Health & Retirement Services Of Illinois

January 2011 Newsletter

OUR NEWS LETTER

Most small businesses eligible for tax credit under health care law

By Steve Jordon World-Herald Staff Writer

Businesses with fewer than 25 employees may qualify for a tax credit on their 2010 federal income taxes under the new federal health care law.

The Small Business Health Care Tax Credit is part of the law's effort to maintain employer-based health coverage by reducing costs so small businesses will provide health insurance for workers.

The tax credit can be up to 35 percent of health care costs for for-profit employers and 25 percent for nonprofit employers.

In coming years, larger employers will face penalties if they don't provide insurance. The tax credit is an incentive for small businesses to provide coverage.

Michaela Valentin, director of government affairs for Blue Cross Blue Shield of Nebraska, the state's largest health insurer, said Nebraska's 33,000 small businesses should find out whether they qualify for the tax credit. A national study indicated more than 90 percent of small businesses would qualify.

The Internal Revenue Service has sent postcards to businesses that might qualify. Generally, according to the agency's website, IRS.com, businesses are eligible if they pay wages averaging less than $50,000 per person per year and if they pay at least 50 percent of the cost of health coverage.

The website has more information on the tax credit and how to qualify.

Valentin said Blue Cross has a new website that includes an H&R Block calculator so a business can estimate the tax credit it would

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receive if it qualifies.

LiveWellNebraska.com has a link to the Blue Cross credit-estimation website. The site also has information about small-business coverage that Blue Cross offers.

Valentin said employers generally are aware of the tax credit, but they might need more information. Many are analyzing the costs involved and the potential tax credit to decide whether to continue or to begin offering health insurance, she said.

“It’s not an easy decision to make,” Valentin said.

If businesses don’t claim the credit on their 2011 returns, they can claim it on their 2012 or 2013 returns. The law’s insurance exchange system begins after that, and the tax credit becomes part of that process.

“We’re just letting them know, see if you are eligible for this option,” Valentin said.

Blue Cross also is sending notices to employers who already use its health plans.

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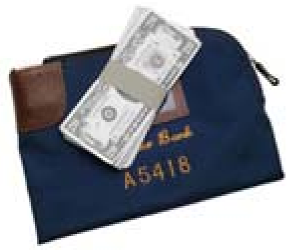
Retirees need up to $150,000 for health costs, report says.

By Jason Millman - 12/01/10 08:23 AM ET

Medicare beneficiaries of retirement age will need upwards of nearly $150,000 in savings to cover health insurance premiums and out-of-pocket expenses in order to have a 50-50 chance of being financially secure in retirement, according to a new report from the nonpartisan Employee Benefit Research Institute (EBRI).

Men 65 and older will need anywhere from $65,000 and $109,000 in savings to cover health costs to have a 50-50 chance of having enough money in retirement, according to the study. If they want to improve their odds to 90 percent, they will need between $124,000 and $211,000.

Women of retirement age this year



need even more savings. For 50-50 odds, they need between $88,000 and $146,000 in savings. For 90 percent, they need $134,000 to $242,000.

The projected savings requirements for those currently 55 years old will be even greater, EBRI said. Men will need to save between $110,000 and $354,000, while women will need to save between $147,000 and $406,000.

"Because employers are continuing to scale back retiree health benefits, and policymakers may soon begin to address Medicare's funding shortfall, more of the financial costs of health care will be shifted to Medicare beneficiaries in the future," said Paul Fronstin, reporter co-author and director of EBRI's Health Research and Education Program.

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Consumer Reports rates AT&T worst carrier.

Consumer Reports rates AT&T worst carrier
By CNN Posted yesterday at 2:35 p.m.

AT&T's customer satisfaction rating tumbled this year, ranking dead last among U.S. wireless carriers, according to a Consumer Reports survey released on Monday.

The nation's second largest wireless network received the worst possible rating in eight of the nine categories the magazine studied, including overall value, voice service, data service, phone service, staff knowledge, and resolution of issues, among others.

Readers gave AT&T an overall score of just 60 out of 100, which is six points below its score a year ago and nine points below its nearest-ranked competitor, T-Mobile.

The report noted that AT&T "is now the worst carrier," and is the only wireless network with scores that dropped "significantly" over last year.

More than half of the AT&T customers surveyed own an iPhone, and the survey found that iPhone owners were "much less satisfied" with AT&T than other smartphone owners were with their carrier. IPhone owners were particularly dissatisfied with AT&T's data service.

AT&T said it is working on solutions.

