life is a valuable gift you can give your family.**

→ [Learn more](#)

## Your bridge to Medicare

**Explore 4 health care coverage options as you transition to Medicare at age 65.**

→ [Learn more](#)

## Long-term care: Options and considerations

**Learn to navigate the costs, options to cover expenses, and insurance policy features.**

→ [Learn more](#)

## Fidelity Medicare Services® Learning Center.

**Learn about Medicare's parts, when to enroll, and how to choose the coverage that's right for you.**

→ [Learn more](#)

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## WEALTH MANAGEMENT

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**Fidelity Medicare Services does not offer every plan available in your area. Currently we represent at least four organizations which offer at least five products in your area. Please contact Medicare.gov, 1- 800-MEDICARE, or your local State Health Insurance Program to get information on all of your options..**

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For a complete list of available plans, please contact 1-800-MEDICARE (TTY users should call 1-877-486-2048) 24 hours a day/7 days a week or consult [www.medicare.gov](http://www.medicare.gov).

This may be considered an advertisement or solicitation for insurance.

Fidelity Retiree Health Care Costs Estimate: estimate based on individuals retiring in 2023, 65-years-old, with life expectancies that align with Society of Actuaries' RP-2014 Healthy Annuitant rates projected with Mortality Improvements Scale MP-2020 as of 2022. Actual assets needed may be more or less depending on actual health status, area of residence, and longevity. Estimate is net of taxes. The Fidelity Retiree Health Care Cost Estimate assumes individuals do not have employer-provided retiree health care coverage, but do qualify for the federal government's insurance program, original Medicare. The calculation takes into account Medicare Part B base premiums and cost-sharing provisions (such as deductibles and coinsurance) associated with Medicare Part A and Part B (inpatient and outpatient medical insurance). It also considers Medicare Part D (prescription drug coverage) premiums and out-of-pocket costs, as well as certain services excluded by original Medicare. The estimate does not include other health-related expenses, such as over-the-counter medications, most dental services and long-term care.

**Annuity guarantees are subject to the claims-paying ability of the issuing insurance company.**

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Triple tax advantages of Health Savings Accounts is with respect to federal taxation only. Contributions, investment earnings, and distributions may or may not be subject to state taxation

### Sources:

Genworth Cost of Care Survey, 2023: [Cost of Long Term Care by State | Cost of Care Report | Genworth](#)

Single seniors pay more for health care, 9/23/22: [Why single seniors pay more for health care | MassMutual LongTermCare.gov](#) [How much care will you need? 2/28/2020](#)

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Fidelity Health Thought Leadership. ["Helping employees prepare for health care costs in retirement."](#) 2023.

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