

< Retirement Planning

These Are Americans' Top Questions About Retirement. Do You Know the Answers?



Edited by [Becca Stanek](#)



Edited by [Patrick Villanova, CEPF®](#)

Published on August 12, 2025, 8:00am ET

SmartAsset maintains strict [editorial integrity](#). It doesn't provide legal, tax, accounting or financial advice and isn't a financial planner, broker, lawyer or tax adviser. Consult with your own advisers for guidance. Opinions, analyses, reviews or recommendations expressed in this post are only the author's and for informational purposes. This post may contain links from advertisers, and we may receive compensation for marketing their products or services or if users purchase products or services. | [Marketing Disclosure](#)



Many Americans are unsure how to approach retirement planning, and new data helps explain why. In Northwestern Mutual's 2025 Planning & Progress Study,¹ 43% of adults said that one of their top questions is how much money they'll need to retire comfortably. Others worry about the future of [Social Security](#), inflation

during retirement and the risk of outliving their savings. These findings offer a snapshot of the concerns shaping retirement decisions today.


A [financial advisor](#) can answer your retirement questions and help you create a plan to retire with confidence. [Connect with an advisor.](#)

Initial Deposit

\$10,000

360 PERFORMANCE SAVINGS

SPONSORED



APY

3.50%

Min Balance for APY

\$0


Get Details

FDIC Insured

APY as of 6/26/2025. With 360 Performance savings, grow your money on the go with our top-rated mobile app.

HIGH YIELD SAVINGS ACCOUNT

SPONSORED



APY

3.50%

Min Balance for APY

\$0

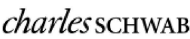
Get Details

FDIC Insured

Annual Percentage Yield (APY) as of 7/23/2025. Grow your savings with no fees/minimum balance and 24/7 access. Member FDIC. Learn more.

HIGH YIELD CASH ACCOUNT

SPONSORED



Trade brilliantly with Schwab Trading Powered by Ameritrade™.

Lee

As of: 08/14/2025

[Ad Disclosure](#)

America’s Top Questions About Retirement

Retirement continues to raise more questions than answers for many Americans. The Northwestern Mutual study asked respondents to identify their top three questions associated with retirement, revealing widespread uncertainty about savings targets, government programs, taxes, market volatility and healthcare costs.

Here are the nine most common questions Americans have about [retirement](#):

1. How Much Money Will I Need to Retire Comfortably?

This was the most commonly cited question, chosen by 43% of respondents. The answer depends on lifestyle expectations, geographic location, health and longevity. The study found that the average amount Americans believe they will need to retire comfortably is \$1.26 million, down from \$1.46 million the year before.

[Find an Advisor](#)

annuity, but how much you actually need can vary widely. Calculating future expenses and comparing them to likely income sources like Social Security, pensions and investment withdrawals can help in determining a more accurate target.

2. Will Social Security Be There When I Qualify for It?

Roughly one-third of respondents (33%) worry that Social Security may not be available by the time they retire. While the system faces funding challenges, benefits are unlikely to disappear entirely. Even if the [Social Security trust funds](#) are depleted (as projected around the mid-2030s), payroll taxes would continue to fund 81% of scheduled benefits.² For planning purposes, some people assume they'll receive a reduced benefit rather than the full amount.

3. What If Inflation Rises When I'm Retired?

Inflation was a primary concern for 30% of respondents, especially given how it can erode purchasing power over a multi-decade retirement. To help protect against rising costs, retirees may own inflation-sensitive assets in their portfolios. These can include [Treasury Inflation-Protected Securities](#) (TIPS), dividend-paying stocks, real estate investment trusts (REITs) or commodities-focused funds.

Another approach is to build in annual increases to your withdrawal amounts, so your spending keeps pace with inflation. If your retirement income includes fixed payments from a pension or annuity, you may want to explore whether inflation-adjusted versions are available. Separately tracking core expenses like housing, food and healthcare can also help identify which categories are most exposed to future price increases.

4. Is It Possible I Could Outlive My Savings?

This concern was shared by 27% of adults, reflecting uncertainty about how long savings will need to last. One way to address [longevity risk](#) is to use a structured withdrawal plan, such as the [4% rule](#) or a dynamic withdrawal strategy that adjusts for market performance and age. You might also consider products that provide lifetime income, such as a single premium immediate annuity or deferred income annuity, which can supplement Social Security.

planning horizon and adds a margin of safety. Reducing unnecessary expenses and delaying retirement, even by a few years, are other ways to extend the life of your portfolio.

5. How Can I Plan for Potential Long-Term Care Needs?



[Long-term care](#) was a concern cited by 26% of respondents. These services, which may include care at a nursing home, assisted living facility or at home, can be costly and are not fully covered by Medicare. For example, the monthly median cost of a semi-private room in a nursing home is \$9,277, while a home health aide typically

costs \$6,483 per month, according to CareScout.³

Options to consider include purchasing [long-term care insurance](#), getting a hybrid life/long-term care policy or earmarking assets for future care. Discussing care preferences with family and documenting them in writing are also important parts of the planning process.

