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RETIREMENT SERVICES, LLC

THE RETIREMENT REPORT

Monthly Medicare & Retirement Planning Newsletter



Get Ready For Your Annual Enrollment Period

By Anne de Leon



September is Life Insurance Awareness Month! A recent study by LIMRA has highlighted an increasing need for life insurance among Americans, especially in the middle market. Did you know that 29% of Millennials feel they can't personally benefit from life insurance? This presents a significant opportunity for continued education and awareness in the industry.

This edition discusses America's Peak 65 milestone, marking the greatest surge of new retirees in the nation's history. We also cover Social Security's new online method for accessing your account, ensuring you stay informed and secure.

As summer comes to a close and school starts back up, it's also time for the Medicare Annual Enrollment Period, beginning next month on October 15. Check out page 7 for helpful tips on preparing for AEP! If you need any updates to your current policy or are just getting started, please reach out to me—I am here to help!

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America's Peak 65 Milestone

As the United States approaches a significant demographic milestone, the need for robust retirement planning has never been more urgent. Dubbed "America's Peak 65," this milestone marks the greatest surge of new retirees in the nation's history, a shift that will profoundly impact the economic landscape.

By 2030, one-fifth of the U.S. population will be 65 years or older, driven by the retirement of 73 million baby boomers. This unprecedented demographic shift brings with it considerable challenges. Currently, 50% of households are at risk of not having enough income to maintain their standard of living in retirement. This reality highlights the inadequacy of existing retirement income sources and the urgent need for reform.

The Evolving Role of Social Security

Originally designed to replace about 40% of income in retirement for the average worker, Social Security now provides 50% or more of income for half of married couples and 70% of unmarried individuals. This shift is primarily due to Americans lacking other adequate sources of protected income. The dependency on Social Security underscores a critical shortfall in the retirement income system, especially as private-sector pensions have virtually disappeared and personal savings rates remain low.

The Underfunding of Public Pensions

Public pension plans face a severe funding crisis, with underfunding estimated between \$1 trillion and \$4 trillion, depending on modeling assumptions. This shortfall presents a significant risk to the retirement security of millions of Americans who rely on these pensions.

The Impact of the COVID-19 Pandemic

The COVID-19 pandemic has further exacerbated the retirement landscape, with an estimated 4 million workers retiring prematurely due to the economic disruptions caused by the pandemic. This early retirement wave accelerates the impact of Peak 65, increasing the strain on an already stressed retirement system.

Losses in Protected Lifetime Income

A significant number of Americans are also losing out on potential protected lifetime income by claiming Social Security benefits before reaching full retirement age. This early claim results in a loss of as much as \$3.4 trillion in potential lifetime income, further jeopardizing retirement security for many.

The Need for a New Retirement Security Framework

For generations, the reliable three-legged stool of retirement planning—employer pensions, Social Security, and personal savings—provided a stable foundation for retirement security. However, this model is now obsolete. The virtual disappearance of private-sector pensions and low personal savings rates have left millions of households unprotected, forcing many to rely excessively on Social Security benefits.

With each passing day, the need for a new retirement security framework that provides adequate protected income for Americans grows more urgent. The current retirement security framework focuses largely on asset accumulation. Moving forward, a new framework must include a focus on how protected income can help maintain lifestyles in retirement.

As we approach America's Peak 65 milestone, the greatest surge of new retirees in the nation's history, it is clear that the existing retirement security system is inadequate. Addressing this impending crisis requires comprehensive reforms that ensure adequate protected income for all retirees. By rethinking and reshaping our retirement planning strategies, we can create a more secure and sustainable future for millions of Americans.

Logging in to Your Social Security Account? You May Find a Surprise

Millions of people who access Social Security services and track their benefits online will soon need to change their login procedure to continue using their My Social Security accounts. The Social Security Administration (SSA) announced on July 12 that users who established accounts before September 18, 2021, using a now-defunct sign-up method will be required to transition those accounts to Login.gov, a secure sign-in service administered by the federal government. In a statement, the SSA says the change will allow it “to simplify the sign-in experience and align My Social Security with federal authentication standards while providing safe and secure access to online services.”



According to an SSA spokesperson, the change affects about 46 million of the roughly 86 million people who have My Social Security accounts. Along with posting about the shift on its blog, the agency is notifying individual users by email. “We’re sending out messages to over 40 million legacy accounts, and we’re particularly focused on legacy accounts that have remained active, which is about half of that,” the spokesperson says.

Old Logins Out

The SSA launched My Social Security in 2012. Until a few years ago, people signing up for the service did so directly through the Social Security website, ssa.gov, creating a username and password unique to that account. The agency now uses two other providers for sign-ups: Login.gov and the identity verification service ID.me.

