Life & Health Insurance Advisor

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Do Some Homework and Retire Early

Many Americans dream of retiring early. If that's your dream, too, you must do some homework and make preparations.

First, early retirement age usually is considered either before age 62 — when Social Security benefits kick in — or before age 65 — when Medicare benefits take effect.

To ensure you know what to do before retiring, be sure to read at least one book on retirement planning. These books will give you a good base of information and an idea of what questions you should ask yourself or a retirement planner.

It also can pay to hire a good retirement advisor. When interviewing potential advisors, ask if they are a fiduciary. This means that the advisor will not just choose a suitable investment, but will put your financial needs before their own. Ask how they will charge for services. Some financial planners and retirement advisors earn commissions by buying and selling for you, while others charge a

fixed percent based on your total portfolio.

It's also helpful to find out if your potential advisor usually deals with clients with portfolios of your size and what their investment strategy is for people your age.

Other decisions you should make will fall within these guidelines:

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Medicare Advantage Care Quality Varies According to Gender and Race

The quality of care you receive on the Medicare Advantage plan depends a great deal on your illness, gender and race.

Medicare Advantage plans are similar to original Medicare plans, but are offered by private insurers who are reimbursed by the government. The Centers for Medicare & Medicaid Services, Office of Minority Health (CMS OMH) annually review the program.

This year the CMS released two reports. One report focused on the quality of care given to women and men; the other detailed the quality of care received by women and men based on race and ethnicity.

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Assess Your Current Financial Situation

Determine exactly how much you have in assets, debts and retirement savings.

Online calculators can help determine how much retirement money you'll need so you can live the lifestyle you want. They also calculate how much Social Security you can count on.

Calculate how many years you'll need to continue saving before you retire and how much more money you'll need. If you retire at age 55, you'll need enough money to last you at least 35-45 years. Divide the additional money you need by the number of years you have before retirement to decide how much you should save annually.

If you retire from the military or civil service, you can rely on a full pension and health benefits. The Internal Revenue Service allows some civil service employees to access their retirement funds penalty-free as early as age 50.

Make a Plan

If you don't have enough money saved, you might need to cut expenses. Make a budget and look for ways to make more money. Consider paying off your home before you retire so you will only have to pay property taxes, insurance and utilities. You might consider selling your house and downsizing in order to save money on your monthly payments.

Delay Social Security Distribution. You don't have to take your Social Security benefits when you're 62. If you have enough investments to live on until you're 70, you'll get full Social Security benefits — an income that is inflation-adjusted. Also, if you're married, there are some strategies that will help you get more out of your joint Social Security benefits than if you make your claims independently.

Keep in mind that if you decide to work during retirement while taking your Social Security benefits, you may owe the government some of your benefits if you earn too much and are younger than 66.

Determine Your Health Insurance Options. Many newly retired workers are shocked at how much individual health insurance coverage costs, so it's important you factor that cost into your retirement budget. You won't be eligible for Medicare benefits until you're 65, so you must buy health insurance for your early retirement. If you're married, you could be eligible for coverage through your spouse's health insurance. You also can look into individual coverage through the health exchange marketplace with a possibility of getting a subsidy.

When you become eligible for Medicare, you may find it's not enough for your needs and you'll want to purchase supplemental coverage. Experts say that on average, Medicare only covers about half of your health care expenses.

Understand your 401(k) Distribution Options. You should save money outside of your retirement accounts because you will have to pay a 10 percent penalty for early withdrawal before age 59 and a half. However, if you meet certain criteria and leave your place of employment at age 55, you can access your funds without paying a penalty tax.

Take Inflation into Account. The current average inflation rate is three percent — which means prices double every 20 years. Take this into account when planning on how much money you'll need. Make sure you invest a portion of your funds into equities or another investment which combats inflation.

Consolidate Retirement Accounts. If you have your retirement money spread across various accounts, it will be more efficient to consolidate your money into one account for easier management. Please contact us for help preparing for retirement.

The first report revealed that women received better care for chronic lung disease and rheumatoid arthritis. They also received better follow-up care for mental illness.

Women fared worse for timely treatment of alcohol or drug dependency, and were more likely to receive harmful medications if they had a history of falling or if they suffered from dementia.

The second report showed disparities between black and white patients for colorectal cancer screenings, treatment for chronic lung disease, acute myocardial infarction and management of rheumatoid arthritis. Disparities were larger for men than women; however, black women were less likely to be screened for colorectal cancer.

