



# Ray's Retire Right Report

## Retire Right — Retire Smart!

Raymond T. Martin, Retirement Coach and Medicare Planning

### August 2024

As summer wanes and school starts, I hope you enjoy the funnies and trivia I've gathered here.

## ZANY HOLIDAYS!

August is  
**National Crayon Collection Month**

August 11<sup>th</sup> – 17<sup>th</sup> is  
**Weird Contest Week**

August 3<sup>rd</sup> is  
**National Clown Day**

## Duck, Duck, Chicken

To test the durability of airplane windshields, the FAA has a gun that launches a dead chicken at the speed the plane would be traveling when encountering a real bird. If the windshield doesn't crack in that trial, it should survive an in-flight collision too. The British were impressed with the testing system and wanted to try it out on a new high-speed locomotive they were developing. They borrowed the FAA's chicken launcher, loaded and fired at the train. To their shock and horror, the dead chicken shattered the windshield, went through the engineer's chair, broke an instrument panel and embedded itself in the back wall of the engine cab. The British were at a loss to explain the failure of the train's windshield, so they asked the FAA to review their performance of the test. The FAA did and gave one simple recommendation, for the next test, "*Use a thawed chicken.*"

## TRIVIA TEASER

Which constitutional amendment was ratified on August 18, 1920?

See the Answer Area.)

## MEDICARE MATTERS

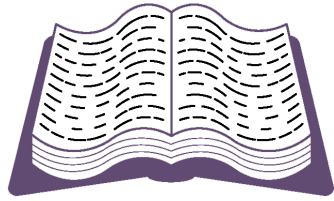
Each year your Part D Prescription Drug Plan or Medicare Advantage Plan (if that's what you have) will send you an **Annual Notice of Change** (ANOC). That's because these types of plans are not standardized; they change from year to year. The cost of services, copays, deductible, or premiums may change. The plan may add or remove coverages, the list of preferred providers – doctors, specialists, and pharmacies – may change, and the formulary (list of covered medications) and their tiers may have changed too. You'll receive the ANOC every year in late September. (Note: Medigap plans are standardized so they don't send an ANOC.)

What should you do when your Annual Notice of Change arrives in the mail? Review it to decide whether the plan continues to meet your needs. The plans automatically renew so if you do nothing, those changes will govern your care and costs for the coming year. You do not have to change plans yearly, but you may want to switch if the cost goes up, plan drops services vital to your care, if your doctor no longer accepts your insurance, or if your medications are no longer covered.

If you do not like the plan changes, you can switch only during the Annual Enrollment Period (AEP) which runs October 15<sup>th</sup> - December 7<sup>th</sup> for a January 1<sup>st</sup> effective date. Unless you qualify for a Special Enrollment Period, AEP is the only time you can make changes to your plan. After you receive your ANOC and you decide you would like to shop any of your plans, email us at [AEPTeam@WeRetireSmart.com](mailto:AEPTeam@WeRetireSmart.com) and let us know you need our help!

## Bizarre (Real!) Book Titles

- *How to Avoid Intercourse with Your Unfriendly Car Mechanic*
- *The Inheritance of Hairy Ear Rims*
- *The Toddler's Guide to the Rubber Industry*
- *Manhole Covers of Los Angeles*
- *The History and Romance of Elastic Webbing Since the Dawn of Time*
- *The Unconscious Significance of Hair*
- *The Baron Kinvervankotsdorsprak-ingatchdenr; A New Musical Comedy*
- *Life is a Circus Run by a Platypus*
- *How to Get Acquainted with Ghosts*
- *How to Survive a Garden Gnome Attack*
- *The Stray Shopping Carts of Eastern North America*



## QUOTE OF THE MONTH

"Deep summer is when laziness finds respectability."

