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FOR IMMEDIATE RELEASE

Press Release

Milliman Retiree Health Cost Index: A 65-year-old couple needs \$388,000 in savings for healthcare in retirement

SEATTLE – SEPTEMBER 2, 2025 – Milliman, Inc., a premier global consulting and actuarial firm, today released its 2025 Retiree Health Cost Index (RHCI), which projects how much money, on average, a healthy 65-year-old can expect to spend on healthcare costs in retirement. The index explains how factors like where a person lives, when they retire, and which coverage they choose can impact the total cost of premiums and out-of-pocket expenses.

For 2025, we project a **healthy 65-year-old couple** will need to save on average:

- **\$388,000** under **Original Medicare with Medigap Plan G plus Part D coverage** (Medigap). This reflects a \$7,000 decrease from the year prior.
- **\$183,000** with **Medicare Advantage plus Part D (MAPD)**, increasing \$1,000 from the year prior.

The RHCI also looks at how these costs have changed over the past three years. Between 2022 and 2025, the healthcare savings needed by our couple with Medigap coverage increased \$17,000; savings estimates for our MAPD couple decreased by \$12,000 during the same time period. Drivers of these cost trends include price and utilization changes, projected future inflation, and policy and regulatory changes such as the Inflation Reduction Act.

"Many factors can impact the amount of savings retirees need for their healthcare, including when they retire, where they live, health status, and the type of coverage they have," said Robert Schmidt, co-author of the Retiree Health Cost Index. "Understanding what these costs are and how they can change year-to-year is key for both consumers and employers."

To view the complete Retiree Health Cost Index, visit <https://www.milliman.com/retireehealthcosts>.

About Milliman

Milliman leverages deep expertise, actuarial rigor, and advanced technology to develop solutions for a world at risk. We help clients in the public and private sectors navigate urgent, complex challenges—from extreme weather and market volatility to financial insecurity and rising health costs—so they can meet their business, financial, and social objectives. Our solutions encompass insurance, financial services, healthcare, life sciences, and employee benefits. Founded in 1947, Milliman is an independent firm with offices in major cities around the globe. Visit us at [milliman.com](https://www.milliman.com).

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