"We take this seriously and we continually look for new ways to improve the customer experience," said Fletcher Cook, spokesman for AT&T.

The wireless company was quick to point out that independent tests from Global Wireless Solutions have concluded that AT&T's mobile broadband network is 20% faster than its nearest competitor and 60% faster than archrival Verizon Wireless.

AT&T also has tremendous momentum in the wireless space, adding a net 2.6 million new wireless customers last quarter, half of whom were new iPhone customers. That represented far more net additions than any of its competitors.

But the network's momentum will soon face a giant challenge. Fortune and other news outlets have reported that AT&T is about to lose its exclusive hold on the iPhone at the end of the year, and that Verizon will start selling the iPhone beginning in early 2011. As many as 6 million of AT&T's iPhone subscribers could defect to Verizon, according to a forecast by Drake Johnstone, a Davenport & Co. analyst.

"Our survey suggests that an iPhone from Verizon Wireless … could indeed be good news for iPhone fans," said Paul Reynolds, electronics editor for Consumer Reports, in a prepared statement.

At the same time, Verizon is no longer the clear leader in overall satisfaction, a position it has held almost every year since 2003, according to the survey. Verizon led the nationwide carriers with an overall score of 74 — one point lower than last year.

But Sprint Nextel made a startling leap forward with a rating of 73, which is six points higher than the previous year. It even surpassed Verizon in some aspects of customer service, which Consumer Reports called "a remarkable turnaround," considering that was a weak point for the network in years past. Sprint was ranked last in the survey as recently as two years ago.

Sprint easily leapfrogged T-Mobile, after that carrier's satisfaction score fell by one point.

The big up-and-comer was regional carrier U.S. Cellular, which was included in Consumer Reports' most recent survey because it is now available in 26 states. The report said the network "stands out for value, voice service, and customer service."

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New law expands coverage for adult immunizations.

By Michelle Andrews Tuesday, December 7, 2010

It's flu season: Time to get your flu shot.

For many adults and their doctors, if they discuss immunizations at all, the conversation ends there. It shouldn't. There are several vaccines that adults need, depending on their age and risk factors, to protect against serious diseases, including shingles, pneumonia, hepatitis and cervical cancer.

New data from the Centers for Disease Control and Prevention show that although rates of adult immunization have inched up in recent years, they are still far below what they should be.

Only a third of all people over age 18 got a flu shot last year, for example, despite the CDC's recommendation that everyone over 6 months of age receive it. Immunization levels were even lower for many other vaccines. All adults who are age 60 or older should get the shingles vaccine, but just 10 percent of that group had received it, according to the CDC. Likewise, only 17 percent of women ages 19 to 26 had gotten even one of the three doses of the human papillomavirus vaccine, which protects against cervical cancer.

With its emphasis on prevention, the health-care overhaul law aims to improve vaccination rates by expanding coverage requirements. "It's a total game-changer in terms of adult coverage of immunizations," says Sara Rosenbaum, who chairs the department of health policy at George Washington University's School of Public Health and Health Services. The new law, however, leaves some gaping holes, experts caution.

The United States already does a pretty good job immunizing kids. Vaccination rates are often in the 90 percent range, thanks to the federally funded Vaccines for Children program and other initiatives that provide subsidized immunizations to kids until their 19th birthday.

But then things change. "The moment we cross the threshold of the 19th birthday, when according to the CDC a child becomes an adult, the system is ... quite unsatisfactory," says William Schaffner, president of the National Foundation for Infectious Diseases (NFID) and chairman of the department of preventive medicine at Vanderbilt University Medical School.

Private insurers cover adult vaccines to varying degrees, often with hefty co-payments. Immunization coverage isn't required under the traditional Medicaid insurance program for low-income people, leaving decisions up to the states. Medicare, meanwhile, covers vaccines, but getting access to them through physicians can be tough and may be pricey as well, as seniors and disabled people have discovered.

When Joan Dichter developed an excruciating pain in her left leg a few years ago, at first she thought it was nerve pain from sciatica. The pain was so bad that Dichter, then 64 and a special education teacher in New York, couldn't lie still in bed at night. Weeks passed, and then she developed the skin rash that's typically associated with shingles, a painful infection that occurs when the virus that lurks in the body after a case of chickenpox becomes reactivated, often decades later. Her doctor finally diagnosed Dichter's condition, and within a few days of taking antiviral medication, she began to feel better.