6. How Will Taxes Impact Me in Retirement?

Taxes remain top of mind for 25% of adults. Distributions from traditional IRAs and 401(k)s are treated as taxable income, whereas Roth accounts allow tax-free withdrawals provided certain conditions are satisfied. Up to 85% of your Social Security benefits [may be taxable](#) depending on your total income. Meanwhile, capital gains taxes may apply when selling investments.

Understanding which accounts to draw from first and how to manage taxable income can help reduce your tax bill over time.

7. How Should I Budget for Healthcare Expenses?

[Find an Advisor](#)

Medicare covers many services, but not everything. You'll need separate coverage for dental, vision and long-term care.

Fidelity Investments estimates that a 65-year-old who retires in 2025 could spend \$172,500 on healthcare in retirement.⁴ Planning for out-of-pocket expenses, supplemental insurance premiums and potential unexpected costs is key. Tools like a [health savings account](#) (HSA) or a dedicated healthcare fund can help cover gaps.

8. Will I Have Enough to Leave Behind Assets for Loved Ones or Charitable Causes I Care About?

Nineteen percent of respondents are thinking ahead to what they might leave behind. One way to approach this is to estimate the gap between expected lifetime expenses and projected assets. Then, you can earmark any surplus for heirs or charities. Designating beneficiaries on accounts like IRAs, 401(k)s and life insurance policies is a basic but essential step.

For more complex goals, consider setting up a revocable trust, which can offer more control over asset distribution and help avoid probate. Donor-advised funds and charitable remainder trusts may also support philanthropic giving while providing tax benefits.

9. What If the Stock Market Drops When I'm Retired?

Concern about market downturns in retirement was cited by 14% of adults, and for good reason: losses early in retirement can accelerate portfolio depletion. To reduce the impact, some retirees use a "bucket strategy" that segments savings into short-term (1–3 years), medium-term (3–10 years) and long-term (10+ years) categories, drawing from cash and bonds during downturns and allowing equities time to recover.

Others adopt a flexible withdrawal plan like the "guardrails" approach, which adjusts annual spending up or down based on portfolio performance. Holding a few years' worth of expenses in low-volatility assets can reduce the need to sell investments at a loss.

[Find an Advisor](#)

financial advisor. This free tool will match you with vetted advisors who serve your area.

Here's how it works:

- [Answer a few easy questions](#), so we can find a match.
- Our tool matches you with vetted fiduciary advisors who can help you on the path toward achieving your financial goals. It only takes a few minutes.
- Check out the advisors' profiles, have an introductory call on the phone or introduction in person, and choose who to work with.

Enter your ZIP code to find your matches:

[Find Your Advisor](#)

Are Americans Asking the Right Retirement Questions?

The Northwestern Mutual study reveals that Americans are actively thinking about retirement. However, some of the most impactful questions often go unasked. While concerns about savings targets, Social Security and inflation are valid, fewer people seem to consider questions like:

- How will I transition psychologically into retirement?
- What if my partner or I need to stop working sooner than expected?
- How will I manage cash flow in the early years vs. later stages of retirement?

Another area that people commonly overlook is account structure, such as whether funds are in taxable, tax-deferred or tax-free accounts. This can influence everything from [withdrawal strategy](#) to legacy planning.

Some retirees also forget to plan for how they'll spend their time, how often they'll relocate or how to handle caregiving responsibilities. Expanding the scope of retirement planning to include these kinds of questions may not change the savings target, but it often results in a more flexible and resilient plan.



Find an Advisor

What is your current age?

Over 65

61 - 65

56 - 60

46 - 55

35 - 45

Under 35

NEXT

This survey will match you with vetted fiduciary financial advisors. We provide your advisor matches with your survey responses, which help them understand your financial goals. Your advisor matches are chosen based on your location and/or desire to work with remote advisors, as well as your stated amount of assets. We also consider each advisor's advertising budget, therefore advisors with larger budgets are more likely to appear in the results page. All advisors must meet the same vetting criteria.

powered by smartasset.com

Bottom Line

Retirement planning involves more than setting a savings goal. It requires considering a range of financial and lifestyle factors that can shift over time. Questions about healthcare, taxes, long-term care and market fluctuations reflect how many moving parts are involved. Taking time to explore each concern and understand the trade-offs can make the road ahead feel more manageable, even if the answers vary from person to person.

Retirement Planning Tips

[Find an Advisor](#)

planning services, including retirement strategy. Finding a financial advisor doesn't have to be hard. [SmartAsset's free tool](#) matches you with vetted financial advisors who serve your area, and you can have a free introductory call with your advisor matches to decide which one you feel is right for

you. If you're ready to find an advisor who can help you achieve your financial goals, [get started now](#).

- A well-diversified portfolio helps manage risk and can provide more stable returns. [Invest in a mix of asset types](#), such as stocks, bonds and real estate, to reduce exposure to any single market fluctuation. Diversifying across different sectors and geographic regions also enhances your investment's resilience.

Photo credit: ©iStock.com/Dilok Klaisataporn, ©iStock.com/PIKSEL, ©iStock.com/Jacob Wackerhausen

Article Sources

All articles are reviewed and updated by SmartAsset's fact-checkers for accuracy. Visit our [Editorial Policy](#) for more details on our overall journalistic standards.