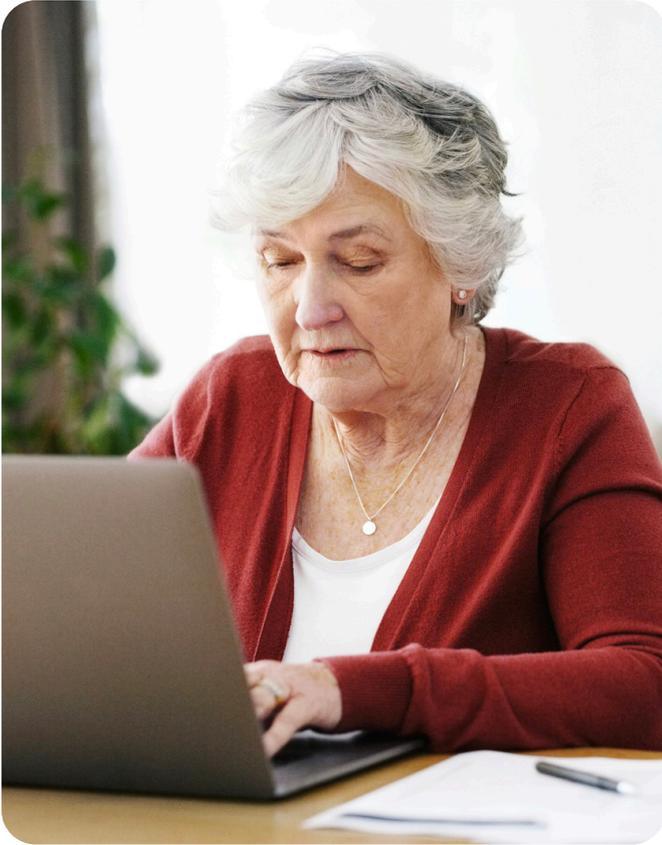
The My Social Security sign-in page currently offers all three options—Login.gov, ID.me, or the Social Security username—depending on how and when you created the account. The third option is the one that's going away. The SSA has not set a deadline for shifting those accounts to Login.gov, beyond posting on its blog that the old usernames will sunset “later this year.”

For now, users will be asked when they log in to transition their account. Selecting that option takes you through instructions for setting up a Login.gov account and linking your My Social Security access to it. As of July 17, more than 6 million users had completed the process, which does not require any additional identity verification and typically takes a few minutes, the SSA spokesperson says.

People already using Login.gov or ID.me to access My Social Security do not need to take any action.

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Logging in to Your Social Security Account cont'd...



Accounts Are Free

My Social Security is free and available to anyone 18 or older who has a Social Security number and a valid email address. You don't have to receive benefits to use the service.

With an online account, you can review your Social Security statement, get estimates of benefits, track and manage current payments and access routine SSA services, such as requesting a replacement Social Security card, reporting a change of address, or updating your bank information for direct deposits.

The SSA encourages customers to utilize online services whenever possible to avoid having to visit a Social Security office or call the program's national helpline (800-772-1213), which has been plagued in recent years by lengthy hold times and dropped calls.

Over the past several months, the SSA has reduced wait times for callers, from an average of 38 minutes at the end of 2023 to 20 minutes in June 2024. It aims to get the average to 12 minutes by September 2025.

“Anything Goes” Quiche

Quiche has been a popular brunch food for decades and was seen as a luxury back in the day. This is a fairly inexpensive, easy meal idea that includes leafy greens rich in magnesium, iron, manganese, and vitamins A, C, and K. Make this tasty treat for breakfast and enjoy leftovers throughout the week.

Ingredients

- 1 refrigerated pie crust
- 5 eggs
- 1 cup half-and-half
- ½ teaspoon seasoning of your choice, such as mustard, dill, or rosemary
- ¾ cup crispy bacon, crumbled cooked sausage, or leftover ham, chopped
- 1 cup shredded cheddar or Swiss cheese
- 1 cup spinach or kale, torn or chopped
- ½ cup of your favorite veggies, diced tomato, broccoli, onion, asparagus, carrots, zucchini and peppers are all good options!

Instructions

1. Preheat oven to 350 F and roll pie crust into your pie plate.
2. Whisk eggs, half-and-half, and seasoning in a medium bowl.
3. Sprinkle meat, cheese, and veggies onto the prepared pie crust evenly. Pour the egg mixture to cover.
4. Bake for 40-50 minutes or until a knife inserted in the center comes out clean. Let cool 10 minutes before slicing and enjoying.



