

**Eldercare
Financial
Planning**



AnthemEAP

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What You Will Learn

- Social Security payments are not automatic
- Social Security planning is important for financial security in retirement
- Medicare Basics what you need to know
- Resources to help you plan your loved one's financial future
- Warning Signs that your loved ones may need extra help
- Senior scams to be aware of

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Terms To Know

FRA – Full Retirement Age

- Age 66 if born between 1943 and 1954
- Two months added to age 66 for each year between 1955 and 1959
- Age 67 if born in 1960 or later

PIA – Primary Insurance Amount

- Benefit amount computed at age 62 that will be paid at FRA

COLA – Cost of Living Adjustment

- Percent of increase in benefit
- Declared in October and paid beginning in January of the following year*

*Amount is based on the increase in the Consumer Price Index.
Social Security Trustees use 2.8% in their planning

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Social Security Retirement

- Lifetime benefits
- Cost of living adjustments

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Who Can Collect?

- Worker (number holder)
- Spouse
- Divorced Spouse
- Surviving Spouse

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Earnings Test

- If collecting before FRA, \$1 in benefits will be withheld for every \$2 that is earned over \$16,920 (in 2017)
- No Earnings Test after FRA

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Income Tax

- A portion of Social Security may be subject to Income Tax
- The amount and the rate will depend on other income

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Medicare vs. Medicaid

Medicare

A federal health insurance program for people who are:

- 65 years and older
- Less than 65 with certain disabilities
- Of any age and have End Stage Renal Disease (ESRD)

Medicaid

A joint federal and state program that helps pay health care costs for certain people and families with limited income and resources.

NOTE: *It is possible to be "dual eligible" — to qualify for both Medicare and Medicaid.*

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Medicare ABC's

- **Part A:** Care and services received as an inpatient in a hospital or skilled nursing facility
- **Part B:** Doctor visits, care and services received as an outpatient, and some preventative care
- **Part C:** Medicare Advantage plans combine Part A and Part B coverage, and often include drug coverage (Part D)
- **Part D:** Prescriptions Drugs

Note: *To get Medicare-covered Part A and/or Part B services, you must be a U.S. citizen or be lawfully present in the U.S.*

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Medicare Part A and Part B

- Medicare Part A (Hospital Insurance)
 - Inpatient care in hospitals
 - Skilled nursing facility care
 - Hospice care
 - Home health care
- Medicare Part B (Medical Insurance)
 - Services from doctors and other health care providers
 - Outpatient care
 - Home health care
 - Durable medical equipment
 - Some preventive services

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Medicare-Covered Preventative Services

- | | |
|---|--|
| • Yearly "Wellness" visit | • Glaucoma tests |
| • Abdominal aortic aneurysm screening | • Hepatitis B shots |
| • Alcohol misuse screening and counseling | • HIV screening |
| • Bone mass measurement | • Medical nutrition therapy services |
| • Breast cancer screening (mammogram) | • Obesity screening and counseling |
| • Cardiovascular disease (behavioral therapy) | • Pneumococcal shot |
| • Cardiovascular disease screenings | • Prostate cancer screenings |
| • Cervical and vaginal cancer screening | • Screening fecal occult blood test |
| • Colorectal cancer screenings | • Screening flexible sigmoidoscopy |
| • Depression screenings | • Screening colonoscopy |
| • Diabetes screenings | • Screening barium enema |
| • Diabetes self-management training | • Sexually transmitted infections screening and counseling |
| • Flu shots | • Tobacco use cessation counseling (counseling for people with no sign of tobacco-related disease) |

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Items/Services NOT Covered By Medicare

- Long-term care (also called custodial care)
- Routine dental or eye care
- Dentures
- Cosmetic surgery
- Acupuncture
- Hearing aids and exams for fitting them

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Medicare Part C and B

- **Medicare Part C (Medicare Advantage)**
 - Includes all benefits and services covered under Part A and Part B
 - Run by Medicare-approved private insurance companies
 - Usually includes Medicare prescription drug coverage (Part D) as part of the plan
 - May include extra benefits and services for an extra cost
- **Medicare Part D (Medicare Prescription Drug Coverage)**
 - Helps cover the cost of prescription drugs
 - Run by Medicare-approved private insurance companies
 - May help lower your prescription drug

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Medicare Supplement Plans

- Coverage through private insurers
- 12 Standard plans
- Covers deductibles, co-payments and co-insurance depending upon plan selected
- Provides some additional benefits depending upon plan selected

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Eligibility

You will automatically get enrolled in Part A and Part B...

