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Welcome! Long-term health care issues affect not only retirees but also their families and care givers. Recent news makes it even more important than ever that you understand the implications of Medicare and long-term care insurance on your retirement planning.

Halloween is close - let the ghosts and goblins do their spooky thing - you don't need to be scared about your long-term health care if you read on.

-Jennifer Lane, CFP

Retirement Planning and Long-term Health Care

Two troubling articles appeared recently that could affect how you plan for your long-term health care options. The first from [Time](#) magazine, in an article on Alzheimer's: "Health experts estimate that a 65-year-old has a 10 percent risk of developing the disease and that by 2050, the number of patients will nearly triple to 13.4 million in the U.S. alone." And the second, from [The Wall Street Journal](#), is about the recent spate of premium increases for long-term care health insurance.

While some are considering these costs in their retirement planning, many are not. Begin now to design a strategy that will make your long-term health care an important part of your overall plan.

Medicare

- Medicare is designed to make you well.
- It offers only limited long-term benefits.
- If you have a chronic or long-term condition, Medicare will run out quickly.

Long-term Care Insurance

- The premiums tend to be high.
- . . . And they are increasing.
- You have to pay the premiums throughout your retirement.
- There tend to be gaps in coverage so read the fine print carefully.

Planning for long-term care cost

- Build extra money into your retirement plan to cover potential costs.
- Pay off your mortgage to give you the option of using the equity in your home to help pay for medical expenses.
- Focus on your health now. Diet, exercise, and regular doctor visits can make you healthier longer and save on health care costs when you retire.

Make your long-term health care a priority by taking the time to focus on how to manage it now.

Q&A

Q: I'm retiring the end of the year. I'll get a pension from Massachusetts, but many of my friends say they also get money from Social Security. I'll be 65 in February. Can I draw from Social Security, too?

– Margaret from Gloucester

In This Issue

[Retirement Planning and Long-term Health Care](#)

[Question & Answer](#)

[What's New](#)

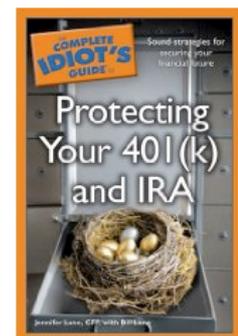
[Monthly Tip](#)



Jennifer's Hint

Not all pensions allow unmarried partners to receive the "spousal" pension benefit. Take extra care to read the benefits description for the pension to be sure you understand who is covered and who isn't. If necessary, you may need to purchase a single-life annuity and then protect your beneficiary by buying a life insurance policy.

Get more tips in Jennifer's book



(click here for link)

Helpful Websites

AARP.org - Caregiving Resource Center

A: Congratulations on your retirement, Margaret! What you can withdraw depends on the number of years you worked under both systems. Social Security for retirees with government pensions are reduced by the Windfall Elimination Provision or WEP. Surviving spouses receiving pension benefits can be affected by the Government Pension Offset or GPO. For WEP, check at this [calculator](#) and for GPO, check at this [calculator](#). You'll need your Social Security statement and pension information.

Eldercare.gov - for local
community resources

NAELA.org - for elder law
attorneys



What's New

- Jennifer will be talking about money basics for college students at an *Onein3 Money* event to be held at Simmons College on November 10.
- *Jennifer's Compass*. Jennifer spoke with NECN on Social Security benefits last week. Click [here](#) to watch the video on her blog.

Compass Planning Associates helps families, individuals, and small-business clients achieve financial security, knowledge, and control over their money. Our **fee-only, client-centered approach** provides education and guidance for achieving financial goals and dreams.

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