

Contact: John MacDonald, EBRI, (202) 775-6349, macdonald@ebri.org

Paying for Retiree Medical Costs, I: Workers' Views

WASHINGTON— How confident are American workers that they will have enough money to pay for medical expenses in retirement?

The 2009 Retirement Confidence Survey shows that responses to this question are at the lowest levels measured in the survey. Here are some of the results:

- Worker confidence about having enough money to pay for medical expenses in retirement decreased in 2009. Thirteen percent of workers are *very* confident that they will have enough money to take care of medical expenses during retirement, significantly fewer than in 2008 and the lowest ever measured.
- Worker confidence about being able to pay for long-term care has also declined, down to 10 percent *very* confident and 42 percent *very* or *somewhat* confident—both all-time lows in the survey.

Percentage of Workers Very or Somewhat Confident About Health-Related Expenses in Retirement, 1992–2009

	1992	1994	1999	2004	2005	2006	2007	2008	2009
You will have enough money to take care of medical expenses during retirement									
Very confident	18%	17%	16%	21%	20%	19%	20%	18%	13%
Somewhat confident	36	36	41	40	38	42	46	37	42
You will have enough money to pay for long-term care during retirement									
Very confident	—	—	—	16	17	15	17	13	10
Somewhat confident	—	—	—	35	30	34	36	31	32

Source: Employee Benefit Research Institute and Mathew Greenwald & Associates, Inc., 1992–2009 Retirement Confidence Surveys.

The April 2009 *EBRI Issue Brief*, containing full results of this year's Retirement Confidence Survey, is available at www.ebri.org. The fact sheet *Costs of Health Care in Retirement*, issued with the RCS, contains additional information about the views of workers and retirees concerning their ability to pay for medical costs in retirement. It is available at www.ebri.org/files/FS-06_RCS-09_Health.FINAL1.pdf

Fast Facts from EBRI is issued by the nonpartisan Employee Benefit Research Institute to highlight benefits information that may be of current interest. Established in 1978, EBRI is an independent nonprofit organization committed exclusively to data dissemination, policy research, and education on economic security and employee benefits. EBRI does not take policy positions and does not lobby.