- Starting the first day of the month you turn 65 if you're already getting benefits from Social Security or the Railroad Retirement Board (RRB)
- After receiving disability benefits from Social Security for 24 months or certain disability benefits from the RRB for 24 months (if you're under 65)
- The month your disability benefits begin if you have ALS (Amyotrophic Lateral Sclerosis—Lou Gehrig's disease)

You may sign up for Medicare when...

- You're 3 months away from turning 65, but not getting Social Security or Railroad Retirement Board (RRB) benefits.
Note: If you worked for the railroad, contact the RRB at 1 877 772 5772 (TTY 1 312 751 4701) or rrb.gov
- You have End-Stage Renal Disease (ESRD)

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Costs

- You usually don't pay a monthly premium for Part A coverage if you or your spouse paid Medicare taxes while working. This is sometimes called premium-free Part A.
- You pay the Part B premium each month. Most people will pay the standard premium amount, which is \$109 in 2017. But this could be higher depending on your income.

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What To Know About Medicare Insurance (Medigap) Policies

- You must have Part A and Part B.
- You pay a monthly premium for your Medigap policy in addition to your monthly Part B and Part D premiums.
- A Medigap policy only covers one person. Spouses must buy separate policies.
- You can't have prescription drug coverage in both your Medigap policy and a Medicare drug plan.
- It's important to compare Medigap* policies, since the costs can vary and may go up as you get older.
- The best time to buy a Medigap policy is during your Medigap Open Enrollment Period. This 6-month period begins on the first day of the month in which you're 65 or older and enrolled in Part B.

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Questions?

For more information, call 1 800 MEDICARE (1 800 633 4227) or go to MyMedicare.gov

Note: TTY users should call 1 877 486 2048.

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Legal Tools to Help Manage Your Parents' Finances

- **Durable Power of Attorney for Property and Finances**
 - What it does:
 - Gives a person other than your elderly loved one the authority to make decisions about property and finances.
 - When it's helpful:
 - If your parent develops Alzheimer's disease or gets into a car accident that results in incapacitation, you step in and independently access your parent's financial accounts to pay bills and expenses related to caregiving and household management.
 - How to set it up:
 - Before your parent suffers from any mental impairment, he or she meets with an estate planning or elder law attorney, who will prepare the form based on your parent's wishes.

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Legal Tools to Help Manage Your Parents' Finances

- **Durable Power of Attorney for Health Care**
 - What it does:
 - Gives a person other than your elderly parent the authority to make decisions about his or her health and medical care.
 - When it's helpful:
 - Coma and dementia are conditions that would make this power of attorney relevant.
 - How to set it up:
 - Before your parent suffers from any mental impairment, he or she meets with an estate planning or elder law attorney, who will prepare the form based on your parent's wishes.

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Legal Tools to Help Manage Your Parents' Finances

- **Living Will**
 - What it does:
 - Allows your parent to set out specific, detailed instructions regarding health and medical treatment in case of becoming incapacitated or being otherwise unable to express personal wishes.
 - When it's helpful:
 - A parent who has been diagnosed with a progressive impairment, such as Parkinson's disease, can ensure certain medical treatment is carried out or avoided in the event that the parent is no longer mentally capable of making an independent decision.
 - How to set it up:
 - Before your parent suffers from any mental impairment, he or she meets with an estate planning or elder law attorney, who will prepare the form based on your parent's wishes.

