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## Perhaps with less to spend, retired Southerners spend less

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By Editorial Staff    *Thu, Feb 23, 2017*

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*Among 65-to-74-year-olds, Northeastern households had the highest median annual spending (\$41,860) and Southern households the lowest (\$32,836), according to new research by the Employee Benefit Research Institute.*

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New research by the Employee Benefit Research Institute (EBRI) shows large variations in spending by older households across the country, including differences between large U.S. Census regions (e.g., the Northeast vs. the South) and smaller divisions (such as New England vs. South Atlantic states).

Specifically, looking at variation by total household spending:

Among 65-to-74-year-olds, Northeastern households had the highest median annual spending (\$41,860) and Southern households the lowest (\$32,836). Among the different census divisions, New Englanders ages 65 to 74 spent the most (median of \$46,019), while peers in the West South Central division (TX, OK, AR, and LA) spent the least (\$28,540).

Geographic differences in housing and housing-related expenses were consistent with total spending differences. New England households ages 50 to 64 spent almost 2.5 times more (annual median of \$30,240 ) on housing and housing-related expenses than those in the southern states of TX, OK, AR, and LA (annual median of \$11,948).

Midwestern states have much higher health care expenses than other regions for those ages 75 and above and non-institutionalized. Among those 85 and above, the median annual spending among Midwesterners was \$3,480, which was 41.5% more than the median (\$2,460) in the next-highest spending region (the West).

Nationally, average household spending declined with age. In 2015, average total annual spending for households between ages 50 and 64 was \$53,087, but only \$34,982 for those ages 85 and older. Median spending levels for the same age groups were \$42,235 and \$26,497, respectively. Housing and housing-related expenses remained the largest spending category for all age groups above 50, varying between 44% and 48% of total household spending for different age groups.

The full report, "Geographic Variation in Spending Among Older American Households," is published in the Feb. 21, 2017 EBRI Issue Brief, online at [www.ebri.org](http://www.ebri.org).

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