

LINDSEY & WALDO

CERTIFIED PUBLIC ACCOUNTANTS

"You see the numbers, we look for the opportunities."



SPECIAL POINTS OF INTEREST:

- Medicare considerations
- Making a retirement comeback
- Marketing your business
- Trivia, referrals, call-in times
- And more...

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Taxing Times

Dedicated to helping our clients keep the money that belongs to them through a focus on tax.

VOLUME 13, ISSUE 11

NOVEMBER 2021

Not All Medicare Advantage Plans Are Created Equal

Learning about your Medicare coverage choices, getting help from people you trust, and comparing different Medicare Advantage Plans can help you understand all the options available to you.

"When researching your options, remember your friends, relatives, and neighbors don't take the same prescriptions, go to the same doctors, or need the same level of care you do," said Jessica Zoltek, owner of Healthcare Resource Center of Mobile and an independent agent for Medicare Advantage Plans. "Look for a plan that fits your unique needs."

Basically, a Medicare Advantage Plan is an alternative to original Medicare. These bundled plans include Part A (Hospital Insurance), Part B (Medical Insurance), and usually Part D (Prescription Insurance). Most plans offer extra benefits Medicare doesn't cover, like vision, hearing, dental, and more.

When you join a Medicare Advantage Plan, Medicare pays a fixed amount for your coverage each month to the company offering your Medicare Advantage Plan. Companies that offer Medicare Advantage Plans must follow rules set by Medicare. However, each Medicare Advantage Plan can charge different out-of-pocket costs and have different rules for how you get services (like whether you need a referral to see a specialist or if you have to go to doctors, facilities, or suppliers that belong to the plan's network for non-emergency or non-urgent care). These rules can change each year. The plans must notify you about any changes before the start of the next enrollment year.

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Getting a Late Start for Retirement? Here's What to Do...

You may be among the 64% of Americans uncertain about their financial future. Uncertain if they have enough to retire. The COVID-19 pandemic has helped that uncertainty.

Forty percent of Americans are afraid they won't be able to retire because of financial setbacks related to the pandemic according to a recent *Motley Fool* article. The Federal Reserve's most recent data from 2019 shows the average American household has \$65,000 in retirement savings.

For younger workers, the news is worse. The median retirement accounts balance for those under 35 was just \$13,000. Nearly 1 in 4 non-retirees have no retirement savings at all.

Whoa! That's a lot of old folks who'll be eating cat food. And that's not to make light of it. But these numbers are shocking, are they not?

Knowing how much you should save for retirement is critical. But, what if you are late getting started? The longer you delay, the shorter the time that compound interest can do its magic on your savings.

We typically recommend that you save 15% of your take-home pay each year. Money in the bank isn't compounding. So, invest the money in an age-appropriate portfolio and reevaluate regularly. Make sure your investment choices have low fees and expenses. Assuming you start at age 25, you should have sufficient assets to retire at age 65 after 40 years.

Retirement planning is like the pioneers who set forth on the Oregon Trail. The hardy souls who began their journey in early spring had to average 15 miles a day to reach their goal. But those who delayed until summer needed to maintain a faster pace. The same is true of saving for retirement.

Beginning at age 25 and retiring at 65, the appropriate savings rate is 15.4%. But, starting just five years earlier, you could reach the same goal by saving just 11.1% each year.

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Not All Medicare Advantage Plans are Created Equal—*continued from page 1*

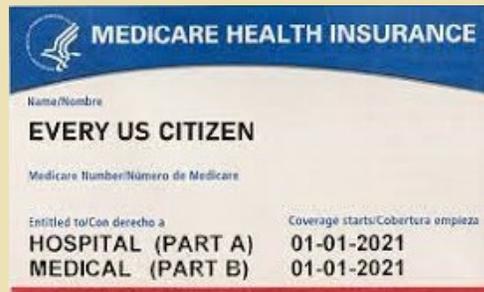
If you join a Medicare Advantage Plan, you'll have the same rights and protections that you would have under original Medicare.

When evaluating a Medicare Advantage Plan, you need to consider your premiums, deductibles, copayments, and coinsurance, as well as:

- The type of health care services you need and how often you get them;
- Whether you go to a doctor or supplier who accepts assignment. Assignment means that your doctor, provider, or supplier agrees (or is required by law) to accept the Medicare approved amount as full payment for covered services;
- Whether your plan offers extra benefits and if you need to pay extra for them; and
- What prescription drugs you take.

