

Beltz Ianni & Associates, LLC is focused on helping people prepare for and maintain a successful retirement. We are always ready with the guidance and tools you need to achieve success. We define a successful retirement simply as one where you can retire with confidence. In addition to retirement, insurance planning and investment planning for individual clients, we help manage the wealth and health concerns of employees at the companies we serve through our retirement plan, group benefit and health care business services.



taxes. Then draw up a multi-year plan for tapping your retirement income — not only how much money to withdraw each year but also which assets to tap first.

YOUR PRE-RETIREMENT “TO DO” LIST

Retirement getting closer? Before you take that major step into the world of the retired, make sure that everything is in place to ensure your financial security through the years ahead.

The Red and the Black. Before you retire, you should have an accurate picture of your net worth. Figuring it out isn’t difficult. Simply list all your assets, including personal investments; savings, checking, and money market accounts; life insurance policies; retirement plan assets; IRAs; and your home. Then list your liabilities, such as personal loans, credit card debt, your mortgage, and any other money you owe. By subtracting your liabilities from your assets, you’ll know your approximate net worth.

A Look at Taxes. Your tax situation may change after you retire. You may find that you’re in a lower tax bracket because your income has decreased. You may have to make quarterly estimated tax payments. And remember that changes to your portfolio could have tax consequences, so plan carefully.

Healthcare Review. Once you turn 65, you’ll be eligible for benefits under Medicare, but you still may want to carry supplemental insurance to pick up costs that aren’t covered. If you won’t have coverage through your former employer, you may want to start looking at supplemental policies before your retirement day arrives.

Your Retirement “Budget.” You want to be certain that your money lasts throughout your retirement, so estimating your cash flow is essential. Start by listing the expenses you expect to have after you retire, including health care costs and

*Developing a multi-year retirement income plan may be the most complex of all the preparation you do. The team at Beltz Ianni & Associates can assist with our **Retirement Readiness** planning program. We can provide you with the tools to get started on your “to do” list and then create a comprehensive plan for your retirement income spending. Let us know if we can help you.*

MEDICARE PREMIUMS FOR SOME EXPECTED TO RISE FOR 2016

It’s estimated that for *some* 7 million Americans, their premiums for Medicare could increase in 2016 by 52% to \$159.30 per month for individuals (\$318.60 for married couples).

Why some and not all?

Under a “hold harmless” provision in the law that addresses cost-of-living adjustments (COLA) for Social Security benefits, the dollar increase in the Medicare premium is limited to the dollar increase in an individual’s Social Security benefit. At this time, the consumer price index is not expected to increase in the period used to determine the COLA for 2016. If this holds true, then current Social Security recipients will not receive an increase in benefits in 2016 and,

Contact Us

Beltz Ianni & Associates

280 Kenneth Drive, Suite 110
Rochester, NY 14623
585-340-5200
info@beltz-ianni.com
www.beltz-ianni.com

correspondingly, they won't be subject to Medicare Part B* premium increases.

Who Will Be Affected?

- Individuals who enroll in Medicare Part B for the first time in 2016.
- Medicare enrollees who do not receive a Social Security benefit.
- Medicare beneficiaries who are directly billed for their Part B premium.
- Current enrollees who pay

an income-related higher premium.

- Dual Medicare-Medicaid beneficiaries whose full premiums are paid by state Medicaid programs. (The increase here is mitigated since the premiums are being paid by the state.)

What Should You Do?

There are strategies you may be able to employ to avoid the Medicare Part B premium increase, from enrolling earlier in Medicare or starting Social Security now to having your Part B premium deducted from your Social Security check. It's important to understand, however, that when there is a cost-of-living adjustment in Social Security benefits (possibly as early as 2017), everything resets. "That's why Medicare premiums dropped in 2013, after being up in 2011 and 2012 the last time this hold harmless scenario played out," says Michael Kitces, publisher of *The Kitces Report* and author of the Nerd's Eye View blog. You should carefully consider whether or not to alter your Social Security strategy based on what could essentially be a short-term Medicare premium increase.

**Medicare Part B covers services such as lab tests, surgeries and doctor visits, and supplies such as wheelchairs and walkers that are considered medically necessary.*

SINGLE	MARRIED	2015	2016 ¹	2016 ²
\$85,000 or less	\$170,000 or less	\$104.90	\$104.90	\$159.30
\$85,001 to \$170,000	\$170,001 to \$214,000	\$164.90	***	\$223.00
\$107,001 to \$160,000	\$214,001 to \$320,000	\$209.80	***	\$318.60
\$160,001 to \$214,000	\$320,001 to \$428,000	\$272.70	***	\$414.20
Above \$214,000	Above \$428,000	\$335.70	***	\$509.80

¹Held harmless; ²Not held harmless
NOTE: Premiums are based on your modified adjusted gross income as reported on your IRS tax return from two years ago, or 2014 for 2016 premiums.
DATA SOURCE: Medicare.gov and Center for Retirement Research at Boston College
CHART SOURCE: George Petras, USA TODAY