

## How to prepare for health care costs in retirement

**Surprisingly, 53% of people over age 50 believe Medicare Part B is free.\***

But Medicare plans require premiums, have deductibles and still do not cover all costs. These are just some of the reasons why the typical retiree spends about \$5,460 annually on health care expenses, and those costs continue to rise.<sup>1</sup>

See how Protective® Income Builder can help create guaranteed income to help cover health care costs, even if they might rise over time.



### Meet Sarah

- Age: 60
- Needs \$5,460/year to cover health care costs in retirement
- Concerned about rising costs

#### AGE 60

Invests \$84,030 into a Protective Income Builder with the Lifetime Income Benefit

#### AGE 65

She retires, enrolls in Medicare, and elects to receive annuity income. Her benefit base is now \$117,642\*

#### AGE 66+

Based on a 5.10% withdrawal rate, she gets \$6,000 annually for life to cover Medicare premiums and out-of-pocket costs

### SARAH'S ANNUAL INCOME CALCULATION AT BENEFIT ELECTION:

<b>\$117,642</b>	<b>x</b>	<b>5.10%</b>	<b>=</b>	<b>\$6,000</b>
benefit base after 5 years of deferral		Withdrawal percentage (based on single life basis)		Guaranteed annual income amount

\* Reflects five annual 8% simple interest roll-ups under the terms of the Guaranteed Income Benefit. Your financial professional can provide a full hypothetical illustration upon request for a more detailed description of the scenario depicted in this material.

This scenario is hypothetical and for illustrative purposes only. Assumes an \$84,030 initial investment at age 60, with a 5.10% withdrawal rate when income is elected at age 65, and based on single life withdrawal amounts. This chart is hypothetical and is intended solely to demonstrate the features of Protective Income Builder with the Guaranteed Income Benefit. It is not indicative of the performance of any annuity, does not reflect any actual account values, and assumes no excess withdrawals.



This material was developed by Protective in collaboration with *65 Incorporated*, an industry leader in unbiased Medicare guidance. *65 Incorporated* was co-founded by Diane J. Omdahl and Melinda A. Caughill. Diane is a registered nurse and one of the nation’s foremost Medicare experts and Melinda is a noted Medicare speaker. *65 Incorporated* helps consumers and financial professionals with Medicare information and individualized guidance.

To learn more, please visit [65incorporated.com](https://65incorporated.com).



**Talk to your financial professional about a plan for creating guaranteed income to help cover your future health care costs. Together, you can decide if Protective Income Builder is right for you**

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Annuities are long-term insurance contracts intended for retirement planning.

Protective Income Builder is a limited flexible premium deferred indexed annuity contract with a limited market value adjustment, issued under policy forms FIA-P-2010 and FIA-P-2011, and state variations thereof. For Idaho, the contract form number is ICC15-FIA-P-2011. The Guaranteed Income Benefit is provided under rider policy form ICC17-FIA-P-6048 and state variations thereof. Protective Income Builder is issued by Protective Life Insurance Company located in Nashville, TN. Contract form numbers, product availability and features may vary by state.

**Protective Income Builder is not an investment in any index, is not a security or stock market investment, does not participate in any stock or equity investment, and does not contain dividends.**

\*"2018 Health Care and Long-term Care Consumer Survey," The Harris Poll, February 2018.

<sup>1</sup>"How much does the average Medicare beneficiary pay out of pocket for medical expenses?" Medicareresources.org, June 30, 2020.

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Not Insured By Any Federal Government Agency		May Lose Value