The Growing Need for Life Insurance in 2024: A Key Opportunity in the Middle Market

A recent study by LIMRA and Life Happens has highlighted an increasing need for life insurance among Americans, revealing significant opportunities, particularly in the middle market.

Rising Awareness and Steady Ownership

Although the immediate impact of COVID-19 has lessened, it has left a lasting awareness of mortality and the importance of life insurance. As of 2024, U.S. life insurance ownership has remained steady since 2021, with about half of adults reporting they have coverage. However, the latest findings show that a record 42% of American adults—approximately 102 million people—say they need life insurance or more coverage. Notably, 37% of consumers intend to purchase life insurance within the next 12 months.



Middle-Income Americans: A Prime Market

The 2024 Insurance Barometer Study identifies middle-income Americans (households earning \$50,000 to \$149,999) as the largest market opportunity. Four in 10 middle-income Americans, about 50 million people, acknowledge they have a life insurance coverage gap. This group also shows a higher intent to buy life insurance (54%) compared to the general population.

“Engaging the middle market continues to be a high priority for life insurers,” says John Carroll, senior vice president at LIMRA and LOMA. He emphasizes that while middle-income households are more likely to own life insurance (55%) and recognize its importance, they often lack understanding of what type and coverage they need, leading to indecision and inaction.

Misconceptions About Life Insurance Costs

A significant barrier to purchasing life insurance is the perceived cost. Many consumers overestimate the cost of life insurance, with about 72% of Americans thinking it is more expensive than it actually is. Younger Americans, in particular, believe it costs three times its actual price. This misconception largely stems from guesses rather than informed decisions, as more than half of respondents (54%) base their estimates on “gut instinct” or a “wild guess.”

The Growing Need for Life Insurance in 2024 cont'd...

Brian Steiner, Executive Director at Life Happens, points out that a knowledge gap contributes to this issue, with 44% of people admitting they are only somewhat or not knowledgeable about life insurance. He notes the importance of meeting consumers where they are—on social media—to provide accurate information and address misconceptions.

