

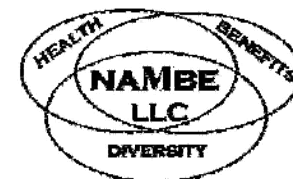
Pre-Retirement Planning

Protecting the Future of you and
your Family



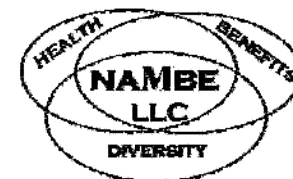
Panel

- Dave Stack – IAMAW (Facilitator)
- Bill Millar – NAMBE
- Dan O'Connor – NAMBE
- Dave Kee – Double Health USA



Discussion Topics

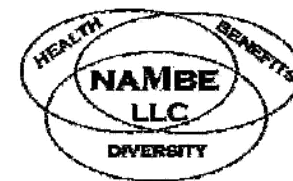
- Need for Pre-Retirement Planning – Dave Kee
- Medicare – Bill Millar
- Health Care Reform – Dan O'Connor



The Need for Pre-Retirement Planning

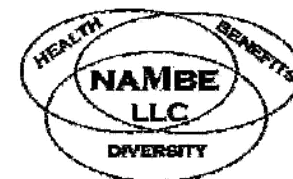
Dave Kee

Double Health USA



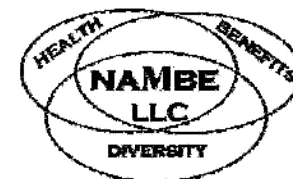
Retirement Planning Questions

- Will you be among the 70% of Americans over 65 who will need long term care, with annual cost between \$19,000 - \$77,000 per year?
- Does your spouse count on your Social Security Retirement benefits that will end when you do?



Retirement Questions (cont)

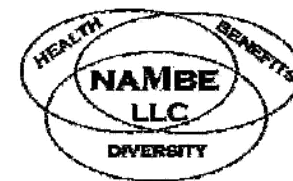
- How much of the estimated \$215,000 medical costs for a Retired Couple will your health Insurance Plan cover?
- If the Social Security Retirement Age is increased are you prepared?
- Has the general decline in home prices effected your retirement planning?



Pre-Retirement Planning Process

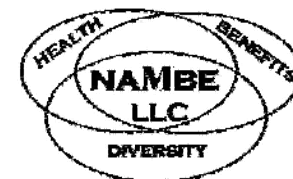


- Awareness and Education.
- Personal Planning and Counseling.
- Evaluation of Product and other Solutions.
- Periodic Review



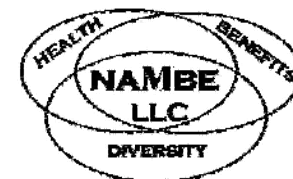
Long Term Care Education Example

- Relatively High Incidence (70% 65 or over).
- Not covered by Government Programs like Medicare or new Health Care Reform CLASS program (for Retirees).
- Savings vs. Insurance.
- Types of Insurance.
- Much easier to get insurance while healthy.
- Finding the best value for your money.



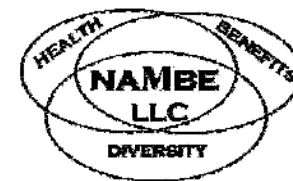
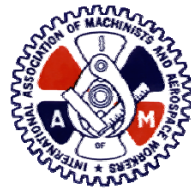
Why Plan for Retirement Now?

- Retirement needs can be most effectively addressed with long term planning.
- Much easier to get insurance and other products before you need them.
- Longer time to accumulate financial assets.



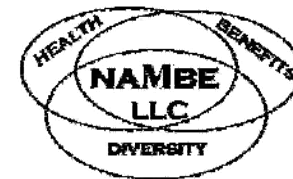
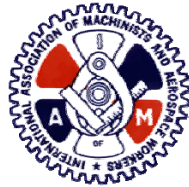
Medicare

Bill Millar
NAMBE



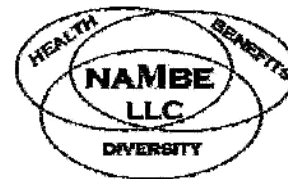
Medicare Benefits

- Part A – Hospital Coverage
- Part B – Medical Insurance
- Part C – Medicare Advantage Plans
- Part D – Prescription Drug Plans



Health Reform Changes

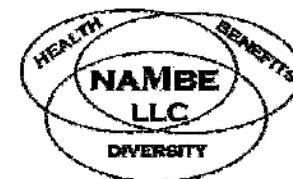
- Part B – Preventive Colorectal, Mammography, Annual PX, MD Preserved, >CHC.
- Part C – DC \$1,000 P/yr. Overpayment same benefit, 85% of \$ for health care in 2014.
- Part D – Donut hole \$250 rebate June-Dec, 2010, next yr. 50% discount on brand Rx, gone over 10 years by 2020.



