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Delaware is the Best State to Retire; Alaska is the Worst

The Midwest and South round out the five best states to retire

NEW YORK - July 22, 2024 - Delaware is the best state to retire in 2024 as Iowa, last year's number one, drops to 9th place, according to Bankrate's annual Best States to Retire Study. This study ranked all fifty U.S. states by affordability (40% of the ranking), overall well-being (25%), quality/cost of health care (20%), weather (10%) and crime (5%). Alaska held last place in both the 2023 and 2024 rankings. Click here for more information:

<https://www.bankrate.com/retirement/best-and-worst-states-for-retirement/>

Best States to Retire: Top 5	Worst States to Retire: Bottom 5
1. Delaware	50. Alaska
2. West Virginia	49. New York
3. Georgia	48. Washington
4. South Carolina	47. California
5. Missouri	46. North Dakota

Moving up from second place last year into the top spot this year, Delaware ranked well in categories such as overall well-being (2), weather (8) and affordability (20), despite its less favorable rankings in the categories quality/cost of health care (39) and crime (36). Additionally, Delaware had strong rankings in metrics such as combined state and local sales tax (1), amount of adults 62 and older per capita (4), and state health system performance (24), while the cost of living (33), and cost of healthcare per capita by state (47) metrics received lower rankings.

"Delaware overtook Iowa for the number one spot in this year's ranking of the best and worst states to retire," said Bankrate Analyst Alex Gailey. "While Delaware is a pricier state to live in, the state's high-quality healthcare, light tax burden, affordable

homeowners insurance and good weather propelled it to the top spot this year. Delaware also scored well in diversity, wellness and culture and it has one of the nation's highest percentages of residents 62 and older."

The Midwest and South claimed the remaining best states to retire for the second year in a row. West Virginia moved up from third place last year into the second spot overall this year and ranked first in affordability for the second year in a row. Additionally, Georgia (5 in affordability) and South Carolina (9 in weather) jumped into the top five this year, driven by their better scores in the affordability and weather categories, followed by Missouri (9 in affordability) rounding out the top five.

Iowa notably fell from first place last year to 9th overall this year due to lower scores in the affordability category, which makes up 40% of the ranking. The cost of living, property taxes and homeowners insurance have all risen in Iowa since last year.

Among the states who ranked first overall in each category, West Virginia ranked first in affordability, Idaho in quality/cost of healthcare, Hawaii in overall well-being and weather, and New Hampshire ranking first for least crime.

Similar states landed in the bottom five this year compared to last year. At the bottom of the list is Alaska, which received unfavorable rankings in affordability (41), crime (49), weather (50), quality/cost of health care (44), and overall well-being (26). The remaining four worst states for retirement were New York (49 in affordability), Washington (47 in affordability), California (50 in affordability), North Dakota (26 in affordability, tied with Texas).

"The reality is that most Americans feel behind on saving for retirement, which means affordability is critical," added Gailey. "A move to a more affordable location could be an effective way for soon-to-be retirees to stretch their retirement savings in this economy. If you're behind on savings and retirement is just a few years away, now's the time to play catch-up."

Methodology:

Bankrate examined several public and private datasets related to the life of a retiree. The study examined five categories (weightings in parentheses): affordability (40 percent), overall well-being (25 percent), quality and cost of healthcare (20 percent), weather (10 percent) and crime (5 percent).

Affordability was calculated using the following metrics at the state level: cost of living index from the Council for Community and Economic Research as of the first quarter of 2024, 2023 combined state and local sales tax rates from the Tax Foundation, 2023 average annual property taxes from ATTOM and the average cost of homeowners insurance from Bankrate's Quadrant data as of June 2024.

For wellness rankings at the state level, Bankrate analyzed 2022 data from the U.S. Census Bureau, including the number of arts, entertainment and recreation establishments per 100,000 residents for each state and adults 62 and older per 100,000 residents for each state. Racial and ethnic diversity index data is as recent as 2020 from the Census Bureau. Bankrate also factored in Sharecare's 2022 community well-being index. Sharecare's community well-being index measures various factors, including access to healthcare, food, physical health and economic security.

Bankrate considered three key metrics to measure healthcare quality and costs at the state level. One of those metrics was healthcare establishments per 100,000 residents for each state for 2022 based on Census Bureau data. We analyzed each state's health system performance based on 2022 data from The Commonwealth Fund, as well as the cost of healthcare per 100,000 residents for each state from the Census Bureau.

For weather rankings at the state level, Bankrate analyzed two decades of average annual temperature data from the National Oceanic and Atmospheric Administration (2000-2023). Bankrate also analyzed NOAA data for average tornado strikes between 2013 and 2022 and hurricane landfalls between 2000 and 2023, along with earthquake reports from the U.S. Geological Survey between 2010 and 2015.

To measure crime at the state level, we aggregated rates of property crimes and violent crimes per 100,000 residents for each state using the FBI's 2022 Crime Explorer. Crime data for all 50 states are derived from both National Incident-Based Reporting System (NIBRS) and Summary Reporting System (SRS) reports voluntarily submitted to the FBI. It includes data submitted as of May 1, 2023. Several states had less than 60 percent of their law enforcement agencies reporting information to NIBRS in 2022, which is a limitation and may impact the results of the study.

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