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**WIPL Conference: Women and  
Financial Well-being Breakout**

**Cheryl Grava, Managing Director, Deloitte Wealth Office**

**Melissa Witthoft, Senior Manager, Deloitte Wealth Office**

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# The Personal Wealth Landscape

# Wealth Roadmap – Milestones and Considerations

Personal Events



## PLANNING

## ACCUMULATION

## PRESERVATION

Wealth Themes

### New Graduate ★

- Begin saving money
- Create a budget and a basic financial plan
- Create an emergency fund of 6-9 months of expenses
- Focus on cash flow & debt management
- Assess your insurance sufficiency
- Education funding
- Get a will
- Use technology to help you plan

### Early Career

- Adjust wealth plan for major life events
- Continue building emergency fund and savings
- Reassess wealth plan based on earnings increases
- Assess insurance sufficiency
- Create an estate plan
- Review and update will for life events
- Update technology to create financial planning scenarios

### Mid-career ★

- Assess impact of retirement savings & identify financial target for retirement income
- Continue saving for retirement and life needs
- Reassess insurance sufficiency
- Review & update will for life events
- Advanced estate planning
- Use technology to project cash flow needs

### Nearing Retirement

- Make final adjustments for retirement income target
- Accelerate savings to meet retirement needs
- Reassess insurance sufficiency and consider whether to get Long Term Care insurance
- Do advanced estate planning
- Consider the costs of medical coverage post retirement
- Review & update your will for life events
- Use technology for post-retirement cashflow
- Consider your legacy

### At Retirement ★

- Finalize wealth plan to determine sustainable lifestyle
- Reassess insurance sufficiency
- Reassess estate plan
- Consider post-retirement earning sources
- Use technology to review retirement benefit elections
- Prepare for life after work

## Statistics for women and personal finance

81

Average life expectancy

62

Average retirement age

20

How many years of retirement savings a woman should have accumulated by the time she retires

**9 out of 10 women** will have sole responsibility for their finances at some point in their lives

95%

...the percentage of women who are directly involved in household decisions, but only 25% said they were the primary decision makers...

Did you know?

- There are now **twice as many women employed in the US** as there were 40 years ago
- **Women are still the primary care givers**, juggling the double-duty demands of home and work

# Statistics for women and personal finance

Is it all bad news?

A full third of the Boomers we surveyed reported having little money saved, versus one fifth of the women in prior decades

Baby boomer women feel they are not financially literate and are not planning properly for retirement

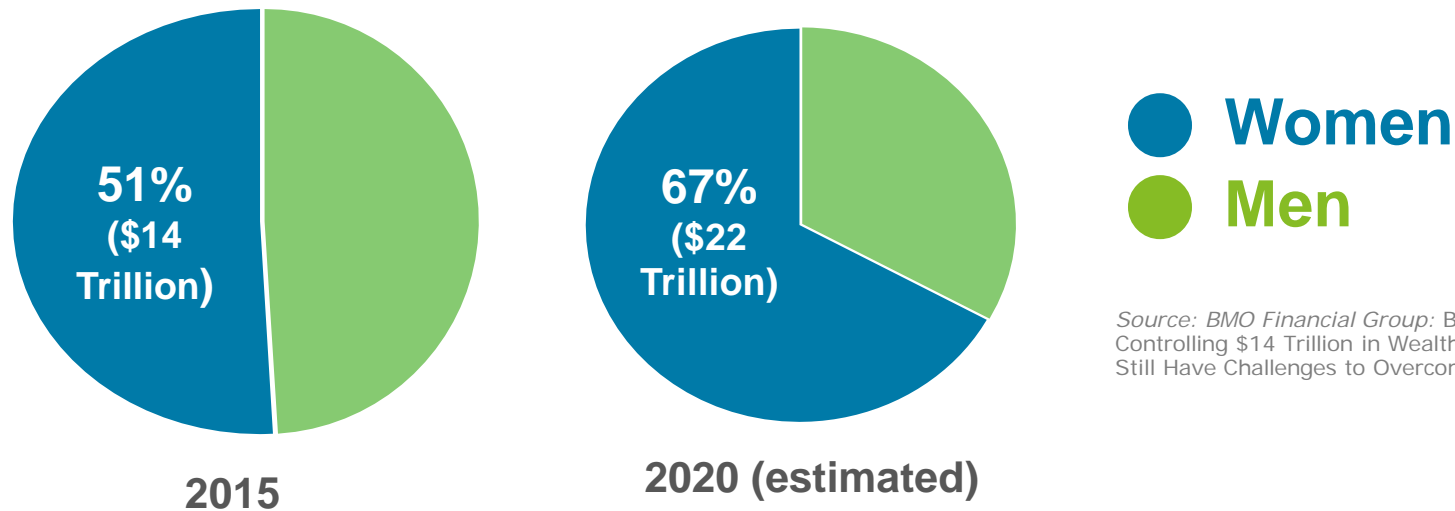
Women in their 50's and 60's are doing worse financially than women their age in the 1990's

Older women today hold more debt than women in prior generations

Older women today are in financially fragile circumstances compared to two decades ago - having less than \$25,000 in savings

# Control of U.S. Wealth, by Gender

The good news



Source: BMO Financial Group: BMO Report: Despite Controlling \$14 Trillion in Wealth, American Women Still Have Challenges to Overcome. marketwired.com

- **Women currently control 51 percent**, or \$14 trillion of personal wealth in the U.S. and are expected to control \$22 trillion by 2020.
- Today, women account for **nearly half of the overall labor force** (compared with just over 38% in 1970).<sup>1</sup>
- More than 10 million businesses, or 30% of all privately held firms, **are owned by women**.<sup>2</sup>
- Women are also managers and senior business leaders; in fact, more than **43% of women are in management roles** and **24% are in senior leadership positions**.<sup>2</sup>