Sam Keen

## Bet You Didn't Know

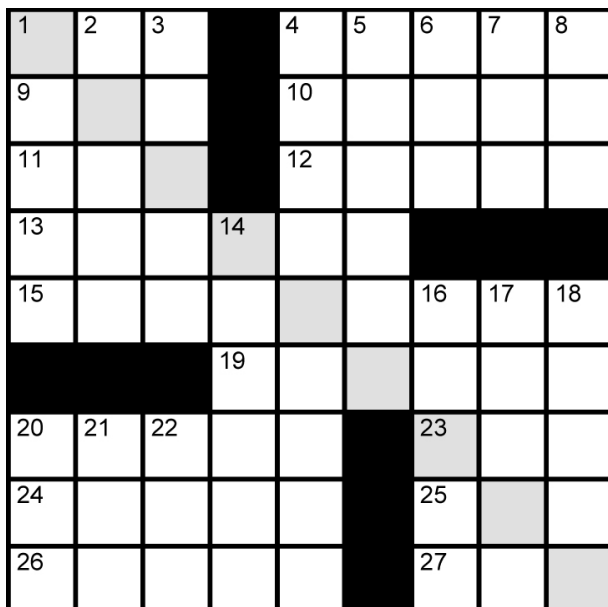
Only two people signed the Declaration of Independence on July 4th, John Hancock and Charles Thomson. Most of the rest signed on August 2<sup>nd</sup>. The last signature wasn't added until 5 years later.

## Calculator Quickie

Pick a three-digit number from 100 to 999 and enter it twice in your calculator to produce a six-digit number (for example 532,532). Now divide it by 7. Divide the answer by 11 then divide the result by 13. What's your answer? The original three-digit number!

## A New Era Proclaimed!

After the Cold War ended, the CIA decided to reshape its image to "a greater openness and sense of public responsibility." They commissioned a task force to study the issue. In 1991 they submitted a 15-page document entitled, "Report on Greater Openness". It was stamped SECRET and the CIA refused to disclose its contents. So much for an era of openness!



## Brush Fires

### Across

- Wharton deg.
- Spicy cuisine
- "Days of \_\_\_ Lives"
- Astound
- "\_\_\_ De-Lovely"
- Set
- All fired up
- Monopoly avenue
- Painter or sculptor
- Early spring bloomers
- Biblical verb ending
- Pigskin carriers
- "Fancy that!"
- Twinge
- Slip up

### Down

- Damp
- Montana city
- Possible fire cause
- Advancement at any cost
- During
- Bender
- Action film staple
- Homer's neighbor
- Special talents
- Prolonged attack
- Aromatic compound
- Early anesthetic
- "60 Minutes" network
- Hip-hop
- Wood sorrel

(See the Answer Area.)

# RANDOM FACT FILE

- JFK's 1962 statement in front of the Berlin Wall, "*Ich bin ein Berliner*," means "I am a doughnut."
- Ford earned an average of \$2 profit on every Model T.
- In Equatorial Guinea, it's illegal to name your child Monica.
- Iowa is bigger than Portugal.
- Chickens are the only birds that have combs.
- Siberia means "*sleeping land*."
- The actor who played Darth Vader onscreen and the actor who did his voice never met in person.
- Moscow is closer to Washington, D.C. than Honolulu is.
- Desi Arnaz's mother was one of the heirs to the Bacardi Rum fortune.
- Galileo's best telescope was about as powerful as a good pair of binoculars are today.
- The Apache referred to horses as "God Dogs".
- Teddy Roosevelt had 24 pets in the White House including 4 guinea pigs, 2 cat, a 3-legged rooster, a bear, badger and hyena.
- The world's most popular car color is red.
- The average meteor is no larger than a grain of sand.
- Coca Cola was originally green.



## Dog Days of Summer

The Dog Days of summer are traditionally the 40 days beginning July 3 and ending August 11, which coincide with the morning rise of the Dog Star, Sirius. The Dog Star starts rising soon after the summer solstice and that signals the onset of hot days and sultry nights.