Had Dichter known about a shingles vaccine that might have saved her from those painful weeks, she would have gotten it in a heartbeat, she says. But her doctor never mentioned it. "Once you're 50, they always discuss tests: Have this test, have that test," she says. "But there's no emphasis at all on vaccines."

A pair of surveys by the NFID found that only 37 percent of patients said their doctors bring up the subject of vaccines, though 87 percent of physicians said they always did so.

The new health law makes it clear that adult immunizations are a priority. Starting this fall, new health plans are required to cover, without cost sharing, all vaccines recommended by the Advisory Committee on Immunization Practices. (This is a group of 15 experts that evaluates vaccines and makes recommendations for their use.)

The law also expands Medicaid eligibility to cover adults with incomes up to 133 percent of the federal poverty level ($14,404 in 2010). Immunizations for this group will be covered as an "essential health benefit," says Rosenbaum. But in a twist, the law doesn't require immunization coverage for people already enrolled in Medicaid. "So the poorest people may not have full coverage," she says.

Although Medicare beneficiaries will receive certain preventive services for free starting in 2011, vaccines aren't among them.

Making it even more challenging to raise immunization rates, most vaccines fall under Part D, the prescription drug portion of the Medicare program. That means they're not necessarily available at doctors' offices. As a result, some Medicare beneficiaries have to "brown bag" the vaccine, says Ilene Stein, policy counsel for the Medicare Rights Center, an advocacy group: They get a prescription from their doctor, go to a pharmacy, pick up the vaccine and carry it back to their doctor's office to have the physician administer it. The CDC and professional medical groups strongly discourage this practice because many vaccines are supposed to be kept refrigerated or, in some cases, frozen.

The health law directed the comptroller general to study barriers to Medicare beneficiaries' access to recommended vaccines. That study is due by next June.

As for Dichter, her doctor referred her to an infectious-disease specialist who gave her the shingles vaccine, which can prevent recurrences of the disease. Because her private health plan didn't cover it, she paid more than $200 to get it.

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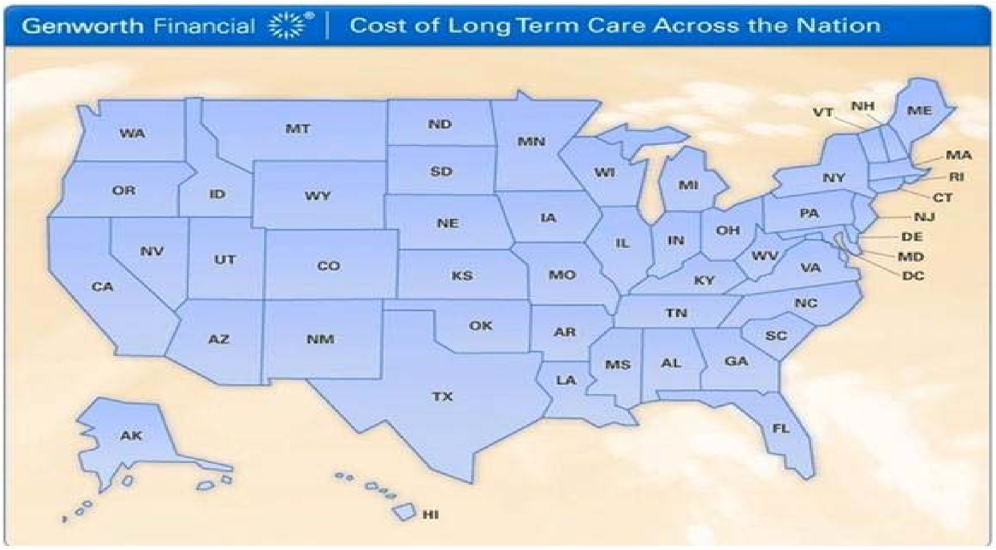
Long-term care insurance getting costlier, more scarce.

By Mary Forgione Los Angeles Times December 7, 2010.

The market is beginning to shrink and coverage is becoming more expensive. MetLife is says it will stop selling new policies for nursing homes and other long-term care costs, while John Hancock wants to raise premiums an average of 40% on most long-term care coverage.

The interactive map posted online by Genworth Financial compares costs by state of assisted living, adult day care and other long-term care services. (Screen grab from www.genworth.com)



Medical insurance for long-term care carries a hefty price tag. Just as millions of baby-boomers hit their 50s and begin considering buying such coverage, the market is starting to shrink -- and become even more expensive.

