



# THE RETIREMENT REPORT

Monthly Medicare & Retirement Planning Newsletter



## Welcome 2024! Happy New Year to YOU!

By Anne de Leon



Happy New Year! New Year's resolutions usually involve finally heading to the gym or quitting your favorite vice but as we head into 2024, it seems more people are looking to accomplish their financial goals this year.

According to a recent survey from WalletHub, nearly half of Americans (47%) are planning to have a finance-related New Year's resolution. The reason behind that is...you guessed it: inflation. There are some financial-based resolutions that can help strengthen your financial future, including investing wisely, cutting down debt and embracing insurance for peace of mind.

Some of you may have switched to a new drug or Medicare Advantage in the past couple of months. If this is you and you have any questions about your plans, do not hesitate to reach out to us! We're happy to help you get acclimated to your new plans.

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# Big Medicare Changes Coming in 2024

The new year rings in more Rx drug savings, higher Part B premiums and new Advantage rules.

What's in store for Medicare beneficiaries in 2024? Quite a bit – with changes designed to enhance care and increase the affordability of coverage.

To begin with, the 65 million-plus Medicare enrollees will continue in experiencing the favorable impacts of the historic drug law implemented in 2022, targeted at reducing the expenses older Americans bear for prescription medications. Simultaneously, beneficiaries will encounter elevated premiums and deductibles for their medical care.

The landscape of Medicare is undergoing continuous changes, marked by a growing enrollment, surpassing 50 percent, in Medicare Advantage (MA), the private insurance alternative to original Medicare. As the popularity of MA plans rises, there will be new stipulations imposed on insurers. These include expanded coverage for behavioral health, a standardized commission for brokers and insurance agents involved in enrolling individuals in an MA plan, and a requirement for plans to inform consumers midway through the year about any additional benefits they are still eligible to utilize.



Also in 2024, the Centers for Medicare & Medicaid Services (CMS), the agency that runs Medicare, will continue its efforts to better coordinate the care that original Medicare enrollees receive.

“I think there are some pretty big changes to Medicare to really make care more affordable and accessible,” Meena Seshamani, a surgeon, health economist and director of the federal Center for Medicare, told AARP in an interview. “And that’s coupled with changes that we’re making to the program to make sure that people are taken care of as real people.” Seshamani reaffirmed the agency’s objective of achieving full enrollment of all Medicare beneficiaries in entities that effectively coordinate both the quality and cost of their care by 2030. These entities encompass the expanding roster of accountable care organizations (ACOs) responsible for coordinating the care of Medicare beneficiaries.

“When people have a serious illness, it can be really daunting to navigate all of the doctors and the prescriptions and the lab tests and imaging,” Seshamani says. To help providers better coordinate such care, beginning in 2024 Medicare will reimburse providers for helping patients navigate their health care, especially when facing a complicated illness. This change, Seshamani says, will help keep people healthy and save Medicare money. Medicare will also begin paying providers to train family caregivers to better help their loved ones.

Seshamani also pointed out ways beneficiaries will be able to spend less on their health care to help offset higher premiums. “There are changes that are coming in 2024 that people will feel in their pocket with the changes in the drug law,” she says. This encompasses broader eligibility for the Extra Help program, designed to assist beneficiaries with low incomes in affording their prescription drugs. The legislation in 2024 also imposes restrictions on the out-of-pocket expenses for enrollees with elevated medication costs.

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# Big Medicare Changes Coming in 2024 cont'd

Here's a closer look at how Medicare is changing in 2024:

## Premiums and deductibles

**Part A:** The majority of Medicare enrollees are not charged a monthly premium for Part A, which covers services such as inpatient hospital care, skilled nursing facility care, hospice, and certain home health care services. If one hasn't accrued enough work credits to qualify for premium-free Part A, the monthly premium remains relatively stable. The complete Part A premium is set at \$505 per month for 2024, representing a slight \$1 decrease from the previous year.

In 2024, the Part A deductible will be \$1,632 per stay, marking a \$32 increase from 2023. Those with Medicare Advantage plans should consult their insurer for information on hospital charges.