1. Bureau of Labor Statistics 2007-2012,

2. US Census Bureau, American Express – The State of Women Owned Businesses Report 2012,

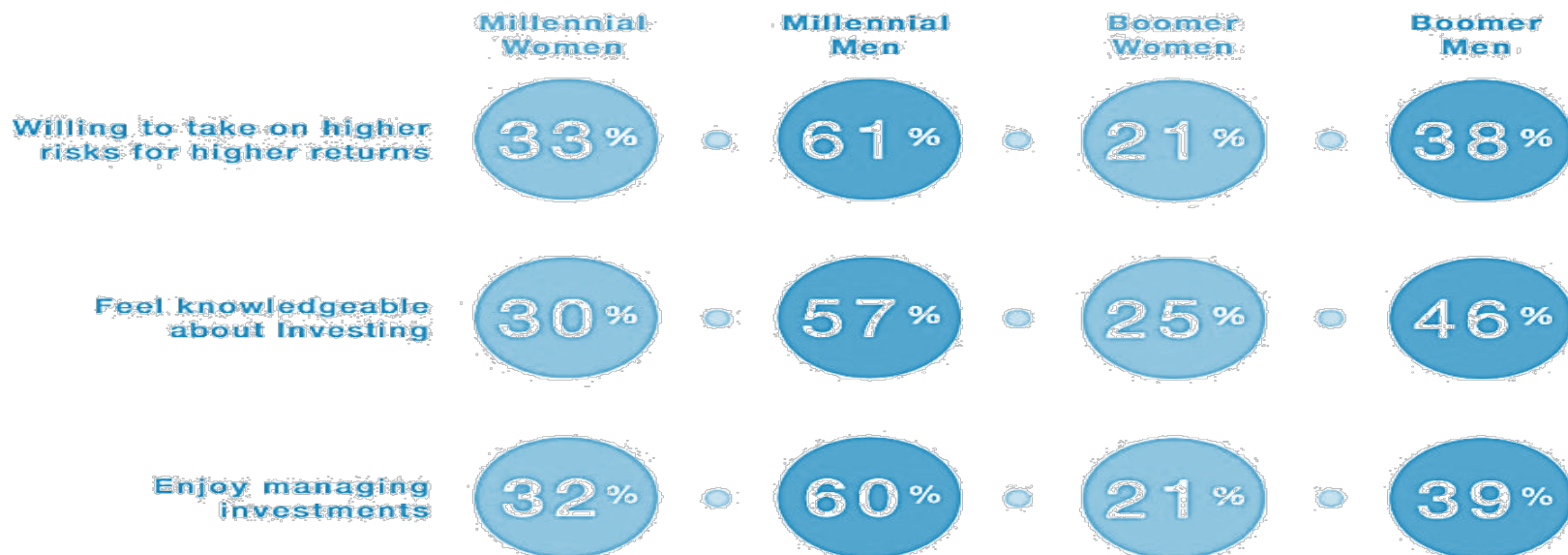
3. National Center for Education Statistics 2012,

4. Spectrum-Wealthy Women Investors 2012

# Statistics for women and personal finance

## Millennials views about their financial future

- **90% support “investing with impact”** - using wealth to promote positive change, for their own families and businesses, and also for broader initiatives, such as developing women’s start-ups and promoting corporate social responsibility
- **Wealth and having money in retirement** is more important to millennial women than health care issue
- **Growing wealth** is more important to millennial women than boomer women
- The number one financial concern for millennial women about future wealth is the **growing cost of living expenses**

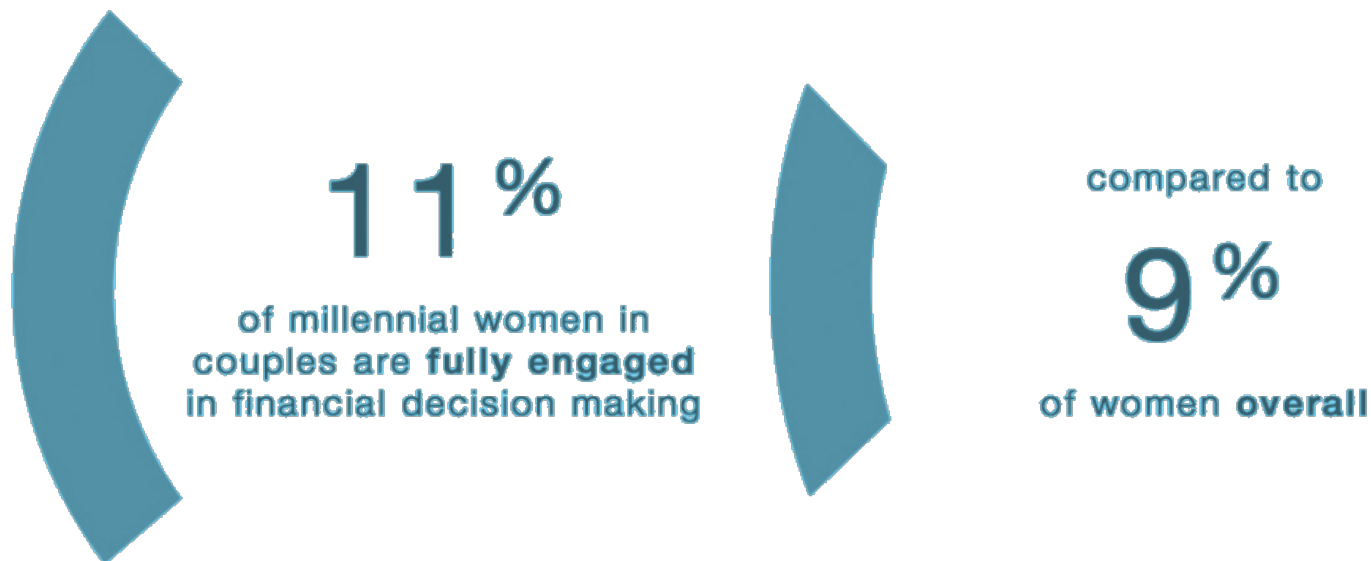




# Statistics for women and personal finance

## Millennials views on saving and investing

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- 53% of millennial women have **started saving for retirement**
- Only **3 in 4** millennial women do not invest in the stock market
- Millennial women **don't feel they are financially literate**
- Finding a **relatable financial advisor** is an important issue to all millennials and find **FinTech as a more attractive vehicle** for investments

# Wealth Planning

# What you can't control

- Market returns
- Interest rates
- Tax rates



# What you can control

- Setting financial goals
- How much you save
- Asset allocation
- Getting the right assistance



# Getting Started

**It's never too late or too early to start - create a plan and begin your wealth journey**

**Keep an organized, updated record of all assets owned in your name, your spouse or partner's name and your minor children's name. This record should contain account numbers, institutions where accounts are held, approximate value and legal ownership.**

**The 'Big Book of Everything'\* can help you get organized.**

**Secure a team of advisors – financial planner, investment advisor, attorney, tax preparer/CPA and consult with your company's HR/Talent Dept. to identify key benefits resources**

**Begin reading financial publications – eg, Kiplinger, Money Magazine, Bloomberg, Wall Street Journal, Barron's, Forbes – all offer opportunities to help you learn**

\*Big Book of Everything at <http://www.erikdewey.com/bigbook.htm>

Save as much as you can!

