RETIRE ON A REAL BUDGET

CAN YOU RETIRE IN HAWAII?

Fixed-income budget + healthcare checklist

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CAN YOU RETIRE IN HAWAII?
BUDGET + HEALTHCARE CHECKLIST

Yes, many people can retire in Hawaii on a fixed income, but one decision settles it more than any other: whether your home is paid off. New UHERO research from October 2026 shows a retired couple who owns outright needs about $3,346 a month for basic costs, close to the national average. The same couple renting needs $4,585, and with a mortgage $5,322. The average 2027 Social Security check for a couple is about $3,355. For owners that roughly covers the basics. For renters it leaves a real gap.

The timing matters too. Medicare open enrollment runs until December 7, several Hawaii plans are changing for 2027, and healthcare is the largest single cost for retirees who own their home outright. So this checklist works in the order you will actually decide: build the budget, settle housing and property tax, choose your 2027 Medicare coverage, understand your taxes, and plan for long-term care. Tick off all twenty steps as you go.

PHASE ONE · THE FIXED-INCOME BUDGET

☐ 1. KNOW YOUR MONTHLY NUMBER BEFORE YOU PICK AN ISLAND.

UHERO's latest Elder Index (published October 2026) puts the basic monthly budget for a healthy retired couple at $3,346 if they own outright, $4,585 if they rent and $5,322 with a mortgage. Singles need $2,197, $3,436 and $4,173.

☐ 2. LET HOUSING DECIDE, BECAUSE IT MOVES THE NUMBER MOST.

Owning with no mortgage costs about the same here as the national average, 103 percent of it. Renters here need 17 to 21 percent more than renters nationally. A paid-off home is the biggest factor in whether a fixed income works.

☐ 3. ADD YOUR 2027 SOCIAL SECURITY AND FIND THE GAP.

The 3.6 percent increase lifts the average check to about $2,170 a month, or $3,355 for a couple. Subtract it from your number in step one.

☐ 4. BUDGET HEALTHCARE FIRST, NOT LAST.

For retirees who own outright, healthcare is the largest single cost: about $1,046 a month for a couple in good health, including Part B and out-of-pocket costs. In poor health it rises about 31 percent.

☐ 5. KEEP A CUSHION FOR LONG-TERM CARE.

Assisted living in Hawaii is the most expensive in the country. Your monthly budget should leave room to save for care, because these costs arrive fast.

PHASE TWO · HOUSING AND PROPERTY TAX

6. COMPARE COUNTIES WITH REAL NUMBERS, NOT REPUTATION.

A renting couple needs about $4,698 a month in Honolulu, $4,401 on Hawaii Island, $4,383 on Maui and $4,231 on Kauai. Honolulu is the priciest county.

7. ON OAHU, CLAIM THE BIGGER EXEMPTION AT 65.

Honolulu's homeowner exemption rises from $120,000 to $160,000 at 65. From July 1, 2027, those amounts go up to $140,000 and $180,000.

8. KNOW YOUR NEIGHBOR ISLAND'S SENIOR EXEMPTION.

Kauai gives $220,000, rising to $240,000 at 60 and $260,000 at 70. Maui gives a flat $300,000. Hawaii County's also rises with age, so confirm the current amount with the county.

9. FILE YOUR HOMEOWNER EXEMPTION ON TIME.

It only applies if the home is your residence and you file for it. Honolulu and Kauai deadlines are September 30, Maui and Hawaii County December 31. Maui also requires a Hawaii resident tax return and more than 270 days a year in the home.

10. COUNT CONDO FEES AS PART OF YOUR HOUSING COST.

If you buy a condo, ask for the fee history and any planned special assessments. Housing is the biggest lever in your budget, and the monthly fee is part of it.

PHASE THREE · MEDICARE FOR 2027

11. MARK OPEN ENROLLMENT: OCTOBER 15 TO DECEMBER 7.

This is your window to switch Medicare Advantage or drug plans for 2027, and changes take effect January 1. Hawaii has 46 Medicare Advantage plans for 2027, so compare before you simply renew.

12. CHECK WHETHER YOUR PLAN IS CHANGING.

About 16,000 HMSA members were told their current plan ends this year. The two Plus PPOs come back for 2027 at about $240 a month, up from roughly $150 to $160, and Oahu's Complete PPO rises from $20 to $55. Do nothing and you move to Original Medicare, with no drug coverage.