So writes Eileen Ambrose in this Baltimore Sun column: "MetLife, citing 'financial challenges' facing the industry, said it would soon stop selling insurance to cover nursing homes and other long-term care costs, although it promised to honor existing policies. Meanwhile, other players that vowed to stay in the market are seeking stiff premium increases from insurance regulators across the country. The most eye-popping: John Hancock wants to raise premiums an average of 40 percent on most of its long-term care policies."

Still, there's no need to go without. Ambrose goes on to explain who may need long-term coverage and how to get it. Read the full column here.

It's hard to anticipate what we'll need in our older years, but here's something that can help. This GenworthFinancial.com map lists prices of assisted care, adult day care and other long-term services by state.

And we really should understand these costs (and how we'll pay for them) before we may need them. Check out how Medicare.gov defines long-term care and what’s covered under that government plan.

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Unemployment benefits extension doesn't solve joblessness.

November rate of 9.8 percent comes as shock. Corporations, however, continue to hoard cash and deliver profits to shareholders instead of hiring.

By Gail Marks Jarvis December 8, 2010.

Despite growing signs that the economy is recovering, recent unemployment data have exposed a sore that is taking awhile to heal. That's leading Congress to consider applying a salve by extending unemployment benefits for an additional 13 months.

Jobless benefits allow the unemployed to spend enough to add about 0.6 percent to the GDP, according to a government study.

But while that would ease the sting for Americans unable to find jobs and help an economy desperate for more people to spend, analysts are growing increasingly anxious for real healing to begin.

"We need to declare a war on unemployment," said Brian Belski, chief investment strategist for Oppenheimer & Co., who compares the need for urgency to the Reagan administration's war on drugs. "We need to go to corporations and say, 'Why are you building in China and Vietnam? We will remove taxes for two or three years if you will build in Minnesota or some other state."

Belski is among analysts worried about U.S. jobs going abroad and skeptical that businesses, left on their own, will do the hiring that the U.S. economy needs.

"What's their incentive?" Belski said. "They are sitting on the best balance sheets since the 1950s and plenty of free cash flow. Productivity is clipping away, and they are reporting record profits."

Economists had assumed that businesses eventually would start hiring as they regained their strength. Instead, they are hoarding cash: Profits for Standard & Poor's 500 companies are expected to rise 47 percent for the year.

They are behaving as expected, delivering profits to shareholders, Belski said.

But there are risks in waiting too long for companies to be motivated to hire.

"The longer unemployment lasts, the more structural (or entrenched) it becomes," said Nariman Behravesh, chief economist for IHS Global Insight. "The longer people are out of jobs, they lose skills and marketability."

The unemployment rate ticked up to 9.8 percent in November, compared with 9.6 percent in the previous month, with 15 million Americans unemployed and 6.3 million unsuccessfully looking for work for at least six months.

"In good times, most find jobs in six weeks," said Betsey Stevenson, the U.S. Labor Department's chief economist. "There just aren't enough chairs," she said, using a musical chairs analogy. "Those that can't find jobs aren't too slow or unskilled; they are just unlucky."

There are about 4.4 job seekers for every job available, Stevenson said. Yet, she said, people have "shown determination to find jobs, continuing to look for 50 to 60 weeks."

The U.S. relies on consumers to support about 70 percent of the economy, so the latest unemployment report shook economists. They had been assuming 150,000 new jobs would be created in November, rather than just the 39,000 that were tallied. Not only was unemployment up and job creation anemic, but wages remained flat and companies weren't adding hours for employees.

The flat workweek "is another indication that companies were not that busy last month — certainly not straining themselves to meet demand," said Gluskin Sheff economist David Rosenberg. "This was arguably one of the worst employment reports of the year."

No group of people was spared. The hardest hit were high school dropouts, with a 15.7 percent unemployment rate, according to the Bureau of Labor Statistics. The unemployment rate among college graduates, which tend to be more immune in recessions, was at 5.1 percent, the highest level since records began in 1970.

Among people 16 to 19 years old, unemployment was 21.5 percent. It's 9.3 percent among those 20 to 24. And unemployment hit record highs among people older than 45, said JPMorgan chief economist Michael Feroli. Unemployment was 8.1 percent among those 45 to 54, and 7.3 percent among people 55 and older.

The November jobs report was so poor that Behravesh wondered if it was "a fluke." He expected about 100,000 jobs to be created and thinks the numbers will show up in future unemployment reports. As employment slowly builds, he expects unemployment to drop to 9 percent by the end of 2011.

Deutsche Bank economist Joseph LaVorgna also wondered whether the 9.8 percent unemployment rate was correct. That's because federal income tax receipts point to a stronger job picture.

