



In this Newsletter

- » Economic Update P1
- » Socially Conscious Offerings P1
- » Social Security Corner P2
- » Affordable Care Act & Medicare P3
- » Debunking Social Security Myths. P4
- » Potential Tax Advantages of CCRCs . P5
- » Changing: Military Retirement Prog. . P6

» Q3 Economic Update

by Ali Criss, CFP®

If you would have told me a year ago that I would be sitting here writing about the continuation of a bull market into August 2017, I would have laughed. I would, at least, have been skeptical. Yet, despite the ever-growing concerns of a downturn in the market cycle, corporate earnings remain positive and growth remains steady. Many analysts suggest modest earnings growth going forward, despite a predominant view that markets are overvalued. We are now eight years into one of the longest bull markets in modern market history. Without a crystal ball, it is unknown how long this bull will run. Either way, here at FI, we have started to prepare for future volatility.

Keeping in line with their plan, the FED increased interest rates in Q2 and decided to wait until the end of September’s meeting to decide on the next increase. The Fed expects future inflation to remain stable at 2% in the medium term. In Washington, it seems that health care reform has stalled and will be tabled, with the next big agenda item being an overhaul of the US tax code (the first of its kind in almost three decades). Patience is not a strong suit for many, but that is what’s needed in our current political and economic environment. We continue to monitor the US and global economy and remain dedicated to a long-term investment outlook.



Ali Criss, CFP®
Managing Partner

» Socially Conscious Offerings

Financial Insights has developed a socially conscious offering for investors who would like to integrate social and environmental values into their investment approach. It is a compilation of mutual funds and ETFs researched and chosen based on “ESG” criteria, which evaluate and rate companies based on environmental, social and governance factors. Please contact Daniel McCaffrey if you would like to learn more.

» Social Security Corner

by Dorothy Lewis, CFP®



Dorothy Lewis, CFP® - Founding Partner (left)

If you have not created your own account, go to www.socialsecurity.gov to do so.

It is important to routinely check your reported annual salary figures and to see your estimated benefit at Full Retirement Age (FRA). For a retirement planning calculator and to answer questions, go to www.socialsecurity.gov/retire

The easiest way to apply for Social Security retirement benefits is to go online at www.socialsecurity.gov/applyforbenefits. You can also apply in person at a local social security office or call **1 (800) 772-1213**.

Some recent changes with the social security website require a new password every six months. Social security will send a security code if it has been more than six months since your last log in to access your account.

If you have questions about the best claiming strategy, please call our office.

OLD friends.



NEW adventures.

Coordinate your advisor team!

Tax, estate, investment and financial planning are separate, but interconnected parts of your financial picture. It's important to build a team of advisors to take advantage of the full range of expertise to run both your personal and business affairs. If you haven't considered this already, getting your CFP, CPA, and attorney all around one table could be helpful in solidifying your financial plan.

» Affordable Care Act & Medicare

by Josh Meziere

With the possibility of a repeal of the ACA being talked about, I've had several clients recently ask about what some potential impacts on Medicare could be. Perhaps unsurprisingly, most Medicare beneficiaries are not well acquainted with the changes to their benefits that actually resulted from 2010's Affordable Care Act legislation. And although it's quite impossible to know what could change, I thought a good starting point might be looking at what effects the ACA is currently having on your Medicare coverage.

Preventative Services: Medicare now covers certain preventative services, like mammograms or colonoscopies, without charging you for the Part B coinsurance or deductible. This change also introduced new benefits like the free yearly "wellness" visit. Prior to the ACA passing, preventative services through Medicare were fairly ill-defined and confusing, and often not paid for at all.

The "Doughnut Hole": As anyone obtaining sufficiently expensive medications through their Part D/Medicare Prescription plan can tell you, the doughnut hole is confusing, expensive, and unintuitive. Designed originally as a cost-sharing mechanism, the "doughnut hole" or coverage gap has existed since the Part D program was began in 2006, and is built into the basic structure of the benefits. For the sake of brevity, it's basically a deductible in the middle, and can be shockingly expensive to go through. The ACA addresses this issue, and does so by gradually lowering and eventually eliminating (by 2020) the doughnut hole in Part D Prescription plans.

If the ACA was repealed completely, would the above changes be reverted? Would they be "grandfathered?" I believe it's unlikely (and would be very messy) for the government to unwind the elements of the ACA that have impacted Medicare, but stranger things have happened.



Josh Meziere
Investment Advisor
Representative



From everyone at
Financial Insights
we hope you're
having a
**GREAT
SUMMER!**



»» Debunking Social Security Myths

BUSTED

#1 Social Security won't Be Around

Social Security is replenished by working Americans, interest on its bonds and taxes on some retiree benefits. Should the existing surplus be depleted, future retirees may be paid a portion of the benefits promised, but not zero.

#2 Social Security is All You Need

While benefits are adjusted for cost of living increases, they're intended to supplement, not replace, retirement savings. That's why it's important to maximize your retirement savings for as long as possible.

#3 Always File as Early as Possible

Filing before your full retirement age (FRA) will begin benefits sooner but reduce their amount, which may not be optimal. Higher-earning spouses often delay benefits to ensure a higher payout for their widow or widower, who would be eligible for 100% of their benefit.

#4 Always File as Late as Possible

Waiting past FRA to file often makes the most sense financially. But some conditions warrant filing early, particularly if you need the extra income, have health concerns, or want the payments during your younger years.