1. "Newsroom | Northwestern Mutual – Planning & Progress Study 2025." *Newsroom | Northwestern Mutual*, <https://news.northwesternmutual.com/planning-and-progress-study-2025>. Accessed 8 Apr. 2025.
2. Administration, Social. "Social Security Board of Trustees: Projection for Combined Trust Funds One Year Sooner than Last Year | SSA." SSA, 20 June 2025, <https://blog.ssa.gov/social-security-board-of-trustees-projection-for-combined-trust-funds-one-year-sooner-than-last-year/>.
3. "Cost of Long Term Care by State | Cost of Care Report | Carescout." *Cost of Care Report | Carescout*, <https://www.carescout.com/cost-of-care>.

https://newsroom.fidelity.com/pressreleases/fidelity-investments--releases-2025-retiree-health-care-cost-estimate--a-timely-reminder-for-all-gen/s/3c62e988-12e2-4dc8-afb4-f44b06c6d52e.

Back to top




Was this content helpful?

- ☐ Yes
- ☐ No

Compare Financial Products ⓘ

Initial Deposit

\$10,000

360 PERFORMANCE SAVINGS		SPONSORED	
	APY 3.50%	Min Balance for APY \$0	Get Details
FDIC Insured	APY as of 6/26/2025. With 360 Performance savings, grow your money on the go with our top-rated mobile app.		
HIGH YIELD SAVINGS ACCOUNT		SPONSORED	
	APY 3.50%	Min Balance for APY \$0	Get Details
FDIC Insured	Annual Percentage Yield (APY) as of 7/23/2025. Grow your savings with no fees/minimum balance and 24/7 access. Member FDIC. Learn more.		
HIGH YIELD CASH ACCOUNT		SPONSORED	
	APY 4.65%	Min Balance for APY \$10	Get Details



Find an Advisor

Read More About Retirement

RETIREMENT PLANNING

When Can You Retire If You Were Born in 1959?

May 8, 2025

Read More

RMDS

What Happens If You Don't Take Your RMD by April 15?

April 16, 2025

Read More

RETIREMENT PLANNING

I'm 60 With a \$920k in Retirement Savings and Expect a \$2,25...

April 24, 2025

Read More

401(K)

Can 401(k) Participants Also Make SEP IRA Contributions?

May 8, 2025

Read More

RECENT POSTS

[Revealed: Annual List of Top Financial Advisor Firms](#)

[How to Potentially Reduce RMD Taxes After Age 73](#)

[How Irrevocable Trusts Can Help Eliminate Estate Taxes](#)

MORE FROM SMARTASSET



Find an Advisor

› How to Find and Choose a Financial Advisor

› The Top Financial Advisors in the U.S.

› How Much Do I Need to Save for Retirement?

› Mortgage Calculator

› Compare Mortgage Rates

› SPONSORED



Hire a Pro: Compare up to 3 Fiduciary Financial Advisors

Talk to a financial advisor and get a jumpstart on your retirement plan. Compare advisors that serve ; 5 minutes.

SUBSCRIBE TO OUR NEWSLETTER

Join 200,000+ other subscribers

SUBSCRIBE

CATEGORIES

› Advisor Resources

› Auto

› Career

› Checking Account

› Credit Cards

› Credit Score



Find an Advisor

- > Debt
- > Estate Planning
- > Financial Advisor
- > Insights
- > Insurance
- > Investing
- > Life Insurance
- > Mortgage
- > Personal Finance
- > Personal Loans
- > Refinance
- > Retirement
- > Small Business
- > Student Loans
- > Taxes

GET IN TOUCH

- Contact
- Careers

SMARTASSET

- Search
- About
- SmartReads
- Captivate
- SmartAsset AMP



Find an Advisor

SmartAdvisorMatch

GET SOCIAL

Like on Facebook

Like on X

LEGAL STUFF

Terms of Service

Privacy Policy

AdChoices

GLB Notice

Online Tracking Opt-Out Guide

SmartAsset Advisors, LLC ("SmartAsset"), a wholly owned subsidiary of Financial Insight Technology, is registered with the U.S. Securities and Exchange Commission as an investment adviser. SmartAsset's services are limited to referring users to third party advisers registered or chartered as fiduciaries ("Adviser(s)") with a regulatory body in the United States that have elected to participate in our matching platform based on information gathered from users through our online questionnaire. SmartAsset receives compensation from Advisers for our services. SmartAsset does not review the ongoing performance of any Adviser, participate in the management of any user's account by an Adviser or provide advice regarding specific investments.

We do not manage client funds or hold custody of assets, we help users connect with relevant financial advisors.

This is not an offer to buy or sell any security or interest. All investing involves risk, including loss of principal. Working with an adviser may come with potential downsides, such as payment of fees (which will reduce returns). Past performance is not a guarantee of future results. There are no guarantees that working with an adviser will yield positive returns. The existence of a fiduciary duty does not prevent the rise of potential conflicts of interest.

© 2025 SmartAsset, all rights reserved.