Health Care Reform

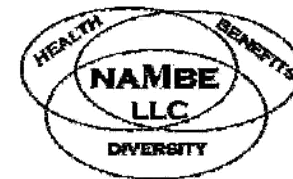
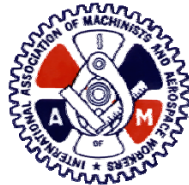
(Patient Protection & Affordable Care Act)
(Health Care and Education Reconciliation Act 2010)

Dan O'Connor
NAMBE



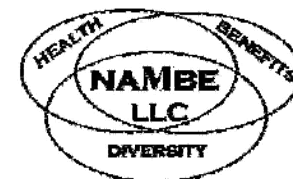
Health Care Reform 2010

- Dependent Child Coverage up to age 26 (individual and group plans).
- No pre-existing conditions for dependent children.
- Seniors rebate for Medicare prescription drug coverage “gaps.”
- Lifetime limits on benefits prohibited, restrictive annual limits.
- Medical plans must provide coverage for preventive care for children (some women).



Health Care Reform 2010 (cont)

- Temporary federal reinsurance program offset early retiree health benefits.
- Tax Credits for businesses offering medical with fewer than 50 employees.
- Temporary federal medical program for those without insurance with PEC.



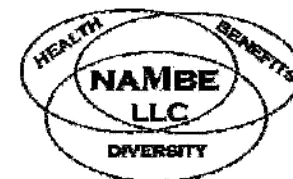
Health Care Reform 2011

- Employers will be required to disclose “value” of health insurance on W-2.
- Insurance companies required to spend 80-85% of premiums on health care.
- Plans to provide a vehicle for small businesses to offer tax-free benefits created.
- HSA withdrawal penalty other than medical reimbursements will double to 20%.



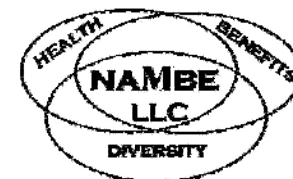
Health Care Reform 2012

Election Year



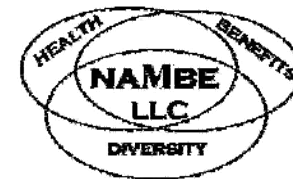
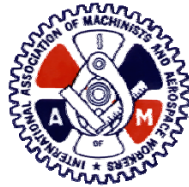
Health Care Reform 2013

- Uniform standards for electronic record exchange adopted under HIPPA.
- Flexible spending account contributions will be limited to \$2,500 per year (indexed CPI).
- Medicare Part D (Rx) subsidy deduction will be eliminated, EER tax deduction reduced.
- Increase to income threshold for medical tax deductions 7.5% to 10%, elderly 2016.



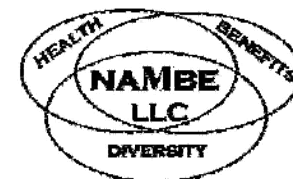
Health Care Reform 2013 (cont)

- Tax payers earning > \$200k/\$250k, joint will be taxed 0.9%, 3.8% on non-earned income



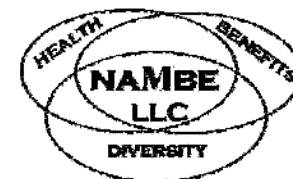
Health Care Reform 2014

- U.S. Citizens must have quality health insurance coverage or pay penalty.
- Annual, non-deductible fee applied to health insurance providers with >\$25 million.
- Insurers cannot exclude “anyone” from coverage because of pre-existing conditions.
- Credits available to people with incomes above Medicaid limit and below 400% poverty.



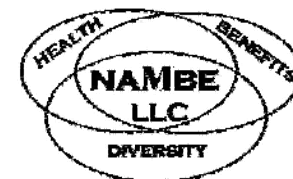
Health Care Reform 2014 (cont)

- Employers with over 50 EE without health coverage will pay \$2,000 penalty for each EE.
- Wellness program incentives will be instituted.
- Employers will be required to report to the government medical programs.
- Individuals will be subject to penalties for not having “minimal essential coverage.”



Health Care Reform 2015-18

- Penalties for no coverage and excise tax on high-cost, employer sponsored health plans.



Questions or copies of the Presentation ???



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