



Collier Legacy Planning llc

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Legacy Planner

Retirement • Income • Medicare

Fall 2021

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Lake Winnebago at Stockbridge Harbor; photo by Ray Loth

• Cherry Cheesecake Pie •

Fall has arrived! Leaves are turning beautiful colors. The air outside is getting cooler and crisper. It's time to think about some comforting, warm fall desserts in your meal planning! CHERRY CHEESECAKE PIE is a tried and proven recipe that is sure to please. —*Barb Schlaefel*

Crust:

1 unbaked 9" single pie crust

Filling:

2 cans (16-oz. size, or close to it) pitted red tart cherries, packed in water

1/2 cup sugar

1 tablespoon cornstarch

1/4 cup of liquid drained from cherries

1 teaspoon lemon juice

1/8 teaspoon almond extract

Topping:

One and a half 8-oz. packages cream cheese (12 ounces)

1/2 cup sugar

2 eggs

1/2 teaspoon vanilla

1 • Heat oven to 425°.

2 • For filling: drain cherries, reserving 1/4 cup liquid. Combine sugar and cornstarch in large bowl. Stir in reserved cherry liquid, lemon juice, and almond extract. Stir in cherries, and then spoon into unbaked pie shell.

3 • Bake at 425° for 15 minutes. Remove from oven, and reduce oven temperature to 350° for the next step.

4 • For topping: combine cream cheese, sugar, eggs, and vanilla in bowl. Beat with electric mixer until well blended. Spoon over hot cherry filling.

5 • Bake at 350° for 25 minutes. Cool to room temperature before serving. Enjoy!



Photo: Christina Milioni,
Wikimedia Commons

Medicare* Simplified!

*"How do people navigate this without you?
 Thank You! Thank You! Your clarity and thoughtfulness
 are so appreciated. You go the extra miles
 to take care of others so thoroughly!"
 —Oshkosh Client*

By Raymond Loth

Medicare* understandably becomes a confusing and stressful subject for many as they approach age 65. I believe that it can be simplified. I enjoy helping people to understand it, and in the process, **can save you a lot of time trying to figure it out on your own.**

Since about 1/4 of our business is Medicare related, every few years we like to dedicate a newsletter to this subject. If you are new to Medicare, we hope this proves helpful for you. If you already have Medicare, this will serve as a good review.

• When and How do I sign up^ for Medicare and additional coverage?

If you are already collecting Social Security your Medicare card will automatically be sent to you about 3 months before your 65th birth month. If not, then you have to apply through

the Social Security administration, also 3 months before. Keep your eyes open for your card as you weed through all the junk mail! Once enrolled, benefits will begin on the first day of your birth month (or 1 month earlier if your birthday IS the 1st). Some people access Medicare in connection with Social Security Disability benefits before age 65. It is around these same time periods that you can and should be looking into additional coverage beyond basic Medicare.

• How much does Medicare Cover* (or pay for)?

The Medicare card includes part A for hospital and Part B for doctor and outpatient services. Part B has a monthly premium of usually \$148.50 in 2021. The part B (and part D) premium is increased for higher income levels. Conversely, some government programs pay the premium for persons with lower income assets. Basic Medicare pays for some, but not all of your approved medical expenses. **A common generalization is that Medicare pays for about 80% of your medical costs, not including prescription drugs (please see our newsletter insert for information on Medicare preventative services).** Remaining expenses can be addressed through private insurers who offer Medicare supplements ("medigap"), Medicare Advantage (part C), and part D (drug) plans, **this is where we come in.** We'll explain these more later.

"Medicare Simplified!" continues on the next page.*

"Medicare* Simplified!" continued...

Medicare actually requires people turning 65 to have qualifying medical and drug coverage. If you do not, there will be penalties in the future. An alternative to Medicare is an employer-based plan.

• **Should I stay on my (or my spouse's) employer-based plan?**

Depending on circumstances, you may or may not have to start Medicare part B. In most cases, employers have options for continued coverage. In deciding which route to take, there are a number of factors to consider like monthly premiums, out of pocket expenses, health, as well as any related dental, optical, or other benefits.

I often assist clients in evaluating their options, and promise to be fair and honest with you. If you are leaving employer coverage later on, there is a routine process to get your Medicare started. This is something that I can explain* to you and assist with.

• **What is the difference between Medicare Advantage and Medicare Supplements**?** (This is really a KEY QUESTION as respects your decision making)

These are provided by private companies. You'll need to choose either one or the other. They include some combination of monthly premiums and/or out of pocket expenses for Medicare approved costs. With either type of plan you will STILL have your Medicare Part B monthly premium.

A Supplement plan "supplements" basic Medicare and therefore is used in connection with your Medicare card. You will pay a monthly premium for this added coverage and then will have little or no out of pocket expenses for Medicare approved services. You would also need separate prescription drug coverage. With a supplement you can go to any provider that accepts your Medicare card.

A Medicare Advantage plan is used instead of, or you might say sub-contracts for, your basic Medicare card. You therefore do not use your actual Medicare card (even though it needs to be set up). They also often include prescription drug coverage, and sometimes other supplemental benefits for things like dental, vision, hearing, exercise, etc. Advantage plans often have lower or even no monthly premium to pay, however you will then have out of pocket expenses for certain medical activities, with a cost limit for the year. Advantage plans usually either require, or prefer, certain provider groups.

• **Which company and plan is best and why?**

We are actually not supposed to use the word "best", but I do work with many "very good" companies and plans. It is very important to me to have satisfied clients and with some 700+ Medicare clients I have a vested interest in putting you with a company and plan that you will be happy with. I make recommendations that I believe are not only financially advantageous for you, but suited to your personal preferences and needs. I lean toward companies who have a good, long history of client satisfaction and high quality customer service.

