Health & Retirement Services of Illinois

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OUR NEWS LETTER HRSI

Medicare finalizes $60M cut to home health

By Elise Viebeck - 10/30/14

The Centers for Medicare and Medicaid Services (CMS) finalized a $60 million cut to home health agencies for 2015 in a **rule** released Thursday. The cut equals 0.3 percent of Medicare payments to the industry, which provides home-based medical services to roughly 3.5 million seniors.

Groups representing home healthcare providers have lobbied to stop the cuts, arguing they will endanger care for vulnerable patients with few clinical options.

The CMS said the rule will help advance the goal of delivering better care at lower costs.

"Provisions in these rules are helping to move our health-care system to one that values quality over quantity and focuses on reforms such as measuring for better health outcomes, focusing on disease prevention, helping patients return home, helping manage and improve chronic diseases, and fostering a more-efficient and coordinated healthcare system," the agency said in a statement.

In addition to the payment cut, the rule adjusted requirements for the face-to-face encounter between physician and Medicare recipient to certify eligibility for home health services, among other provisions.

In Our Newsletter

How long will you live? Longer than you think, study finds


By Dylan Stableford Yahoo News

Residents from a nearby senior citizen facility sit at the edge of the boardwalk on the first day of fall, Tuesday, Sept. 23, 2014, in Seaside Park, N.J. (Mel Evans/AP)

How long will you live? Probably much longer than you think, the Washington Post reports.

In 1992, the University of Michigan's Health and Retirement Study asked 26,000 Americans over the age of 50 what they thought the chances were they'd live to the age of 75. Now, nearly 24 years later, researchers at the Brookings Institution have calculated to see if they were right.

"In general, people wildly underestimated their chances of reaching 75," Christopher Ingraham writes on the Post's Wonk Blog.

• In 1992, 7 percent of respondents gave themselves "zero" chance to reach 75. But nearly half (49.2 percent) lived to 75 or longer.

• Among respondents who gave themselves a 50 percent chance of living to 75, 75 percent lived to that age or longer.

• And among those who said they were "100 percent" certain of living to the age of 75, nearly 8 in 10 (78.2 percent) did.

Life expectancy in the United States was 78.74 years in 2012, according to World Bank data, and 71 years worldwide.

There is no clear relationship between how long people think they'll live, and how long they actually do, Ingraham notes.

In fact, respondents who gave themselves at least a 10 percent chance of living to 75 had at least a 60 percent chance of doing so.

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Table 5.

Weighted tabulation of actual survival to age 75 by response to question about subjective mortality expectation asked in 1992.

Subjective Probability of Living to Age 75	Actual Probability of Living to Age 75	Unweighted Sample Size
0	49.2	218
10	59.9	65
20	64.6	107
30	71.2	130
40	68.9	110
50	75.1	702
60	78.4	168
70	80.9	284
80	80.1	434
90	82.5	222
100	78.2	664

Source: Authors' calculations using Health and Retirement Study data.
Note: Weighted tabulations of responses to question about subjective mortality asked in 1992 and actual survival to age 75, respondents born from 1931 through 1934.

Your best bet that you'll live to 75? Thinking you have a 90 percent chance, the study concluded.

When it comes to home buying, location is king

By Brendon DeSimone November 14, 2014

The real estate adage "location, location, location" has been around for decades. Real estate agents, investors and experienced home buyers will tell you that location trumps everything. I always advise clients that you can make changes to a home, but you can't change the location — short of moving the house.

Some neighborhoods change over time, of course, and most improve rather than getting worse. So as you set out to buy a home, should you look for the best home on the worst block? The worst home on the best block? The best home on the best block? (In real estate, "block" is a loose term for an area or neighborhood.) Here's what you need to know.

How to buy in a great area at a lower price

A home could be in the best school district in the top neighborhood of any town, but if it's on a busy street, across from a commercial center, next to a school or near a freeway on or off-ramp, that home's value will always be significantly less than the values of comparable homes nearby. If you want to be in a great area but don't want to pay top dollar, buying a home near a slightly undesirable feature could be an option, so long as the broader location is good.

The worst house on the best block: go for it, if you're willing to work on it

If you have a good location, nobody can take that away from you. Smart real estate investors and developers know that if a home is in a good location, it's a good investment. In places like San Francisco, it's not uncommon to see 10 developers make offers on an absolutely ugly, tear-down house simply because of the location. If it's a good house, there's a huge upside for the person who renovates it.

For a home buyer who wants to live in the home and isn't afraid of a little work, this is the best purchase to make. Why? Because once the renovations are done, you're sitting on equity. The lesson here: Don't be afraid to buy a home that needs work, particularly if it's in a prime location.

The best house on the best block: a great choice if you plan to stick around

Buying a fully renovated home in an A+ neighborhood is a safe choice because it will likely hold its value. But it will not have the same upside seen by its fixer-upper neighbor down the street. While there will likely be dozens of buyers lined up to purchase a move-in ready home on a prime block, a home buyer needs to understand that they're paying top market value for the house.