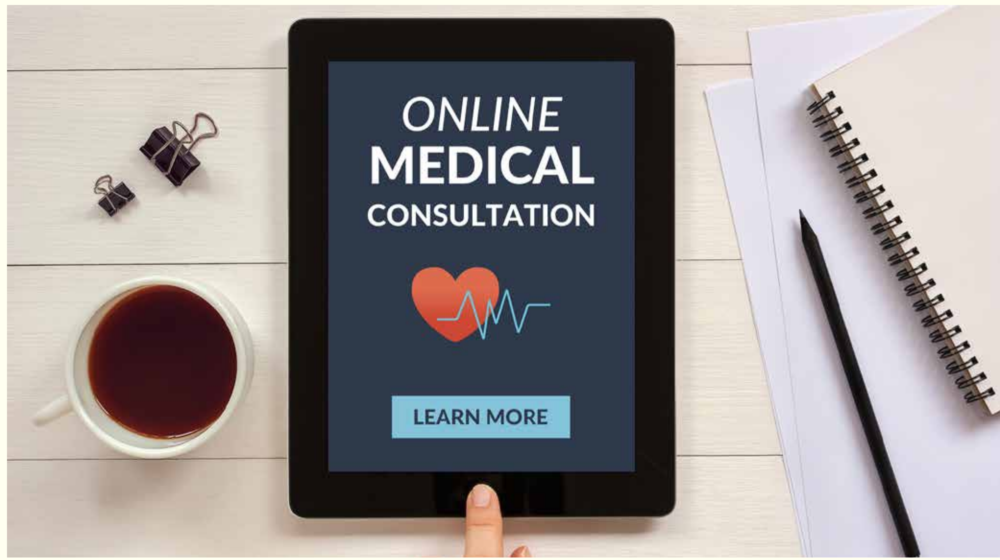
How Technology Saves You Money

There's no indication that medical costs will be decreasing anytime soon. PwC (PricewaterhouseCoopers), the second largest professional service firm in the world, released a study indicating that medical costs could increase more than six percent this year, with larger increases coming in the future.

Medical technology has brought costs down by developing new ways to deliver medical care technologies and processes known as "support systems." Examples include telemedicine and electronic medical records and transmission of information.

These advances and procedures are going a long way to make a dent in skyrocketing medical costs and can improve the level and quality of health care.

Here are two innovations helping to make your health care better and more cost effective.



Telemedicine

Telemedicine is 24/7 access to medical care through a phone app or your personal computer. Created as a way to treat patients who don't live near medical health facilities, telemedicine now appeals to a wider range of patients who appreciate the convenience and low cost.

Anyone who uses telemedicine can talk to a doctor who may have access to medical records and can prescribe medicine. Access to professional care is especially important to people who need medical advice in the middle of the night, who don't have access to transportation, or who don't want to spend valuable time in a waiting room.

A telemedicine visit usually costs much less than an in-office visit. Some insurers will totally cover the cost of these consultations.

New home-use medical devices have fueled the telemedicine trend. These devices can perform function such as take readings of vital signs, diagnose ear infections, monitor glucose levels, or measure blood pressure. Doctors receive the patient's medical information and can make a diagnosis, and the patient doesn't need to leave home.

Electronic Records

Instead of tracking a patient's medical information on paper, medical professionals now keep records electronically in three formats: medical records, health records, and personal health records.

Electronic medical records (EMR) are digital versions of the paper charts used in

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doctors' offices, clinics and hospitals. A provider collects information about the patient and uses the records to make a diagnosis and recommend treatment. EMRs are more versatile than paper records because they can include several years' worth of data. They can also show when a patient is due for a preventive visit, screening or vaccinations. A downside is that EMRs cannot be shared electronically with providers outside a practice.

Electronic health records (EHR) are similar to EMRs, but every clinician involved in a patient's care can enter and access information — including laboratories and specialists. Information captured on an EHR may include a patient's medical history, diagnoses, medications, treatment plans, immunization dates, allergies, radiology images, and laboratory and test results.

In addition to coordinating care, an EHR also saves health care providers time and money by reducing transcription costs and reducing medical record and coding errors. They also allow your providers to send prescriptions electronically and receive lab results faster.

Personal health records contain much of the same information as an EHR, but patients have access to the information and can check on their diagnoses, medications, immunizations, family medical histories, and provider contact information. Some systems also allow patients to request appointments, renew prescriptions, communicate with their physicians and add relevant information to their records. It's a great timesaving feature for both patients and providers.

Are you taking advantage of the money-saving features of your health insurance? Please call us for more information.

Lower Your Life Insurance Premiums — By Taking Better Care of Yourself

When you purchase a life insurance policy, the amount you'll pay in premiums is determined by factors you control.

A life insurance policy is a contract between you and a life insurance company. The insurer agrees to pay your beneficiaries a benefit if you die. The rate you pay is determined by health factors and the type of policy you choose, either term or permanent. A term policy is good for a limited time and is less expensive; a permanent policy costs more, but provides lifetime coverage.

