

When I'm 64



*7 Clear Decisions For
a Better Life Forward*



*Phil Larson, the think dr.
SOLUM - nationwide
405.494.0637
phil@soluminsurance.com*

INSTRUCTIONS

Hello, this is Phil Larson, the think doctor. Really, I like to help people think. As an educator and business and community professional, helping people think has always been my approach. At 64, like so many, I make some clear decisions for the next chapter, the better life forward. I've started a new business helping people make their decisions to preserve and protect health and lifestyle. We call it SOLUM Insurance, but it includes more. And the focus is to raise funds for fixing fractured families, developing fathers, and encouraging grandparents. That has been a passion for decades and now it is my coming and going.

So how do **you** make big decisions?

Making Decisions

- *Set your goals.*
- *Get the information you need.*
- *Make a clear decision based on what you discover.*
- *If you get any new information later, revisit your decision.*
- *Be comfortable that an informed decision is a good one. Be confident.*

That is the way we will approach each one of these critical areas as you prepare and plan for a great retirement and a better life forward. There are more complicated decision grids, but this one is sufficient. ¹ You matter. Your choices matter. #wecanhelpwiththat

A Better Life Forward

What does that mean? You might have a great life now. Why not have it better? You might have some struggles and interruptions that attempt to rob your joy. Why not have it better? Whatever condition you find yourself in life, there is opportunity for a better life forward. And, I want to help you have it. When you turn 64, there are some important decisions to make about your medicare. You have structured time frames in which to make them and want to get them done early, but with informed and clear decision. Our team is always posting information on decisions surrounding Medicare on

- *Linkedin <https://www.linkedin.com/company/solum-insurance/>*
- *Facebook <https://www.facebook.com/medsolum/>*
- *Website <https://soluminsurance.com>*



¹ <http://www.yourarticlelibrary.com/decision-making/models-of-decision-making-rational-administrative-and-retrospective-decision-making-models/25658>

When I'm 64: 7 Clear Decisions

The SOLUM
Leaves Logo:
At SOLUM, we
come



alongside you to help you make good growth decisions. Then, we hope you take that and come alongside someone else. It is all about community.

There you have it. Just 7 Clear Decision that can make your life set for good enjoyment in the greatest years of your life forward. We are here to help. #wecanhelpwith that Now let's get moving on that first decision.

1. **Decide: Medicare Advantage or Supplement**

- Now, each of us will need to make this decision. A few folks will just take Medicare original as it comes. But you really want to study that decision. We'll give you tips in our first decision chapter.

2. **Decide: Get Prescription Drug Coverage**

- Medicare does not cover prescription drugs outside of the hospital and doctor's office. Wow! You need coverage. This can be a major medical expense and you can manage well. We'll give you tips in the second decision chapter.

3. **Decide: Secure Predictable Income**

- Social Security is one source of income. Savings, pensions, 401K disbursements, and other retirement accounts can be arranged for predictable income and/or growth. You want to plan this out. We'll give you tips and mistakes to avoid in the third decision chapter.

4. **Decide: Grow Strategic**

- Retirement can be about growth. We live longer and longer. The average life span is 78.something, but once you hit the 65 marker, you usually have already beat the curve and will live longer.² Why not grow? Think of 65 like being 40. I bet you had a lot of growth between age 40 and age 65. You can do it again a little kinder and gentler. We'll give you tips on sharpening your FOCUS in the fourth decision chapter.

5. **Decide: Keep an Active Lifestyle**

- Enjoy these years. Bolster up your hobbies, family time, reading, golf game, gym, travel, or whatever floats your boat. Stay active. We'll give you tips in the fifth decision chapter.³

6. **Decide: Get Right Legal Organization and Support**

- Wills, estates, trusts, Long Term Care, divorce, marriage, home, and business could need more legal attention than ever. There are good steps you can take to keep costs contained and get good counsel. We'll give you tips in the sixth decision chapter.

7. **Decide: Make and Communicate Final Decisions**

- Finish well. You are closer to your endgame than you were last year. Plan how you want to finish. Set goals and leave notes and communicate to those closest. We'll give you tips and mistakes to avoid in the seventh and final chapter.

² <https://www.ssa.gov/planners/lifeexpectancy.html>

³ <https://hbr.org/2016/10/youre-likely-to-live-longer-if-you-retire-after-65>



1

DECIDE: Medicare Advantage or Supplement

Now, each of us will need to make this decision. A few folks will just take Medicare original as it comes. But you really want to study that decision. Here is the 411 from our partner site, grandparentbenefits.org⁴

Before you dig into these next pages, I want to give you just a few tips that if you follow, you will probably make a good decision. A good decision is one that fits your lifestyle choices while meeting your healthcare needs. Yes, I want you to fully understand the decision, but here are the quick points that help make it.

- 1. Do you have enough funds to pay for deductibles and copays for the rest of your life? Estimate \$4000 to \$5000 a year.*
- 2. Would you rather have a monthly budget that covers copays and deductibles or pay when they happen not knowing how much you will need to cover? A supplement can cost as little as \$130 a month (\$1560 a year) depending on your age and location.*
- 3. Is nationwide healthcare important to you or is it okay to be limited to an HMO or PPO network that is just local.*



Medicare Advantage plans were created under the Balanced Budget Act of 1997 and signed into law by President Bill Clinton. These plans are commonly called Part C of Medicare.

Congress designed this program to give Medicare beneficiaries a lower-premium option than Medigap. They also have very little Medicare underwriting. This means they are a coverage option for people who missed their open enrollment window for Medigap and now cannot qualify for Medigap due to health conditions.