There are many sources that will help you prepare for the future

**Pre-tax, Roth, and catch-up  
401(k) contributions at age 50**

**External IRA**

**Emergency fund (6-9 months of  
expenses)**

**Outside savings/investing**

# Creating a Budget

## Estimate and Quantify Living Expenses

The Detailed Method	
Necessary/Needs	Discretionary/Wants
<ul style="list-style-type: none"><li>• Rent or mortgage</li><li>• Property taxes</li><li>• Homeowner's or renter's insurance</li><li>• Utilities (gas, electric, water, cable)</li><li>• Telephone</li><li>• Repairs and maintenance</li><li>• Food (at home)</li><li>• Personal care</li><li>• Clothing</li><li>• Commuting costs</li><li>• Auto repairs, maintenance, fuel</li><li>• Auto insurance</li><li>• Medical and dental</li><li>• Education</li><li>• Life insurance</li><li>• Disability insurance</li><li>• Miscellaneous</li></ul>	<ul style="list-style-type: none"><li>• Entertainment</li><li>• Hobbies</li><li>• Recreation</li><li>• Dining</li><li>• Vacation</li><li>• Travel</li><li>• Charitable gifts</li><li>• Personal gifts</li><li>• Home improvements</li><li>• Decorating</li><li>• Miscellaneous</li></ul>

The "Back of the Envelope" Method	
Income	\$100,000
Less contributions to 401(k) plan (max amount)	<u>(\$18,000)</u>
Less income taxes	<u>(\$20,000)</u>
Amount available to spend	\$62,000
Less additional contributions to other savings	<u>(\$5,000)</u>
<b>Current annual expenses</b>	<b>\$57,000</b>

**Refine these estimates to account for expenses that might change as you reach each life and career milestone**

# Insurances are a key element

## Protecting what's most important to you

Each type of insurance covers a specific aspect of your life, and each one is very important to protect your financial future.

5

Primary  
types of  
insurances

### Life insurance

- Term Life
- Whole Life

### Health insurance

- Basic or PPO plan
- High deductible (allows Health Savings Accounts/HSA)

### Disability insurance

- Short term disability may be limited in scope; often provided by employer
- LTD offers additional salary replacement for extended time; may be optional employer benefit

### Auto insurance

- Primary auto
- Motorcycles
- RV/ATVs/Boats

### Homeowners & Umbrella insurance

- Primary residence
- Vacation/rental property
- Umbrella coverage for onsite accidents (confirm no gap!)

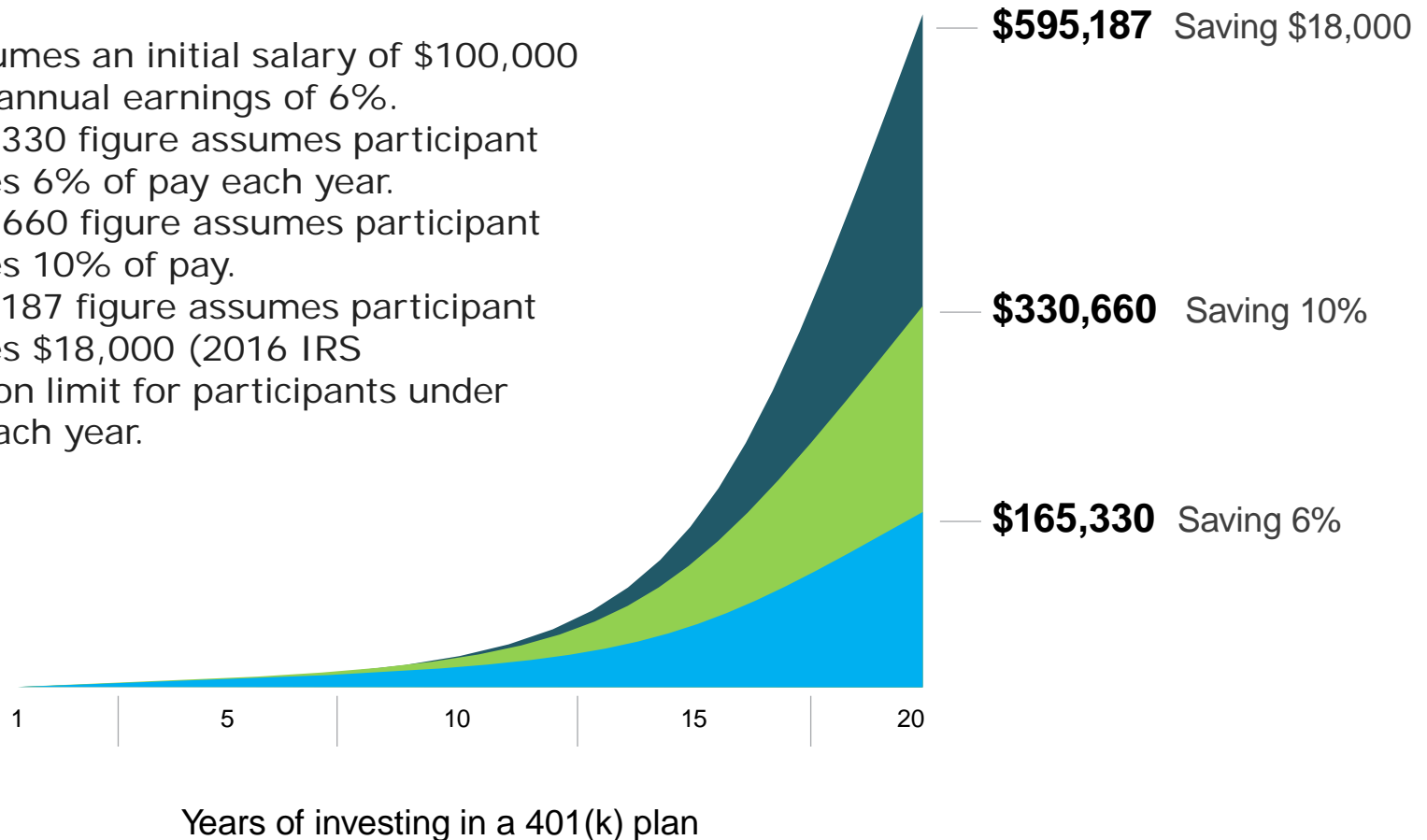


# Wealth Accumulation

The role that compounding interest in a 401(k) plan can play in growing your money

Example assumes an initial salary of \$100,000 and average annual earnings of 6%.

- The \$165,330 figure assumes participant contributes 6% of pay each year.
- The \$330,660 figure assumes participant contributes 10% of pay.
- The \$595,187 figure assumes participant contributes \$18,000 (2016 IRS contribution limit for participants under age 50) each year.



This hypothetical illustration does not represent the return on any particular investment. The final account balances do not reflect any taxes or penalties that may be due upon distribution.

# Life Transitions

## Wealth strategies if you're married

**Learn to talk about money** with your partner - men and women often have different investing styles and **review your financials annually with a shared financial advisor**, even if you have separate accounts.

**Separate or Joint?** Maintain a **joint checking account** for regular expenses that you share costs. Maintain **separate stock and investment accounts**. Once combined, they are difficult to separate, if necessary.

