

money on drugs, doctors, hospitals, dentists, and eye care

Take Charge

Guide to Affordable Health Care

By Russell Wild

How scared are you of big medical bills? If you're like most people, very. Americans fret more about their health care costs than they do about losing a job, paying the mortgage, or becoming a victim of terrorism, according to a recent survey by the Kaiser Family Foundation.

And that's not unreasonable. In this country personal expenditures on health care have skyrocketed, rising at more than twice the rate of inflation. Hit especially hard are those ages 50 through 64. People in that age range who buy insurance on their own pay chillingly high rates, with more than half shelling out \$3,600 or more annually on premiums. And that's to say nothing of deductibles and copays.

At age 65, of course, Medicare kicks in, greatly lightening that load for most. But costs can still be substantial, even for those who take advantage of the new Medicare drug coverage. Recent estimates by Fidelity Investments show that a 65-year-old couple retiring today should have at least \$200,000 saved just to cover out-of-pocket medical expenses

during their retirement years. For couples ages 60, 55, and 50 planning to leave the work force at 65, the numbers jump to \$275,000, \$350,000, and \$425,000, respectively. "This is considerably more than most Americans have planned for—if they have planned at all," says Brad Kimler, senior vice president of Fidelity Employer Services Company.

This harsh reality is starting to translate into a kind of revolutionary fervor among some Americans. "Our health care system clearly isn't working," says William Schwied, M.D., M.P.H., an 85-year-old retired physician who has organized hundreds of California retirees in a grass-roots effort to fight for a better health care system. "The only way we'll see change is for people to take to the streets," he says.

But you don't have to wait for systemic reform to save money on your own medical costs. You have the power to take matters into your own hands, starting now. On the following pages, we'll show you dozens of strategies aimed at lessening the burden of health care expenses. →

Illustrations by Shaunna Peterson