# Funny Bone

*"An archaeologist is the best husband a woman can have. The older she gets, the more interested he is in her."*

Agatha Christie

## The Answer Area

Trivia Teaser: The 19<sup>th</sup> giving women the right to vote

N	E	I	D		E	T	H	E	R
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## Staff Directory

Lori Verst	Mohan Martin
Craig Kennedy	Tessa Korkowski
Dave Hart	Becky Hatfield
Keith McCarthy	Joe Chow
Stan Salah	Joseph Martin
Elliott Martin	Matt Leone

## Scan for Facebook Group



# Links & Lines

**Raymond T. Martin**

**Investor Coach and Registered Investment Advisor**

Sales & Service (800) 464-4941

Fax (949) 266-9508

Schedule a phone appointment at [www.SpeakWithRay.com](http://www.SpeakWithRay.com)

[www.FreeMedicareBook.com](http://www.FreeMedicareBook.com)

[Ray@WeRetireSmart.com](mailto:Ray@WeRetireSmart.com)

4000 Barranca Pkwy, Suite 250, Irvine CA 92604

**Join our Facebook Group:**

Medicare Matters with Martin & Associates

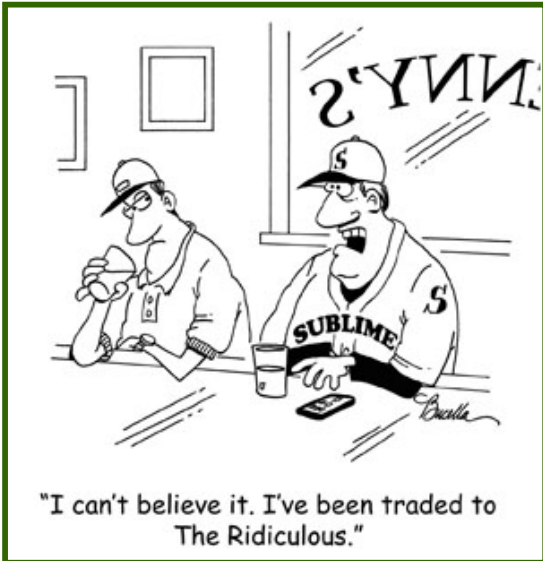




Ray Martin  
 Martin & Associates  
 4000 Barranca Pkwy, Suite 250  
 Irvine, CA 92604

Here's your next issue of

## *Ray's Retire Right Report*



Ray Martin specializes in Personal Finance, Investor Coaching, Medicare Planning and is the author of ...

**Educational Guide**  
**The Nuts & Bolts of Original Medicare, Medicare Advantage and Medicare Supplement Insurance**  
 Understand Your Medicare Options in 30 Minutes ... or Less!  
 by Ray Martin

## **New Clients Accepted!**

The finest compliment I can receive is a referral from a satisfied client like you. Thank you for the trust you have placed in me with your retirement needs. Please send your friends and family to me knowing that I will care for them as I have cared for you!

## **Heartfelt Thanks for Referrals!**

Kirby L., Barbara L., Suzanne G., Scott A., Tessa K., Grant W., Helen C., Stan W., Lisa D., Danny C., Helen V., Steve P., and Barbara O.

## **Need a Speaker for Your Group?**

Invite Ray Martin to be a guest speaker at your next club meeting, retreat or gathering for an informative presentation on Medicare or Social Security, crucial for a successful retirement. Ray is a frequent speaker at local colleges, school districts and major corporations. To schedule an available date for your group, call Ray or Lori today at (800) 464-4941 or email [ray@WeRetireSmart.com](mailto:ray@WeRetireSmart.com)

# Big News about Medicare Advantage Plans for 2025

Over the past 12 years most people on Medicare Advantage plans have experienced steady improvement like lower premiums and out-of-pocket maximums. Many plans added generous benefits such as dental, vision, hearing, personal emergency response devices, transportation, over-the-counter allowances and others.



No more. Brace yourselves for benefit reductions and/or cost increases on Medicare Advantage plans for 2025.

## Why the Big Changes?

In 2025 the government is reducing the reimbursement payments they give insurance companies for each person enrolled in a Medicare Advantage plan. Many plans also had their “Star Rating” reduced in 2024 which results in a corresponding reduction in their reimbursements from the government. And due to the 2022 Inflation Reduction Act, plans will be forced to absorb much more prescription medication costs. For example, in 2025 there will be a cap of \$2,000 spent by individuals for Part D drug costs. The remainder must be paid by the plans.

While it is possible the insurers might absorb these expenses, not raise costs or reduce benefits for enrollees, it’s not likely.