#5 No Work Experience, No Benefits

Those who haven't worked for 40 quarters can receive half of what a spouse or ex-spouse would receive (if you were married for over 10 years and haven't remarried). Surviving spouses and exes may also be eligible for full benefits on their spouse's record.

#6 Never Work After Filing

If you file early and continue to work, your benefits will be reduced based on your earnings. But those benefits are simply delayed; at FRA, you'll receive increased payments to make up the difference.

#7 Rely Soley on Advice from Friends & Family

Advice from nonprofessionals may not maximize benefits. Speak with your financial advisor and accountant to help determine your best strategy.

»» Potential Tax Advantages of CCRCs

by Josh Meziere

Continuing Care Retirement Communities (CCRCs) are retirement housing options that offer a range of services, from independent housing, to assisted living, to full-time care, all under one roof. Unlike a normal long-term care facility, CCRCs require sizable one-time entrance fees, as well as monthly fees afterwards, in exchange for certain lifelong medical and long-term care services. For many retirees, this confluence of services and housing may be an ideal solution. But for all retirees, they are an expensive one.

Fortunately, the US tax code may help make this a more fiscally feasible option. Because CCRCs offer a full range of health services, when residents enter a long-term contract with one of these facilities, they are contracting for future health care, which falls under the medical expenses itemized deduction. If the large upfront deposit is non-refundable, the IRS considers a portion of that fee to be prepayment of medical expenses. A portion of the monthly fee thereafter may also be deductible. As more and more retirees look towards assisted living needs, this largely unknown tax break might just get a bit more publicity.

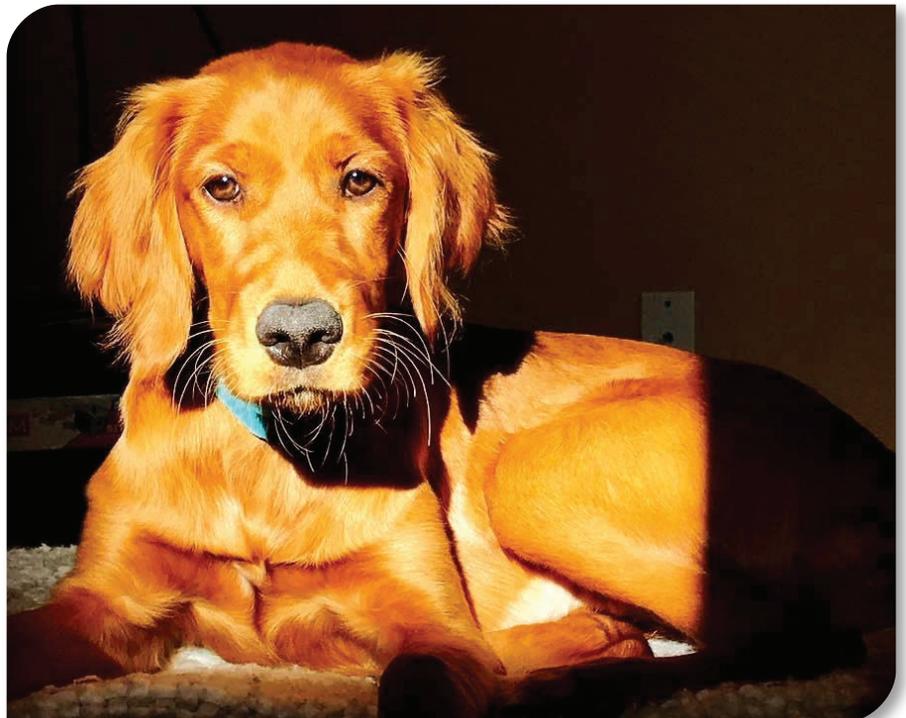
Parents!

Do your children need assistance with financial planning? Financial Insights offers complimentary financial planning to children of our clients. Contact our office today to schedule your appointment.

»» Meet Miss Dixie

Chief Fur Officer

Our newest team member, Dixie works tirelessly alongside her human counterparts at Financial Insights. As ranking Chief Fur Officer, some of her responsibilities include creating great first impressions, generating countless smiles and filling our office with laughter! Always looking on the bright side of life, Dixie reminds us to stay focused on what's important.



» Family or friends active in the military? Things you must know.

by Ali Criss, CFP®

Starting in 2018, major changes are coming to the military retirement program. Continuing the trend of reducing traditional pensions in favor of more self-funded options, the military has decided to offer what they are calling a “blended retirement plan.” All new enlistees will be under the new plan starting in 2018.

For existing servicemen/women, they will be given complicated options on what to choose moving forward. Depending on how long someone plans to stay in the military, the wrong choice can equate to a large reduction in retirement benefits. Military service men/women will be given the option to remain in the 20-year traditional pension, or convert over to the new blended program. They will also have the option to take some retirement savings with them, should they leave prior to their 20-year term.

Navigating the new options will be difficult, and getting financial assistance will be increasingly important. If you or a family member needs help, feel free to give Ali in our office a call.



Financial Insights is a registered investment advisor. Information presented is for educational purposes only and does not intend to make an offer or solicitation for the sale or purchase of any specific securities, investments, or investment strategies. Investments involve risk and, unless otherwise stated, are not guaranteed. Be sure to first consult with a qualified financial adviser and/or tax professional before implementing any strategy discussed herein. Past performance is not indicative of future performance.