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de Leon
RETIREMENT SERVICES, LLC

THE RETIREMENT REPORT

Monthly Medicare & Retirement Planning Newsletter

This September, Leaves Aren't the Only Thing Turning

By Anne de Leon

September is Life Insurance Awareness Month, and it's a fitting time to ask a simple question: does the coverage you have still match the life you're living? Our lead story walks through the basics — what a policy actually does, how much coverage tends to make sense, and the beneficiary details people most often get wrong. It's a short read that may prompt an afternoon with your own paperwork.

The rest of the issue looks ahead to fall. The Annual Notice of Change is landing in mailboxes this month, and we explain what to look for before the Annual Enrollment Period opens October 15.

We also follow a federal change that could raise Medicare drug plan premiums in 2027, and share where the Social Security cost-of-living estimate stands ahead of October's official announcement. We close with a fall recipe worth making twice.

As always, our aim is to offer clear, timely information to help you feel informed, prepared, and confident as the season turns.

In This Issue:

Life Insurance Basics

Life insurance is a contract. You pay premiums; if you die while the policy is in force, the company pays a sum of money — the death benefit — to whomever you named. In most cases that money is not taxable income to the people who receive it. Everything else is detail about how much, for how long, and under what terms.

Whether you need it

The question that matters is whether anyone would face financial difficulty if your income stopped permanently. If a spouse, a child, an aging parent, or a business partner depends on you financially, that dependence is what life insurance addresses.

People with no dependents and no shared debt often need less of it, though many still carry a smaller policy so final expenses don't fall to family. Beneficiaries can spend the money however they choose — funeral costs and medical bills, ongoing household expenses, or longer-term obligations like tuition and a surviving spouse's retirement income.

Choosing between term and permanent

Term coverage lasts a set period, commonly 10, 20, or 30 years. If the term ends and you're still living, coverage stops unless it's renewed or converted. For a given amount of coverage, term generally carries the lowest initial premium, which is why it's often used for a defined obligation like a mortgage or the years until children finish school.

Permanent coverage — whole life, universal life, and their variations — is designed to stay in force for life as long as it's funded, and it builds cash value you may be able to borrow against. Premiums are higher, and any unpaid loan reduces the death benefit. Neither type is better in the abstract; they solve different problems.

What it costs, and how much to carry

Four things drive the price: age, health, policy type, and coverage amount. Age and health don't disqualify anyone — policies exist for older applicants, for people managing chronic conditions, and for smokers, typically at a higher premium. Actual costs vary widely by insurer and state, and rates for the same applicant can differ meaningfully between companies, since each one weighs health history differently.

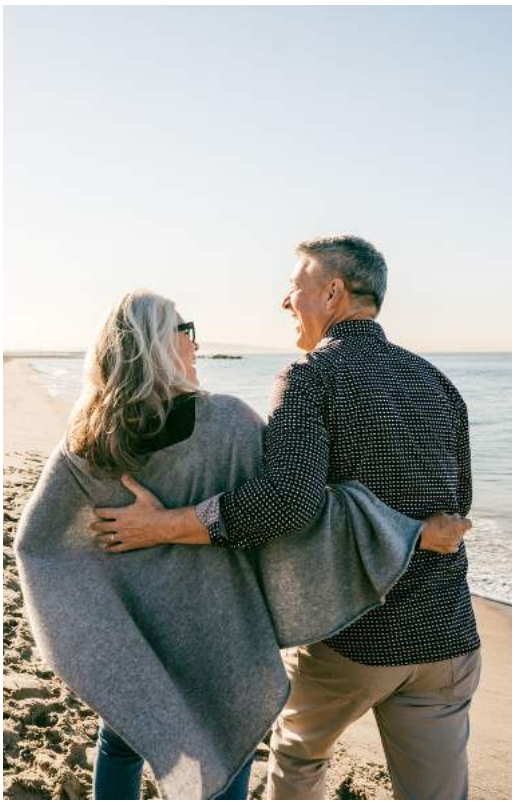
To estimate how much coverage you need, add up what your household would have to cover, then subtract the resources already available: a surviving spouse's income, savings, existing coverage, and Social Security survivor benefits. The difference is a rough estimate of the gap. A commonly cited rule of thumb is 10 to 15 times gross income, though it's a starting point rather than an answer.

Naming your beneficiaries

This is where the most avoidable mistakes happen. Beneficiary designations override what a will says, which makes them worth checking after any marriage, divorce, birth, or death in the family. If a policy still names an ex-spouse and the will names a current spouse, the insurer generally pays the ex-spouse.

