DEAR future self

Ten things to think about when planning for and living in retirement

Important information

This material is not a recommendation to buy, sell, hold or roll over any asset, adopt an investment strategy, retain a specific investment manager or use a particular account type. It does not take into account the specific investment objectives, tax and financial condition, or particular needs of any specific person. Investors should work with their financial professional to discuss their specific situation.

This information is general in nature and is not intended to be tax, legal, accounting or other professional advice. The information provided is based on current laws, which are subject to change at any time, and has not been endorsed by any government agency.

Information provided by Retirement Specialists is for educational purposes only and not intended as investment advice. Retirement Specialists are registered representatives of Nationwide Investment Services Corporation, member FINRA.

Nationwide, Nationwide is on your side. and the Nationwide N and Eagle are service marks of Nationwide Mutual Insurance Company. © 2019 Nationwide

NRM-15419M1 (06/19)
TEN RETIREMENT TO-DOs

1. Plan for a long life.

6 in 10 BABY BOOMERS fear running out of money over death itself.¹

2. Determine the lifestyle you want to live.

Research shows that you may need up to 80% of what you earn now to maintain the same lifestyle in retirement.

3. Decide what retirement means to you.

20% of people over 65 are still working.
TEN RETIREMENT TO-DOs

4. Know what’s coming from your four main income sources.

- Pensions
- Personal savings
- Employer retirement plan
- Social Security

TEN RETIREMENT TO-DOs

5. Decide what you’ll do with your retirement plan before you reach retirement.

- Take a lump-sum distribution
- Roll your money into an IRA
- Take periodic distributions
- Stay in the plan (if the plan allows)
6. Decide when to start taking Social Security.

REALITY CHECK

Healthcare is likely to be your second largest expense in retirement, though it’s often overlooked as a planned-for expense.

* Nationwide as of November 2017. Based on an individual with full retirement age of 66, comparing early filing at age 62 and receiving reduced benefits of 75% of primary insurance amount versus delayed filing at age 70 and receiving credits to increase benefits by 32% of primary insurance amount.

Medicare Part A
hospital insurance that helps to cover inpatient services but does not cover everything

Medicare Part B
medical insurance that helps to cover outpatient care but does not cover everything
7. Get to know Medicare

Medicare Part D
supplemental prescription
drug coverage that may
help with some
medication costs

8. Plan for medical expenses

How can you maximize what you already have?

Medicare will not cover all of your medical expenses, so you will probably need to plan for considerable out-of-pocket health care costs

- Continue working
- Delay taking Social Security
- Work with your financial advisor to make sure your withdrawal strategy is appropriate
- Manage your investments through retirement
TEN RETIREMENT TO-DOs

9. Learn more about long-term care (LTC)

- LTC is a range of services and support you may need to meet your personal care needs.
- Most LTC is assistance with activities of daily living such as:
  - Bathing
  - Dressing
  - Using the toilet
  - Transferring to or from bed or chair
  - Caring for incontinence
  - Eating

REALITY CHECK

Only 14%⁶ of American adults have LTC protection, yet 70%⁷ of people will need some form of LTC during their life.

⁶https://longtermcare.gov/the-basics/what-is-long-term-care/
10. Don’t overlook outlying factors that influence quality of life

Plan for social and group activities outside the home

Try hobbies like dancing, gardening, hiking and swimming

Look for opportunities to replace the mental challenges that come along with being part of the workforce

---

Key milestones

50
Eligible for catch up; additional $6,000 for 401(k) contributions or $1,000 for IRA

62
Earliest age to start taking Social Security (with a reduced payout)

70
Latest date to start receiving Social Security (with the highest payout)

59½
Eligible to take assets from an employer’s plan without 10% early withdrawal tax, though regular income taxes apply

65-67
Depending on date of birth and full retirement age, you may be eligible for full Social Security benefits as well as Medicare benefits

70½
When you must start making mandatory withdrawals, called required minimum distributions, from an individual retirement account (IRA) or a 401(k)
Estate planning misconceptions

- It’s too late to start planning after I have retired

**Estate planning is exclusively for the wealthy**

Estate planning

- Estates can include:
  - Home
  - Car
  - Checking and savings accounts
  - Investments
  - Retirement accounts
  - Life insurance
  - Personal possessions

- Benefits of estate planning can include:
  - Reduced taxes
  - Assurance your estate is distributed according to your wishes
  - Peace of mind for future needs or health concerns
Take action

- Write down a few elements of your ideal retirement.
- Choose how you might maximize your retirement income.
- Speak with your financial advisor about health care options.
- Try Nationwide’s online Health Care Estimator tool.
- Stay active and social.

Q&A questions?
Nationwide can help

Presenter name
Presenter contact information

Nationwide Contact Center
1-800-401-5272

Online
Nrsforu.com