

**What You'll Find Inside This Issue:**

**2** Medicare Fraud and How to Avoid It  
Glossary  
Spring 2018 Quiz  
Financial Funnies

**3** Recipe for Success  
Tips for Planning a Budget-Friendly Late-Spring or Summer Vacation

**4** L&M in the Community  
Resources to Help You

For more information about L&M's services or to schedule an annual review, just fill out the enclosed, prepaid reply card.



**L&M Profile**



**L&M "We Show Up!"**

L&M Financial representatives have been providing benefit programs and financial services to individuals, families, and small businesses since 1972, and through their affiliation with Securities America, Inc. since 2007. But we're not simply a team of financial planners managing money. We are trusted advisors, life coaches, and loyal partners. We truly care about our clients' well being. And we strive to build long-term relationships with each and every one of them. In other words, "we show up." By showing up, we help our clients make smart financial decisions – so they can enjoy life and focus on what matters most.

Through our offices in Buffalo, Rochester, and Binghamton, our nearly 100 employees and representatives, and the latest in technology, we offer our clients guidance that is consistent with their goals for the future. For more information, contact us at 716-839-1234 or 800-326-8410, or visit us online at [www.lmfs.net](http://www.lmfs.net).

## What You Need to Know About Medicare Planning for Retirement

People are living longer, meaning more time in retirement and higher healthcare costs. Are these expenses currently part of your financial plan? If not, they need to be.

In fact, according to the latest retiree health care cost estimate from Fidelity Benefits Consulting, a 65-year-old couple retiring in 2017 would need an average of \$275,000 to pay for medical expenses throughout retirement. These are out-of-pocket costs not covered by Medicare. What's more is that healthcare spending is expected to increase by 5.8% through 2022, so that number will continue to rise with it.

The good news is that there are steps you can take to help offset these costs and better ensure a healthy financial future in retirement. But first it's important to understand the most basic parts of Medicare. These include:

- **Part A:** Hospital insurance that is premium-free for most people.
- **Part B:** Medical insurance that covers most medical services and supplies other than hospital stays. The standard Medicare Part B premium in 2017 was \$134 per month; premiums vary based on income.
- **Part D:** Prescription drug coverage plans with different premiums sold through private companies approved by Medicare.

**When to Enroll to Avoid Penalties**

To avoid potential penalties and coverage gaps when it comes to Medicare, it's critical to enroll at the right time. For most people, this makes sense during their initial enrollment period (IEP), which bookends your 65th birthday month by three months before and after (seven months



total). If, however, you signed up for Social Security before age 65, you will automatically be enrolled in Medicare parts A and B, starting on the first day of the month you turn 65.

There's also a Special Enrollment Period (SEP) for those still working or with a spouse still working and covered under an eligible employer healthcare plan. The SEP is only available if the company has more than 20 employees. With it, you can sign up for Medicare Part A

## Glossary

### Coinsurance

The percentage (20%, for example) of costs of a covered health care service you pay after you've paid your deductible.

### Medicare

A federal health insurance program for people who are 65 or older; certain younger people with disabilities; and people with End-Stage Renal Disease.

### Per Capita

A Latin term that translates into "by head," basically meaning "average per person."

### Supplemental Insurance

Extra or additional insurance that you can purchase to help you pay for services and out-of-pocket expenses that your regular insurance does not cover. Some supplemental insurance plans will pay for out-of-pocket medical expenses, such as deductibles, copayments, and coinsurance.

### U.S. Department of Health & Human Services

Also known as the Health Department or HHS, this is the cabinet-level department of the U.S. federal government with the goal of protecting the health of all Americans and providing essential human services. The Centers for Medicare & Medicaid Services (CMS) is part of HHS.

## Medicare Fraud & How to Avoid It

Medicare fraud and abuse are on the rise, with scammers using the insurance to see a doctor, obtain prescriptions, buy medical equipment, and even file false claims. When these crimes happen, Americans foot the bill with higher fees and taxes. Not only that, but the system gets strained for those who are honest recipients of Medicare benefits.

To help fight fraud, Medicare is mailing new cards between April 2018 and April 2019. Rather than your Social Security number, your card will have a new number that's unique to you and will come automatically to you in the mail – no action required on your part. That's important to note because con artists are taking advantage of the potential confusion brought about by this change and calling Medicare recipients asking for a payment in exchange for the new card. Be aware!

In fact, as a rule with Medicare, communication is only sent through the mail. You will never be contacted over the phone unless you've already called and left a message, or a representative you called said someone would call you back. Never give out personal information to a random caller, particularly your Social Security number, banking information, or new Medicare number.

To further help you protect yourself from the potential for Medicare fraud, keep in mind:

- Once you get your new Medicare card, make sure you also destroy your old card and start using the new one right away.
- If someone comes to your door claiming to be from Medicare or Medicaid, remember that Medicare and Medicaid never send

representatives to your home to sell products or services.

- Educate yourself about Medicare and ask questions of your providers.

Know your rights and what a provider can and cannot bill to you or to Medicare on your behalf.