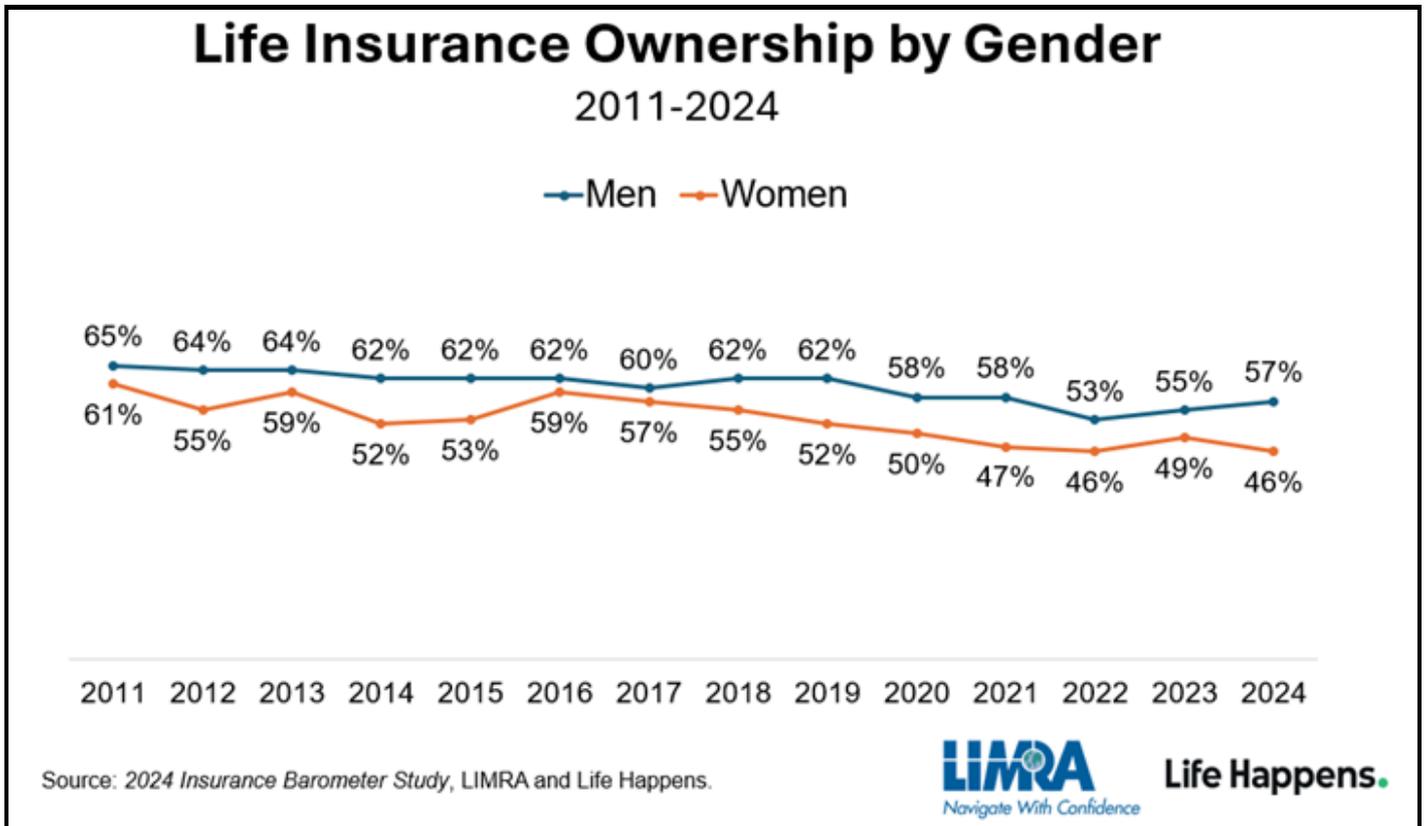
Bridging the Gender Gap

In 2024, women are less likely than men to have life insurance (46% versus 57%), marking the largest gender gap in the study's 14-year history. Despite this, 45% of women, or 54 million, acknowledge they have a coverage gap. More than a third (36%) plan to purchase life insurance this year, with younger women showing even greater intent. Cost remains a significant deterrent, with half of the women surveyed citing it as a barrier to purchasing life insurance. Additionally, women are less likely to consider themselves knowledgeable about life insurance (21%).

Moving from intent to action will require the industry to demonstrate how affordable and accessible life insurance can be. Highlighting its benefits, such as securing retirement savings, building an emergency fund, and protecting dependents from financial hardship, can help bridge this gap.

Leveraging Digital Tools

John Carroll emphasizes the importance of digital tools and platforms in making it easier for consumers to learn about and purchase life insurance. The industry must continue leveraging these resources to help Americans achieve financial security for themselves and their loved ones.



The Annual Enrollment Period (AEP) is Almost Here!

The 2024 Medicare Annual Enrollment Period (AEP) is approaching, running from October 15 to December 7. This is a crucial time to review your current Medicare plan and consider your options for the coming year. Here are some steps you can take to ensure you are fully prepared:

Review your current plan

Schedule a review with me to discuss your current plan and other options. You can also review the Annual Notice of Change (ANOC) for your current plan, which should arrive by mail or email by the end of September.

Make a list

Write down your prescriptions, providers, and health and financial priorities. You can also note anything you like or dislike about your current coverage.

Prepare questions

Write down any questions you have so you can remember them during your review.

Some questions might include:

- Are my current medications covered under the new plan?
- Will I be able to see my preferred doctors and specialists?
- What are the out-of-pocket costs and premiums?
- Are there any additional benefits, like dental, vision, or hearing coverage?

Email or call me today to schedule your complimentary Medicare consultation! As your Independent agent, I can offer Medicare plans from dozens of private insurance companies and am committed to providing you with the best service and plan options available. So, let's review your Medicare benefits and answer your questions.

Current Annuity Rates September 2024

5.60%

3 Year Fixed Annuity

5.65%

5 Year Fixed Annuity

5.45%

7 Year Fixed Annuity

To find out more,
contact me:
314-287-0179

Upcoming MO Medicare 101 Workshops

**St. Louis County Library
Clark Family Branch**

1640 South Lindbergh Blvd.
St. Louis, Missouri 63131
• Sept. 17th at 6:00pm

**St. Louis County Library
Bridgeton Trails Branch**

3455 McKelvey Rd.
Bridgeton, Missouri 63044
• Sept. 16th at 6:00pm
• Oct. 19th at 10:00am

**St. Louis County Library
Oak Bend Branch**

842 South Holmes Ave.
St. Louis, Missouri 63122
• Sept. 21st at 10:00am
• Oct. 17th at 3:30pm

**St. Louis County Library
Rock Road Branch**

10267 Saint Charles Rock Rd.
Saint Ann, Missouri 63074
• Sept. 18th at 6:00pm

**St. Louis County Library
Mid-County Branch**

7821 Maryland Ave.
Clayton, Missouri 63105
• Sept. 25th at 6:00pm

**St. Louis County Library
Grant's View Branch**

9700 Musick Rd.
St. Louis, MO 63123
• Oct. 15th at 6:00pm

**St. Louis County Library
Daniel Boone Branch**

300 Clarkson Rd.
Ballwin, Missouri 63011
• Oct. 21st at 6:00pm

Seating is Limited
Register Here:
usamedicare101.org/adl!



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

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