Medicare Advantage plans are **NOT** similar to Medigap plans – they are different. Members get their benefits from a private insurance company instead of original Medicare. As we mentioned, sometimes you'll hear them referred to as Medicare replacement plans or Medicare replacement insurance. However, this is not accurate.

⁴ <https://grandparentbenefits.org/medicare-advantage/>

You never permanently replace your Medicare when you join a Medicare plan. Instead you are just choosing to get your benefits from a private company for the rest of the calendar year. You can always return to Original Medicare during a valid election period.

How Medicare Advantage Works

A Medicare Advantage plan is a private Medicare insurance plan that you may join as an **alternative** to Medicare. When you do, Medicare pays the plan a fee every month to administer your Part A and B benefits. You must continue to stay enrolled in both Medicare Part A and B while enrolled in your Medicare Advantage plan. Medicare pays the Medicare Advantage company on your behalf to take on your medical risk. This is how Medicare Advantage plans are funded.

You will present your Advantage plan ID card at the time of treatment, and **NOT** your Medicare card. Your providers will bill the plan instead of Original Medicare.

Medicare Advantage Plans



Low Monthly
Premiums



Outpatient Medical
Coverage



Inpatient Hospital
Benefits



Part D
Drug Benefits

Network of Providers



You pay copays for medical services as you go along, up to the plan's out of pocket maximum.



Up to the Out of Pocket Maximum

no more than **\$6700** per calendar year

Out of pocket maximum cap on Part A & B expenses

This cap varies by plan, and does not include Part D spending.

Each Advantage plan has its own summary of benefits. This summary will tell you what your copays will be for various healthcare services. Your plan will offer all the same services as Original Medicare, such as doctor visits, surgeries, lab work and so on. You could pay a small copay to see a primary care doctor. Specialists will often be more – a \$50 specialist copay is quite common. Some of the higher copays may come in for diagnostic imaging, hospital stay, and surgeries. You can usually expect to spend several hundred on copays for these items. However, this varies greatly between states, so review plans in your area to get the specifics.

Some of the Medicare Advantage plans offer benefits for routine dental, vision or hearing. Some plans include gym memberships.

Medicare Advantage Networks

In exchange for lower premiums that Advantage plans offer and you will



need to know the rules of your plan, most Medicare Advantage plans have HMO or PPO networks. Medicare HMO networks generally require treating only with network providers, except in emergencies. You will need to select a primary care physician. That physician will coordinate a referral if you need to see a specialist, and a referral is required.

Medicare PPO networks allow you to see doctors outside the network but you'll have substantially higher out-of-pocket spending to do so. In limited counties, there are Medicare Private-Fee-for-Service plans. These plans may or may not include Part D. How you access care is also different. While this plan type was very common in the past, it has been slowly phased out in most areas.

It's a personal choice. If you are deciding between Medicare Advantage and Medicare supplement, you'll want to consider some of the rules before you enroll.

Basic Medicare Advantage Rules

- You must be enrolled in both Medicare Part A & B and live in the plan service area. Some people think they can drop Part B if they enroll in

Medicare Advantage. That is false! If you drop Part B while enrolled, you will immediately be terminated from your Medicare Advantage plan.

- Medicare Advantage plans have one health question: Have you been diagnosed with End-Stage Renal Disease (kidney failure)?
- Use network doctors and hospitals for the lowest out of pocket costs. Plans may have HMO or PPO networks. Most Medicare HMO plans do not cover anything out of network except emergencies. In PPO networks, seeing a provider outside the network will result in substantially higher spending.
- Get prior authorization for certain procedures, especially in Medicare Advantage HMO plans.
- You must obtain a referral from your primary care physician before seeing a specialist on many HMO plans



Put your red, white and blue Medicare card in a safe place. **Do not give it to any of your healthcare providers.** If they bill Medicare, those bills will be rejected. You must direct your providers to bill your Medicare Advantage plan. People who enroll in Advantage plans for Medicare are agreeing, for the rest of the calendar year, to be covered by the plan instead of Original Medicare.

Medicare Advantage Enrollment Periods

Medicare Advantage plans have lock-in periods. You can enroll in one during Initial Election Period when you first turn 65. After that, you may enroll or dis-enroll only during certain times of year. Once you enroll in Medicare Advantage, you must stay enrolled in the plan for the rest of the calendar year. You may only dis-enroll from an Advantage plan during specific times of the year.

The Annual Election Period in the fall is the most common time to change your Medicare Advantage plan. This period runs from October 15th – December 7th each fall. Changes made to your enrollment will take effect January 1.

If you decide to leave a Medicare Advantage plan and return back to Original Medicare, you must notify your Medicare Advantage plan carrier. Otherwise Medicare will continue to show that you are enrolled in the Advantage plan instead of Medicare. This is a common billing nightmare.

It is in your interest to enroll in Medicare Advantage through a Grandparents Benefits licensed insurance agent who can fully explain how the plan works. (SOLUM is a Grandparents Benefits agency). Enrolling without an agent means you are on your own if problems occur on the back end of your policy.

Medicare Advantage Disenrollment Period

Some people don't realize this and join Medicare Advantage plans without the help of an agent. Therefore, they don't know about all of these rules. Sometimes they find themselves enrolled into a plan that their doctor doesn't accept or that doesn't include one of their medications. This happens most often in January after a person has used the Annual Election Period to join a Medicare Advantage plan. For this reason, Congress designed the Medicare Advantage Disenrollment Period (MADP). The MADP runs from January 1st – February 14th each year. During this time, you can disenroll from any Medicare Advantage plan and return to Original Medicare.

Unfortunately, this does not guarantee that you can return to the Medigap plan you had before. Unless this was your first time ever in a Medicare Advantage plan, then you will usually have to answer health questions and go through medical underwriting to get re-approved for Medigap. Consider this before dropping any Medigap plan to go to Medicare Advantage.