13. CONFIRM YOUR DOCTORS PRACTICE ON YOUR ISLAND.

Hawaii is short 644 full-time doctors, or 833 counting geography. Hawaii County is short 224 and Maui 179. Check your specialists before you pick a plan.

14. BUDGET THE 2027 DRUG AND PART B COSTS.

The Part D out-of-pocket cap rises to $2,400 and the drug deductible to $700. The Part B premium is projected near $209.50 a month, and Medicare confirms the official figure in November.

PHASE FOUR · TAXES AND FREE HELP

☐ 15. KNOW WHAT HAWAII DOES NOT TAX.

Social Security is not taxed here, and neither are pensions your employer paid for, including government and military pensions. For many retirees, that keeps most of their income out of state tax.

☐ 16. KNOW WHAT HAWAII DOES TAX.

Withdrawals from a 401(k) or IRA that come from your own contributions are taxed. For 2026 the standard deduction rises to $8,000 for a single filer and $16,000 for a couple, and the top rate is 11 percent. Ask a tax professional how your own accounts split.

☐ 17. PLAN FOR THE ESTATE TAX IF YOUR ESTATE IS LARGE.

Hawaii has its own estate tax, with a $5.49 million exemption per person. If you may be near that line, plan with an estate attorney.

☐ 18. GET FREE ONE-ON-ONE MEDICARE HELP.

Hawaii SHIP offers free, unbiased counseling at 1-888-875-9229 or hawaiiship.org. AARP Hawaii also runs free workshops on choosing a plan, and you do not need to be a member.