Naturally, there are some factors you can't control: your age and your family health history. The older you are, the higher your rates. Evidence that a close relative has a chronic disease, such as cancer, may lead to higher rates. Women usually live longer than men, so men will see a higher premium.

Fortunately, there are number of actions you can take to lower your life insurance premiums.

Lose Weight

Being overweight is costly. Studies show that if you are 25 percent overweight, you have a 25 percent greater chance of dying at a younger age than someone who isn't overweight. Excess weight can lead to a variety of health issues, such as high blood pressure, heart or digestive problems, high blood pressure, or diabetes.

Not only can being overweight affect the quality of your life, but life insurance companies often decline coverage or charge higher rates when someone is obese. Losing weight right before applying for insurance won't help because the insurance company takes your weight average over 12 months. So, plan ahead!

Watch Your Sodium Intake

Insurance carriers want to know if you have high blood pressure, a condition that adds stress to your arteries and can lead to serious problems, such as heart disease and strokes.

One way to lower blood pressure is by limiting foods that are high in salt. The American Heart Association recommends no more than 2,300 milligrams of sodium per day. Choose carefully. High levels of sodium can be found in many of foods we consume daily. Three ounces of deli turkey can have 1,050 milligrams of sodium, while

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a whole a cheeseburger can have up to 1,690 milligrams of sodium.

Limit Alcohol Consumption

An occasional drink won't affect your rates, but more than two drinks a day will knock you out of preferred, lower rates. Three or more daily drinks will take you out of standard rates. Insurers take this into consideration because alcohol abuse can lead to cardiovascular problems, dementia, stroke, depression, liver disease and gastrointestinal problems.

Choose a Less Dangerous Occupation

If your job has a higher than normal chance of leading to premature death, you could be denied coverage or may have to pay higher premiums. An insurance company might charge $2 more for every $1,000 of coverage. If you have a $200,000 policy, it would cost you an extra $400 annually.

Occupations falling into that category include logging and fishing. Other occupations that can lead to higher premiums are truck driving and on-the-road sales, because they expose the worker to hazardous conditions, such as falling asleep behind the wheel.

If you want to know whether your job is considered a risk, review the Bureau of Labor Statistics list of dangerous occupations. It's the list many insurance companies use to determine risk.

Stop High-Risk Recreational Activities

Do you like to live on the edge, participating in activities like skydiving, skiing, hang gliding, rock climbing, hot air ballooning or scuba diving? Participation in risky activities could mean you will be denied coverage or be charged higher rates. Remember, not all insurers use the same list, so it pays to talk to your advisor for options.

Quit Smoking

Smoker in their 30s can expect to pay two to three times more for a policy than non-smokers. Smokers in their 40s can expect to pay three to four times more.

Don't omit this information on your application. Providing false information can be considered insurance fraud. Many insurance companies require a medical exam. Evidence you're a smoker will show up on the blood and urine tests. If you manage to hide this fact, but die during the first two years of the policy, and it's discovered you smoked, your beneficiaries could be denied the benefits.

The good news is that if you quit smoking, you can qualify for lower rates within a year. And, if you smoke cigars occasionally or chew tobacco, let your insurance company representative know. These forms of tobacco will show up on your blood test, but some insurance companies may be more lenient with these tobacco uses and may give you a non-smoker rating.

For more information on life insurance or a quote, please contact us.

Track Your Medical Expenses, Save on Taxes

The Internal Revenue Service (IRS) allows you to deduct medical expenses on your tax return — potentially saving you a significant amount in taxes. To get these savings, you must keep detailed records. Therefore, it's never too soon to start planning for the April 17, 2018, tax deadline.

You can deduct medical expenses you paid for anyone who is listed on your tax return. You also may be able to include your parents, even if they aren't technically dependents. The deductions must be more than 10 percent of your adjusted gross income, and you can only deduct the costs that exceed that amount.

Expenses that can be deducted include:

- Preventive care
- Surgeries
- Dental and vision care
- Visits to psychiatrists and psychologists
- Medical travel
- Long-term care insurance
- Uninsured medical treatments, such as eyeglasses or dentures
- Physician-ordered items, such as air conditioning to relieve breathing problems
- Medical conference costs if they center on a chronic illness you suffer from
- Medically necessary weight loss programs
- Special needs, such as a wheelchair, a guide dog or closed caption television.

According to the IRS, you'll need the following records for each medical expense you list on your tax form:

- Name and address of every medical care provider you paid
- The amount and date of each payment.

Although you do not need to send these records with your returns, it's helpful to keep them so you can show:

- A description of the medical service that was received
- Who received the care
- Nature and purpose of the medical expenses.

Remember: keeping up with the paperwork throughout 2017 will make filing in 2018 a lot less painful — particularly if the payoff is getting to keep your hard-earned dollars.