Medicare vs Medicare Advantage

The intent of Congress in creating these plans was to give you options in accessing your Medicare benefits. Some reasons why people might choose an Advantage plan are:

- Many plans have low monthly premiums (although you must continue to pay your Medicare Part B premium)
- You pay for medical services as you use them in the form of copays and coinsurance
- Unlike Original Medicare, Medicare advantage plans have an out of pocket maximum cap to protect you against catastrophic spending
- The convenience of having your medical and Part D drug benefits rolled into one plan
- Some plans may include benefits for things like limited vision coverage. Limitations, copayments, and restrictions may apply.

Remember, it's a personal choice – there is no right and wrong. Consider Original Medicare vs Medicare Advantage based on your own knowledge of your medical usage.

Medigap vs Medicare Advantage

Without question, Original Medicare with a Medigap plan gives you very comprehensive coverage. The primary differences are that with Medigap plans, you can see any doctor that accepts Medicare. You don't have to ask your doctors if they take your specific Medigap insurance company. The network is Medicare, which has over 800,000 providers. The network is nationwide, not local.

Medigap plans also have fuller coverage on the back end. Medicare pays 80% and your Medigap plan 20%, leaving you with little out of pocket. You won't have the repetitive copays that you will on a Part C plan. Medigap plans also don't change their benefits from year to year. This means they don't require as much homework from you. You won't have to annually review the upcoming benefit changes like you will on an Advantage plan.

However, Medigap plans do not include Part D coverage, so you will need to buy a separate Part D policy. They also do not offer any routine dental, vision or hearing while some Medicare Advantage plans may at least have a little bit of this.

Again, there is no right or wrong. The two types of coverage just work differently. Go with the option that feels right for you.

Other Considerations about Medicare Advantage

Be sure to carefully consider these things before joining a plan:

- **Not all hospitals and doctors accept Advantage plans.** Ask your agent to help you verify whether your medical providers accept the plan you are interested in.
- **Advantage plan benefits may change every year.** In September, you will receive a packet from your Part C insurance company telling you what is changing. The plan's benefits, formulary, pharmacy network, provider network, premium and/or co-payments and co-insurance may change on January 1 of each year. Will you be diligent enough to review your annual packet and communicate with your agent if you have concerns about the changes?
- **Your enrollment is generally for the entire year. You may only dis-enroll from an Advantage plan during certain times of the year.** If you decide in April that you don't like the plan, you will have to wait until the following annual election period begins in October in

order to change your plan unless you qualify for a special election period.

- **If you enroll in one right out of the gate at age 65, you need to be sure you want this coverage long-term.** Your open enrollment window to get a Medigap plan with no health questions ends at 6 months past your Part B effective date. You might not be able to get a Medigap plan later if you have health conditions because applying for Medigap later will require you answer medical questions. You can be turned down for Medigap at that point if you are not healthy enough to qualify.

What is a Medicare supplement?⁵

A Medicare supplement is a type of health insurance sold by private insurers to cover the gaps in Medicare. This is what we refer to the plans as “Medigap Plans.”

Here’s an easy way to think of a Medicare supplement. **Picture it as a card that sort of bolts onto the back of your Original Medicare. It serves to pay for the costs that normally Medicare would pass on to you.** Medicare has gaps, like coinsurance, copayments, and deductibles. You must pay for these when accessing medically-approved services.

If you have a supplement policy, Medicare will first pay its share of your medical expenses. Then your policy will step in and pay its share. This is usually the remainder of your bill. However, it depends on which policy you choose from the standard offered plans.

The 10 Standard Medicare Supplements

Every Medicare supplement has to follow the guidelines created by Medicare itself when it standardized all plans in 1990. Each standardized plan is identified by a letter. Medicare calls them plans. There is Medigap Plan A, Plan B, Plan C, D, F, G, K, L, M and N. Each one of these lettered policies provides the same set of benefits from company to company.

This means that the monthly premium is the main difference between supplements with the same letter. You can shop multiple insurance carriers for the best rate.

The plans that we get the most requests for quotes for are Medigap Plans F, G and N.

⁵ <https://grandparentbenefits.org/medicare/what-is-a-medicare-supplement/>

What is a Medicare Supplement Plan F?

Medicare Supplement Plan F is one of the most popular supplements in the nation. It pays 100% of the costs that Medicare would normally bill to you. This means that when you have Medicare supplement Plan F, you will not pay any deductibles. You will pay no copays. Plan F will pay ALL of your share.

What is a Medicare Supplement Plan G?

Medicare Supplement Plan G has been gaining in popular in recent years. It functions exactly like Plan F, except for the Part B deductible. You agree to pay the Part B deductible each year, and after that, it pays everything else. The Part B deductible is \$185 per year. Quite often we can find Medicare Supplement Plan G premiums that save you more than \$185/year. This means that you come out ahead in the long run.

What is Medicare Supplement Plan N?

Medicare Supplement Plan N is one of the newer Medigap plans. It was first offered in 2010. Plan N will usually have lower premiums than Plan F or Plan G. However you will do more cost-sharing along the way. You will pay a doctor copay up to \$20 each time you see a doctor. Copays of up to \$50 for an E.R. visit are owed by you.

You will also pay excess charges. Some doctors bill an extra 15% above Medicare's rate. This is called an Excess Charge. Plan F or Plan G take care of this for you. On Plan N, you pay the excess charge yourself. See more on this in the glossary below.

What is Not Covered by Medicare Supplement Plans?

Medicare supplements only pay after Medicare has first paid its share. If Medicare approves a claim and pays the part that Medicare owes, it will forward the remainder of the bill to your Medicare Supplement.