**Part B:** The standard monthly premium for Part B is experiencing an uptick of nearly \$10, rising from \$164.90 to \$174.70. Most Medicare beneficiaries have this premium automatically deducted from their Social Security benefits. The average monthly Social Security payment will see a \$59 increase in 2024, thanks to a 3.2 percent Social Security cost-of-living adjustment (COLA). For most beneficiaries, this COLA should more than offset the additional Part B monthly premium.

If you're enrolled in Medicare Advantage, you'll likely be responsible for the entire Part B premium, unless you opt for a private plan with a "giveback" feature, where the insurer covers part or all of the Part B charge. Whether your MA plan carries an additional monthly premium depends on your plan choice and location.

Part B premiums for Medicare beneficiaries with higher incomes are also on the rise. Individuals with annual incomes exceeding \$103,000 will pay more than the standard premium, with the exact amount contingent on their earnings. For instance, an individual with an income between \$103,000 and \$129,000, filing an individual tax return, will pay \$244.60 per month for Part B, surpassing the standard \$174.70. Approximately 8% of Medicare enrollees, according to Medicare officials, pay above the standard monthly premium.

The annual Part B deductible for original Medicare is increasing from \$226 in 2023 to \$240 in 2024. Deductibles for MA plans fluctuate based on plan selection and geographical location.

## Prescription drugs

**Catastrophic cap:** Under the new drug law, Medicare Part D plan members whose prescription costs are so high that they enter what's called the catastrophic phase of coverage will not have any more out-of-pocket costs for the rest of the year once they've spent \$8,000 on their medications. In 2025, an annual \$2,000 out-of-pocket cap on Part D spending will take effect.

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**Current Annuity Rates**  
**January 2024**  
**6.00%**  
**3 Year Fixed Annuity**  
**5.95%**  
**5 Year Fixed Annuity**  
**5.95%**  
**7 Year Fixed Annuity**  
*To find out more,*  
**contact me: 314-287-0179**

## Big Medicare Changes Coming in 2024 cont'd

**Extra Help:** The eligibility for the Extra Help program, aiding individuals with constrained incomes in covering prescription drug expenses like premiums and copays, is broadening in 2024 due to the new drug law. The income threshold for Medicare enrollees to qualify for this program will be increased to 150% of the federal poverty level, amounting to \$21,870 for an individual in 2024, up from the previous threshold of 135% of poverty. "It's really important for people to see if they could qualify for that program," Seshamani says, "because we estimate there are about 3 million people out there who are eligible and not enrolled." Medicare beneficiaries can apply for the Extra Help program through the Social Security Administration.

**New law provisions still on track:** The provisions of the new prescription drug law that took effect in 2023 will still be in place in 2024. These include:

- A \$35 cap on a 30-day supply of any insulin that Medicare covers, whether you have prescription drug coverage through a stand-alone Part D plan or your medications are covered under your Medicare Advantage plan.
- Vaccines recommended for adults by the Centers for Disease Control and Prevention's Advisory Committee on Immunization Practices (ACIP) continue to be covered with no out-of-pocket costs. Included are the vaccines for shingles and RSV. Medicare also covers vaccines for flu, COVID-19, pneumonia, hepatitis A, rabies and tetanus.
- Drugmakers that raise their prices more than the rate of general inflation will continue to have to pay a rebate to Medicare. In 2023, 64 drugs were subject to that rebate.
- For the first time in history, Medicare is in the process of negotiating with drugmakers over the price of their products. Under the new drug law, the first 10 drugs that are being negotiated were identified in September, and by September 2024 CMS will publish the list of what the maximum fair prices will be for those medications.

### Behavioral health

Starting January 1, licensed marriage and family therapists, along with mental health counselors, including addiction counselors, will have the opportunity to register in the Medicare program, allowing them to receive payment for providing treatment to Medicare enrollees. According to Seshamani, approximately 400,000 clinicians will meet the criteria to offer services to Medicare patients. Furthermore, there is a proposed CMS regulation that introduces a new coverage category for MA plans known as outpatient behavioral health, with these providers being encompassed within that category.

### Extra benefits

The majority of Medicare Advantage plans go beyond the mandatory requirements by offering additional benefits. Frequently, these encompass coverage for dental, vision, and hearing, and in some instances, amenities such as gym memberships, transportation to medical appointments, home accessibility enhancements, or even home-delivered meals. Officials from CMS note that many Medicare enrollees may not fully utilize these supplementary benefits and might be unaware of their entitlement to them.