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Hiring Professional Help

- Estate Planning Attorney
- Elder Law Attorney
- Financial planner or Adviser
- Government Programs

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Why Scams are Often Directed at Seniors

- Senior citizens are most likely to have a "nest egg," to own their home, and/or to have excellent credit—all of which make them attractive to con artists.
- Older Americans are less likely to report a fraud
- When an elderly victim does report the crime, they often make poor witnesses.
 - Elderly victims may have issues with their memory and may not be able to supply enough detailed information to investigators.
 - Victims' realization that they have been swindled may take weeks—or more likely, months—after contact with the fraudster.
- Telemarketing scams often involve offers of free prizes, low-cost vitamins and health care products, and inexpensive vacations.

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Top 5 Financial Scams Targeting Seniors

- 1. Medicare/health insurance scams
- 2. Counterfeit prescription drugs
- 3. Funeral & cemetery scams
- 4. Fraudulent anti-aging products
- 5. Telemarketing/phone scams
 - The pigeon drop
 - The fake accident ploy
 - Charity scams

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Signs an Elderly Loved One Needs Extra Help

- Phone Calls
 - Are creditors leaving voicemail messages?
 - Are charitable organizations calling to solicit additional donations?
 - Are new "friends" calling to ask for favors or loans?
 - Know who's making phone calls to your parents. New "friends" may enter the picture because your parents have become more generous with their gifts or money.
- Mail
 - Are credit card companies offering balance transfer promotions?
 - Are collection agencies requesting payment?
 - Are your parents opening their mail?
 - Look at the type of mail your parents receive. Balance transfer offers and collection bills point to money mismanagement. Unopened mail may signal more than simple forgetfulness.

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Signs an Elderly Loved One Needs Extra Help

- Cash and Checks
 - Do your parents know how much cash they have on hand?
 - Do they know where they leave their cash?
 - Do they have any bounced checks?
 - Are they ignoring unpaid bills?
 - Take a peek at their checkbook and see whether they are paying bills and properly balancing their accounts. Being forgetful about cash and where they leave it may indicate mismanagement.
- Increased Spending
 - Have they made out-of-character purchases?
 - Do you notice many new, expensive items in their home?
 - Have they upped the ante in their lottery ticket purchases?
 - Take a close look at credit card statements for unusual spending. They may be victims of telemarketing scams.

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Additional Resources

Medicare Resource Center:

Call 1-800-701-0254 or go to <http://www.medicareresources.org/>

Social Security Administration:

Call 1-800-772-1213 or go to <http://www.socialsecurity.gov/medicare/>

Centers for Medicare & Medicaid Services:

Call 1-800-633-4227 or go to <http://www.cms.gov/>

State Health Insurance Assistance Program (SHIP):

Call 1-800-677-1116 or go to <https://shiptalk.org/>

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www.ssa.gov

- You can get projected benefits at the Social Security website
- Click on Estimated Benefits and enter your info
- You can print your statement - they are no longer being mailed
- Social Security employees are trained to help you get the highest benefit
- You may not want the highest benefit – if you are planning on delaying and switching later

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Call Your EAP Today!
800-999-7222
Or go to our website at
AnthemEAP.com
Login: Fulton



How EAP Can Help ...

- Face-to-face counseling sessions
- Legal/Financial consultations
- Child/Eldercare consultation & referrals
- Daily life resources
- ID theft recovery
- Free credit monitoring
- myStrength – Health Club for Your Mind
- Let's Talk Depression – A Multi Resource Tool Kit
- Comprehensive website
 - o Resources
 - o Self assessments
 - o Health/wellness library
 - o Legal forms



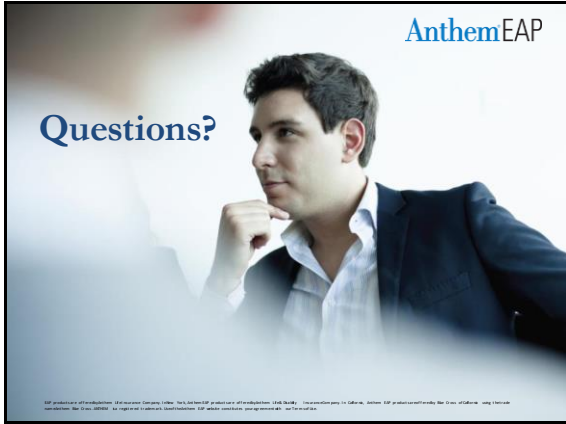
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