- Review your claims for mistakes. When you receive health care services, record the dates on a calendar and save the provider receipts and statements. Compare this information with the claims Medicare processed to make sure you or Medicare weren't billed for services or items you didn't get.

- Be suspicious of healthcare providers who tell you things like services are free and they only need your Medicare number for their records; they know how to get Medicare to pay for a certain service or supply; or the more tests you have, the cheaper they become.

### What to Do If You Suspect Medicare Fraud

It's up to you to report it. There are a number of ways you can do so, including:

*Call the Centers for Medicare and Medicaid Services hotline:*

1-800-MEDICARE (1-800-633-4227) or 1-877-486-2048 (TTY)

*Call the Office of The Inspector General hotline:*

1-800-HHS-TIPS (1-800-447-8477) or 1-800-377-4950 (TTY)

*File a report online:*

<https://oig.hhs.gov/layout/form-redirects/fraud/>

*Mail your concerns to:*

U.S. Department of Health & Human Services  
Office of Inspector General  
Attn: OIG Hotline Operations  
P.O. Box 23489  
Washington, DC 20026



## Spring 2018 Quiz

Answer all questions correctly and you'll be entered to win a certified kosher, cinnamon walnut *My Grandma's of New England* coffee cake delivered right to your door. Email your answers to [quiz@lmfs.net](mailto:quiz@lmfs.net) or print them on the enclosed reply card and submit by June 1st to be eligible.

1. What was the budget for Medicare when created in 1965?
2. Which Secretary of the Department of Health, Education and Welfare created the Centers for Medicare & Medicaid Services?
3. On what date did Medicare.gov launch?

### Winter Quiz Answers:

1. Ted Benna
2. Payment history, credit utilization, average credit age, account mix and inquiries
3. \$16,883

**Winner:** Mark Stillman  
**Agent:** Jason Gentner



## The Financial funnies

Hospital regulations require a wheelchair for patients being discharged. However, an eager nursing student found one elderly gentleman – already dressed and sitting on the bed with a suitcase at his feet – who insisted he didn't need help to leave the hospital.

After a chat about rules being rules, he reluctantly let the student wheel him to the elevator. On the way down, the student asked him if his wife was meeting him.

"I don't know," he said. "She's still upstairs in the bathroom changing out of her hospital gown."

## Recipe for Success

### Strawberry Spinach Salad



#### Ingredients

- 2 tbsp. sesame seeds
- 1 tbsp. poppy seeds
- 1/2 cup white sugar
- 1/2 cup olive oil
- 1/4 cup distilled white vinegar
- 1/4 tsp. paprika
- 1/4 tsp. Worcestershire sauce
- 1 tbsp. minced onion
- 10 ounces fresh spinach rinsed, dried and torn into bite-size pieces
- 1 quart strawberries cleaned, hulled and sliced
- 1/4 cup almonds, blanched and slivered

#### Directions

In a medium bowl, whisk together the sesame seeds, poppy seeds, sugar, olive oil, vinegar, paprika, Worcestershire sauce and onion. Cover and chill for one hour.

In a large bowl, combine the spinach, strawberries and almonds. Pour dressing over salad and toss.

Refrigerate 10 to 15 minutes before serving.

## Tips for Planning a Budget-friendly late-Spring or Summer Vacation

Want to get away, but don't have a line item in your budget for a vacation? The good news is you can take a break without killing your bank account in the process. To help you plan a trip and still maintain your financial peace of mind, here are several quick tips to put to use:

#### Set a budget.

It's easy to get into trouble when you don't know how much you can really afford. Think about how much you can comfortably spend, set that number and commit to it. That way, you'll have financial parameters in place as you're planning your vacation that will help you make smart decisions. You'll know what you can afford and what you'll need to skip this year.

#### Ditch the hotel.

Where you stay eats up a huge portion of your vacation budget, which is why you might want to rethink the expensive hotel. Instead, consider more economical places to rest your head, such as a local bed and breakfast, vacation rental, or use a site like Airbnb to find unique and less expensive places to stay. If you're headed to a college town on vacation, many schools even rent out academic housing when students are away during the summer months.

#### Eat smart.

Food is another budget expense that can easily balloon if you're not careful. When you're traveling, it's important to consider how much you'll spend and where you'll get your meals. Perhaps you can enjoy a few nights out at a restaurant, while planning to eat inexpensively for the remainder of your trip. Also, look online for daily deals at local restaurants and keep snacks on hand, rather than buying them while you're out and when you're hungry.

#### Plan a vacation around your budget.

Websites like Wander.am (that's not a typo) let you plan a vacation around your budget. This particular site relies on data from other sites



like Booking.com to help you plan a trip for nearly any budget, whether it's \$500 or \$5,000. Simply enter where you're traveling from, the dates you want to travel, your budget, and the number of people you're traveling with. It will then show you various trips you can afford.

#### Enjoy the great outdoors.

Campsites are a great place to take a vacation, especially if you're on a tight budget. You can check out a nearby state park or travel to a national one, all while spending quality time with your family in a wallet-friendly way.