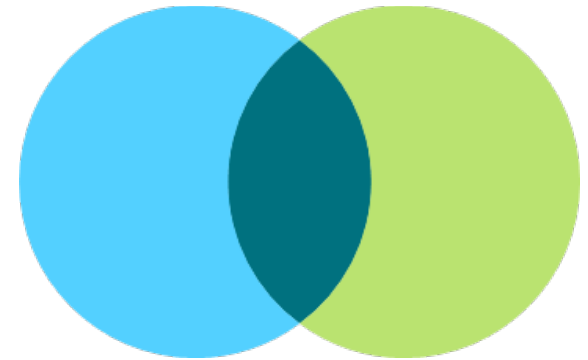
**Have a valid will** and assign beneficiaries to all of your savings and investment accounts.

**Learn your joint credit history and borrowing.** If either of you has any issues, such as a high debt-to-income ratio or a poor credit rating, that will affect your ability to qualify for a loan together.

**Tackle retirement planning as a team.** For married couples, both spouses can still contribute as much as the full amount of earned income up to the \$18,000 annual limit despite how much they each earn individually.

**Speak to a tax professional** to see whether you and your spouse should be filing taxes jointly or separately. There are advantages to both.

**Review your disability and life insurance needs** and secure the right amounts.



# Life Transitions

## What to know if you have children

**Adjust your budget** to include new childcare expenses (medical bills, diapers, nursery equipment, daycare, etc).

**Increase your savings.** Increase your savings/emergency fund to cover unanticipated childcare and healthcare costs in the event insurance will not cover them.

**Save for college.** Open a 529 plan to help set aside funds for future tuitions and education expenses.

**Review your health and life insurance needs.** You will have to review your health insurance to include your baby's healthcare needs. You may also need to increase your life insurance policy in the event something happens to your or your spouse's income.

**Review and adjust your will** to include your new child.



# Life Transitions

## What to know in the event of a divorce

**Keep a clear head when it comes to finances,** even during this emotionally trying time.

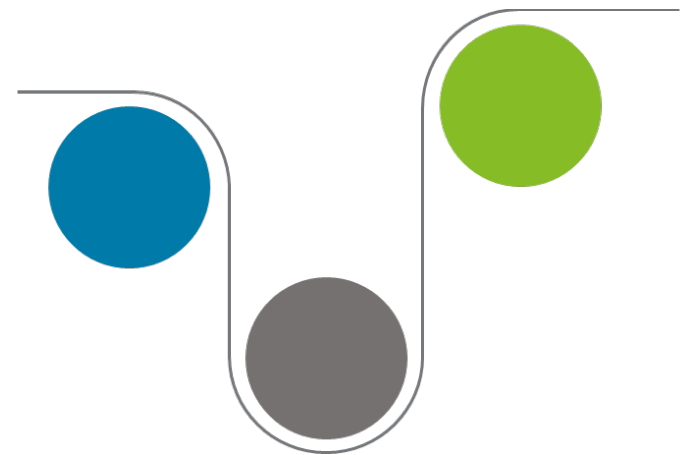
**Your organized record of family finances** should help make the process of dividing property a little smoother

**Set up your own checking, savings and credit card accounts** if you did not maintain these separately during your marriage.

**Close or freeze joint accounts.**

**Update your will and any beneficiary designations** that will change because of your divorce.

**Consult with your legal advisor** about your state-specific considerations.



# Life Transitions

## What to do in the event of your spouse's death....

**Keep all accounts current.** Pay all of your spouse's bills on time.

**Complete paperwork for multiple copies of death certificates.**

**Notify the administrator of your spouse's IRA accounts,** your insurance agent and your spouse's employer if they were still working or had a pension through them.

**Contact Social Security.** They will need to be notified of your status as a surviving spouse to continue receiving benefits.

**Change ownership on all accounts and real estate.** Any assets that were held jointly will need to be changed to sole ownership in your name for future estate planning.



# Your Government Benefits

# The Basics of Social Security

## Is There a “Best” Age To Start Your Benefits?

From the Social Security Administration, they advise that there is no one “best age” for everyone and, ultimately, it is your choice.

### If you decide to start benefits:

Before your full retirement age...	...your benefit will be smaller but you will receive it for a longer period of time.
At your full retirement age or later...	...you will receive a larger monthly benefit for a shorter period of time.
The amount you receive when you first get benefits...	...sets the base for the amount you will receive for the rest of your life

### There are also some other things you may want to consider when you make that decision:

- Are you still working?
- Do you come from a long-lived family?
- How is your health?
- Will you still have health insurance?
- Are you eligible for benefits on someone else's record?
- Do you have other income to support you if you decide to delay taking your benefits?
- Will other family members qualify for benefits with you on your record?

### A great source to learn more:

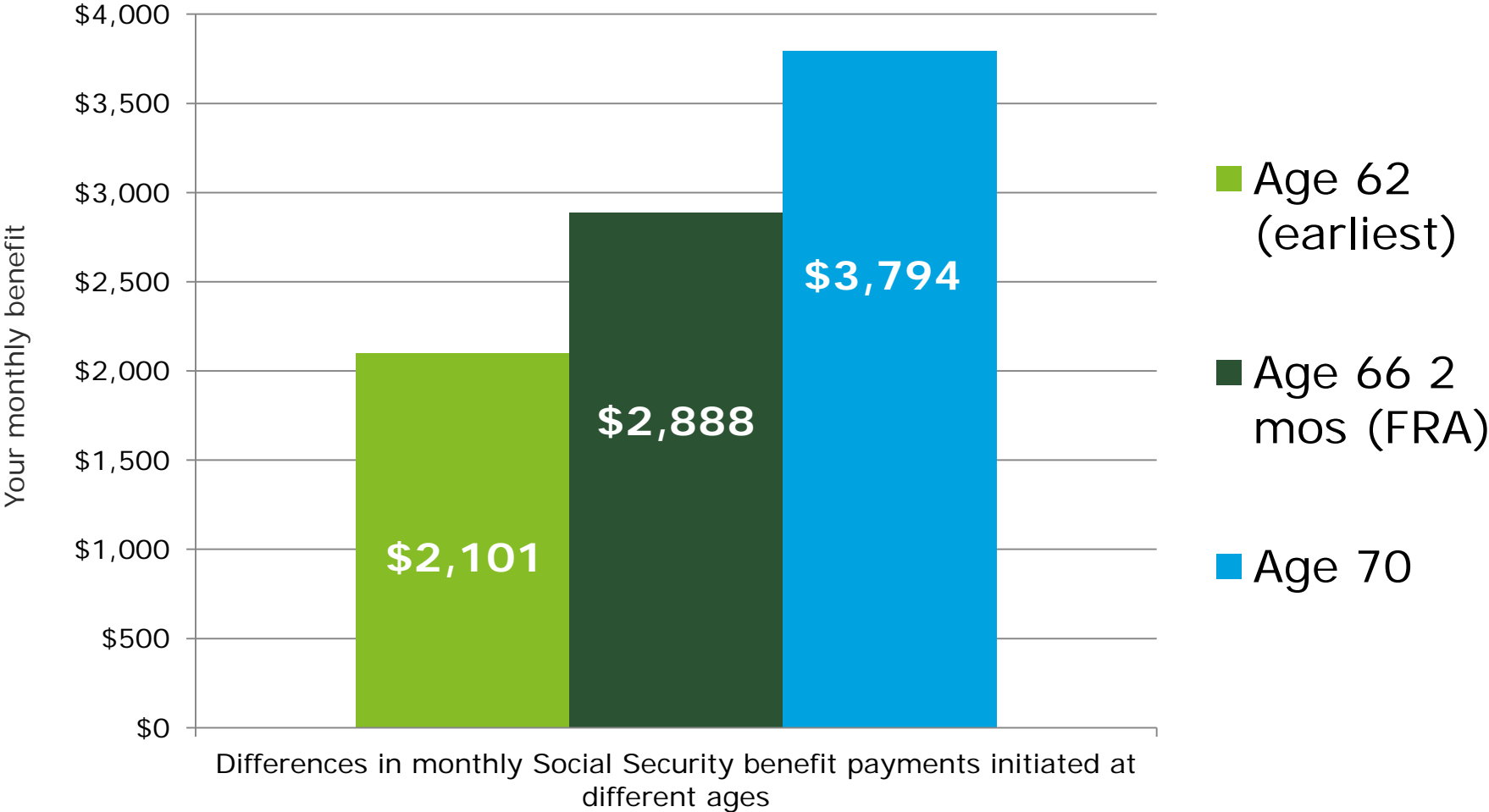
- Go to the **Social Security Administration** site: <https://www.ssa.gov/> to sign up for personalized statements, read their FAQs, get news on the latest updates, and use their online calculator

