



# Ray's Retire Right Report

## Retire Right — Retire Smart!

Raymond T. Martin, Retirement Coach and Medicare Planning

### September 2024

Happy September! The 22<sup>nd</sup> at 8:43 pm marks the Autumn equinox, the midpoint between the most and least daylight hours in a day.

## ZANY HOLIDAYS!

September is  
**National Taco Month**

September 15<sup>th</sup> – 21<sup>st</sup> is  
**Be a Mensch Week**

September 13<sup>th</sup> is  
**Bald Is Beautiful Day**

## Oops, My Bad!

In 1978, a work crew from British Waterways was dredging the 10-foot-deep Chesterfield canal in Nottinghamshire, England. It is one of the earliest in the country, first opened in 1777. In the first few hours the crew pulled out rusted car parts, old appliances, bikes and household odds and ends. They also found a heavy metal chain attached to a large wooden block. It wouldn't budge so they hooked it up to their dredger and yanked it out too. Then they took a morning break for tea. When they came back, ALL the water had drained into a nearby river! The chain and block were the "plug" and they had accidentally removed it! A few dozen boats were stranded but no one was hurt. No one knew of the plug because records for the canal were destroyed in WWII. But on the bright side, clearing the canal was much easier without the water!

## TRIVIA TEASER

What food was found in Egyptian tombs  
and still was good?  
(See the Answer Area.)

## MEDICARE MATTERS

### Big Changes to Medicare Part D in 2025: A \$2,000 Annual Cap on Out-of-Pocket Costs

Starting in 2025, a significant change is coming to Medicare Part D due to the Inflation Reduction Act. It will benefit those taking multiple prescription medications and most likely increase premiums for everyone.

One of the changes is your out-of-pocket costs for prescription through your Part D plan will now be capped at \$2,000 per year on covered prescriptions. Prior to 2024, there was no limit to what you might spend out-of-pocket on medications. That meant some people faced very high costs, especially if they required expensive drugs. With this new cap, you'll no longer have to worry about exceeding \$2,000 a year for your medications covered.

Although a max out-of-pocket cap is great, where we could see a negative affect may be an increase in monthly premiums on all plans to make up for the extra expenses the insurance companies will incur.

Keep in mind that this cap goes into effect in 2025 and any changes to your current Part D will be included on your Annual Notice of Changes (ANOC) that should arrive in your mailbox sometime in the month of September.

If you have any concerns after receiving your ANOC in the mail and you would like our assistance during the Annual Election Period (Oct 15 – Dec 7), please send an email to [AEPTeam@WeRetireSmart.com](mailto:AEPTeam@WeRetireSmart.com)

## Crazy Car Claims

- "In an attempt to kill a fly, I drove into a telephone pole."
- "I was thrown from my car as it left the road. I was later found in a ditch by some stray cows."
- "Going to work this morning I drove out of my drive straight into a bus. The bus was five minutes early."
- "The accident was caused by me waving to the man I hit last week."
- "The guy was all over the road. I had to swerve a number of times before I hit him."
- "A bull was standing near and a fly must have tickled him because he gored my car."
- "An invisible car came out of nowhere, struck my car and vanished."
- "As I approached an intersection, a sign appeared in a place where no stop sign had ever appeared before."

## QUOTE OF THE MONTH

"Delicious autumn! My very soul is wedded to it, and if I were a bird, I would fly about the earth seeking the successive autumns."

George Eliot

## Bet You Didn't Know

How did San Francisco policemen save important city records from the devastating fires sparked by the 1906 earthquake? They hauled them to a downtown square and soaked them with beer from nearby saloons.

## Fun Fall Facts

The term for the season, autumn, comes from the French word *automne*. People started calling it "fall" during the 16<sup>th</sup> century.



Leaves change color in the fall because as the days get shorter, there's less sunlight so the trees stop producing the chlorophyll that makes them green. The bright oranges, yellows and reds were part of the leaves all along, but they were covered up by chlorophyll. When that decreases, the other colors become visible.

The best condition for spectacular fall foliage is when late summer is dry, autumn has bright sunny days, and cool nights below 40 degrees. What creates each color? Yellow is created by the chemical xanthophyll. Red and purple are caused by the chemical anthocyanin. Red can also result from glucose trapped in leaves. Orange is created by the chemical carotene. Brown occurs because of waste trapped in leaves.

8	9		3		7			
		7		5				
2	1						7	
9			5			2		
1			2		6			4
		2			8			7
	2						9	8
				8		4		
			4		1		5	2

### How to Solve Sudoku Puzzles

To solve a Sudoku, you only need logic and patience. No math is required.

Simply make sure that each 3x3 square region has a number 1 through 9 with only one occurrence of each number.

Each column and row of the large grid must have only one instance of the numbers 1 through 9.

(See the Answer Area.)

# RANDOM FACT FILE

- In Italy, James Bond is known as "Mr. Kiss-Kiss-Bang-Bang."
- Most types of lipstick contain fish scales as an ingredient.
- There is up to 40 times more salt in canned vegetables over fresh vegetables.
- The average lightning bolt is only an inch wide.
- The firefly is the official insect of the state of Pennsylvania.
- The Elvis Presley hit "Hound Dog" was written in about ten minutes.
- As a young man, President William Howard Taft was recruited by a professional basketball team.
- Brain cells are the only human cells that don't reproduce.
- Eagles can't hunt when it's raining.
- The U.S. Defense Department uses 65% of all paper bought by the federal government.
- Female spiders spin better webs than males.
- For more than 600 years, the official language of England was French.
- The Hollywood sign weighs 450,000 pounds.
- Baby giraffes drop 6 feet to the ground when they're born.
- The most popular Popsicle flavor is cherry.



## Funny Bone

*"You know you're getting old when you stoop to tie your shoelaces and wonder what else you could do while you're down there."*

George Burns

### The Answer Area

Trivia Teaser: Honey

6	9	5	1	4	8	7	8	3	2
4	2	8	2	1	9	3	5	6	9
1	8	3	3	7	4	6	7	8	1
7	4	9	4	9	2	1	3	5	6
2	5	6	5	8	7	8	6	9	7
3	1	8	2	4	9	3	4	2	1
5	7	4	6	7	2	1	9	9	3
9	3	1	7	5	8	4	2	6	8
8	6	2	9	1	3	4	5	7	7

### Staff Directory

- |                |                 |
|----------------|-----------------|
| Lori Verst     | Mohan Martin    |
| Craig Kennedy  | Tessa Korkowski |
| Dave Hart      | Becky Hatfield  |
| Keith McCarthy | Joe Chow        |
| Stan Salah     | Joseph Martin   |
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## Links & Lines

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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 ...

## 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!

Michael P., Cheryl S., Michael C., Maureen S., Sondra N.  
 Juan T., Jim P., Mark J., Steve C., Don T.  
 Dan E., Bruce E., Barbara S., and Emily H.

## 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),

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