Naming a minor child directly creates complications, since insurers generally can't pay a benefit to a minor; a trust or designated custodian is the usual route. Naming your estate can expose the money to probate and creditors. It's also worth naming a contingent beneficiary, who receives the payout if the primary has already died — without one, the benefit often defaults right back to the estate.

Life Insurance Basics cont'd...



Applying for coverage
Traditional underwriting involves a full application and usually a brief medical exam, with approval commonly taking several weeks. Simplified underwriting skips the exam and can produce a decision in days, but coverage amounts are typically capped and the cost per dollar of coverage is higher. Which route makes sense often comes down to how much coverage you're after — larger amounts almost always require the exam. If an application is declined, ask the insurer for the specific reason. Application errors do happen, insurers weigh risk factors differently, and some specialize in higher-risk applicants.

Benefits you can use while living
Some policies let the insured person access part of the death benefit before death, usually through a rider. Most often this requires a terminal diagnosis, though some riders also apply to chronic or critical illness. These provisions are sometimes included automatically and sometimes added for an extra cost, so it's worth checking your own policy rather than assuming either way. Anything taken early reduces what beneficiaries ultimately receive, and terms vary substantially between insurers.

How claims are paid
The standard payout is a lump sum. A beneficiary files a claim with a certified copy of the death certificate, and most claims are settled within roughly 30 to 60 days. Most policies include a contestability period — usually the first two years — during which an insurer can investigate and deny a claim if the application contained material misstatements. After that window closes, the insurer generally can't contest the claim on those grounds, even if a misstatement later comes to light.

Keeping it current
Coverage that fit at purchase may not fit years later. Incomes rise, mortgages get paid down, and the people who once depended on you may not anymore — or new ones may.

A review is worthwhile after a marriage or divorce, a birth, a home purchase, retirement, or the death of a beneficiary — and once a year regardless. Check who's named, what's covered, and when a term policy ends. Also check whether a conversion option is still open, since most term policies allow conversion to permanent coverage without new medical underwriting only up to a certain point.

Keep the paperwork somewhere your family can find it, and make sure at least one person knows the policy exists.

The bottom line
The mechanics are simple: you pay premiums, and if the worst happens, the people you named receive money they can use however they need to. What changes over time isn't the mechanism — it's your life. If you can't say off the top of your head who your beneficiaries are or when your policy ends, that's not unusual. It just means an afternoon with the paperwork is overdue.

Source: Life Happens (2026). Life insurance 101. Life Happens.

Don't Toss That Envelope

Sometime in the next few weeks, a letter is going to land in your mailbox that looks like every other piece of insurance mail you've ever received. It isn't.

It's called the Annual Notice of Change, and your plan is required to send it by the end of September. Inside is a list of everything that's changing about your coverage for next year — what you'll pay, which doctors are still in network, and whether the prescriptions you take every day are still covered the same way.

Here's the part that catches people: your plan can change even if you don't. You can be perfectly happy with your coverage today and find out in January that a medication you've taken for years now costs more, or that your doctor is no longer in the network. The Annual Notice of Change is your one warning, and it arrives while there's still time to do something about it.

That's what the Annual Enrollment Period is for. It runs October 15 through December 7, and any change you make takes effect January 1. If you don't make a change, your current plan generally rolls over into next year — with whatever adjustments the notice described.

What you can do during that window:

- Switch from one Medicare Advantage plan to another
- Change or drop your prescription drug coverage
- Move from Original Medicare to Medicare Advantage, or back the other way

You can also make more than one change during the window; whatever you have on December 7 is what carries into January.

Three things worth doing before October 15:

Write down your medications. Every one, with the dose. You'll need this list to compare what your options would actually cost you — not just the monthly premium, but the whole year.

Read the Annual Notice of Change the day it arrives. Sit down with a highlighter. Mark anything that's different from this year, then ask yourself one question: does this still fit my doctors, my medications, and my budget?

Ask for help if you want it. You don't have to sort through this alone, and you don't have to pay anyone to help you. Every state has free, unbiased counselors through the State Health Insurance Assistance Program, or SHIP. Your state may call it by a different name.

Most years, most people are fine leaving things as they are. But you can't know that until you look. Ten minutes with one letter in September can save you a lot of frustration in February. When it shows up, don't file it with the junk mail — that envelope is the only one that tells you what next year actually looks like.