Source: [www.SSA.gov](http://www.SSA.gov)

\* A list of full retirement ages and benefits in the appendix

# Examples of monthly SSA payments initiated at different ages

Example is a Baby Boomer who earns ~\$100,000 and whose full retirement benefits would start at age 66 & 2 months



Source: [www.SSA.gov](http://www.SSA.gov)

\* A list of full retirement ages and benefits are found in the appendix



# The basics of Medicare

## Guidance from [www.medicare.gov](http://www.medicare.gov)

You (or older family members) may be at an age where Medicare is nearing. Medicare is an important element of your future healthcare solutions. You don't need to sign up for Medicare each year, however, each year you'll have a chance to review your Medicare health and prescription drug coverage and make changes.

### Coverage and costs change yearly

**Medicare health plans and prescription drug plans can make changes each year—things like cost, coverage, and which providers and pharmacies are in their networks.** Plans also can change their provider networks throughout the year. If you're in a Medicare health or prescription drug plan, always review the materials your plan sends you and make sure your plan will still meet your needs for the following year.

### Open Enrollment Period for Medicare health and prescription drug plans

**Changes to your options are offered annually.** This may be the only chance you have each year to make a change to your Medicare health and prescription drug coverage.

To find out more about your Medicare options, visit  
[www.medicare.gov/medicare-and-you/medicare-and-you.html](http://www.medicare.gov/medicare-and-you/medicare-and-you.html)

# Medicare: An important deadline (and potential penalty ★) Part A & Part B sign up periods - Mark your calendar!!

## When you first get Medicare

If you're a U.S. citizen or you meet the lawful presence and residency requirements, the Initial Enrollment Period (IEP) is your first chance to sign up for Medicare. **The Initial Enrollment Period (IEP) starts 3 months before your 65th birthday, includes the month you turn 65, and ends 3 months after the month you turn 65.** When you're first eligible for Medicare, you have a 7-month Initial Enrollment Period to sign up for Part A and/or Part B. (**Part A** – Hospital Insurance | **Part B** – Medical Insurance)

### Example

For example, if you're eligible for Medicare when you turn 65, you can sign up during the 7-month period that:

- Begins 3 months before the month you turn 65
- Includes the month you turn 65
- Ends 3 months after the month you turn 65

**Note :** You can sign up for free Part A (if you're eligible) any time during or after your Initial Enrollment Period starts. Your coverage start date will depend on when you sign up. If you have to buy Part A and/or Part B, you can only sign up during a valid enrollment period.

**★ In most cases, if you don't sign up for Medicare Part B when you're first eligible, you'll have to pay a late enrollment penalty. You'll have to pay this penalty for as long as you have Part B and could have a gap in your health coverage. ★**

Advice Solutions to  
Consider

# The future of wealth management?

## Technology trends to support your wealth needs

### Online Education

- Learning opportunities through web-based resources

### New Methodologies

- Digital wallets for banking, equity crowdfunding for investing, and predictive modeling to gather customer trends

### Virtual Consultation

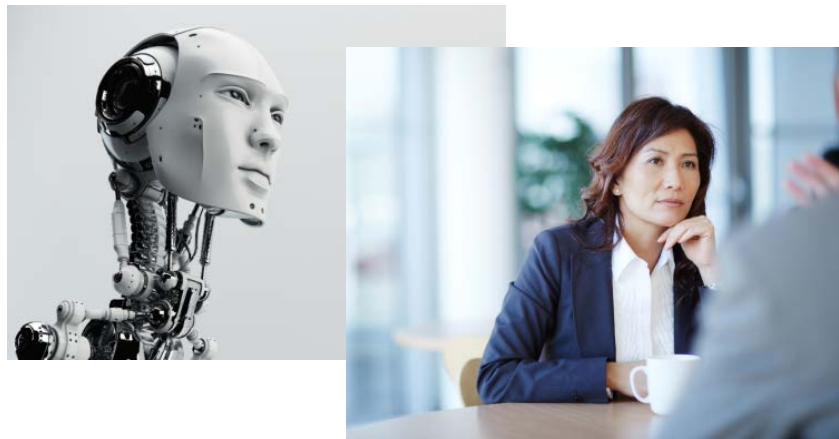
- Connecting remotely with financial advisors

### On Demand Analysis

- 24/7 access to my cashflow, debt, investments, and progress against goals

### Personal Ownership

- A shift in responsibility from external financial advisor to self-directed planning