## Your Medicare To-Do List

Below is a list of actions to prepare yourself for the upcoming changes (not steps to do in sequence.)

- Take full advantage of all the extra benefits you have in 2024. Don’t assume any will continue in 2025.
- Because we won’t know anything until July and probably won’t have any sort of clarity

until October, don’t call your insurer, provider, or us right now to ask what to do.

- In **September** you should receive your Annual Notice of Change. This important document will detail

changes to your plan. Read it!

- Some medical provider groups may be dropping their contract with Medicare Advantage plans. Watch for changes in the provider network. In **September**, call your primary care doctor to find out what plans they will be contracted with for 2025.
- Don’t immediately change to another plan. Until things shake down in **October**, we won’t know if there will be a “safe haven” to switch to.
- All plans release information **October** 1st but wait until October 15th for the dust to settle then start comparing plans.

## How to Shop for Medicare Advantage

When shopping for a Medicare Advantage plan, you should:

1. Search for plans that allow you to continue seeing the doctors you want.
2. Make sure your preferred hospital is in the network.
3. Compare drug costs. Look at the preferred pharmacies for your plan. (Even within their preferred network, prices can vary.)
4. Verify the plan’s 2025 MOOP (maximum out of pocket).
5. Find out what the copays are for services you expect to need.

6. Learn which extra benefits the plans will offer in 2025 that you'll actually use.

### **An Alternative to Medicare Advantage**

You have two basic choices to pay for your health care while enrolled on Medicare:

Leave Original Medicare to join a Medicare Advantage plan. The government pays a sum of money to an insurance company to manage and pay for your care. You pay a premium, deductible, coinsurance, and copays. Most Medicare Advantage plans include prescription drug coverage.

Stay in Original Medicare and buy supplemental insurance (Medigap plan) that covers the holes and gaps in Medicare. You pay a premium, deductible, coinsurance and copays. You'll need a separate prescription drug plan.

A Medicare Advantage plan is mandated to be as comprehensive as Original Medicare. Often and in many ways, it goes beyond Original Medicare. With a Medigap plan you get Original Medicare and an additional layer of insurance on top of it. The primary difference is who is paying for and managing your care.

I suggest you consider a Medigap Medicare supplement insurance as an alternative. In California if your Medicare Advantage plan has more than a 15% increase in cost or a 15% reduction in any benefits you can enroll in a Medicare Supplement plan on a guaranteed-issue basis during the Annual Election Period of October 15<sup>th</sup> to December 7<sup>th</sup>. (Usually, you only get a guaranteed issue policy when you're in the initial enrollment period at age 65. At all other times you must medically qualify.)

Medicare supplement insurance does have a significant monthly premium, but the out-of-pocket maximum is only \$240 – which is significantly lower. Some Medicare Advantage Plans have an out-of-pocket maximum of \$8,850! Despite the higher monthly premium for

supplement insurance, your total cost for care (premium + deductible + coinsurance + copays) may be the same or even less than a Medicare Advantage Plan. The plan we most commonly recommend is supplement plan G because the coverage is comprehensive.

With Medicare supplement insurance, you'll have unfettered access to a national network of Medicare contracted providers. You'll enjoy coverage without a gate keeper controlling your course of treatment. (I've never seen something that required prior authorization on these plans.) The carriers are told by Medicare how much to pay and to whom.

Medicare supplement insurance doesn't come with the bells and whistles you may have become accustomed to on a Medicare Advantage Plan but many of those are going away. And you'll gain far greater freedom of choice over your health care which has real value on its own.

At this time of great change in Medicare plans, it is especially important to get professional assistance. For an analysis of your choices and help navigating the Medicare maze of options, call my office. We have the knowledge, expertise and experience you need to make the best choice for your situation.

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Ray Martin is an Investor Coach and Investment Advisor Representative for Martin Wealth Management, LLC.

**Schedule a phone appointment at**

[www.SpeakWithRay.com](http://www.SpeakWithRay.com),

call (800) 464-4941

or email [Ray@WeRetireSmart.com](mailto:Ray@WeRetireSmart.com)

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