"Tax receipts rose nearly 7 percent in November relative to the comparable period last year," he said. "If sustained, this would be twice the average annual growth rate that prevailed during the last growth cycle from 2001 to 2007."

In January, economists expect to see this more encouraging job picture reflected in December unemployment figures — salve or not.

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Life Expectancy in the U.S. Drops for First Time Since 1993, Report Says.

By Elizabeth Lopatto - Dec 9, 2010

Life expectancy of Americans fell for the first time in 15 years, as the nation's oldest adults died from heart disease, cancer and respiratory ailments, according to a report by the National Center for Health Statistics.

Based on data from 2008, the latest available, life expectancy in the U.S. fell 36.5 days from 2007 to 77.8 years, according to the report released today. Life expectancy is calculated by taking the death rates from the U.S. population in a specific year and figuring out the average number of years remaining for a person born in 2008.

Children born in 2008 lost a little over a month of expected life. The drop in expectancy was largely the effect of increased mortality among the oldest adults -- those at least 85 -- and a rise in age-related ailments such as Alzheimer's, high blood pressure, kidney disease, flu and pneumonia, according to the report. Infant mortality declined, as did deaths among all age groups under 85.

"It's hard for us to tell exactly what's driving this," said Arialdi Minino, a statistician at the health center and one of the report's authors. The number of older people who died "has been going up consistently, and in this particular year, there was a little more of that than we usually see."

The drop in life expectancy was mostly in the white population, which fell 73 days, while the rate among black women was unchanged at 76.8 years, and rose among black men to an all- time high of 70.2 years. The infant mortality rate fell 2.4 percent to 6.59 deaths for every 1,000 births in 2008.

Possible Effects

"Since the increase in mortality is affecting people who are above age 85, it may just be there are a lot fewer African- Americans who make it to that age," said Sam Harper, an epidemiologist at McGill University in Montreal.

Declines are uncommon, occurring about once a decade, said Harper. The last decrease in life expectancy was in 1993, he said.

Chronic respiratory diseases, such as asthma and emphysema, displaced stroke as the third-leading cause of death after cancer and heart disease.

Chronic respiratory disease may also have risen because the method of reporting changed at the World Health Organization's request, said Minino. Until more data come in, it won't be clear if the decrease in life expectancy is a statistical hiccup, Minino said.

Deaths from stroke dropped, continuing a consistent decline that started in 2000, said Minino. Heart disease also declined.

"Both of these conditions have gone down and both are related to circulatory well-being," said Minino in a telephone interview.

The health statistics center is part of the Atlanta-based Centers for Disease Control and Prevention.

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Almost half of companies plan to hire in 2011.

December 09, 2010

Here's some modestly encouraging news for job seekers.

About 47 percent of companies with sales in the $25 million to $2 billion range, plan to hire employees in 2011, according to a national survey of chief financial officers (CFOs) by Bank of America.

That's a large improvement over the 28 percent that planned to hire as they began 2010. Yet, there remains apprehension about the economy. Among those not planning to hire in 2011, 61 percent noted a lack of increased demand for their products or services.

The survey of 800 U.S. corporate leaders has been done every year for 13 years, and provides insight into the next year because it surveys the people who are aware of what's been budgeted for the coming year. The survey focused on a broad range of companies throughout the U.S. and in manufacturing and services.

The executives are feeling more optimistic about their own companies than about the economy in general -- a finding that came through in another survey recently done by Grant Thornton. About 64 percent of the CFOs surveyed by Bank of America expect revenue growth in their companies, compared to 61 percent last year, and 55 percent expect margin growth.

But they are cautious about the economy in general. Overall, on a scale of 1 to 100 (high), they gave the economy a rank of 47. That was an increase over the 44 level a year ago. The executives reflected more control over their companies than the economy in general.

"It's exciting to see a more positive mood," said Laura Whitley, of Bank of America. Yet, she said, the recovery has been slower than most expected. "When talking with businesses we hear it all the time."

CFOs remain uncertain about the sustainability of the recovery, which raises a dilemma for the economy: Which comes first....the chicken or the egg? One of the economy's major problems is a lack of jobs because unemployed people do not buy much. Yet, companies hit by a lack of demand, do not hire.

Beyond concerns about the recovery, the top concern mentioned by CFO's: the uncertain impact of health care reforms that were passed in 2010. About 54 percent were concerned about potential health care costs. Because health care changes are new, the issue has not shown up in the survey previously. Besides health care, executives were concerned about the deficit and housing.