# Considerations for financial technology (aka, RoboAdvice, FinTech)

## Tiers of complexity offering a range of services

Tier	Sample profile	Mix of FinTech v. Self-Directed
<b>Simple wealth planning</b>	<ul style="list-style-type: none"><li>• <i>Limited investable assets</i></li><li>• <i>Modest or starting income</i></li><li>• <i>Possibly early career</i></li></ul>	<ul style="list-style-type: none"><li>• Account aggregator technology tool that offers robo-investing</li><li>• Possible live chat consultation</li></ul>
<b>Mid-level wealth planning</b>	<ul style="list-style-type: none"><li>• <i>Some bank savings and investments</i></li><li>• <i>Mid-level income</i></li><li>• <i>Possibly mid-career</i></li></ul>	<ul style="list-style-type: none"><li>• Aggregation technology, robo investing</li><li>• Supported by personal financial advice (virtual consultation)</li></ul>
<b>Complex wealth needs</b>	<ul style="list-style-type: none"><li>• <i>Large investment portfolio, complex financial situation</i></li><li>• <i>Likely high wage earner</i></li><li>• <i>Possibly within 5-10 years of retirement</i></li></ul>	<ul style="list-style-type: none"><li>• Aggregation technology, robo investing</li><li>• Proactive guidance by dedicated expertise (in person or virtual)</li></ul>

# Your Financial Advisor

## How they can help | What to expect

### **Your financial advisor can assist you to:**

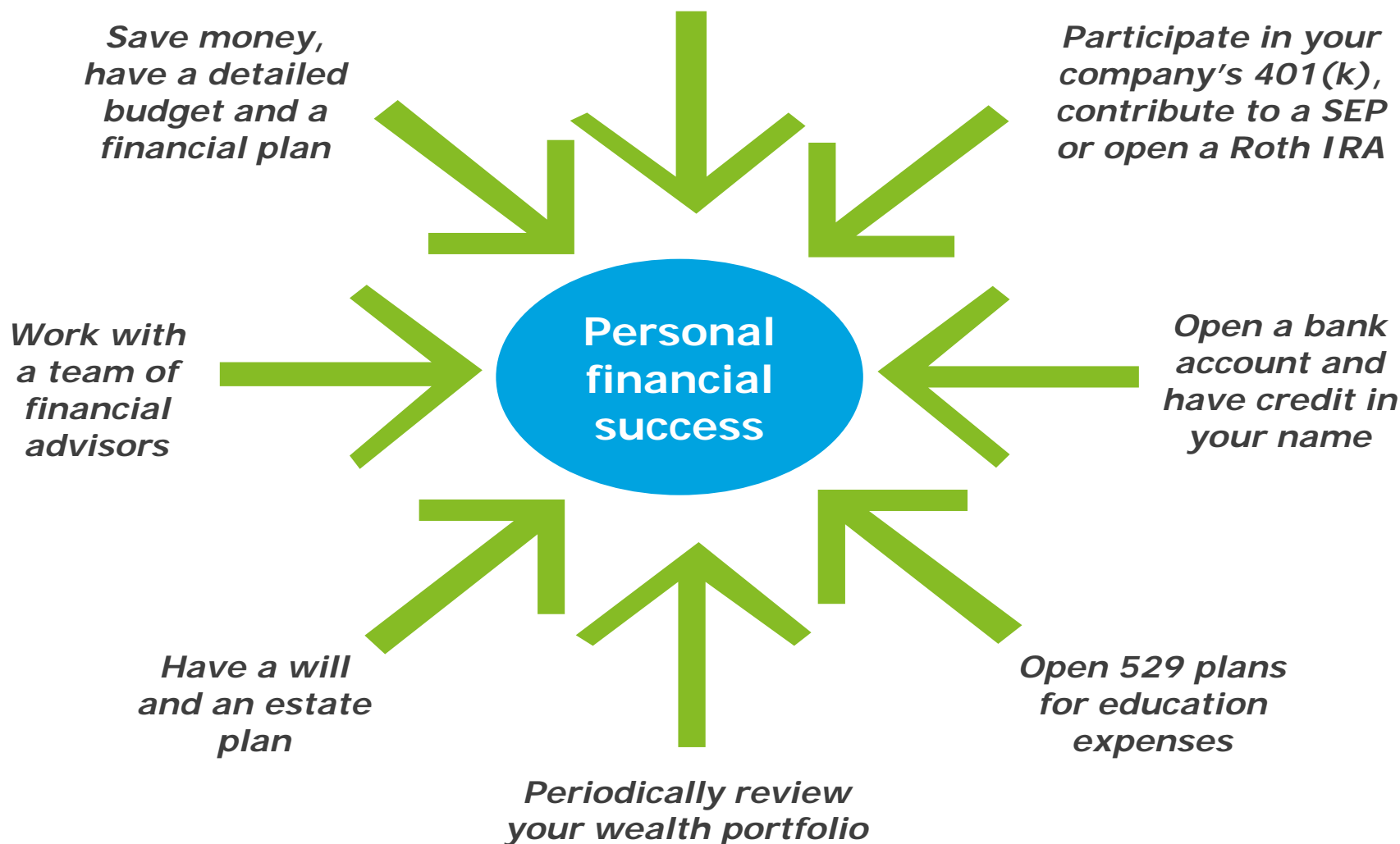
- Set realistic financial goals and identify steps to achieve them
- Establish a plan and save for retirement
- Select the right mix of investments for your immediate and long-term needs
- Save and invest in ways that reduce/minimize your taxes
- Help you analyze the type of insurance you need and the amount required to protect your family and possessions
- Build an estate to leave to your loved ones or a charity



# Closing Thoughts

# Make your wealth planning a personal success story

**Take an active role in  
your finances!**





Questions?



# Appendix

- Resources list
- “Life” Checklist for Insurance Needs
- Life, P&C, LTC Insurances
- Social Security
- Medicare
- Speaker Bios

# Resources referenced in this presentation\*

Source	Where to find more information
<b>Government Resources</b>	
<b>Social Security Administration</b>	<a href="https://www.ssa.gov/">https://www.ssa.gov/</a>
<b>Medicare</b>	<a href="http://www.medicare.gov">www.medicare.gov</a>
<b>Internal Revenue Service</b>	<a href="https://www.irs.gov/">https://www.irs.gov/</a>
<b>Organization</b>	
<b>“The Big Book of Everything”</b>	<a href="http://www.erikdewey.com/bigbook.htm">http://www.erikdewey.com/bigbook.htm</a>
<b>Financial Literacy Sources</b>	
<b>Wall Street Journal</b>	<a href="http://www.wsj.com/">http://www.wsj.com/</a>
<b>Bloomberg</b>	<a href="https://www.bloomberg.com/">https://www.bloomberg.com/</a>
<b>Kiplinger</b>	<a href="http://www.kiplinger.com/">http://www.kiplinger.com/</a>
<b>Money Magazine</b>	<a href="http://time.com/money/">http://time.com/money/</a>
<b>Barron’s</b>	<a href="http://www.barrons.com/">http://www.barrons.com/</a>
<b>Forbes</b>	<a href="http://www.forbes.com/investing">http://www.forbes.com/investing</a>
<b>FinTech Solutions</b>	
<b>Quicken</b>	<a href="https://www.quicken.com/">https://www.quicken.com/</a>
<b>Mint</b>	<a href="https://www.mint.com/">https://www.mint.com/</a>
<b>Betterment</b>	<a href="https://www.betterment.com/">https://www.betterment.com/</a>

\*Many other resources are available to help you with your wealth planning and this page is not intended to be an exhaustive list. The list above is not intended to be a substitute for specific advice regarding individual tax, legal, or investment planning matters.