In accordance with a proposed regulation, expected to be finalized in 2024, insurers will be mandated to send a letter to enrollees around the mid-year mark, informing them of the services they are entitled to but have not yet utilized.

# Social Security Payment Schedule: When Do I Get My January 2024 Payment?

Your payment depends on your birth date, among other factors.

## What day is my January 2024 payment coming?

**Jan. 3:** You'll receive a Social Security payment if:

- You live outside the U.S.
- You receive both SSI and Social Security benefits.
- Your state pays your Medicare premiums.
- You filed for Social Security benefits before 1997.



**Jan. 10:** If your birthday falls on any day from the first to the 10th of your birth month, you'll get your Social Security payment on the second Wednesday in January.

**Jan. 17:** If your birthday falls on any day from the 11th to the 20th of your birth month, you'll get your Social Security payment on the third Wednesday in January.

**Jan. 24:** If your birthday falls after the 20th of your birth month, you'll get your Social Security payment on the fourth Wednesday in January.

## What's the Social Security payment schedule for 2024?

The Social Security payment schedule follows this pattern:

- 1st of each month. Supplemental Security Income payments come on the first of each month.
- 3rd day of each month. If you live in a foreign country, receive SSI, have your Medicare premiums paid for by your state or if you filed for benefits before 1997, your Social Security retirement benefit payment arrives on the third of each month (or the previous weekday if the third is a weekend or holiday).
- 2nd Wednesday of each month. If your birthday is between the first and the 10th, expect your payment on the second Wednesday of each month.
- 3rd Wednesday of each month. If your birthday is between the 11th and the 20th, expect your payment on the third Wednesday of each month.
- 4th Wednesday of each month. If your birthday falls after the 20th, expect your payment on the fourth Wednesday of each month.

## What if my scheduled payment date falls on a weekend or a holiday?

You'll receive your payment early if your payment date falls on a weekend or holiday. Such payments will be issued on the weekday immediately prior to your expected payment date.

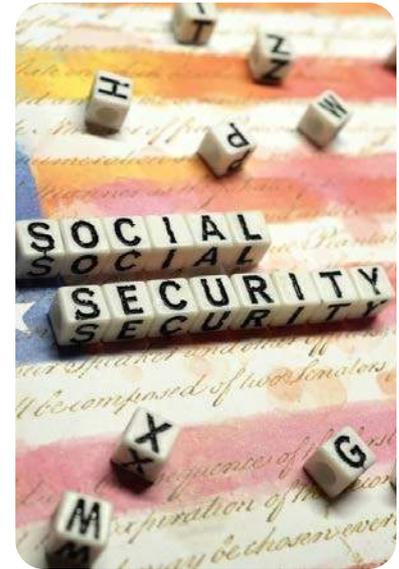
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# Social Security Payment Schedule cont'd

## What if my Social Security payment doesn't arrive by the expected date?

Federal law states that Social Security benefits (and all other federal benefits) must be paid electronically through direct deposit to your bank account or onto a Direct Express Debit Mastercard – with only a few rare exceptions.

Although electronic payment should virtually eliminate the risk of lost or stolen funds, delays and other issues can still happen. That's why it's still important to know what to do if your Social Security payment doesn't turn up when you expect it.



1. If your electronic payment is late, reach out to your bank or financial institution first. The issue may be nothing more than a bank delay in posting payments to your account.
2. If there hasn't been a posting delay and your funds are genuinely missing, lost or stolen, call the Social Security Administration at 800-772-1213 (TTY 800-325-0778) or contact your local Social Security office. The Social Security Administration will review your case and replace the missing payment.
3. If you're living in the United States and are one of the rare individuals still receiving paper checks, wait until three business days after your check is usually mailed before taking action. If your check still hasn't arrived at that point, contact the Social Security Administration so your case can be reviewed – and if necessary, a replacement payment can be issued.

