

2015 CLIENT NEWSLETTER



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LETTER FROM THE PRESIDENT



**MICHELE POWELL,
OWNER/PRESIDENT**

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MERRY CHRISTMAS**



Dear Clients and Friends,

I hope this newsletter find you doing well and enjoying life, while walking it out in the peaceful fruits of God's Spirit.

*This Thanksgiving and Christmas season I'd like to say **THANK YOU** for your continued business and for your many referrals. But more importantly **Thank You** for being one of my loyal clients and friends! May the Lord bless and keep you close to His precious heart and may you dwell in His presence. He said in Isaiah 26:3 "He'd keep us in perfect peace if we'd keep our eyes on Him."*

This year 2015 was a whirlwind of "change" in America, especially if you followed what seemed like propaganda press, in the healthcare industry. I've owned my "Health Insurance Agency" since 1996 and I've never seen such chaos. The "change" has been very personal to all of us for certain. I've been amazed how little of the TRUTH actually makes it to the press. For example, one of the largest private insurance companies in America went out of business after 120 years in business, due to the losses from our new "ACA Healthcare plans," and it still has not hit the press. I'll talk more about this in my legislative report on page 4 & 5. Please just remember it's "the truth that sets us free," John 8:32. Anyway, I'm looking forward to the "change" ending and some authenticity of America's core values being resurrected. I pray these values will emulate those of our forefathers and help us implement the Constitution of the United States and the Declaration of Independence here in America again. I'm also looking forward to the American people unifying at the polls and demanding, in the elections of 2016, what is best for the American people, NOT just political agendas on either side!

Fortunately we do still live in the best country in the world. We still have "freedom" of religion, speech, press and the right to bear arms. Remember our country was founded on the roots of Judeo Christian principles. (If you've not seen Kirk Cameron's movie Monumental, you've got to see it! He researches the historical documentaries of America's beginning, it's AWESOME.) We also have the FREEDOM to KNOW unlike other countries. So make sure you KNOW, you love America and you pray for unity in America as well.

Many of you have heard me say over the years, either as your health or retirement agent, your financial or business mentor or as your friend and a fellow Christian; *"You don't know what you don't know until you don't know that you didn't know it and when you find out you didn't know it, it's usually to late."* The moral of that **reality** is make sure you KNOW! Then as Thanksgiving & Christmas approach us, may you KNOW that Jesus is the true reason for the season. KNOW who He is and that God sent Him here for, YOU! He loves you and so do we at MSA. May you and your family have a blessed and wonderful Christmas and Happy New Year as well!

Respectfully and in Christ's Service,
Michele Powell, President



3rd Annual Open Enrollment For Individuals

Signed into law in March of 2010, **the Affordable Care Act (ACA)** is the most life-changing law since the passing of Medicare in the 1960s. The ACA shaped new rules and guidelines effective January 1, 2014.

Open Enrollment for Individuals Pre-65

APPLICATION DEADLINE	EFFECTIVE DATE
Nov. 1, 2015 thru Dec. 15, 2015	For a January 1, 2016
Dec. 16, 2015 thru Jan. 15, 2016	For a February 1, 2016
Jan. 16, 2016 thru Jan 31, 2016	For a March 1, 2016
THEN OPEN ENROLLMENT CLOSES	Only Qualified Life Events (QLE) will make you eligible for a Special Enrollment Period (SEP)
NEXT YEAR'S 2017 OE BEGINS : TBA	For a January 1, 2017