Turkey Sweet Potato Chili (Slow Cooker)

Ingredients

- 2 tablespoons olive oil
- 2 pounds ground turkey (lean)
- 2 taco seasoning packets (or 1/4 cup + 2 tbsp of your own blend)
- 2 cans (14 oz) petite diced tomatoes, drained
- 1 can (8 oz) tomato sauce
- 2 tablespoons tomato paste
- 3 cups chicken broth (low sodium)
- 1 large sweet potato, peeled and diced small (about 2 cups)
- 0.5 cups yellow onion, diced
- 1 can (14 oz) kidney beans, drained and rinsed

1. Brown the turkey: Heat 2 tablespoons olive oil in a large skillet over medium. Add 2 pounds ground turkey (lean) and cook about 9 minutes, then stir in one packet of 2 taco seasoning packets (or 1/4 cup + 2 tbsp of your own blend). Keep breaking up the meat and cook another 4–5 minutes until no pink remains.

2. Load the slow cooker: Tip the turkey into a 6-quart slow cooker. Add 2 cans (14 oz) petite diced tomatoes, drained, 1 can (8 oz) tomato sauce, 2 tablespoons tomato paste, 3 cups chicken broth (low sodium), 1 large sweet potato, peeled and diced small (about 2 cups), diced, 0.5 cups yellow onion, diced, 1 can (14 oz) kidney beans, drained and rinsed, and the second packet of 2 taco seasoning packets (or 1/4 cup + 2 tbsp of your own blend). Stir until everything's combined.

3. Cook: Cover and cook on low for 420 minutes, or high for 4. Give it a stir before serving.

Source: McKenney, S. (2026, January 21). Turkey sweet potato chili. Sally's Baking.

Part D Premium Support Program Ends Early — What It Means for 2027

The federal government is ending a temporary program that has held down premiums for stand-alone Medicare Part D drug plans. It was scheduled to run through 2027; CMS announced it will instead end after 2026. The change may affect what some people pay for drug coverage next year, but it does not change the annual cap on out-of-pocket drug spending.

What the program was

The Part D Premium Stabilization Demonstration began in 2025, after drug plans sharply raised their premium bids in response to benefit changes enacted in 2022. It paid $9.8 billion across 2025 and 2026 to stand-alone Part D plans — the ones people buy alongside Original Medicare — lowering the base beneficiary premium by $15 a month in 2025 and $10 in 2026, and capping how much any plan could raise its premium year over year.

Medicare Advantage plans with drug coverage weren't included, since government rebates already give them other ways to absorb rising costs.

Why it was created

Without the program, the Government Accountability Office found, people who stayed in the same stand-alone drug plan from 2024 into 2025 would have seen their monthly premium nearly double on average — and for 37 percent of them, jump by more than $40. The program was a temporary bridge, giving plans time to adjust rather than passing the full cost to enrollees at once.

Part D Premium Support Program Ends Early — What It Means for 2027

Why it is ending
CMS has said stand-alone plans now have enough experience with the redesigned drug benefit to set 2027 premiums without federal support, and has characterized the program as an unnecessary expense.

The decision has drawn disagreement. Policy analysts and advocacy organizations say its removal is likely to push stand-alone premiums higher for 2027. CMS has stated that more than 90 percent of Medicare enrollees will still have access to drug coverage costing less than $10 a month, though it has not specified which drugs those plans would cover. This remains a contested policy question, and both supporters and critics have a stake in how it's characterized.

What is not changing
The 2022 law's provisions remain in place:

- The annual cap on Part D out-of-pocket spending — $2,000 in
- 2025, $2,100 in 2026, and $2,400 in 2027. Before 2025 there was no cap. Once someone reaches it, they pay nothing more for covered drugs that year.
- The $35 monthly cap on insulin costs
- No-cost vaccines under Part D
- Manufacturer rebates owed to Medicare when prices rise faster than inflation
- The Medicare drug price negotiation program

What else is pushing premiums up
The subsidy's end is one pressure among several. Analysts point to higher drug prices generally, a more generous Part D benefit that shifts more cost onto plans, and rapid growth in prescriptions for GLP-1 medications — all affecting stand-alone and Medicare Advantage coverage alike.

What is still unknown
2027 premiums are not final. Plans submit bids and CMS releases the figures in the fall, so the effect on any individual plan won't be visible until then.

Analysts have raised the possibility of a further shift toward Medicare Advantage: if stand-alone premiums rise significantly, Medicare Advantage plans that include drug coverage may look comparatively cheaper. About 24.9 million people are currently enrolled in stand-alone Part D plans, compared with about 31.4 million who get drug coverage through Medicare Advantage.

What this means practically
Anyone in a stand-alone Part D plan should read their Annual Notice of Change carefully when it arrives in September. It will show the plan's 2027 premium, deductible, and drug list.

The comparison that matters is total annual cost — premium plus deductible plus what you actually pay for your own medications — not the monthly premium alone. A plan with a higher premium can cost less overall if it covers your drugs better. Any change made during Annual Enrollment, October 15 through December 7, takes effect January 1.