# “Life” Checklist for Insurance Needs

Items to consider in advance of a conversation with your financial advisor or insurance agent to assess your life insurance needs

## Family Status

- Single
- Married
- Married with children
- Divorced
- Divorced with children from first marriage
- Are any children “special needs?”
- Spouse working outside the home?
- Will spouse continue to work outside the home at your death?
- Child care
- Education
  - K -12
  - College
  - Current education savings strategy

## Snapshot of Assets/Liabilities

- Primary residence
- Secondary home(s)
- Investment properties
- Are any assets so-called “legacy” in nature?
- Mortgages/loans

## Current Estate Planning

- Are your wills current?
- Are the titling of assets consistent with stated objectives?
- Everything goes through surviving spouse
- Assets designated for children at your death
- Assets designated for non-family members at your death
- Charitable intent(s)

## Retirement Planning

- Maximize your employer’s opportunities
- Non-qualified savings via tax favored life insurance vehicles

## Current Life Insurance

- Total protection
  - Maximize your employer’s opportunities
- Type of coverage
  - Term
  - Permanent
- Ownership/beneficiary
  - Personal
  - Spouse
  - Trust
  - Adult children

# Life Insurance

Life Insurance is a key component of protecting your wealth and your financial planner/insurance agent can help you assess what you need

	Policy Type	What it addresses	Limits
LIFE INSURANCE	<b>Term life</b>	<ul style="list-style-type: none"> <li>• Pays in full upon death</li> <li>• Premiums are set; can purchase different amounts and terms</li> <li>• Usually recommended by financial planners</li> </ul>	<ul style="list-style-type: none"> <li>• It is most often sold in -10,-15, -20 and -30 year terms.</li> <li>• The premium stays the same throughout the term. If the insured person dies during this period, the beneficiaries receive the proceeds income tax-free.</li> <li>• At the end of each term, the insured may renew the policy (generally at a higher cost), up to a specific age, and subject to new evidence of insurability.</li> </ul>
	<b>Whole life</b>	<ul style="list-style-type: none"> <li>• The most common type of permanent life insurance.</li> <li>• Upon death, policy pays accrued benefit if term not reached</li> <li>• Sometimes used as/converted to investment vehicle</li> </ul>	<ul style="list-style-type: none"> <li>• With whole life insurance, your premium payments remain the same over the life of the policy.</li> <li>• Premiums are generally higher than for other forms of permanent insurance, and policies develop significant cash values.</li> </ul>
	<b>Universal Life</b>	<ul style="list-style-type: none"> <li>• Provides permanent life insurance protection and access to tax-deferred cash values</li> </ul>	<ul style="list-style-type: none"> <li>• There are two types of coverage, current assumption and secondary guarantee.</li> </ul>

# Property and Casualty Insurance

Property/casualty insurances help protect you and your property.

PROPERTY & CASUALTY	Type	What it addresses	Key Considerations
	<b>Homeowners</b>	<ul style="list-style-type: none"> <li>Homeowners insurance covers losses to your own home, as well as your liability for any injuries or property damage you cause to others.</li> </ul>	<ul style="list-style-type: none"> <li>It can make you financially whole after a natural disaster or other loss that occurs on your property.</li> <li>Flood/earthquake insurance will need to be purchased separately</li> <li>May cover some damage from rain, but if your home is filled with water as a result of rising bodies of lakes, rivers, streams, and oceans, it won't cover you. The most common flood insurance is offered through the federally regulated program known as the National Flood Insurance Program (NFIP).</li> <li>Loss replacement coverage for home should be sufficient to rebuild home in today's dollars.</li> </ul>
	<b>Umbrella</b>	<ul style="list-style-type: none"> <li>Offers protection for others' claim of personal injury and property damage .</li> </ul>	<ul style="list-style-type: none"> <li>Umbrella insurance also covers you for lawsuits where you are being sued for slander, libel, false arrest, malicious prosecution, or mental anguish.</li> <li>You need more than you think – some advisors suggest you have a minimum of \$1M but you should assess your need for a greater amount.</li> <li>A large lawsuit can wipe out not only your current savings but also what you stand to earn in the future.</li> <li>Check any gaps between your homeowners' insurance and current umbrella policy.</li> <li>You must already carry auto or property insurance, usually homeowners, to qualify.</li> <li>You must buy a minimum amount of auto and/or home insurance liability coverage before you can add umbrella coverage.</li> </ul>
	<b>Auto/ Vehicle</b>	<ul style="list-style-type: none"> <li>There are 2 basic types of vehicle insurance - Liability and Comprehensive coverage.</li> </ul>	<ul style="list-style-type: none"> <li>One of the most basic types of auto insurance coverage, liability car insurance covers damages to another person resulting from an accident you cause is also one of the few coverage options that's mandatory in every state—though minimum limits of coverage vary, depending on where you live.</li> <li>With Comprehensive coverage, your insurance company pays for damage to your auto caused by an event other than a collision, such as fire, theft or vandalism.</li> </ul>

# Long Term Care Insurance

Life Insurance is a key component of protecting your wealth and your financial planner/insurance agent can help you assess what you need

	Policy Type	What it addresses	Limits
LONG TERM CARE INSURANCE	Long term care insurance	<ul style="list-style-type: none"> <li>Long-term care is a range of services and supports you may need to meet your personal care needs. Most long-term care is not medical care, but rather assistance with the basic personal tasks of everyday life.</li> </ul>	<p>Parameters of Services</p> <ul style="list-style-type: none"> <li>The duration and level of long-term care will vary from person to person and often change over time.</li> <li>Long-term care services and support typically come from an unpaid caregiver who may be a family member or friend; a nurse, home health or home care aide, and/or therapist who comes to the home; adult day services in the area; and a variety of long-term care facilities.</li> </ul> <p>Medicare</p> <ul style="list-style-type: none"> <li>Only pays for long-term care if you require skilled services or rehabilitative care in a nursing home for a maximum of 100 days, however, the average Medicare covered stay is much shorter (22 days).</li> <li>At home if you are also receiving skilled home health or other skilled in-home services. Generally, long-term care services are provided only for a short period of time.</li> <li>Does not pay for non-skilled assistance with Activities of Daily Living (ADL), which make up the majority of long-term care services.</li> <li>You will have to pay for long-term care services that are not covered by a public or private insurance program.</li> </ul> <p>Medicaid</p> <ul style="list-style-type: none"> <li>Does pay for the largest share of long-term care services, but to qualify, your income must be below a certain level and you must meet minimum state eligibility requirements;</li> <li>Such requirements are based on the amount of assistance you need with ADL.</li> <li>Other federal programs such as the Older Americans Act and the Department of Veterans Affairs pay for long-term care services, but only for specific populations and in certain circumstances.</li> </ul>