Some things that are not covered by Medicare or your Medicare Supplement are:

- Routine dental, vision and hearing exams
- Hearing aids
- Eyeglasses or contacts
- Long-term care or custodial care
- Retail prescription drugs

Glossary of Terms

Perhaps the most difficult thing about Medicare supplements is the terminology. Let's look at the benefits as described by Medicare.

Medicare Part A coinsurance – all Medigap plans offer this benefit. It covers the very expensive daily hospital copays that you begin accruing after your 60th day in the hospital.

Medicare Part B coinsurance or copayment – every supplement also covers this benefit, which is one of the most important. Since Medicare only covers 80% of your Part B outpatient expenses, this benefit is what pays the other 20% for you. This can be crucial for high-ticket items like cancer treatments or dialysis.

Blood (First 3 pints) – this benefit is on all plans and pays for the first 3 pints of blood in a blood transfusion. Medicare only pays for the 4th pint and above. Blood is very expensive, so this is a good benefit.

Part A Hospice care coinsurance or copayment – Supplements pay for the parts of hospice that Medicare doesn't under this benefit, so costs incurred by you are usually nothing. <https://www.medicare.gov/hospicecompare/>

Skilled Nursing Facility coinsurance – Medicare allows for 100 days of skilled nursing facility (SNF) care after you have been in a hospital and need nursing care while you recover. However, Medicare only pays for the first 20 days. Refer to your policy for details, or <https://www.medicare.gov/coverage/skilled-nursing-facility-snf-care>

Medicare Part A deductible – the 2019 Part A deductible is \$1,364. You can pay this more than once a year if, for example, you have two inpatient hospital stays more than 60 days apart. [.https://www.medicare.gov/coverage/inpatient-hospital-care](https://www.medicare.gov/coverage/inpatient-hospital-care)

Medicare Part B deductible – in 2019, the Part B deductible is \$185/year. You will pay the Part B deductible once per year for services such as doctor's visits, lab-work, or physical therapy unless your Medicare supplement provides this benefit. <https://www.medicare.gov/what-medicare-covers/what-part-b-covers>

Medicare Part B excess charges – Medicare providers can either accept Medicare's assigned rates for each service or, if they choose, they can charge you an excess charge. This charge can be up to 15% above the assigned rate. It can be pricey for items like diagnostic imaging or surgery. You may wish to choose a Medicare supplement that covers this expense.

Foreign travel emergency – Since Medicare is a U.S. health insurance program, it does not offer you coverage outside our country.

Some Medicare supplements include a foreign travel benefit. It will pay 80% of your expenses up to \$50,000 after a small deductible.

Choosing a Medicare Supplement

Since Medigap plans are standardized, you will know exactly which benefits you are purchasing. There are several factors which you will want to know about each insurance carrier before you choose your supplement.

1. **Rates** – What is a Medicare supplement premium? It's the monthly rate that you pay to the insurance company that provides your Medicare Supplement coverage? Find out what premium each insurance carrier will charge you. Are they offering a low premium? Is it competitive with other Medigap insurance companies in your area?
2. **Rate trend history** – Most policies will have an annual rate increase to keep up with medical inflation. What kind of rate increases has the carrier you are considering had over the last 3 years? Are the rate increases reasonable or significantly higher than the competitors?
3. **Financial ratings** – A number of ratings companies dig into the financial stability of each insurance carrier. These companies give reports, or grades, on the fiscal health of the insurer. Ask your agent what the A.M. Best and Weiss Ratings are for each carrier. Then consider this information when making your selection. Get a personalized analysis of which Medigap insurance carrier offers the best pricing, financial rating and rate trend history.



Okay, so now you have more than enough information to make that first decision. Call me and let's talk about it. Usually, I like to visit and understand your life style, hobbies, family considerations and assist you making that decision. 405.494.0637

Number One: DECIDE: Original medicare, an [advantage plan](#), or a [supplement](#).



2

DECIDE: Prescription Drug Coverage ⁶

Medicare does not cover prescription drugs outside of the hospital and doctor's office. Wow! You need coverage. This can be a major medical expense and you can manage well. We'll give you tips in the second decision chapter. Here is some 411 from our partner site, grandparentbenefits.org or you can view a good video provided by CMS <https://youtu.be/FjUuL333pGc>

Medicare Part D Plans

Medicare Part D Plans are essentially pharmacy cards that give you lower cost medications. You enroll in a Part D plan through an insurance company in your home state. Instead of paying the full cost for your prescriptions, you will pay only the copays required by the plan, and many have a one-time deductible.



For decades, there was no retail prescription drug coverage for Medicare beneficiaries. What Part D covers now provides us with a much better solution.

Although enrollment into Medicare Part D is voluntary, Part D plans are very popular.

Today there are nearly 50 million Medicare beneficiaries enrolled in Part D coverage. To learn more on how and when you can enroll and what Medicare Part D plans cost, see below.

Companies Offering Medicare Part D Plans

Each year, there are many companies that offer Medicare Part D plan options. It is not uncommon for residents in each state to have 30 or more choices. However, they do have to comply with federal requirements to ensure minimum essential levels of coverage. They must also submit their plan designs annually to Medicare for approval.

Some of the biggest brand name companies in the health insurance industry offer Medicare Part D plans. This includes name brands like Humana, Aetna, WellCare, Silver Scripts and more. There are also a number of companies you may not have heard of before you became eligible for Medicare, such as Express Scripts.

⁶ <https://grandparentbenefits.org/medicare-part-d/>

Choosing a Medicare Part D plan is easier said than done. Many people tell us that they are confused by too many choices. The best way to find the right plan is to have a licensed insurance agent with Grandparent Benefits assist you. We use Medicare's Drug Plan Finder tool to analyze the plans offered in your state. The tool tells us which plans will give you the lowest annual out of pocket spending.

