

## Estimated Savings Need for Retirement Just Got Bigger

**June 26, 2008 (PLANSPONSOR.com) – Another estimate from Fidelity Investments adds to the financial resources individuals need to save for retirement.**

Fidelity estimates that a 65-year old couple in 2008 will need \$85,000 to insure against long-term care needs, according to a press release. In March, Fidelity revealed that its data estimates a 65-year-old couple retiring in 2008 will need approximately \$225,000 to cover medical costs in retirement (See [Retiree Health-Care Costs Up 4.7% in 2008](#)).

"With the average cost of a one-year stay in a private room estimated at more than \$76,000, not preparing for these potential costs can result in personal and financial burdens for family members," Fidelity warned in its announcement.

Joan Bloom, senior vice president, Fidelity Investments Life Insurance Company, said in the release the costs of some long-term care services have been rising by as much as 7% per year for the last five years.

To illustrate the potential cost of long-term care on family-member caregivers, Fidelity said a 50-year old individual earning \$50,000 annually who ends up providing four years of long-term care to a family member, can lose more than \$140,000 in wages, retirement savings, and social security over his or her lifetime.

Insuring against long-term care costs can also ease the emotional and physical effects on family members, the firm suggests.

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