



Main Street Baptist Church Financial Literacy Workshop

**APPLYING BIBLICAL PRINCIPLES TO YOUR FINANCIAL PUZZLE
SESSION VII - Virtual (via Zoom)**

“Planning for You, Your Future, Your Family”

October 10, 2020 - 10:00 am - 11:30 am

POLL QUESTIONS....

**Health Insurance Terms You Should Know
(Deacon Les will Display – Beverly will review)**

Planning for You

**Your Future and
Your Family**

Biblical Principle...

▶ Don't Cosign

- ▶ Proverb 27:13 Take a man's garment when he has put up security for a stranger, and hold it in pledge when he puts up security for an adulteress
- ▶ The eighth principle is, don't cosign. God says in [Proverbs 27:13](#) to exercise extreme caution in cosigning. The advice infers that the world's poorest credit risk is the man who agrees to pay a stranger's debt. When a person cosigns a note, he is the one who is really borrowing the money. The reason a person needs a cosigner is because the lender is unwilling to lend that money to the person requesting the loan.
- ▶ **Consider the person's Level of Integrity, Character and Ability to pay back what was borrowed**
- ▶ Consider whether the loan is a **wise investment**

Topics

- ▶ Insurance
Medicare - Health - Long Term Care - Life
- ▶ Retirement Planning
- ▶ Estate Planning
- ▶ Housing Options

Health Insurance

Why is it Important?

- ▶ Affordable Care Act

- ▶ Medicare

 - Medicare Part B Premium
Opt In or Opt Out Part B

 - Medicare Savings Program

- ▶ Annual Enrollment 10/15/20-12/07/2020

 - Currently employed

 - Change PDP

 - Change MAPD

 - Medicare Supplement To MAPD

Long Term Care

Types of Long-Term Care

- Home Health Care
- Short Term Care
- Facility Care
- Combination

Long Term Care

- ▶ The most common type of long-term care is personal care—help with everyday activities, also called "activities of daily living." These activities include bathing, dressing, grooming, using the toilet, eating, and moving around—for example, getting out of bed and into a chair.
- ▶ The need for long-term care can arise suddenly, such as after a heart attack or stroke. Most often, however, it develops gradually, as people get older and frailer or as an illness or disability gets worse.
- ▶ Who Needs Long-Term Care?

Long Term Care

- ▶ 70% of everyone over the age of 65 will go into Long Term Care!
- ▶ The average stay in LTC is 2.4 years
- ▶ The number of days covered in Skilled Care by Medicare is 23-40 days.
- ▶ The average cost of LTC today is \$70,000.00 per year, and expected to double over the next 20 years.
- ▶ *Do you have a spare \$400,000 laying around that you want to give to a LTC facility?*

Long Term Care

Options:

- In-Home - Involves Family - Cannot do it alone!
- Facility ... You pay or Medicaid

****When utilizing Medicaid for long term care, consider eligibility requirements as well as spousal rules**

Life Insurance

Why is it important?

Two Types

- Term Life

- Whole Life - 2-year contestability

 - Simplified

 - Graded

 - Guaranteed

Not Just for burial

What Are Final Expenses?

Medical bills, outstanding auto loans, mortgage debt, credit card bills, gift or burial.

Life Insurance

Self-insurance is the concept of saving money to insure oneself.

- ▶ Self-insurance can be ideal for someone who is otherwise uninsurable or for someone who would only qualify for very expensive rates due to age, health factors, or smoking.
- ▶ Self-insurance involves saving the amount of money you would spend on insurance premiums each month and letting it accumulate in an interest earning account.

Retirement Planning

Why is it important?

- Companies are no longer offering pension plans.
- Living longer
- The earlier you start, the better the planning
 - Take advantage of company saving plans

Retirement Planning

- ▶ In retirement, you can't afford to take losses anymore! When it comes to your savings and investments, you have two phases in your life - accumulation (401K, 403B) and preservation. Then distribution (RMD)
- ▶ You have the option of utilizing a “safe money” strategy to implement guaranteed growth with no risk of loss. (i.e. annuity)

Estate Planning ...

5 Reasons You Need an Estate Plan

- ▶ Avoid Probate
- ▶ Reduce Estate Taxes
- ▶ Avoid a Mess
- ▶ Protect Beneficiaries
- ▶ Protect Assets

Estate Planning....

- ▶ Do not leave it to the state to distribute your assets. It's not about how much you have.
- Consider the importance of wills, POA's, trusts and health care directives. Ensure that your families know your wishes.

Housing Alternatives

- ▶ Home sharing - at any age
- ▶ Multi-gen housing
- ▶ Downsizing
- ▶ Senior retirement communities
- ▶ Assisted Living
- ▶ Reverse mortgage

Thank you for you time and attention.

Any questions or request additional information, please contact Mary Lee.

Cell: 717-512-1234

Office: 859-264-7725

E-mail: mlee@americanseniorbenefits.com