You can only join, switch, or drop a Medicare Advantage Plan during the following enrollment periods:

- **Initial Enrollment Period** – When you first become eligible for Medicare, you can sign up during your Initial Enrollment Period. For many, this is the 7-month period that begins 3 months before the month you turn 65, the month you turn 65, and the following 3 months after you turn 65.
- **General Enrollment Period** – If you have Part A coverage, and you get Part B coverage for the first time between January 1 and March 31 of each year, you can also join a Medicare Advantage Plan.
- **Open Enrollment Period** – Between October 15 and December 7, anyone with Medicare can join, switch, or drop a Medicare Advantage Plan.



Not all Medicare Advantage Plans work the same way. Before you join, you can find and compare Medicare health plans in your area by visiting [Medicare.gov/plan-compare](https://www.medicare.gov/plan-compare), or consult a specialist in your area. ✧

WHAT BUSINESS ARE YOU REALLY IN?

Now, I'm not talking about the difference between selling light bulbs and providing light. Or the difference between selling insurance and protection or peace of mind. As an example of what I'm talking about, let's say you run a daycare business.



In fact, not only do you run a daycare business, you run it very well. Your employees are licensed and trained to the highest standards; your facilities are top-notch; you've got years of experience and your customers rave about how their kids are happy when they pick them up.

But, you're losing money, because you don't "get" what I'm about to tell you.

You see, you could be the World's Greatest Daycare Business (in absolute truth), and still have a poor bottom line.

Why? Because your competition out-markets you, and so they're making revenue hand-over-fist, and you're struggling to pay the bills.

Yes, I understand that the things above--facilities, employees, etc.-- can be part of your "marketing," but I'm making a more specific point.

You see, the mental shift from "doer of the task" (providing daycare services) to "promoter of your business" (the marketing of daycare services) is vital if you plan on growing your business to the level of your dreams. I would say over 99 percent of the small business owners in America do not make this mental jump from, "I do 'X' for a living" to "I market my business for a living."

Now, don't think I'm being picky here. This is important to get straight NOW, as we get ready to move forward into next year.

The business owner "doer" sees the task as their primary role. The "marketing-minded" business owner sees acquiring clients, retaining them, and maximizing their total client value as their primary role. Providing the particular product or service is seen as one of many other, also very important, but still secondary, tasks in the office.

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Getting a Late Start for Retirement? Here's What to Do... - *continued from page 1*

Because starting early is more important than saving more.

If you start at age 20, you will have saved nearly an entire year's salary by the time the couple delaying is putting in their first 15%. **In fact, the family starting earlier will be ahead of the family starting later all the way up until age 65.** This is true even though they will be saving 5.3% less of their salary each year.

Deferred consumption is the definition of capital. When a family defers consuming and saves and invests instead, they put that capital to work. Having more money invested early means their investments are making money and adding to their savings, which reduces the amount they need to add. Money makes money.

Late April or early May was the best time of year to begin the arduous trek to the West. If you waited too long, you would have to push farther each day or risk getting trapped in the mountains by an early snowstorm.

The same is true of retirement planning. **The later you start in life, the higher the percentage of your lifestyle you must save.** Starting at age 25 you should save 15.4% of your lifestyle each year to reach financial independence by age 65. For every year you delay, add about 1% in your 20s and 2% in your 30s.

Starting at age 30, we suggest you save 21.4% each year. By age 35 it rises to 30.1%. And at age 40 it is 43.2%. Saving half your salary is difficult at any age. Lowering your standard of living to begin saving at age 40 is even more challenging.

By age 45, the percentage rises to 64.2%, and at age 50, you must save 100% of your lifestyle to reach retirement at age 65.

Saving 100% of your lifestyle sounds impossible, but it is not. If you earn \$100,000 after taxes, you must limit your lifestyle to \$50,000 and save the remainder. This strategy will allow you to retire at age 65 with a lifestyle of \$50,000.

Changing your lifestyle by spending less and saving more is always the fastest way to catch up from a slow start. Most important, it reduces the amount you must save to reach financial independence. Lowering your lifestyle is like traveling twice as fast and cutting half the distance you need to reach your destination.

Social Security can also provide a larger percentage of your retirement. If you are willing to retire on an average monthly income of \$1,230, you probably don't need to save at all. But, that certainly is not what any financial planner would recommend.

So start early, and enjoy a more leisurely trip. But if you have delayed, don't give up. Make a commitment to adjust your lifestyle as needed. ※



What I'm Reading...

