



# HEALTH INSURANCE IN RETIREMENT

Running out of money pales in comparison to running out of family, friends, good health, and time.

—Robert Laura\*

## LEARN

Retirement is a milestone that most people look forward to their whole lives. But it also comes at a time when your health may start to decline. Often the biggest expense retired people face is for health care. A good insurance plan can help to ease the financial burden and keep you healthier for longer.

### How much health coverage do I need?

According to Fidelity, the average couple will need

# \$285,000

IN TODAY'S DOLLARS

for medical expenses in retirement, excluding long-term care.\*\*

### What options do I have?

Your DMBA-participating employer may offer post-retirement medical plans to you and your eligible family members.

#### HOW TO QUALIFY

# 10

YEARS

fulltime service

# &

work past age

# 55

OR 60

depending on your hire date

If you do not qualify for a DMBA medical plan in retirement, you may be able to find affordable, or even subsidized, coverage from other sources.

### What about Medicare?

You can enroll in Medicare beginning three months before the month of your 65<sup>th</sup> birthday. However, most retirees need additional health insurance, known as a Medicare supplement plan.\*\*\*

## DO

### Compare commercial insurance providers

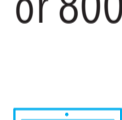
Local providers and national carriers may be good options to consider if you do not qualify for a DMBA medical plan. Choose a reputable company with a history of financial stability. If you don't recognize the name of a company, it's likely it has not been in business long. Compare premium costs, covered services, and deductibles.

### Consider how to balance premium and deductible payments

If the monthly premium is low, you may end up paying more for your care with a high deductible and out-of-pocket maximum. Typically, high premiums mean a lower deductible. You may want to look for moderate premiums, deductibles, and out-of-pocket maximums in the middle ground between the two.

### Schedule an appointment

DMBA financial planners are available to coach you if needed. Contact them at 801-578-5600 or 800-777-3622.



### Resources

#### IMPORTANT TERMS

**Covered services:** Specific health benefits included in a plan, such as exams, tests, treatments, and supplies.

**Deductible:** An annual amount the participant pays for covered services before insurance begins paying.

**Out-of-pocket maximum:** The most a participant has to pay for covered services in a plan year, after which the health plan pays 100%. Does not include monthly premiums or services the plan doesn't cover.

**Premium:** The payment for health insurance, typically charged monthly.

#### INSURANCE PROVIDERS

[SelectHealth \(Intermountain West\)](#)

[Kaiser Permanente](#)

[Blue Cross Blue Shield](#)

[UnitedHealthcare](#)

[Aetna](#)

[Federal options for health plans and subsidies](#)

\* Robert Laura, "7 of the Best Retirement Quotes to Get You To and Through it," Forbes, May 26, 2017, <https://www.forbes.com/sites/robertlaura/2017/05/26/7-of-the-best-retirement-quotes-to-get-you-to-and-through-it>.

\*\* "How to plan for rising health care costs," Fidelity Viewpoints (blog), Fidelity Investments website, April 1, 2019, <https://www.fidelity.com/viewpoints/personal-finance/plan-for-rising-health-care-costs>.

\*\*\* "What's Medicare Supplement Insurance (Medigap)?" Medicare website, accessed February 27, 2020, <https://www.medicare.gov/supplements-other-insurance/whats-medicare-supplement-insurance-medigap>.

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