How to Enroll



“Open Enrollment closes January 31, 2016

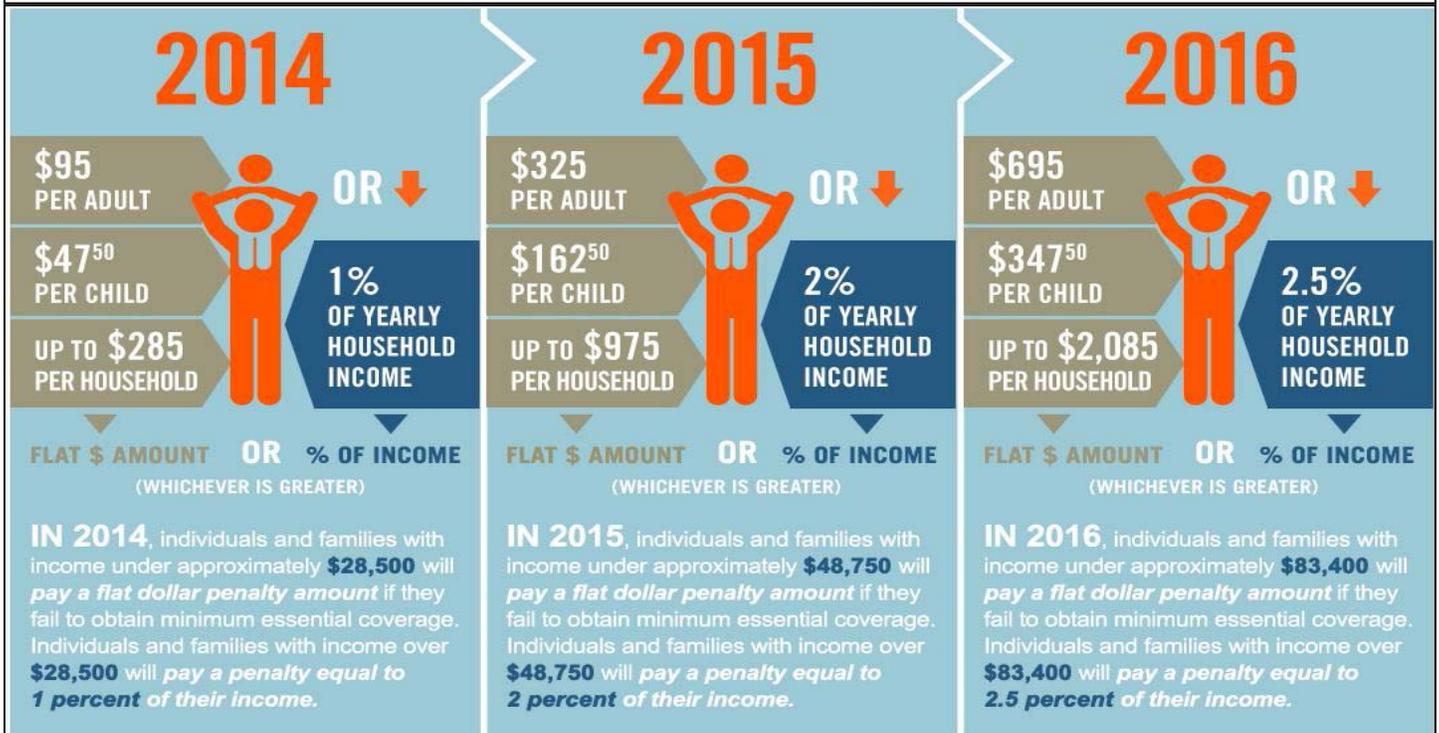
- STEP 1:** Log onto www.msamentoring.com
 - STEP 2:** Click on “Healthcare Strategies”
 - STEP 3:** Click on “Traditional Health Insurance”
 - STEP 4:** Click on “Get a Quote”
 - STEP 5:** Populate your personal information
 - STEP 6:** Choose your plan and select the “APPLY NOW” button. The “OFF” exchange application should take you approx 10 minutes and the “ON” exchange application will take you approx 20 minutes due to the tax subsidy premium offset process.
 - STEP 7:** If you have any questions or need assistance, call the office @ 941-753-0031 and our staff will help you or schedule a conference call for you with Michele to go over your questions.
- NOTE:** If you choose to apply through the government website or toll free number, make sure you indicate **Michele’s NPN (National Producer Number) #524829** as your agent or you will have no representation. Carrier assistance, is handled during business hours when you are working and need us the most. Let us help you and know adding an agent to your account does not cost you a penny.



Is It A Tax Or Not A Tax?

Well, below are the Tax consequence implemented so far for Americans who don't participate in purchasing an ACA compliant insurance policy. These fee's (i.e. Tax consequences) are for individuals who are under the age of 65. Soon companies will face even larger consequences if they don't participate and those fee's may be as high \$36,500 per employee over the course of a year. (Source: <http://www.Marketwatch.com/story/what-changes-to-obamacare-could-mean-for-small-business...>)

Tax consequences for those who are not ACA compliant or who chose to remain uninsured are implemented by the IRS.



Considering there is no such thing as a “Government Health Insurance Policy” in America YET, what we have been calling “Obama Care” is either a Tax “premium fee” or a Tax “premium subsidy.” Above is the Tax “fee.” The Tax “subsidy” one must be eligible for. But it indeed is a Tax. So in reality “Obama’s Care Tax” would have been a much more transparent representation for us Tax paying Americans to understand.

These past few years we’ve learned that the entire purpose of www.healthcare.gov is to really verify your eligibility for a “Tax Subsidy” so the subsidy can pay a portion of your health premiums for you. In other words you go there, register, request eligibility for the “Tax Subsidy” and if you are eligible then you purchase the same “private market” policies that those who don’t qualify for a “Tax Subsidy” purchase. Then the government

(i.e. marketplace) sends your carrier the “Tax Subsidy” you are eligible for and you pay the difference out of your pocket to the carrier directly for the balance of your premium. However, unfortunately subsidized clients are only offered a limited selection of plans.

