

Looking Ahead to Retirement: Factors to Consider

– Video Transcript

For many, planning for retirement is primarily about making sure they have enough money to live comfortably.

That's important, but you should also strive to make sure your retirement isn't derailed by common problems.

Here are some factors to consider.

You need to understand what you can expect from Social Security, and when the appropriate time is to begin collecting benefits.

Another consideration is health care coverage, as people tend to need more medical attention as they age, and that doesn't come cheaply.

This includes understanding your Medicare options, including prescription drug coverage.

It also means evaluating your potential long-term care needs.

More than half of individuals in retirement will require long-term care in a facility or at home at some point during their lifetimes. (Source: U.S. Department of Health and Human Services)

The significant costs of this care can derail a great retirement plan — unless some form of protection is built in up front.

Another factor is inflation.

Because of inflation, you may need more money to do the things you were doing before retirement.

You need to have a plan to deal with rising prices over a long period of time.

You'll also want to think about the burden of taxes.

Every dollar consumed by taxes is a dollar no longer available for retirement needs.

Lastly, if you have assets you want to pass on, you may want to make sure they can be transferred quickly and efficiently to your heirs.

This is an area where proper planning can help prevent excess asset depletion.

We tend to want our retirement years to be free from financial concerns and worries.

Building and implementing a comprehensive financial plan can help ensure you are properly positioned and adequately protected so that you can relax and enjoy your hard-earned retirement.

All investing involves risk, including the possible loss of principal, and there is no guarantee that any investment strategy will be successful.