# Social Security Administration\*

## Defining “normal” retirement age and benefit

Year of Birth <sup>1.</sup>	Full (survivors) Retirement Age <sup>2.</sup>	At age 62 <sup>3.</sup> a \$1000 survivors benefit would be reduced to	Months between age 60 and full retirement age	Monthly % reduction <sup>4.</sup>
<b>1939 or earlier</b>	65	\$829	60	.475
<b>1940</b>	65 and 2 months	\$825	62	.460
<b>1941</b>	65 and 4 months	\$822	64	.445
<b>1942</b>	65 and 6 months	\$819	66	.432
<b>1943</b>	65 and 8 months	\$816	68	.419
<b>1944</b>	65 and 10 months	\$813	70	.407
<b>1945 - 1956</b>	66	\$810	72	.396
<b>1957</b>	66 and 2 months	\$807	74	.385
<b>1958</b>	66 and 4 months	\$805	76	.375
<b>1959</b>	66 and 6 months	\$803	78	.365
<b>1960</b>	66 and 8 months	\$801	80	.356
<b>1961</b>	66 and 10 months	\$798	82	.348
<b>1962 and later</b>	67	\$796	84	.339

1.If the survivor was born on January 1<sup>st</sup> of any year, use the information for the previous year.

2.If someone was born on the 1st of the month, we figure the benefit (and the full retirement age) as if their birthday was in the previous month.

**Note:** The full retirement age may be different for [retirement benefits](#).

3.The \$1000 benefit would be reduced to \$715 for anyone who started receiving survivors benefits at age 60.

4.Monthly reduction percentages are approximate due to rounding. The maximum benefit is limited to what the worker would receive if they were still alive. Survivors benefits that start at age 60 are always reduced by 28.50%.

### A great source to learn more:

- Go to the **Social Security Administration** site: <https://www.ssa.gov/> to sign up for personalized statements, read their FAQs, get news on the latest updates, and use their online calculator

### Full Retirement Age

Year of Birth	FRA
<b>1939 or earlier</b>	65
<b>1945 - 1956</b>	66
<b>1962 and later</b>	67

\* Source: [www.SSA.gov](http://www.SSA.gov)



# Medicare Basics for 2017

## "Alphabet Soup"

### 2017 costs at a glance

<b>Part A premium</b>	<p>Most people don't pay a monthly premium for Part A (sometimes called "<a href="#">premium-free Part A</a>"). If you buy Part A, you'll pay up to \$413 each month. <a href="#">Calculate my premium</a>.</p>
<b>Part A hospital inpatient deductible and coinsurance</b>	<p>You pay:</p> <ul style="list-style-type: none"> <li>• \$1,316 deductible for each benefit period</li> <li>• Days 1-60: \$0 coinsurance for each benefit period</li> <li>• Days 61-90: \$329 coinsurance per day of each benefit period</li> <li>• Days 91 and beyond: \$658 coinsurance per each "lifetime reserve day" after day 90 for each benefit period (up to 60 days over your lifetime)</li> <li>• Beyond lifetime reserve days: all costs</li> </ul>
<b>Part B premium</b>	<p>The standard Part B premium amount is \$134 (or higher depending on your income). However, most people who get Social Security benefits will pay less than this amount (\$109 on average).</p>
<b>Part B deductible and coinsurance</b>	<p>\$183 per year. After your deductible is met, you typically pay 20% of the <a href="#">Medicare-approved amount</a> for most doctor services (including most doctor services while you're a hospital inpatient), outpatient therapy, and <a href="#">durable medical equipment</a>.</p>
<b>Part C premium</b>	<p>The Part C monthly <a href="#">premium</a> varies by plan. <a href="#">Compare costs for specific Part C plans</a>.</p>
<b>Part D premium</b>	<p>The Part D monthly <a href="#">premium</a> varies by plan (higher-income consumers may pay more). <a href="#">Compare costs for specific Part D plans</a>.</p>

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### **Cheryl Grava**

Managing Director  
Wealth Leader,  
Deloitte Wealth Office

Cheryl Grava is managing director with Deloitte in Atlanta, GA. She leads the wealth management and overall financial well-being efforts for the firm. These efforts focus on leading teams responsible for strategic initiatives and programs such as wealth and technology-based wealth solutions.

Cheryl is also responsible for curating and deploying skilled subject matter experts to assist clients enhance their overall financial literacy. Through this effort, her clients are educated on a variety of personal financial wealth topics through online webinars, personalized wealth counseling sessions, and in-person forums. In addition, Cheryl manages the overall relationship with Deloitte's external wealth advisory firms that provide support to clients with investing, cash flow, debt management, and insurance sufficiency.

Cheryl is a CPA and is a member of the American Institute of Certified Public Accountants and the Georgia Society of Certified Public Accountants. She is a graduate from Coastal Carolina University with a degree in Accounting.

Cheryl is a regular contributor to financial well-being in her community, conducting financial literacy classes in the Atlanta area secondary schools and universities. She lives in the Atlanta area with her family.



### **Melissa Witthoft**

Senior Manager  
Chief of Staff,  
Deloitte Wealth  
Office

Melissa Witthoft is a Senior Manager with Deloitte in Stamford, CT and is the Chief of Staff for Deloitte's Wealth Office which provides wealth planning and overall financial well-being efforts for the firm.

Melissa is a Talent professional whose professional experience includes global mobility, strategic sourcing, employee relations and generalist HR roles. In her role with Deloitte's wealth office, Melissa oversees the design and development of wealth solutions and coordinates the deployment of subject matter experts to assist Deloitte's leaders with their overall financial literacy. She also oversees strategic planning and communications to expand and enhance Deloitte's wealth solutions.

Melissa's pro bono activities focus on consulting with non profit organizations and NGOs whose efforts address girls global education initiatives. Her efforts have included working with UNICEF on their conference in Dakar, Senegal, as well as publishing a white paper focused on fostering strategic alignments between business and education. Melissa works with local arts organizations helping them to advance their initiatives for the visual and performing arts. Additionally, she provides research support for the John Jay Homestead and serves as a Family and Caregiver volunteer with her regional hospice organization.

Melissa is a graduate of SUNY Potsdam with a Bachelor's in Music Education and lives in Danbury, CT.

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