#### Take advantage of special offers.

If you're flexible, then you can take advantage of last-minute offers that can provide some serious savings. Go online to airlines, resorts, or attractions you're interested in and sign up to receive their promotions. Also make sure you use any discounts offered if you're a member of an automobile club, such as AAA.

#### Start thinking about next year's vacation.

To help you plan for next year's vacation, use an online personal financial website or app, such as TrailWallet. These tools can help you estimate trips, show you how much you need to save each pay period or month, and offer ideas for putting aside more to maintain your travel budget and take the vacation you want.

Don't let planning a relaxing getaway leave you stressed about finances. Instead, follow the tips above and enjoy a fun and finance-friendly vacation.

## L&M by any other name...

Many companies offer insurance, financial planning, or advice on investing in the stock market. But representatives of L&M are experienced not only in these three areas, but in many more as well. L&M Financial representatives have been providing a broad range of financial planning and benefits programs to many people across New York State since 1972.

Available products and services are:

- Financial and estate planning
- Long-term care planning
- Pre- and post-retirement counseling
- Tax-favored investments
- Mutual funds
- Equities
- Life insurance
- Disability insurance
- Group insurance
- Funding for education
- 401(k)
- 403(b) Tax Sheltered Annuities
- 457(a) Deferred Compensation
- Individual Retirement Accounts
- Third party administration/ payroll deduction services

L&M representatives offer workshops, seminars and, of course, individual meetings in an effort to educate you about effective ways to help establish a secure financial future.

Securities offered through Securities America Inc., Member FINRA/SIPC and advisory services offered through Securities America Advisors Inc. L&M Financial and the Securities America Companies are not affiliated. Securities America and its representatives do not provide tax or legal advice.

## Resources to Help You

Check out our new website, including the Weekly Market Commentary available at [www.lmfs.net/news/weekly-market-commentary/](http://www.lmfs.net/news/weekly-market-commentary/). This section offers a variety of helpful articles on topics like:

- How Much Do You Really Need to Retire?
- Should You Pay Off Your Mortgage Before Retiring?
- Ready for Retirement Reversal?
- The Art of Smart Complaining.

### L&M Financial News is a free service of L&M Financial.

Editor: Mitch Flynn

- 3820 Sheridan Drive  
Amherst, NY 14226  
800-326-8410 or  
716-839-1234
- 1708 Vestal Parkway East  
Vestal, NY 13850  
866-442-8666 or  
607-748-1803
- 1840 Winton Rd. South  
Building A  
Rochester, NY 14618  
Phone 585-244-9630  
Fax 585-244-9063

Securities offered through Securities America Inc., Member FINRA/SIPC and advisory services offered through Securities America Advisors Inc. L&M Financial and the Securities America Companies are not affiliated. Securities America and its representatives do not provide tax or legal advice. 4/18 SAI #2088398.1



## L&M Gives Back to the Community



*L&M Financial partnered with Care Cases of WNY this past holiday season to fill duffel bags with comfort items for foster kids. For many children in the foster system, their only belongings are stored in a garbage bag. We are proud to support this wonderful organization and many others in our community.*

## What You Need to Know About Medicare Planning

Continued from Cover

and/or Part B anytime within eight months after employment ends or the group health plan ends, whichever comes first.

If you miss your IEP or aren't eligible for a SEP, you can still sign up for Medicare during the General Enrollment Period (GEP), which is from January 1st through March 31st every year. However, penalties may apply. In fact, your monthly premium could go up a full 10% for each 12-month period you could have had coverage but didn't sign up.

### How to Offset Out-of-Pocket Costs

Since Medicare Parts A and B have deductibles and coinsurance that come with them, they can make a big dent in your finances – and that's all without Part D

prescription coverage. Therefore, it's important to consider supplemental insurance. There are two options you can consider:

- **Part C:** Also known as Medicare Advantage, these plans bundle Medicare Part A, Part B, and often Part D with additional benefits, such as hearing, vision, and dental. Some Medicare co-payments and deductibles are eliminated. There are also limits on annual out-of-pocket expenses.

- **Medigap:** Insurance you can purchase from a private company to pay health care costs not covered by Medicare. They don't include drug benefits, but can help with some Medicare costs, including deductibles, copayments, and coinsurance.

The purpose of Part C / Medicare

Advantage and Medigap is to plug the holes, so to speak, in your Medicare coverage. Which is right for you depends on your situation.

For instance, Medicare Advantage plans typically cost less and cover more services, so it's often the more budget-friendly choice. However, with Medigap, you're not limited to certain doctors and facilities like you are with Medicare Advantage. Medigap is accepted everywhere that original Medicare (Parts A and B) is, so it offers more flexibility.

Whether you're nearing retirement or still planning far in advance, it's important to make sure healthcare costs during retirement are part of your financial plan. Contact your L&M advisor to review your plan regularly and make adjustments as needed.

Visit the L&M website at:

[www.lmfs.net](http://www.lmfs.net)