To determine if you are eligible for a Tax Subsidy visit my website at www.MSAMentoring.com or <http://kff.org/interactive/subsidy-calculator/>

So what is it? A Tax fee! Or a Tax Subsidy!

Legislative Corner



*Please don't shoot the messenger, instead **KNOW** that "The Truth Will Set You Free!"*

This year has been a year of TRUTH for certain. Now that the chaos is a little more organized and we are 3 years into the new "Affordable Care Act" (ACA) the "change" America has undergone has been quite revealing.

We've figured out what most of the acronyms stand for now and while new ones appear everyday the reality is the ACA has proven to be an epic fail on ALL fronts with one exception and that has been partisan political agendas. It seems Washington is more interested in whether the parties win or lose than what's in the best interest of the American people.

In 2015 we've seen the implementation of ACA on many fronts and several have hit the press yet several have not. For example:

- Due to the Essential Health Benefits (EHB) added to the new ACA policies, claims soared to an all time high yet our uninsured population, we supposedly did this for, is also on the rise. ([Where is that in the press?](#))
- Due to MLR, ACA, EHB etc. most carriers have been acquired, gone out of business or currently are pending a merger. So by the end of 2017 we will only have 3 private market carriers left. ([Where is that in the press?](#))

In just these past few weeks we have seen the press indicate;

- The ([Washington Times](#)) "hundreds of thousands of co-ops customers" who "now find themselves rushing to find alternative plans amid a string of failures that are shutting down more than half of the 23 co-ops that have formed,"
- Gatekeeper plans are on the rise forcing Americans to go to a Primary Care Physician (PCP) for all their care or to seek a referral, and this is on HMO's, PPO's, EPO's, POS's etc. sadly consumers don't even understand the difference between Gatekeeper (GK) plans and Open Access (OA) plans yet. ([Where is that in the press?](#))

Medical Loss Ratio (MLR)

The ACA requires Insurance Companies to issue a rebate to you if the Insurance Company does not spend at least 80 percent of the premiums it receives on health care services, such as doctors and hospital bills, and activities to improve health care quality, such as efforts to improve patient safety. No more than 20 percent of premiums may be spent on administrative costs such as salaries, sales, and advertising. This requirement is referred to as the "Medical Loss Ratio" standard or the "80/20 rule." The 80/20 rule in the ACA is intended to ensure that consumers get value for their health care dollars. You can learn more about the 80/20 rule and other provisions of the health reform law at: <https://www.healthcare.gov/health-care-law-protections/rate-review/>.

The MLR rule is calculated on a State by State basis. In Florida, Humana rebated 8.9% of premiums it received and Aetna rebated .06% in 2014.

In the press most recently;

- The ([New York Times](#)) reports that health insurance "giant" United Health Group "told investors Thursday morning that it was significantly lowering its profits estimates and blamed an expected loss of hundreds of millions of dollars selling individual policies under the federal health care law." In light of the losses, the company said it was considering whether to continue offering individual coverage on exchange for 2017. The times describes the announcement as "the latest blow" to the exchanges, adding that many ACA customers are facing "sticker shock" this year as premiums have risen "significantly" in many areas.
- The ([AP](#)) reports that UnitedHealth expects to book "an operating loss of slightly more than \$700 million this year, largely from its exchange of business." The company covers about 500,000 people through the marketplaces, a small slice of the insurer's total enrollment.
- ([CBS News](#)) reports Hemsley said, "We cannot sustain these losses," adding, "We cannot really subsidize a marketplace that doesn't appear at the moment to be sustaining itself."

Legislative Corner cont.

- According to the ([Washington Post](#)) UnitedHealth is “the first major insurer to suggest that it might leave the exchanges.” If the company does exit the exchanges in 2017, the immediate impact “would be too small to topple the exchanges, according to several analysts, who said that the announcement may be more important for what it implies about the ability of even large, well-established insurers to thrive in the marketplace.”
- The ([Los Angeles Times](#)) columnist David Lazarus says supporters of healthcare reform “will view UnitedHealth’s warning as further proof that for-profit companies shouldn’t be making money off the sick.” He writes, “Nearly every expert I spoke with said the only cost-effective way of covering an entire population is to do what the rest of the developed world does—offer a single-payer system that can serve as the foundation of people’s insurance options.”

A Single-Payer System?