Previously, CFOs had expressed concern about borrowing money. But that was not a major issue in this year's survey, said Whitley. About two thirds of executives said companies were planning additional capital spending such as replacing worn out equipment. Yet, rather than borrowing money, 69 percent said they would be using cash on hand.

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Loyola University Medical Center may seek merger.

By Bruce Japsen Posted Thursday

Loyola University Health System, parent of Loyola University Medical Center in west suburban Maywood, is evaluating whether to merge with another health care system, according to sources close to the west suburban teaching hospital.

Reached this afternoon, medical center executives issued a statement saying details of their discussions are confidential. The Catholic hospital, located in west suburban Maywood, is one of five large academic medical centers in the Chicago area.

“In light of the changing health care environment and the passage of health care reform, it is logical for health care providers to consider new approaches to meet the challenges of a reformed system,” Loyola University Health System said in a statement to the Tribune.

To be sure, hospitals across the country are talking about partnerships. Some are going on the sale block, seeking investors or mergers as the market demands economies of scale and large amounts of capital to be competitive with the latest developments in technology and demands by insurance companies and consumers that they be equipped with new computer systems and electronic medical records.

Though hospitals are expected to reap an influx of more than 30 million uninsured patients who will gain access to subsidies to pay for their medical care under the health overhaul law, money for that coverage does not kick in until 2014.

In the meantime, hospitals have been hurt by the stagnant economy and high unemployment which has caused more Americans to struggle to pay their medical bills. Thus, admissions at hospitals have dipped for elective surgeries while hospitals are seeing rising numbers of so-called charity care patients who have no money to pay their bills.

"Loyola University Health System routinely talks with health systems and others across the country about possible relationships and partnerships," Loyola's statement to the Tribune said. "We are always interested in exploring opportunities to strengthen our mission and ministry."

Loyola University Medical Center sits on a 61 acre campus in Maywood and has dozens of affiliated clinic sites and doctor practices throughout the suburbs, particularly west and southwest of Chicago. The health system employs more than 6,800 people and trains more than 450 residents.

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www.healthcareil.com

2010 Tax Changes You Need to Know.

By Tim Begany Tuesday, December 14, 2010

provided by INVESTOPEDIA

Despite the availability of professional tax preparation services, an estimated 40% of Americans do their own taxes. The typical do-it-yourself filer needs about 24 hours to complete the task, according to the IRS.

Commercially available software undoubtedly makes the job a lot easier, but no brand is guaranteed to be infallible. Thus, it's important for do-it-yourself filers to keep up as best they can with relevant changes to the tax code as a safeguard against errors in their tax prep software. Here are four of the most important changes to know about as you prepare your 2010 return.

1. Smaller Deductions for Business and Medical Mileage

You can't write off the cost of a daily commute by car, but you can deduct other work-related mileage you're not reimbursed for. This year, for example, you'd get 50 cents a mile for driving from, say, Boston to New York City and back for a trade show. That's five cents less per mile than you'd have gotten for the same trip in 2009.

At 16.5 cents a mile, the deduction for operating your car for medical reasons is 7.5 cents less than last year. However, driving for charitable purposes is still deductible at 14 cents per mile, just like last year.

[See States That Tax Retirees the Most]
http://us.lrd.yahoo.com/SIG=10qanhgsb/**http%3A/yhoo.it/d0t8Wd

2. Better Limits on Deductions for Property Damage or Loss Due to Theft

For damaged or stolen property to be deductible, the loss amount must now only exceed $100, compared with $500 in 2009. The "10% of AGI" rule still generally applies though.

Remember, AGI is the sum of all your income - such as wages, interest and alimony received - minus certain adjustments, such as IRA contributions, student loan interest you've paid and moving expenses.

3. Deduction for Taxes and Fees on New Motor Vehicle Purchases

Did you buy a new car, light truck, motor home or motorcycle between February 17 and December 31 of 2009? If so, in 2010 you can deduct state, local, and excise taxes related to the purchase. If your state has no sales tax, you can instead deduct other taxes or fees the purchase generated. A neat feature of this deduction is you can use it to increase your standard deduction or take it as a regular itemized deduction, whichever works out best for you.

[See Make the Most of Your Charitable Donations]
http://finance.yahoo.com/taxes/article/111499/make-the-most-of-your-charitable-donations?mod=taxes-advice_strategy

There are a couple limitations to know about. First, the deduction is only good on up to $49,500 of the purchase price. Second, it's phased out at certain levels of modified adjusted gross income (MAGI) - between $250,000 and $260,000 for joint filers and from $125,000 to $135,000 for other taxpayers. MAGI is your AGI plus certain deductions such as those for student loans, IRA contributions and higher education costs.