Most of the time, your Medicare Part D plan will be with a different insurance company than your Medigap plan. This is normal, and we have found that it actually makes things easier so that you don't confuse your ID cards at the doctor and at the pharmacy.

Do I Have to Enroll in a Part D Plan?

No. Part D is voluntary, which means everyone can decide whether or not to enroll. However, you should think about not just the medications you are taking now but also those that you may need in the future. Keep in mind that some oral cancer medications these days can cost thousands of dollars, and we never know when we may fall ill.

What Happens If I Don't Enroll in Part D When I am First Eligible?

If you fail to enroll in Part D during your Medicare Initial Enrollment Period (IEP), you will have to wait for a future Annual Election Period to enroll, which means you could be without coverage for months after a diagnosis of an illness requiring medication before you can join a plan. You will also be assessed a penalty fee if you do enroll at some point past the IEP. The only exception to this is if you didn't enroll because you had other creditable drug coverage, like employer coverage or VA benefits. The penalty grows with time – let's look at how that works.

The Medicare Part D Late Enrollment Penalty

If you fail to enroll in Part D during your initial enrollment period (when you first become eligible), that may result in a late enrollment penalty. The penalty is waived if you have had other other creditable coverage for prescription drugs, such as through an employer group health plan. If not, then your penalty amount depends on how long you waited to enroll in a plan. While technically Medicare Part D is voluntary, there are some very important reasons why you should seriously consider enrolling during the IEP.

The penalty is calculated by Medicare as follows: 1% of the national average base Part D premium for every month that you went uncovered and did not have other creditable coverage. The penalty is rounded to the nearest \$.10, and then added to the premium you pay for your new Part D premium.

The base premium this year is around \$35, so if you had waited 50 months to enroll in Part D, you would have a penalty of 50% of \$35 added to your chosen Part D plans' premium. When you do finally enroll in Part D, you will pay the penalty for the rest of your life.

More importantly, if you miss your window, you cannot buy a drug plan mid-year without a special circumstance. Imagine if you develop a serious health condition in March and you need a very expensive medication for it. You would pay the full retail cost of that medication until the next Part D annual election period. This means you would have no coverage until January 1st. Remember that you are insuring your body here, which is more important than your car or your home. Consider the true risks of being uninsured.



Late Enrollment Scenarios

Sometimes it's difficult for Medicare beneficiaries to understand how late enrollment will affect them. Here are a few examples to show you why you should consider joining a drug plan when you are first eligible.

How the late enrollment penalty is calculated
Mr. Johnson became eligible for a Part D drug plan in September of 2015. He failed to enroll and had no other creditable drug coverage such as group benefits or VA coverage. Finally, during the annual election period, he enrolled in a Part D drug plan to be effective on January 1, 2017. Because he was uncovered for 16 months, Medicare will calculate a

penalty for him. It would likely be something like this:

The penalty is then 10% of the national average Part D premium for being uncovered 16 months. If the national average premium was \$33.13 in 2017, his penalty is then approximately $33.13 \times .10$, or $.33 \times 16$ months = \$5.28 added to the cost of whichever Part D plan he chooses. Mr. Brown will pay this monthly penalty on top of his drug plan premium for the rest of his life.



Okay, so now you have more than enough information to make that second decision. Call me and let's talk about it. This is not a decision you want to delay. It can be a part of your advantage plan or needs to be added if you choose original Medicare or a supplement plan.
405.494.0637

Number Two: DECIDE: Prescription Drug Coverage



DECIDE: Secure Predictable Income

Social Security is one source of income. Savings, pensions, 401K disbursements, and other retirement accounts can be arranged for predictable income and/or growth. **You want to plan this out.**

For our purposes, let's consider 5 key factors in decisions on income and how to get help with them.

1. **Take your time with big decisions regarding big spending and location.** Chances are you are going to live into your 80's and you should plan that way. Be cautious about blowing 50% of that 401k you spent a lifetime building on that big trip or RV or moving to another state or whatever. Dream. Enjoy your retirement. But, please consider your potential medical needs, expenses you may not have planned that come up like replacing an automobile, house remodels on the 40 year old house in which you raised your children, and more. Put pencil to paper and think about how much you will need to cover regular living expenses, increased medical costs as you age, and the impact of inflation.

Leave space to change you plans after you try one. A good friend and RV salesperson advised me to be cautious about RV living. It isn't for everyone. You might travel for a while and leave the homestead ready to return. You might like it so much you go back and sell the house. Leave space in your decisions for variety. Don't burn too many bridges you can't cross back over. For my wife and I, ten years before hitting 64, we purchased a reasonable spot at the lake with a small house so our kids and grandkids have a place to visit. We call it our "stationary RV". Everyone is a little different.

2. **Don't plan to work into your grave.** Each of us has a friend that worked until they never relaxed to enjoy. Some of us are driven to keep performing, but reality checks should cause us to be realistic that our bodies wear down and need more rest to enjoy life. Pick a day to walk away from that day to day grind. Plan it out. Maybe start with a part-time or co-sharing arrangement. Maybe work that side hustle you never tried.

3. **Plan to enjoy your family and friends.** This is a time when our lifelong friendships are tested. Those we have known for decades might pass before us and we want to enjoy them today to the max. Our families, grandchildren, and children are going through many changes as we did in our earlier years. We can contribute to encourage them when we feel confident our needs are met financially.
4. **Plan to grow.** You just might have a lot of life to live with all that wisdom you have gained. Remember the life and years you have gained did not come easy or quickly. You've grown and will continue to grow. The next chapter is on that growth strategy.
5. **Focus on lifetime income.** Here is the big item. When you consider the first four areas of decision, you want to ensure as much as possible how to get predictable income into those latter years. This is as individual and specific as your plan for living and continuing and possibly leaving some legacy for children, grandchildren, a favorite charity, your spouse, or a friend.