This 2016 KNOW what these mean:



- Formulary Drug Lists
- Tiered Plans, Step Therapy
- **DAW** “Dispense As Written”

If your provider doesn't write DAW on the script the client may have to pay the difference and the extra money paid doesn't go towards the deductible or maximum out of pocket.

Not in the press; Assurant closed their doors after 120 years in business and this was announced early this year. They were the only carrier left in the individual market who had “No Rx formulary.” So most of the sick people who did their research these past few years went to them acquired a policy and the Rx claims alone pushed claims and losses off the charts.

Now in this year’s Open Enrollment **OE** 100% of the carriers left, offer Rx coverage but only after “Step Therapy” or “Tiered” plans and if you don’t have your provider indicated on your name brand drugs **DAW** you’ll most likely be forced to change to a generic or worse; if your drugs are **NOT** on the formulary, you’ll have to pay

for them out of your pocket or go without because they are simply not covered.

In the press; The ([New York Times](#)) reported that although the Obama Administration has “trumpeted the low premiums” on the **ACA** marketplaces, “many consumers” are being confronted with “sky-high deductibles that are leaving some newly insured feeling nearly as vulnerable as they were before they had coverage.” The Times said its own review determined that “in many states, more than half the plans offered for sale through HealthCare.gov, the federal online marketplace, have a deductible of \$3,000 or more. The times profiles several **ACA** customers whose high deductible are making it difficult to pay for care.”

Is this frustrating?



I guess Washington forgot to tell us that when this **ACA** was implemented, it would bankrupt our private carriers so we’d lose our policies by default even if we were grandfathered.

In closing the legislative corner this year I remind you I opened with **“Please don’t shoot the messenger.”** I was recently asked at an event, “what’s the good news?” The good news is most of those in Washington on both sides have admitted the entire **ACA** has been an epic fail since the beginning and according to the “Iowa” debate, want to “Start All Over Again” and so do we! Sadly with only 3 carriers left by 2017 the strain on the industry may have already been so catastrophic that whoever takes office will be forced to look at **RADICAL** solutions. So PLEASE KNOW what your candidate wants and **VOTE in the elections of 2016** accordingly. And please consider what’s in the best interest of the American people, don’t just VOTE party lines.

Respectfully Submitted,

Michele Powell, President

Financial Mentor, Michele Powell

Do you have your financial house in order? We can help you. Michele has been a licensed insurance agent for over twenty-three years. She started her career in the financial industry in May of 1989 with American Bank of Bradenton, now M&I Bank. In 1993, after five years in banking, she ventured into the insurance industry with State Farm. In 1996 she began her own health insurance agency and has specialized in that market ever since. She has a broad range of experience in the industry and colleges to assist in all aspects of your financial needs. KNOW you can experience "Financial Independence" with her help.

TAXES

INFLATION

FINANCIAL INDEPENDENCE

EMERGENCY

OPPORTUNITY

RETIREMENT

INVESTMENTS

LIABILITY MANAGEMENT

EDUCATION

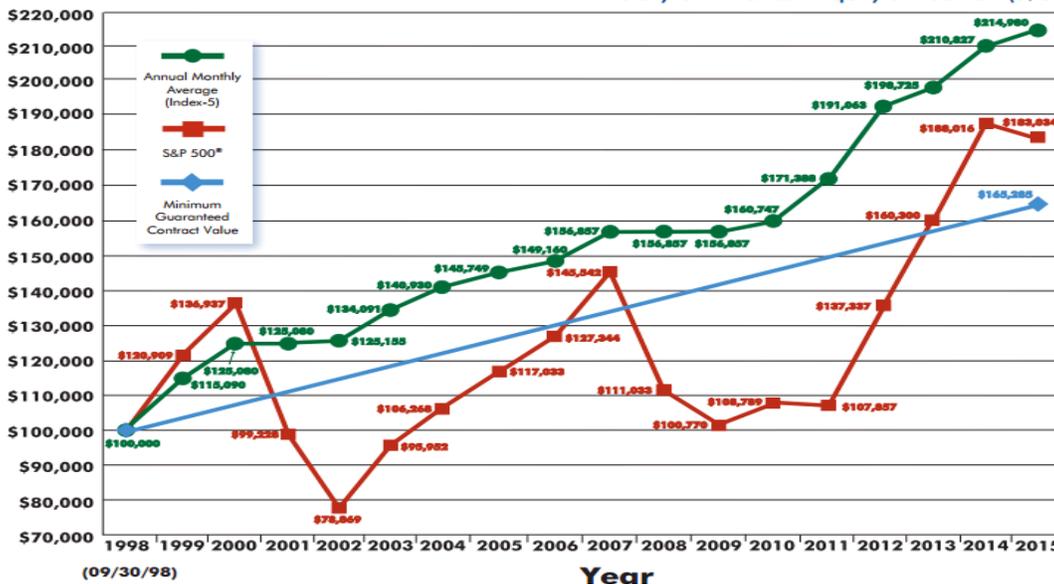
ESTATE PLANNING

HEALTHCARE & OTHER INSURANCE

Visit www.MSAMentoring.com and on the home page click on the foundation of the house where it says "What We Do."