4. Bigger Deductions for Long-Term Care (LTC) Insurance Premiums

IRS rules allow LTC insurance policy owners to deduct more of their premiums in 2010 than in 2009. For example, those ages 51 to 60 can claim up to $1,230 in LTC insurance premiums this year, compared with $1,190 last year - about a 3% increase. Similar increases have been approved for other age groups as well: 40 and under, 41-50, 61-70 and 71 or over. At $330, the deduction is smallest for the 40-and-under age group. It rises progressively to a maximum of $4,110 for those ages 71 or over.

Other Tax Law Changes

As you can probably imagine, the government has tinkered with the tax rules quite a bit more than this article describes. To see what other potentially beneficial changes have been made, check out a list called "Tax Changes for Individuals" at the IRS website. Who knows what other sorts of breaks you might unearth?

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www.healthcareil.com

Energy Wasters in Your Home.

By Jeanine Skowronski Thursday, December 9, 2010

Your Energy Bill Breakdown

Energy doesn't come cheap.

According to Maria Vargas, spokesperson for EnergyStar, a division of the Environmental Protection Agency (EPA), energy bills can differ depending on the size and location on your home, but the average household spends $2,200 a year. The good news is these costs can be cut dramatically.

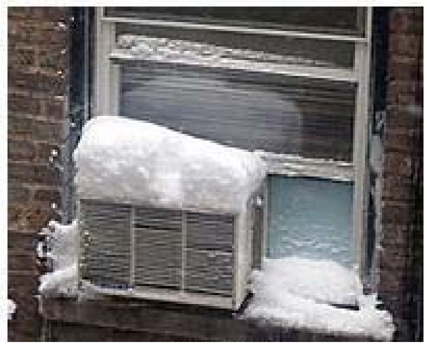
http://finance.yahoo.com/rates/query?t=s

Energy Star, a program started in 1992 to help reduce greenhouse gas emissions and lower energy costs for consumers, offers suggestions for how to reduce your annual electric costs by a third. In other words, you can save about $700 a year on electricity. Last year, Vargas points out, Americans saved about $17 billion on energy bills and reduced green house gas emissions by nearly the equivalent of 30 million cars.

[See 3 New Ways to Save on Gas]
http://us.lrd.yahoo.com/SIG=10qkejp9s/**http%3A/yhoo.it/gl4g1e

Using data compiled by EnergyStar, MainStreet breaks down your energy bill and identifies the biggest wasters to help you save money (and reduce greenhouse gas emissions!) this winter.

HVAC Systems (CarbonNYC)



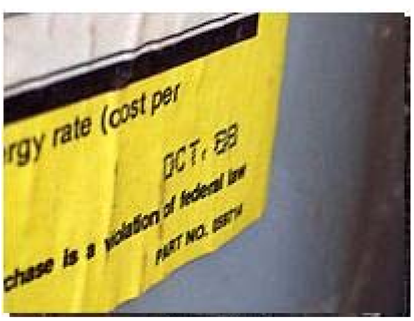
"If you really want to cut back on your energy use, you need to focus on heating and cooling your home," Vargas says. That's because these two categories combined account for 46% of your overall electric bill. While most homeowners can't afford a complete overhaul of their homes' heating, ventilating and air-conditioning (HVAC) systems, some changes can increase energy efficiency and include:

• Installing a programmable thermostat, which lets you set temperatures for specific times of day. These devices can save about $180 each year on energy costs.

• Change air filters regularly. The harder your HVAC unit has to work, the more energy it eats away. Filters should really be changed out monthly, especially during the summer and winter months when the HVAC unit has a heavy workload. If you find this tedious, EnergyStar suggests changing filters a minimum of every three months.

• Seal your heating and cooling ducts, especially those running through the attic, crawlspace, unheated basement or garage, as that improves the efficiency of your HVAC unit by as much as 20%.

Water Heater



aresauburn

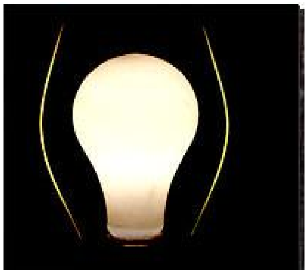
According to EnergyStar, your water heating system accounts for 14% of your energy bill. Monetarily speaking, the average household spends $400-$600 per year on water heating. To reduce this expense, lower standby losses, such as heat that escapes the water heater and seeps into the surrounding basement area, as well as the amount of hot water you use in your home.