If you are new to Medicare, I promise you that if you give me 1 hour of your time I will save you many hours of reading through junk mail and the headaches that come with trying to figure Medicare out on your own. My family and I are longtime Ripon residents and I'm a Wisconsin native. Collier Legacy Planning LLC is an independent office representing various companies and we have helped hundreds of people just like you make the transition to Medicare. For further questions, please call Ray at (920) 233-0033 or email raymond@clpwi.com.

* We are not associated with, or representing, the Federal Government Medicare program, nor is this article intended to explain or define the specific benefits of this program. Our intention is to provide a high-level overview of the areas that Medicare Supplement, and Medicare Advantage plans are designed to address. These are offered by private, generally for profit, companies, some of which we do represent and work with. Please consult www.medicare.gov, www.cms.gov, your local Social Security office, or other such official sources for information on actual government programs.

Additionally, this newsletter is generally intended to be educational, and not sales or promotional, in nature—primarily for our established clients. It therefore also comments on other important services and products that many of these clients have, like annuities, life insurance, etc. Any reference to non-Medicare related services is not intended divert the attention of newly interested Medicare beneficiaries.

^ Please see "Ask the Pros" on page 3 for information about making changes to your coverage in future years.

** Please see "Case Study" on page 3 for more information on these differences.

"Thanks so much for touching base with me. It just means so much to have hands on instead of just stuff in the mail. I've never been so happy with anyone who has set anything up for me. It is refreshing to work with someone like you. I will definitely recommend you to others." —Oshkosh Client

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"Like most economists, Sharpe is surprisingly sanguine about the efficiency of income annuities. If you want to minimize the 'waste' of unspent retirement funds while protecting against the risk of running out of income, annuities are the best option."*

*Reference to Bill Sharpe, 1990 Noble Prize in Economic Sciences recipient (and professor of finance, emeritus, at Stanford University Graduate School of Business since 1970) by Michael Finke, CFP, in "Finding a Better Retirement Income Solution," 3/2019 Investment Advisor

Case Study

Different Strokes for Different Folks

Mr. & Mrs. D came in a few years ago to seek out options for their Medicare coverage needs beyond basic Medicare A and B.* The husband was in very good health, had no prescriptions, and rarely visited the doctor. The wife had various medical concerns requiring periodic visits with her primary Dr. and specialists. She felt these would continue and maybe even increase in the future. They both wanted good coverage and desired to minimize their expenses.

We discussed how a Medicare Supplement and a Medicare Advantage plan represent different, almost opposite, approaches in how you pay for medical expenses (beyond the automatic Medicare part B premium with both). The supplement has a higher monthly premium with little to no out-of-pocket expense, whereas some Advantage plans have a \$0 monthly premium, however likely out of pocket expenses for most medical services.

Mr. D decided that he wanted a \$0/mo. Medicare Advantage plan. He was willing to accept some out-of-pocket expenses for medical care, knowing that there was an annual limit on that. He also liked the inclusion of his drug coverage as well as some of the auxiliary benefits associated with this plan. After 3 years, Mr. D feels that he has saved thousands of dollars by not having added monthly premiums.

Mrs. D felt that a Supplement would suit her needs, along with a stand-alone drug plan. She knows that she can go to any provider that accepts Medicare, and loves the peace of mind from paying a fixed monthly premium and not having out-of-pocket expenses^ for her Medicare approved services. As a result, she doesn't defer needed medical care out of financial concerns. Her annual premium increases have been very manageable and she too feels that she's saved thousands of dollars over the past few years, in her case, by not having out of pocket costs. —Ray Loth

* See main article for further general information on Basic Medicare as well as Medicare Supplements and Advantage plans.

^ Some Medicare costs have changed for enrollees starting on, or after, Jan. 1, 2020.



Photo: daryl_mitchell, Wikimedia Commons

Ask the Professional...

Do I need to do anything during Medicare's AEP Oct. 15th to Dec. 7th?

We are once again nearing Medicare's AEP, or Annual Election Period! What is it? How does it affect you? Should you be doing something?

What is AEP?

AEP is the universal opportunity that Medicare beneficiaries* have to make changes to their drug (part D) plan or Medicare Advantage (part C) plan for January 1st. Making such changes at other times in the year are only allowed under special circumstances. This also means lots of advertising each Fall, so lookout!

How does AEP affect you?

Medicare Advantage and Drug plans renew automatically each year unless you are informed otherwise, which is rare. Your plan will update you during AEP regarding any changes for next year.

Medicare Supplements also typically renew automatically, however are not bound by AEP and Jan. 1st renewal. If though you want to drop your supplement and switch to an Advantage plan, or change drug coverage, then AEP would be the time to make such changes.

SHOULD you be doing something different?

Many do not; however that varies. Here are three scenarios:

- 1• If you have or expect significant changes in your medical activity, including expensive new drugs, then a review may be worthwhile. However, oftentimes your current plan may be very suitable.
- 2• Some people don't like their monthly premiums, which may be increasing. Others may have a low premium but don't like paying copays. AEP would be a time to see if available options are attractive to you.
- 3• Most of our clients are generally very happy with their current plan and enjoy the stability of keeping it.

While changes to coverage during AEP can indeed be beneficial, all the advertising during AEP can also have the unnerving "grass is greener" effect on people.

Some of our clients like to review their plan with me during this time, either in person or on the phone. Others do not, and are happy to know that I am available when needed. My job is to serve all of you according to your needs and desire for information. As always, I invite you to please get in touch with me if you have any specific concerns or questions.

Thank you very much for your business, your loyalty, and your many referrals over the years! —Ray Loth

Please see () footnote to "Medicare* Simplified!" article in this newsletter, noted on page 2