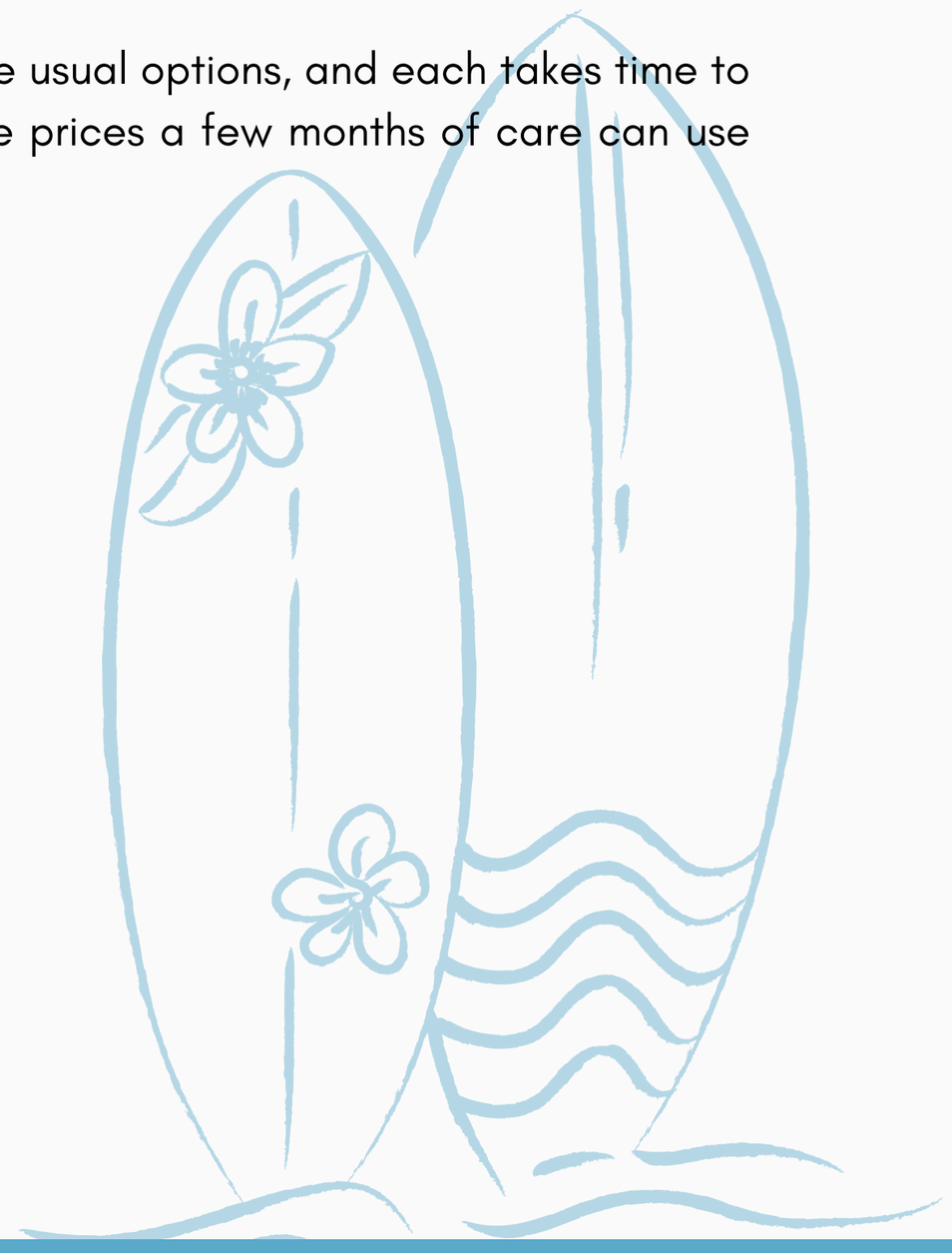
PHASE FIVE · LONG-TERM CARE

☐ 19. KNOW WHAT LONG-TERM CARE REALLY COSTS HERE.

2025 medians: assisted living about $12,089 a month, the highest in the country. A nursing home runs $15,473 to $16,395 a month, and in-home care about $7,800 a month.

☐ 20. DECIDE HOW YOU WOULD PAY BEFORE YOU NEED IT.

Savings, long-term care insurance and help from family are the usual options, and each takes time to set up. Talk it through while you are healthy, because at these prices a few months of care can use up a year of savings.



WHAT RETIREMENT REALLY COSTS HERE

The monthly income a healthy retiree needs for basic costs, from UHERO's October 2026 Elder Index. Statewide figures.

- **A couple who owns with no mortgage needs $3,346**. A single owner needs $2,197. That is about the national average.
- **A couple who rents needs $4,585**. A single renter needs $3,436. Renters here need 17 to 21 percent more than renters nationally.
- **A couple still paying a mortgage needs $5,322 for basics**. A single owner with a mortgage needs $4,173.
- **Healthcare runs about $1,046 a month for a couple**, including Part B and out-of-pocket costs. Poor health adds about 31 percent.
- **The average 2027 Social Security check is about $2,170**, or $3,355 for a couple, after the 3.6 percent increase.
- **A couple renting in Honolulu comes up about $1,340 a month short on Social Security alone**. A single renter statewide is about $1,270 short.
- **A paid-off home roughly closes the gap**. The average couple's check nearly matches what owners without a mortgage need.
- **Long-term care is the cost that breaks budgets**. Assisted living costs about $12,089 a month, and a nursing home $15,473 to $16,395.

5 QUESTIONS BEFORE YOU RETIRE HERE

- **Will we own outright, or rent?** That one answer moves a couple's basic monthly number by more than $1,000.
- **Is our Medicare plan changing for 2027?** Read your annual notice and compare plans before December 7.
- **Are our doctors and specialists on our island?** Confirm they take new patients and accept the plan you choose.
- **How much of our income is taxed here?** Social Security and employer pensions are not. Your own 401(k) and IRA money is.
- **How would we pay for long-term care?** Decide on savings, insurance or family help while you are healthy.



WHERE TO START, DEPENDING ON YOU

You own your home outright. You are in the strongest position. Put your energy into healthcare: compare 2027 plans before December 7 and confirm your doctors are on your island.

You plan to rent. Run the gap first. A couple renting in Honolulu needs about $4,698 a month, so know where the money beyond Social Security will come from.

You are an HMSA member. Open your 2027 letter now. If your plan is ending, choose a new one before December 7, or you will lose your drug coverage on January 1.

You live on a neighbor island. Check specialist access before you choose a plan. Hawaii County and Maui need about 40 percent more doctors to meet demand.

You are still a few years from retiring. Aim to own outright by the time you stop working, and price long-term care now. Those two decisions shape your retirement budget more than any other.

READY TO TALK IT THROUGH?

Scan the QR code to book a free 45-minute Hawaii Move Strategy call. Bring your income, your savings and the island you have in mind, and we will walk through what a fixed-income budget looks like there and how owning or renting changes it.

No pressure, no sales pitch, just a real conversation about whether retiring in Hawaii works for you.

Scan to Book a Time Here

Figures reflect 2025 to 2027 data and change through the year. This is general information, not tax, legal or financial advice. Confirm Medicare choices with Medicare.gov or Hawaii SHIP before you act.