

Fidelity Viewpoints®

**market sense**



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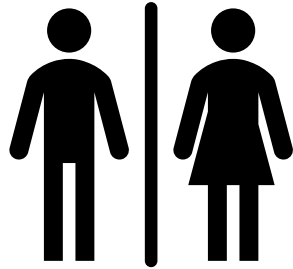
# market sense

The latest headlines, the current market conditions,  
and what it all means for you.



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# Average health care costs over age 65

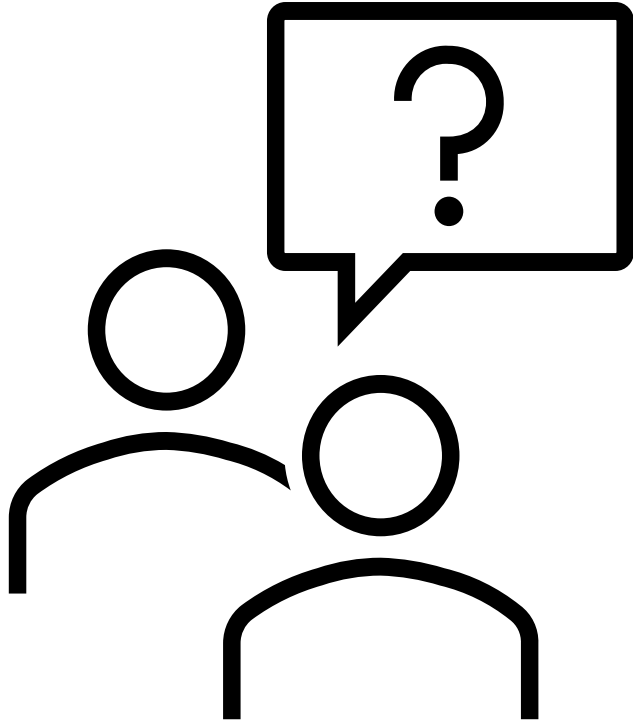


Retired single



**\$165,000 need to save (after tax)**

Source: 2024 Fidelity Retiree Health Care Cost Estimate



# How to estimate potential health care costs

When will you retire?

Where will you retire?

How healthy are you?

How long will you live?

# Understanding Medicare Costs

## Traditional Medicare:

- **Part A:** Hospital insurance
- **Part B:** Medical insurance

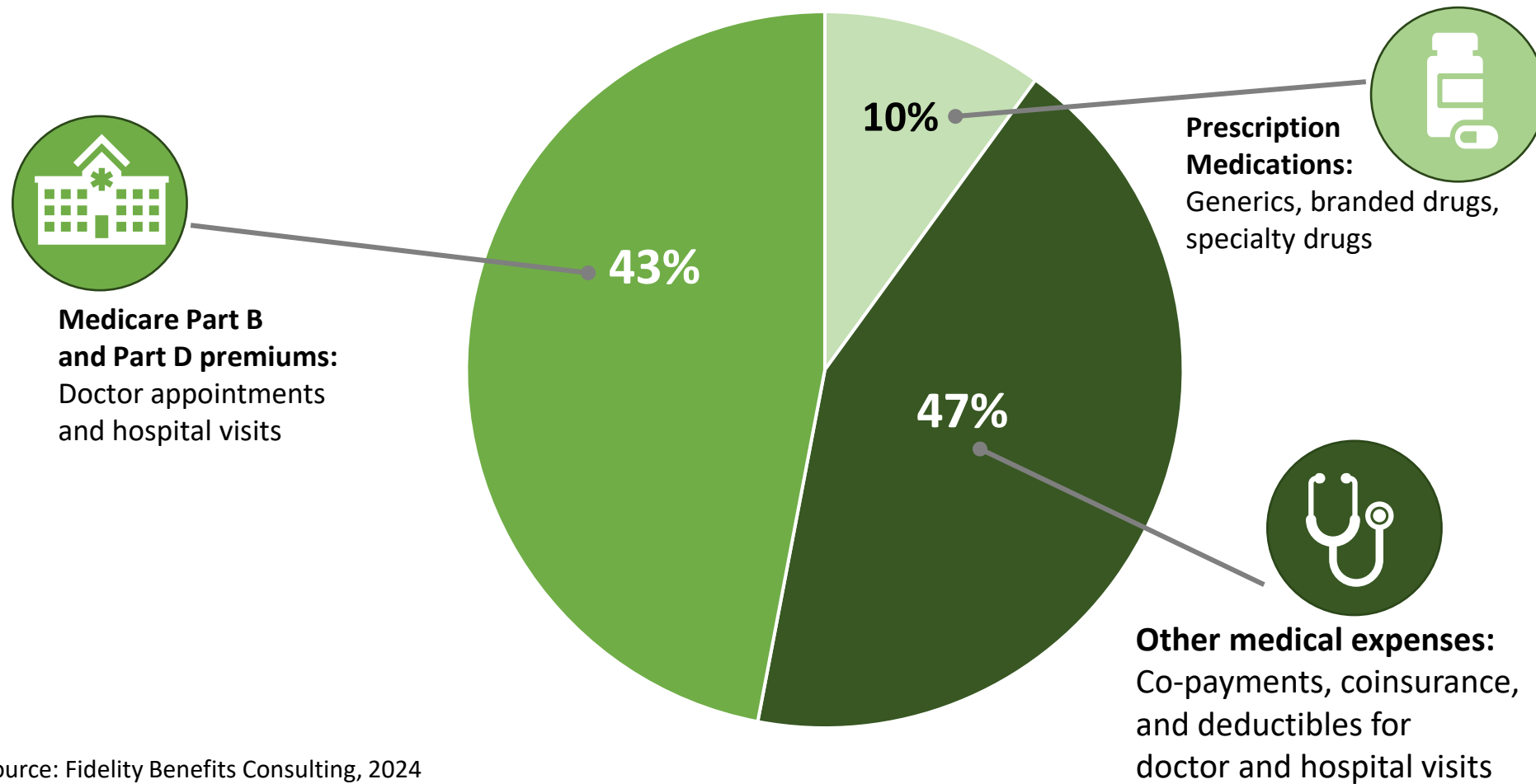
## Not Covered:

- Dental, vision, hearing
- **Part D:** Prescription drugs

## Medicare Advantage

- Provider Network
- Drug plan
- Dental, vision, hearing

# The average breakdown of health care costs in retirement



Source: Fidelity Benefits Consulting, 2024

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1. Reuters, August 14, 2024: [www.reuters.com/markets/us/us-consumer-prices-increase-expected-july-2024-08-14/](https://www.reuters.com/markets/us/us-consumer-prices-increase-expected-july-2024-08-14/)
2. Fidelity Newsroom: [newsroom.fidelity.com/pressreleases/fidelity-investments--releases-2024-retiree-health-care-cost-estimate-as-americans-look-for-clarity-around-s/7322cc17-0b90-46c4-ba49-38d6e91c3961](https://newsroom.fidelity.com/pressreleases/fidelity-investments--releases-2024-retiree-health-care-cost-estimate-as-americans-look-for-clarity-around-s/7322cc17-0b90-46c4-ba49-38d6e91c3961)
3. Fidelity Viewpoints, June 21, 2023: [www.fidelity.com/viewpoints/personal-finance/plan-for-rising-health-care-costs](https://www.fidelity.com/viewpoints/personal-finance/plan-for-rising-health-care-costs)
4. Fidelity Viewpoints, August 12, 2024: [www.fidelity.com/viewpoints/personal-finance/plan-for-rising-health-care-costs](https://www.fidelity.com/viewpoints/personal-finance/plan-for-rising-health-care-costs)
5. Fidelity Viewpoints, June 20, 2024: [www.fidelity.com/learning-center/wealth-management-insights/how-to-prepare-for-health-care-costs-in-retirement](https://www.fidelity.com/learning-center/wealth-management-insights/how-to-prepare-for-health-care-costs-in-retirement)

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This estimate is based on a single person retiring in 2024, 65-years-old, with life expectancies that align with Society of Actuaries' RP-2014 Healthy Annuitant rates projected with Mortality Improvements Scale MP-2021 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. This 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. This estimate does not include other health-related expenses, such as over-the-counter medications, most dental services and long-term care.

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Foreign markets can be more volatile than U.S. markets due to increased risks of adverse issuer, political, market, or economic developments, all of which are magnified in emerging markets. These risks are particularly significant for investments that focus on a single country or region.

Fixed income investments entail interest rate risk (as interest rates rise bond prices usually fall), the risk of issuer or counterparty default, issuer credit risk and inflation risk. Foreign securities are subject to interest rate, currency exchange rate, economic, and political risks all of which are magnified in emerging markets.

It is not possible to invest directly in an index.

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