Current Annuity Rates

September 2026

6.45%
3 Year Fixed Annuity

6.00%
5 Year Fixed Annuity

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

Source: Pugh, T. (2026, August 3). Early end of pilot program that holds down stand-alone Part D premiums stirs concerns. AARP.

Social Security COLA 2027: What's Known So Far

Social Security's cost-of-living adjustment for 2027 hasn't been set. Current estimates put it between 3.6 and 3.8%, based on inflation data through June. The official figure arrives October 14, 2026.

How the number is calculated
The COLA is tied to the Consumer Price Index for Urban Wage Earners and Clerical Workers, or CPI-W, which tracks prices for food, energy, housing, medical care, and other goods and services.

The calculation compares CPI-W for July, August, and September against the same three months a year earlier. Only those three months count. Because September data isn't published until mid-October, the COLA can't be finalized before then — any figure circulating now is a projection.

The current estimates
In June, CPI-W rose 3.5% compared with a year earlier. AARP projects 3.6%, combining CPI-W data through June with the Federal Reserve Bank of Cleveland's projections for July through September. The Senior Citizens League, which updates monthly, projects 3.8%. Both come from organizations that advocate for older adults, and neither is official.

What it would mean in dollars
At 3.6%, applied to average benefits as of June:

Benefit type	Average monthly	Estimated Increase
Retired worker	about $2,084	about $75
Surviving spouse	about $1,931	about $70
Disability (worker)	about $1,635	about $59

These are averages; an individual increase depends on that person's own benefit. One factor that often gets overlooked: the standard Medicare Part B premium is deducted from most Social Security payments and is announced separately in the fall. If it rises, the net increase in a monthly deposit will be smaller than the COLA percentage suggests.

Some context
Payments have been adjusted for inflation automatically since 1975. The largest COLA on record was 14.3% in 1980; from 2001 through 2025, the average was roughly 2.6%. When there's no measured inflation, there's no COLA — that happened in 2010, 2011, and 2016. The 2026 adjustment was 2.8%.

The formula is backward-looking, which means it can lag during periods of rapid price change. The 2021 COLA of 1.3% was followed by sharply rising prices; benefits rose 5.9% in 2022 while inflation peaked near 9%, and the 8.7% adjustment the following year closed much of that gap.

What to do with this
The value of an early estimate is planning time, particularly for households where Social Security is the main source of income — and it's the only inflation-adjusted income many retirees have.

Treat 3.6 to 3.8% as a planning range rather than a number to count on, and watch for two figures in October: the COLA itself and the 2027 Medicare Part B premium. Together they determine what actually lands in a monthly payment starting in January.

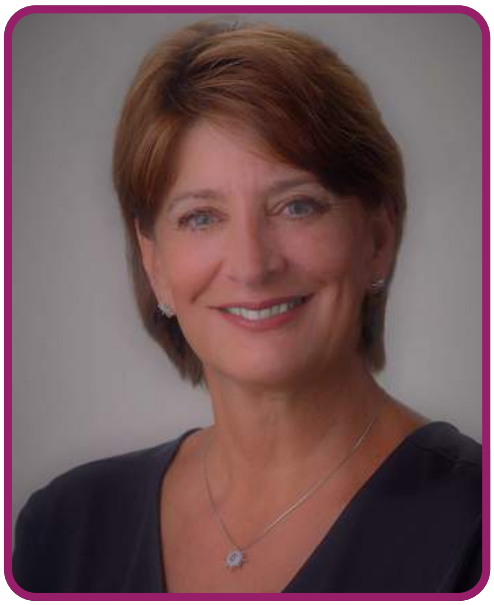
Source: Shesgreen, D. (2026, July 14). Social Security COLA 2027: An early look at how much payments could increase. AARP.

UPCOMING MO MEDICARE 101 WORKSHOPS

St. Louis County Library – Oak Bend Branch 842 South Holmes Ave. St. Louis, MO 63122	**Monday** **Sept. 14th** **6:00pm**
St. Louis County Library – Bridgeton Trails Branch 3455 McKelvey Rd. Bridgeton, MO 63044	**Monday** **Sept. 21st** **6:00pm**
St. Louis County Library – Daniel Boone Branch 300 Clarkson Rd. Ellisville, MO 63011	**Tuesday** **Sept. 22nd** **6:00pm**
St. Louis County Library – Grant's View Branch 9700 Musick Ave. St. Louis, MO 63123	**Wednesday** **Sept. 23rd** **1:30pm**

Space is Limited!
Register Today:
usamedicare101.org/ADL

MO MEDICARE 101



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

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