There are terrific stable growth products that exist in insurance and finance that can provide income for life, a short term, or a long term and leave something for others in case you don't live as long as you would like. I'm going to mention a few here without making a recommendation or a disparity. It is all about what you want to do, not what a financial advisor wants you to do. Study study each vehicle and pick what is acceptable for your appetite for risk and predictability.

Social Security – You earned it. Use it. There is not enough space to discuss this decision, so let's cover the basics. If you worked, you probably have an account and have been getting letters telling you what you will get since you were 62. The longer you work at your highest income levels, the higher the payback. The longer you wait to sign up to age 71, the higher your monthly payout and the higher your lifetime payout. If you have reasonable health, are pretty confident you will live past 77, and other sources of income up to 71, you should consider waiting. It will be worth it. If you live to 85, it could be worth as much as \$65,000 more payout. Want help working through this decision? Call and do a FACT FINDER with us and you will see your options. Don't buy the fear monger line that says you need a fortune in retirement. You don't. You need a good plan

Indexed Annuity – This could be a good choice for predictable income and provide reasonable help if you lack a long term care policy or a cancer or other major illness policy. There are many varieties of this as there are many insurance carriers that provide them. Talk to an independent agent like SOLUM to explore how to provide for your life plans. We have access to many plans through our relationships. You can get a protection against loss with the benefit of growth and income. This is an asset which can be left for others should you not need to use all the money you put into it. I like these because they can be converted into a predictable income stream, when you are ready, and give good reasonable and safe growth until then. PREDICTABLE STABLE INCOME.

A good friend advised me to put some money for a few years before my retirement into **an IRA plan that invested in real estate** with a fixed rate of return. It has worked for me. No guarantees, but it provided for an investment that gave me rest at night as it was tied to a mortgage and watched closely.

There are **savings accounts** with online vendors that are banks insured by the FDIC, where you can put some money that is as accessible as your local bank. They pay higher rates and ensure you have quick cash for emergencies.

This article from Kiplinger in the footnotes is a good mistake preventer. It covers a lot more than what we will cover here.⁷



Here is what I want you to do. Call me and tell me about your concerns and plans. We can do a “Fact Finder” over the phone and make some quick suggestion. As always your choice is your choice. We want you to be informed.
405.494.0637

Income.

Number Three: DECIDE: Secure Predictable

⁷ <https://www.kiplinger.com/slideshow/retirement/To47-S001-retirement-mistakes-you-will-regret-forever/index.html>



DECIDE: Grow Strategic

Retirement can be about growth. We live longer and longer. The average life span is 78.something, but once you hit the 65 marker, you usually have already beat the curve and will live longer. ⁸ Why not grow? Think of 65 like being 40. I bet you had a lot of growth

between age 40 and age 65. You can do it again a little kinder and gentler. We'll give you tips on sharpening your FOCUS in the fourth decision chapter

Five Keys to Growth in Retirement

Many articles like this one in Investopedia⁹ focus on money. We do have some recommended investment groups to which we can refer you, but I'd be leary about online shopping. It is a good place to take notes and stretch insights.

Is money all that concerns you?

There is great material on what really matters above and beyond the money. We recommend some of the concepts of FLOURISH¹⁰ from authentichappiness.com and the research of Dr. Martin Seligmann and associates and we recommend the concepts of The Daniel Plan, which apply those concepts to Faith, Food, Fitness, Focus, and Friends. A well balanced life that continues to grow and FLOURISH is important.

One: Grow your faith. ¹¹ Wow, really? You will find that psychology, sociology, and theology will all tell you to grow your faith. Don't let it stagnate. Faith is about nurturing your soul (mind, will, and emotions). Keep growing. Get into a Bible study with a group of friends. Listen to other ideas. Cross cultures and see how others see it. Here you are with a little more time on your hands to spend with others unlike yourself and see how they see life.

Two: Grow your food. ¹² Now, that does not mean get overweight. Think about all the daily intake with a more serious bend of understanding. You can extend your life through right eating. Explore new recipes with heart and healing in mind. Those creaky joints just might creak less.

⁸ <https://www.ssa.gov/planners/lifeexpectancy.html>

⁹ <https://www.investopedia.com/articles/personal-finance/060514/4-big-reasons-your-expenses-could-rise-retirement.asp>

¹⁰ <https://www.authentichappiness.sas.upenn.edu/newsletters/flourishnewsletters/newtheory>

¹¹ <https://www.danielplan.com/faith/>

¹² <https://www.danielplan.com/food/>

Three: Grow your fitness.¹³ Many Medicare healthcare plans include a Silver something benefit for the gym. That's because you have time to get stronger, increase good blood flow, and sharpen your mind with right exercise. Consult you doctor and start working on lowering cholesterol and increasing oxygen and patching some leaky gut. Food is a part of fitness.

Four: Grow your focus.¹⁴ Where your mind goes, so do you. There is an epidemic of seniors and suicide that is disturbing. We have so much to look forward to doing and enjoying. Yes, we pick up extra pains and problems and suffer losses, but we can be so useful and connected. Focus is part of that. I like to encourage folks to write a "One Page Miracle"¹⁵ You can download that from Tana Amen's site in the references. Think about all the goals you want to reach and why you want to reach them. More than a bucket list is a reason for growing and living.

Five: Grow your friends.¹⁶ Yes, you have a lot to offer. Get with some new friends. Don't get caught up in the gossip and groaning. Get busy serving. Do you know that volunteering in your senior years adds to happiness and a longer life?¹⁷ That's right. Grow your friendships. Spend time with someone on the phone or do some video calls with children and grandchildren and maybe that friend that moved a few states away you have not visited in a while.