When set too high, or at 140 degrees Fahrenheit, your water heater can waste anywhere from $36 to $61 annually in standby heat losses, and more than $400 thanks to overall consumption. Lower that expense by bringing the heater's thermostat to 120 degrees Fahrenheit or below.

Lights Out

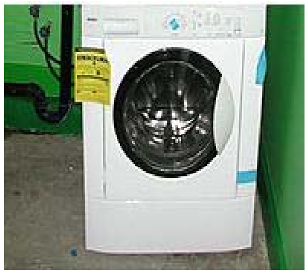
DieselDemon

In EnergyStar's breakdown, lighting accounts for 12% of bill, but it also represents one



of the easiest fixes. In fact, by simply replacing five of your standard incandescent light bulbs with compact fluorescent light bulbs, you can save $70 a year.

Hot Stuff

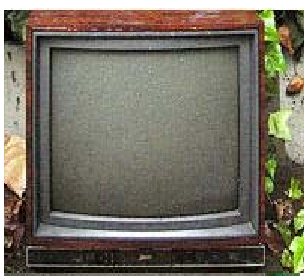


Appliances only account for 13% of electric bills, so naturally, most people don't upgrade to an energy efficient toaster. Still, if you are committed to reducing the amount of energy you use, you need to focus on larger appliances that use a heat coil, such as a refrigerator or washer and dryer. To do that, make sure that your fridge's filters are cleaned regularly, and consider using only cold water to wash laundry loads. That can save $30 to $40 each year.

[See Tips to Cut Costs on Your Heating Bill]

But don't be too stingy, Vargas says. Replacing a major appliance, like a refrigerator that is 10 to 15 years old, may help you save in the long term as new technology is constantly subject to federal standards that adjust every year.

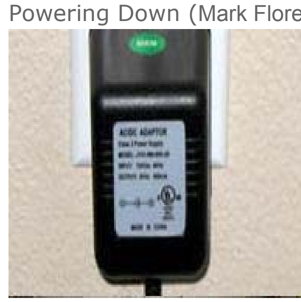
Energy Vampires



Any appliance or device that sucks up energy when it's plugged in, despite being turned off, is one of these money-draining culprits. According to EnergyStar, this includes most electronic devices, especially those that use some sort of display, like a television, laptop or DVD player.

Slaying energy vampires won't lower your energy bill significantly — electronics only account for about 4% of the total cost — but it's important to keep them in mind, as they consume 75% of the electricity used to power home electronics and appliances.

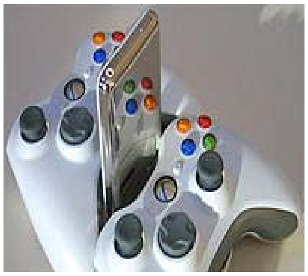
Powering Down (Mark Florence)



The best way to eliminate this phantom menace is not only to turn energy vampires off, but unplug them. This may be easier said than done, but unplugging a laptop in between uses isn't particularly problematic. However, doing so with your television would require you to wait for the cable to reboot every time you wanted to watch a program.

As an alternative, EnergyStar suggests plugging your television and/or DVD player into a power strip and then turning that off when your television is in stand-by mode. Put your computers on sleep mode, or manually turn off the monitor inbetween visits, as opposed to utilizing a screen saver, which, contrary to popular belief, does not reduce energy output. Also, make sure you unplug a battery charger of adapter as it continues to draw energy even when the product no longer needs it.

Put Stand By on Stand by



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The final 11% of your electric bill comprises devices that don't exactly fit into any particular category. This includes dehumidifiers, external power adapters and video game consoles, which are all considered energy vampires.

An Xbox 360, for example, if left on the draws approximately 1,000 kWh/yr. The PS3 draws 1,300 kWh/yr. According to EnergyStar, these values drop dramatically when users routinely turn the device off after use, lowering annual energy levels down to 110 and 120 kWh/yr, respectively. Since it costs about 12 cents per kWh/yr in the average residential home in the U.S., it costs $120 if to leave your Xbox plugged in for the entire year.

To lower these costs, unplug the devices when you are not playing and only resort to stand-by mode as, well, a stand-by. Energy Star estimates that stand-by power accounts for more than 100 billion kilowatt hours (kWh) of annual U.S. electricity consumption, and $11 billion in annual energy costs.

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