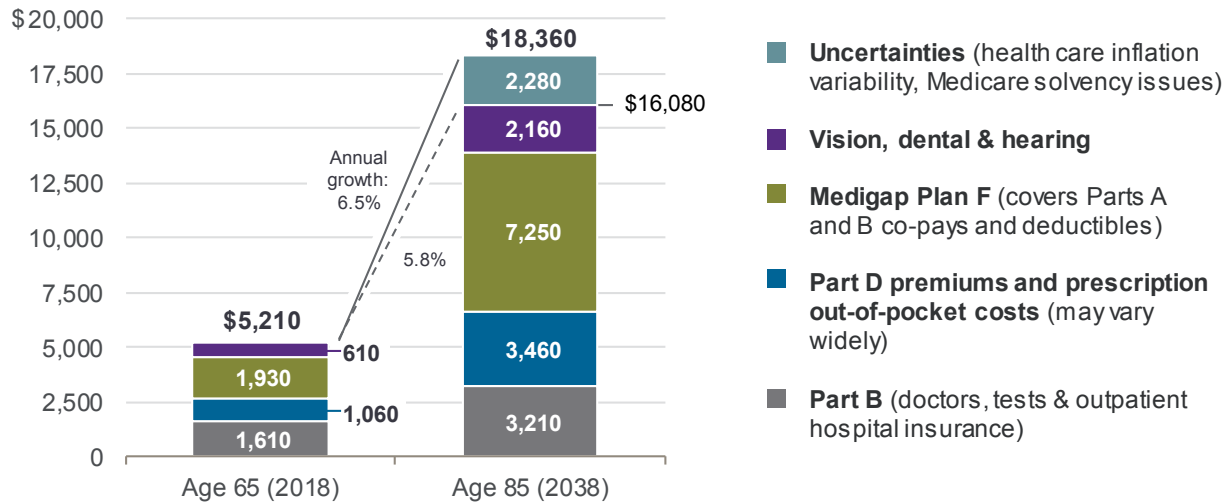


Traditional Medicare estimated median health care costs per person



A GROWING CONCERN

Given variation in health care cost inflation from year to year, it may be prudent to assume an annual health care inflation rate of 6.5%, which may require growth as well as current income from your portfolio in retirement.

2018 additional premium per person for Modified Adjusted Gross Incomes (MAGI) of:

FILING SINGLE	MARRIED FILING JOINTLY	ADDITIONAL PREMIUM	TOTAL MEDIAN COSTS
\$85,001 – \$107,000	\$170,001 – \$214,000	\$798	\$6,008
107,001 – 133,500	214,001 – 267,000	2,010	7,220
133,501 – 160,000	267,001 – 320,000	3,222	8,432
>160,000	>320,000	4,433	9,643

Notes: Age 85 estimated total median cost in 2018 is \$7,097. Medigap premiums usually increase due to age, in addition to annual inflation, except for most policies in the following states: AR, CT, MA, ME, MN, NY, VT WA, AZ, FL, ID and MO. Analysis includes the most comprehensive and expensive plan available in each state.

Parts B and D additional premiums are calculated from federal tax returns two years prior; individuals may file for an exception on form SSA-44 if they reduce or stop work. For the definition of MAGI, please see slide 41.

Source: Employee Benefit Research Institute (EBRI) data as of December 31, 2017; SelectQuote data as of January 18, 2018; Centers for Medicare and Medicaid Services website, January 22, 2018; CMS Annual Release of Part D National Average Bid Amount, July 31, 2017; 2017 Medicare Trustees Report, July 13, 2017; Consumer Expenditure Survey data as of December 31, 2017; J.P. Morgan analysis.