## Upcoming MO Medicare 101 Workshops

### St. Louis County Library

#### Oak Bend Branch

842 S Holmes Ave

St. Louis, MO 63122

- Jan 24th at 1:00pm
- Feb 27th at 1:00pm

### St. Louis County Library

#### Grant's View Branch

9700 Musick Ave

St. Louis, MO 63123

- Jan 29th at 6:00pm
- Feb 22nd at 6:00pm

### Jefferson County Library

#### Arnold Branch

1701 Missouri State Rd

Arnold, MO 63010

- Jan 22nd at 6:00pm

### St. Louis County Library

#### Meramec Valley Branch

1501 San Simeon Way

Fenton, MO 63026

- Feb 20th at 5:30pm

### University City Public Library

6701 Delmar Blvd

University City, MO 63130

- Feb 26th at 6:00pm

### St. Louis County Library

#### Mid-County Branch

7821 Maryland Ave

St. Louis, MO 63105

- Jan 31st at 6:00pm

### St. Louis County Library

#### Thornhill Branch

12863 Willowyck Dr

St. Louis, MO 63146

- Jan 30th at 5:00pm



Register soon:

[usamedicare101.org/ad/](https://usamedicare101.org/ad/)

# Best Senior Discount Savings in 2024



Who wouldn't appreciate valuable savings for seniors? As the new year approaches, we've put together a quick-win guide for seniors to adeptly navigate holiday shopping and take charge of their finances in 2024.

## Sign Up for Bulk Memberships

Although wholesale membership stores don't explicitly provide a senior discount, the savings they offer on items such as hearing aids, optical care, and gift merchandise can contribute to significant savings. Explore the benefits of joining wholesale membership stores like Costco and Sam's Club for exclusive discounts not only during the holidays but throughout the year. Take advantage of excellent rates on gift cards, travel, prescriptions, and optical expenses in the upcoming year. This straightforward approach could result in substantial savings in 2024.

## PayPal Honey Extension

Install the PayPal Honey extension in your web browser to discover coupon codes and discounts during the checkout process at any online store. Honey can uncover concealed deals, allowing you to save additional dollars on your shopping cart right before completing your purchase.

## Cheaper Gas with App

Save money at the pump with GasBuddy, an app that helps find the best price on gas along your route. Save a little time and money as you make plans this year. Give it a try and save on travel.

## Extended Warranties

This year, contemplate safeguarding both your recent acquisitions and your savings account by opting for an extended warranty. Evaluate the potential advantages based on your current life circumstances. Although there are instances where costs may outweigh benefits, an extended warranty can also deliver valuable protection.

## Insurance Check

As a new year commences, seize the opportunity to assess your insurance coverage. Whether you possess supplemental health coverage, Medicaid, or life insurance, verify that your health and assets are shielded from unforeseen emergencies.

## Senior Discounts

Embrace the benefits of ageing, including the senior discount. Whether you are taking your family out to dinner, traveling, renting a car or purchasing holiday gift, remember to ask about a senior discount. Here are a few of our favorite senior discounts courtesy of Senior Living:

Amazon: 50% off Amazon Prime Membership (65+)

Kohls: 15% Off Wednesdays (60+)

Michaels: 10% Off Every Day (55+)

Wyndham Hotels: 10% off (AARP Member)



## Anne's Updates

I am introducing our newest partner, at de Leon Retirement Services LLC, Michelle Wilks. Michelle comes to de Leon Retirement with over 23 plus years in sales. Here is a little about Michelle:

I spent my last eight years in Medicare Sales and Support. I started in a support role managing Medicare Agencies and Agent sales and assisted in creating an Agent Support Guide. I worked for two major health insurance carriers. I was able to obtain knowledge and understand that one carrier doesn't always meet the client's needs and where to go from there. I have also worked with my family to help them through their journey of Medicare. I wanted to be able to offer what is best for my client as well as provide an understanding of Medicare.

I realized there was a need for me in the industry to assist clients with one of the most difficult decisions after retirement: Medicare health insurance - which one to choose and why. I would love to ease the burden for you! If you have any questions, I am a phone call away.

I look forward to meeting new clients and servicing my existing clients. Our goal here at de Leon Retirement is to make sure you understand your options. Also, we will continue to keep your loved ones healthy and protected for years to come!



**Michele Wilks**

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**Thanks for reading! Please contact me with any questions about Medicare or your retirement planning.**



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