

A photograph of a man and a woman walking away from the camera on a sandy beach. They are holding hands and wearing white clothing. The ocean waves are visible in the background, and the sky is blue with some clouds.

# SHOULD YOU RETIRE AT THE SAME TIME AS YOUR SPOUSE?

If you and your spouse are making plans to retire, you're probably wondering whether it's a good idea to retire at the same time. Many couples go through the same thought process and, in fact, one in four couples quit their jobs within a year of each other. But retirement is a decision that should be carefully thought out. Here are some things to consider when deciding whether to retire at the same time as your spouse.

## **Healthcare Costs**

In the United States, you won't become eligible for Medicare until age 65. If you're planning to retire before that age, you should make sure you have a plan to pay for your medical care. If you retire early and your spouse continues to work, you could take advantage of their employer-sponsored healthcare plan.

If you both retire before age 65, you'll need private insurance. Even if one partner is eligible for Medicare upon retirement, the other partner still has to be 65 to take advantage of Medicare benefits. So in either of these situations, it might be better for one partner to continue working until you're both eligible for Medicare in order to cut down on living expenses.

## **Social Security**

Another aspect of retirement to consider is the amount of your social security payments. If you delay retiring until you're between ages 66 and 70, your payment amounts will increase. If you or your spouse wants to continue working until you reach that age range, it may make it easier to pay for living expenses. This will also depend on how much you and your spouse have contributed to retirement savings accounts.

## **Retirement Lifestyle**

It's important for you and your spouse to discuss the kind of lifestyle you'd like in retirement. Will you downsize to a smaller house? Will you use your free time to travel across the globe or pick up a new hobby? Do you want to continue working part-time or volunteering? What day-to-day activities will you want to do together?

All of these questions should give you a good idea of how much you'll need to fund your ideal lifestyle. Compare this to the retirement savings you already have. If you want to retire together right now, would you have enough money saved up to cover expenses? Will you have access to medical care and social security payments? If not, it might be better for one of you to retire first while the other partner continues to work to build up savings and cover healthcare expenses.

## **Do You Want to Retire?**

If you or your spouse are considering retiring, you should also be sure that you're ready. If you love your job and enjoy working, you may want to keep working, even if your partner decides to retire. As long as one of you is still healthy and able to work, it will be easier to fund a comfortable lifestyle when one partner is bringing in a steady income.

It also may be difficult to start working again after you decide to retire. It's not easy to find full-time employment at an older age, especially if you've been out of the workforce for a year or more.

Whether you're considering retirement years apart or at the same time as your spouse, a financial professional can help figure out what the best plan of action is for your specific situation.

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