Of course you need to think about your financial footing and adequate healthcare in order to grow, but make sure you are growing for good reasons that add to your reason for health. 405.494.0637

Number Four: DECIDE: [Growth Strategy](#)

¹³ <https://www.amenclinics.com/blog/your-ultimate-guide-to-gut-health/>

¹⁴ <https://www.danielplan.com/focus/>

¹⁵ <https://tanaamen.com/resources/one-page-miracle/>

¹⁶ <https://www.danielplan.com/friends/>

¹⁷ <https://www.livescience.com/15978-volunteers-live-longer.html>



5

DECIDE: Keep an Active Lifestyle

- *Enjoy these years. Bolster up your hobbies, family time, reading, golf game, gym, travel, or whatever floats your boat. Stay active. Check off a few items you want to include.¹⁸*

Things you might consider keeping an active lifestyle?

- Get a dental and vision plan <https://soluminsurance.com/shop-online>
Keep your smile and eyes cared for.
- Use that Silver plan at the gym or walk with a friend.
- Stay connected at your local church and wear earplugs while the loud band plays.
- Play with young children.
- Volunteer at the local food bank and give back.
- Become a prayer warrior at your local church and take phone calls or serve online.
- Dust off that instrument and join a band.
- Read books you haven't read in a long time.
- Reduce the television time and sit outdoors and visit with neighbors.
- Plan a concert or drama event or something in the community to go see.
- Take a trip to a nature sight and just bask as you enjoy.
- Get a new hobby fit for your schedule.
- Square dance.
- Grow some new types of flowers or vegetables in your garden.
- Start a garden.
- Paint

¹⁸ <https://hbr.org/2016/10/youre-likely-to-live-longer-if-you-retire-after-65>

- Take a class at the local community college that is totally different than anything you have ever studied.
- Write your memoirs. Even if you are the only one to ever read them.
- Keep a daily journal of your thoughts and experiences.
- Write a blog online.
- Read a new blog online every day.
- Start a part time business.
- Collect something new. Spend time researching and shopping.
- Get into an online discussion group on social media about a subject dear to your heart. There are grandparenting and senior groups and prayer groups and book reading groups. Ask a friend where they are connected. On facebook, we provide an unending stream of senior related material on our page <https://www.facebook.com/medsolum/>
- Get a massage
- Teach a class at the local community college or library
- Join SCORE <https://www.score.org/volunteer> and mentor someone

Get out there and be fresh and flourishing.



Wow. There are so many ideas. Pick two or three and begin looking around for who you know that is already in one of them and join them in the journey. Or, just be adventurous and go make a new friend. But, we always enjoy more sharing with others. 405.494.0637

Number Five: DECIDE: [Keep Active](#)



6

DECIDE: Get Right Legal Organization and Support

Wills, estates, trusts, Long Term Care, divorce, marriage, home, and business could need more legal attention than ever. Kids and grandkids get involved in this. Charities and other organizations. There are good steps you can take to keep costs contained and get good counsel. Include Identity Protection and restoration for right costs. These are areas you cannot avoid as a senior. You want to enjoy life and you need good counsel.

The law is legal not logical. Ever hear that. Let it sink in. The law is not logical. All our logic will fail, when we try to get legal protection and restoration and counsel. The law is just not logical, it is legal. It has a set of rules and options that don't respond to just straight common sense and logic. You need legal access for senior justice.

Here is a list of items that could cost you thousands of dollars as you move from 64 to 65 and beyond. We are here to help with the top services in the market to help you at extremely reasonable costs. Let us give you access to lawyers in your area with right specialties for pennies compared to regular cost and 24 hour access which is what you need.

What needs your attention?

- Will
- Trust
- Adopting Grandchild
- Divorce
- Bankruptcy
- Review a contractor agreement for your roof or remodel
- Write a letter to company that is not listening to you
- Credit issues
- Identity Theft restoration

- Check out something you wonder if it is SPAM
- Advice and Consultation
- Letters and Phone Calls
- Small Business issues
- Trial Defense
- Visitation rights
- Healthcare power of attorney
- Living Will – Advance Directive
- Traffic ticket
- Residential loan – senior center arrangement
- Bump in a parking lot
- Warranty dispute
- IRS Audit
- Name change assistance
- Separation or civil annulment
- What else can you think of?



Any one of these items can each cost you \$500 to \$5000 for just simple needs. You can get them covered for less than your cable television contract. Wow

405.494.0637

Number Six [DECIDE: Legal Access and Protection and Identity Protection](#)



7

Decide: Make and Communicate Final Decisions

Finish well. You are closer to your endgame than you were last year. Plan how you want to finish. Set goals and leave notes and communicate to those closest.

No one likes to do this. This week, three close friends in their 50s and 60s closed the final chapter on their lives on earth. That is tough for me. That is tougher for their close families. I want to make sure that I have decided and communicated so my family does not have to work through it all. In the last chapter we identified Wills, Trusts, Living Will/Advance Directive as items needing legal assistance. Now let's consider each of these along with Final Expenses.

Before you start reading all this detail, I want you to make a few decisions.

1. You will **contact the people you love** but have not seen or talked to in a while and just check in on how they are doing.
2. You will start **going through these check lists slowly and** make you decisions and accumulate them into a folder or envelope or some method of organization. Don't get in a rush.
3. You will decide how you would like to **cover the costs** involved so they are the least burden possible on family and friends. A Final Expense Insurance Policy can be a great blessing when done right and affordable. You may already have sufficient insurance.