The "REAL BENEFITS" of Indexed Annuities with the Annual Reset Design

A history of American Equity's Index-5* (9/30/98 - 9/30/15)



Michele Powell
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*This graph is based on actual credited rates for the period shown on the Index-5 product which is no longer available for sale. Past performance is not an indication of future results. Please call your American Equity Agent for new product information. Review product disclosure for specific information.

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6000 Westown Pkwy, West Des Moines, IA 50266

Insurance Products offered by American Equity Investment Life Insurance Company.

2015 CONTRIBUTION LIMITS

2004/2015 IRA & ROTH CONTRIBUTION LIMITS		
Year	AGE 49 & BELOW	AGE 50 & ABOVE
2004	\$3,000	\$3,500
2005	\$4,000	\$4,500
2006-2007	\$4,000	\$5,000
2008-2011	\$5,000	\$6,000
2012	\$5,000	\$6,000
2013	\$5,500	\$6,500
2014-2015	\$5,500	\$6,500

2015 TAX DEADLINE
**You have until April 15, 2016 to contribute to your
 IRA, ROTH, or H.S.A. for the 2015 tax year.**



2015 Long Term Care Premium Eligibility	
Attained age in tax year	Limitation on premiums
Age 40 or less	\$380
Age 40-49	\$710
Age 50-59	\$1,430
Age 60-69	\$3,800
Age 70+	\$4,750

2015 H.S.A. CONTRIBUTION LIMITS

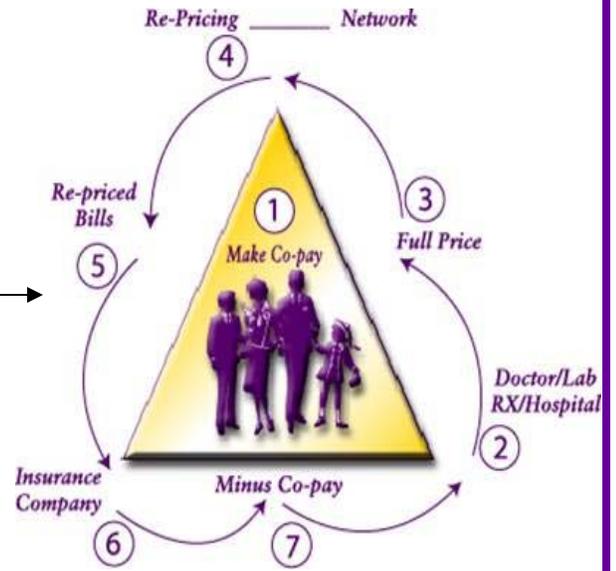
Status	Minimum Deductible	Maximum Out of Pocket	Contribution Limit	55-64* Contribution
Single	\$1,300	\$6,450	\$3,350	\$1,000
Family	\$2,600	\$12,900	\$6,650	\$2,000*

(* If both spouses are in age range.)

The Truth Will Set You Free

2016 Open Enrollment (OE) Highlights

- If you are in a “Group,” so far you’ve been safe from most of the healthcare saga yet 2016 begins some of the tax consequences to the “Group” industry. So **KNOW** your plan designs and call us if you need a “Group Agent.”
- Individuals Pre-65 need to **KNOW** how your policies work.
 - Are you on an “Open Access” (OA) or a “Gatekeeper Plan” (GK) plan which requires a PCP referral?
 - Do you understand the claims adjudication triangle? →
 - Do you understand these buildings and how your deductible and maximum out of pocket formula works? If not call us and we’ll be happy to help you. Remember OE closes Jan. 31st, 2016.
- If you are an individual over 65 our Medicare Specialist will be happy to assist you, Medicare OE closes on December 7th.



Where Does Your Premium Go?



Did you know you can buy a “Child Only” policy on the private market? Those who had “Healthy Kids” policies that doubled in rate this year maybe able to add their children to their own policies during OE or purchase a child only policy and potentially lower their rates.

Merry Christmas & Happy New Year! From Michele & the MSA team



(Top row left to right) Jeannine Stites, Haley Capwell, Gretchen Roth, Jana Pierce
(Bottom row left to right) Marcy Rodriguez, Michele Powell, Donna Blizman