NOW

The Brutus Lie
by John J. Gobbell

Marketing Magicians

by Seth Greene and Ivan Misner,
Ph.D.

RECENTLY

Lost Hills
by Lee Goldberg

The Connector Effect

by Ivan Misner, Ph.D. and Graham
Weihmiller with Robert Skrob

Turkey Trivia

91% of Americans eat turkey on Thanksgiving Day.

Turkey is the traditional dish for the Thanksgiving feast. In the U.S., about 280 million turkeys are sold for the Thanksgiving celebrations.

Twenty percent of cranberries eaten are eaten on Thanksgiving.

On the West Coast of the U.S., Dungeness crab is common as an alternate main dish instead of turkey, as crab season starts early in November.



Fossil evidence shows that turkeys roamed the Americas 10 million years ago.

The traditional cornucopia was a curved goat's horn filled to brim with fruits and grains. According to Greek legend, Amalthea (a goat) broke one of her horns and offered it to Greek God Zeus as a sign of reverence. As a sign of gratitude, Zeus later set the goat's image in the sky also known as constellation Capricorn. Cornucopia is the most common symbol of a harvest festival - a horn shaped container, it is filled with abundance of the Earth's harvest. It is also known as the 'horn of plenty'.

Turkeys can have heart attacks. When the Air Force was conducting test runs and breaking the sound barrier, fields of turkeys would drop dead.

Every president since Lincoln proclaimed Thanksgiving Day. But in 1939, 1940, and 1941 Franklin D. Roosevelt proclaimed Thanksgiving the third Thursday in November to lengthen the holiday shopping season. This upset some people.

It was not until 1941, that congress declared Thanksgiving as a national holiday. It was declared to be the fourth Thursday in November. ※

**"READING
Is a WAY FOR ME TO
EXPAND MY Mind,
open MY EYES,
AND fill UP MY heart."**

Speak Writing



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WHAT BUSINESS ARE YOU REALLY IN? - *continued from page 2*

I hope you can see the difference. If you are hearing this concept for the first time, let it sink in and think about it for a second. If you don't have clients coming through your door to do business with you and you're the best practitioner in the world, you're still going to starve if you can't get clients!

The most important part of your business is "making the sale." And how you get someone in front of you to sell your services to is **MARKETING**.

Getting people to call your place of business saying, "I want to do business with you," and then to show up at your door wanting to give you money in return for a particular product or service is the most important thing you could master.

So, here's my advice for you right now: If you have not already done so, set a day aside before the end of this month to lay out a clear, step-by-step marketing plan for the next 12 months.

This should be a written plan for how you're going to attract the customers, clients, or patients you want. This is how it's done. A written plan with real goals. Be conservative on your expectations, and you'll discover this process can be quite systematic. AND you may just "strike gold" and have your conservative projections blown out of the water! ✂

Looking for Someone You Can Rely On?

We really believe in the process of referrals, so part of the service we provide is to be sure to refer our clients and associates to other qualified businesspeople in the community.

Below, you'll find a list of areas in which we know very credible, ethical, and outstanding professionals. If you're looking for a professional in a specific area we've listed, please feel free to contact us. We will be glad to put you in touch with the people we know who provide these services.

- | | | |
|---|----------------------------|--------------------------|
| Medicare Advantage Plans | Social Media Experts | A/C Maintenance & Repair |
| Identity Theft Protection & Restoration | Veterinarian | Payroll Service |
| Custom Monogramming & Embroidery | Architect | |
| Banker | Attorney | |
| Printer | IT Experts | |
| Realtor | Home Inspector | |
| Financial Advisor | Mortgage Lender | |
| Auto/Home/Life Insurance | Executive Leadership Coach | |



This month's special Member-Only call-in times for Lindsey's Insider's Circle will be 11/22/21 from 2:00 to 4:00 pm.

To schedule your appointment, contact Kristen at (251) 633-4070.

Not a member yet? Find out how to become one TODAY!

If and only to the extent that this publication contains contributions from tax professionals who are subject to the rules of professional conduct set forth in Circular 230, as promulgated by the United States Department of the Treasury, the publisher, on behalf, of those contributors, hereby states that any U.S. federal tax advice that is contained in such contributions was not intended or written to be used by any taxpayer for the purpose of avoiding penalties that may be imposed on the taxpayer by the Internal Revenue Service, and it cannot be used by any taxpayer for such purposes.*