



WEEKLY COMMENTARY

For the Week of January 28, 2019

WEEKLY FOCUS

Health Care Considerations Before Retiring

Amid retirement anticipation, it is crucial to take the time to make wise decisions regarding health care coverage. Here are some things to consider at various times.

Retiring at any age: While some Medicare Advantage plans cover dental and routine vision services, regular Medicare and Medigap plans don't. If you're not planning to buy a Medicare Advantage plan or stand-alone dental and vision plans, take advantage of dental and eye checkups and services before leaving your employer.

Retiring early: Losing a company health plan before 65 requires finding an alternative. While it's becoming rare, some companies offer employees health benefits in retirement, often a more affordable option. Additional possibilities include: COBRA (available up to 18 months), coverage on a spouse's plan, working part-time to obtain insurance or a plan from a private or government exchange.

Retiring past age 65: By law, employer group health plans in companies that employ 20 or more people must cover employees at any age who continue working. If you are adequately covered under a group health plan based on current employment (not COBRA) in an organization with at least 20 employees, you will not pay a late enrollment fee for Medicare Part B or Part D. And a Medicare supplement plan can't turn you down as long as you sign up during the Medigap Open Enrollment period – the six-month period that begins when you turn 65 and are enrolled in Part B. While on an employer-sponsored plan, you can sign up for Medicare Part A, but it is wise not to sign up for Part B since you could lose your guaranteed issue of a Medigap plan.

Before leaving an employer plan, compare premium and out-of-pocket costs between Medicare and your employer's health plan. High-income earners, in particular, may save by staying on their work policy. Individual Medicare beneficiaries with incomes greater than \$160,000 and less than \$500,000 pay a \$433.40 total monthly premium for Medicare Part B in 2019.¹ Add a Part D premium – that ranges from \$10 in some states to over \$170 per month – and a Medigap policy, which could cost anywhere from \$68 to \$449 per month, and a work plan may be more cost effective.^{2,3}

Planning for potential health care expenses has never been more important. Whether you're retired or still working, we can help you find the best vehicles to put money aside for health care.

¹<https://www.cms.gov/newsroom/fact-sheets/2019-medicare-parts-b-premiums-and-deductibles>

²<https://boomerbenefits.com/new-to-medicare/parts-of-medicare/medicare-part-d/>

³<https://www.healthmarkets.com/resources/medicare/cost-of-supplemental-health-insurance-for-seniors/>

FINANCIAL FACTS

Costs Less Today — The average price of gasoline nationwide was \$2.24 a gallon as of Friday, Jan. 18. The average price of gasoline nationwide in 1969 was 35 cents. After adjusting for 50 years of inflation, the 35-cent price in 1969 is equivalent to \$2.48 in 2019 dollars (source: AAA, Department of Labor, BTN Research).

Trillions — The U.S. stock market was worth \$27.4 trillion as of Dec. 31, 2018. The S&P 500 makes up 81 percent of the total U.S. stock market capitalization as of Dec. 31, 2018, equal to \$22.1 trillion (source: BTN Research).

Invest for Three Years — Since 1926, 84 percent of the rolling three-year periods for the S&P 500 index (i.e., the 91 separate three-year periods beginning 1926-28, then 1927-29, . . . 2016-18) have produced a positive return. (Source: BTN Research)

THE MARKETS

The week closed with a broad-based rally on Wall Street following news that President Trump and lawmakers had reached an agreement to reopen the government for three weeks. The Dow and the NASDAQ achieved their fifth straight week of gains, but the S&P 500 posted its first weekly loss of the year. For the week, the Dow rose 0.12 percent to close at 24,737.20. The S&P lost 0.21 percent to finish at 2,664.76, and the NASDAQ gained 0.11 percent to end the week at 7,164.86.

Returns Through 1/25/19	1 Week	YTD	1 Year	3 Year	5 Year
Dow Jones Industrials (TR)	0.12	6.16	-4.12	18.77	11.95
NASDAQ Composite (PR)	0.11	7.98	-3.32	16.61	11.66
S&P 500 (TR)	-0.21	6.41	-4.28	14.72	10.54
Barclays US Agg Bond (TR)	0.30	0.28	1.05	1.83	2.34
MSCI EAFE (TR)	0.48	5.52	-14.70	7.92	1.98

Source: Morningstar.com. *Past performance is no guarantee of future results. Indexes are unmanaged and cannot be invested into directly. Three- and five-year returns are annualized. The Dow Jones Industrials, MSCI EAFE, Barclays US Agg Bond and S&P, excluding "1 Week" returns, are based on total return, which is a reflection of return to an investor by reinvesting dividends after the deduction of withholding tax. The NASDAQ is based on price return, which is the capital appreciation of the portfolio, excluding income generated by the assets in the portfolio in the form of interest and dividends. (TR) indicates total return. (PR) indicates price return. MSCI EAFE returns stated in U.S. dollars.



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* The Standard & Poor's 500 (S&P 500) is an unmanaged group of securities considered to be representative of the stock market in general. The Dow Jones Industrial Average is a price-weighted index of 30 actively traded blue-chip stocks. NASDAQ Composite Index is an unmanaged, market-weighted index of all over-the-counter common stocks traded on the National Association of Securities Dealers Automated Quotation System. The Morgan Stanley Capital International Europe, Australia and Far East Index (MSCI EAFE Index) is a widely recognized benchmark of non-U.S. stock markets. It is an unmanaged index composed of a sample of companies representative of the market structure of 20 European and Pacific Basin countries and includes reinvestment of all dividends. Barclays Capital Aggregate Bond Index is an unmanaged index comprised of U.S. investment-grade, fixed-rate bond market securities, including government, government agency, corporate and mortgage-backed securities between one and 10 years. Written by Securities America, Copyright January 2019. All rights reserved. Securities offered through Securities America, Inc., Member FINRA/SIPC. SAI# 2398914.1