Here is a table of example costs and may be higher based on where you live. And of course, each of these is a decision to be made.¹⁹

	MEDIUM	HIGH
Burial Clothes - men	\$170 to \$400	
Burial Clothes - women	\$95 to \$350	
Burial Shroud	\$195 to \$1,000	
Burial Vaults Costs	\$1,000 to \$2,000	\$2,200 to \$14,000
Casket – cardboard/fiberboard	\$150 to \$300	\$300 to \$500
Casket – wood or metal	\$1,000 to \$3,000	\$3,500 to \$12,000

¹⁹ <https://www.consumerreports.org/cro/magazine/2012/10/what-to-do-when-a-loved-one-dies/index.htm>

Clergy/Celebrant	\$150 to \$250	\$300 to \$500
Death Certificate Fees (per copy)	\$11 to \$13	
Direct Burial Package	\$1,600 to \$1,800	\$2,000 to \$3,600
Direct Cremation Package	\$1,000 to \$1,500	\$1,800 to \$3,000
Embalming Fees	\$500 to \$680	\$800 to \$1,212
Flowers	\$220 to \$360	\$400 to \$600
Funeral Ceremony Fees	\$400 to \$600	\$700 to \$1,425
Funeral Homes' Basic Services	\$1,205 to \$1,880	\$2,200 to \$3,000
Grave Markers, Monuments	\$1,200 to \$2,000	\$2,400 to \$7,000
Grave Opening and Closing	\$300 to \$1,000	
Grave Plot	\$400 to \$10,000	
Grave Site Set Up	\$100 - ask	
Graveside Service	\$350 to \$500	\$550 to \$1,700
Guest Register Book	\$25 to \$80	
Hearse or Funeral Coach	\$300 to \$400	\$450 to \$530
Limousine or Lead Vehicle	\$200 to \$350	\$425 to \$520
Musician	around \$150	
Obituary	\$0 to \$600	
Other Preparations - cosmetology, dressing, casketing	\$125 to \$215	\$250 to \$363
Printed Materials – 100 Programs	\$40 to \$80	
Service Car or Flower Car	\$150 to \$300	\$400 to \$510
Storage and Refrigeration fees - Care of Remains	\$50 per day	\$100 per day
Temporary Burial Marker	around \$20	
Traditional Burial Package	\$3,200 to \$4,700	\$5,000 to \$6,000
Transportation of the body to the Funeral Home	\$200 to \$330	\$350 to \$500
Urns	\$250 to \$350	\$400 to \$2,000
Viewing or Visitation Fees - funeral home facility and staff fee	\$300 to \$450	\$500 to \$1,175

And then there are documents that will be needed to support all of these decisions

Here is some information from <https://www.thebalance.com/what-do-you-need-to-do-when-someone-dies-3505207> Instead of just putting a link, I copied it for you. Thanks to [Julie Garber](#), who did an excellent job compiling this.

Copies or originals of the following documents will be needed:

Account statements: Including bank accounts, brokerage accounts, and retirement accounts (IRAs, 401(k)s and annuities) for at least a few months prior to death.

Life insurance policies: Note that for some older policies the insurance company will require the return of the original policy.

Beneficiary designations: For life insurance, retirement accounts, payable on death accounts and transfer on death accounts.

Deeds for real estate: There is a common misconception that the original deed is needed, but a copy is fine.

Automobile and boat titles: The original titles will be required to transfer legal title.

Stock and bond certificates: For stocks or bonds held in certificate form, the original certificate will be required to transfer legal title.

Closely-Held Business Documents

If the decedent owned a closely-held business, then copies or originals of the following documents will be needed:

Corporate, LLC or partnership documents: This includes copies of the corporate charter or articles of organization and minutes; a copy of the shareholder's agreement, operating agreement, or partnership agreement; minutes documenting meetings and decisions; and original stock or LLC certificates to transfer legal title.

Account statements: Including bank accounts, brokerage accounts, and retirement, accounts for at least a few months prior to death.

Automobile and boat titles: The original titles will be required if the legal title will be transferred.

Contracts: Including leases, loans, vehicle loans, and employment agreements.

Business licenses: Including local and state licenses.

Income tax returns: Federal and state returns for the past three years.

Contracts

Copies or originals of the following contracts will be needed:

Prenuptial agreements (Including any amendments)
Postnuptial agreements (Including any amendments)
Loans (Including personal loans, lines of credit, and mortgages, along with the original promissory notes.)
Leases (Including real estate and automobile leases.)
Bills
Copies of the following bills will be needed:

Utility bills
Cell phone bills
Credit card bills
Mortgages and personal loans (including lines of credit)
Real estate tax bills
Storage unit bills
Medical bills
Funeral bill
Estate Planning Documents

If the decedent had an estate plan, then copies or originals of the following documents will be needed:

Last Will and Testament and Codicil(s): The original will and codicils will be required because if an original cannot be found, then it is presumed the decedent destroyed them,

Revocable Living Trust and Amendment(s): Usually a copy of the trust or amendment is all that is required.

Tax Returns

Copies of the following tax returns will be needed:

Income tax returns (federal and state for the past three years)

Gift tax returns (federal and state)

Death Certificates

Multiple, original death certificates will be required to settle the decedent's final affairs. It is recommended to order a minimum of ten.



1. Contact friends and loved ones
2. Start working the list a little at a time today
3. Make a plan for the costs.

405.494.0637

Number Seven [DECIDE : Make and Communicate Final Decisions](#)

And there you have it. When I'm 64: 7 Clear Decisions For A Better Life Forward

My hope is that you have chosen one or two that need attention first and you will call, and we will get started together on them. You can trust us. We have your best interests at heart. #wecanhelpwiththat

[Soluminsurance.com](https://soluminsurance.com)

More than insurance

Supporting decisions for better living.

Phil@soluminsurance.com

405.494.0637