In this next generation of real estate, the world moves faster. People get job transfers more often, and it's less common for someone to stay in their home for 30 years. If you pay top dollar for the best house on the best block and then have to sell it within a few years, your investment may not have time to appreciate enough to cover your selling closing costs.

The worst house on the worst block: could be worth the gamble

Though there are no absolutes, you should have second and third thoughts about buying the worst house on the worst block.

Some folks prefer to be off the beaten path or buy in a transitioning neighborhood. And it's true, areas can change rapidly these days. Once unsafe or out-of-the-way neighborhoods emerge as the next "it" spot. You can't always predict which neighborhoods will change. And when real estate markets slow down, it's often these gentrifying areas that feel it first.

If you're comfortable challenging the status quo of the location game, buy a home that needs some work. As described above, you can build equity after making improvements. That built-in equity, plus the potential upside if and when the neighborhood changes, could equate to a great long-term investment.

The best house on the worst block: proceed with caution

The riskiest real estate move is to buy the absolute best home on the worst block. Paying top dollar for a fully renovated home in a bad location could present serious financial consequences. You may never gain any equity or fully recoup your investment, even after years of living in the home. That's why this type of purchase is best suited for long-term, experienced investors.

Some markets are stronger than others today, and it's nearly impossible to give blanket market advice across multiple markets. But these theories hold true across any neighborhood, school district or block no matter the market. If you are a buyer, keep these in mind as you consider the investment side of your purchase.

Report: Officials scrambling to complete ObamaCare fixes

By Sarah Ferris - 11/10/14

The government's effort to prevent another meltdown of HealthCare.gov this year is coming down to the wire ahead of open enrollment, according to a report.

Federal officials are still working on backup plans for the healthcare website, according to a review of confidential government documents by *The Washington Post*. The fixes are part of a contingency plan in case the government's months of repairs don't hold up.

For example, the website will now have multiple "virtual waiting rooms" for users who try to log on while the website is temporarily strained with high traffic or other problems.

The waiting rooms will be used under a new system called "throttling," which effectively slows the traffic for a period of time to help manage the network.

Hundreds of federal workers have helped to build up the capacity of the website. HealthCare.gov will now be able to host at least 250,000 visitors at once — twice as much traffic as its busiest day last year, according to a report by The Huffington Post.

The Centers for Medicare and Medicaid Services, the agency that oversees the website, has touted its progress, though officials have been careful not to promise a perfect rollout.

"We're really making sure the website works super-well before the next open enrollment period. We're double- and triple-checking it," the president said during a press conference last week.

A key part of the government's improvement plan this year is to allow for more time for testing.

Insurers began testing the website in early October, giving plenty more time than last year, when they only had 10 days to test the system. The Obama administration also offered a soft launch to a handful of states for its Small Business Health Options Program.

Another rude Obamacare surprise awaits

By Rick Newman Yahoo Finance

FILE - In this March 28, 2012 file photo, protesters chant in front of the Supreme Court in Washington as the court concludes three days of hearing arguments on the constitutionality of President Barack Obama's health care overhaul, the Patient Protection and Affordable Care Act. Supreme Court justices have their first chance this week to decide whether they have the appetite for another major fight over President Barack Obama’s health care law. Some of the same players who mounted the first failed effort to kill the law altogether now want the justices to rule that subsidies that help millions of low- and middle-income people afford their premiums under the law are illegal. (AP Photo/Carolyn Kaster, File)

Taxes are bad enough when you know they’re coming—and much worse when they arrive unexpectedly.

As the Affordable Care Act enters its second year of operability, a key and controversial element of the plan will begin to affect several million Americans for the first time. People who didn’t have health insurance during 2014 may soon have to pay a penalty fee that starts at $95 and goes up based on how much you earn. Some Americans know about the penalty, and they’ve budgeted for it or at least accepted its inevitability. But several million others could be in for a rude surprise when Washington assesses a fee they didn’t even know was coming.

The uninsured rate has fallen since Obamacare, as the ACA is known, went into effect at the start of 2014. But there are still roughly 40 million adult Americans who lack health insurance, according to Census Department data. A recent poll by Gallup shows that about 55% of the uninsured plan to get insurance, while 35% say they’re willing to pay the fine for not having coverage. That leaves 10% of the uninsured — 4 million people or so -- who appear to be unaware they need to have insurance or pay a penalty. Plus, some of the 55% who say they plan to get coverage inevitably won’t, including a portion who probably don’t know they’ll get stuck paying a penalty.

The “individual mandate” requiring most adult Americans to have health insurance is an essential element of the ACA because it enlarges the pool of people who are insured and spreads healthcare costs as widely as possible. Without the mandate, there would be a larger portion of sick people and a smaller portion of healthy people covered by insurance, which could make coverage prohibitively expensive for those who need it most. Yet the mandate is unpopular and it’s likely to be targeted for elimination by Republicans who will control both houses of Congress for the next two years—and who well understand that the whole law could collapse if the mandate isn’t in force.

One of the biggest remaining tests for Obamacare will come in early 2015 as people without coverage cope with the penalty fees. There are exemptions for low-income workers and others who would have to pay more than 8% of their income for a health insurance policy, which is considered prohibitively expensive. About 60% of the uninsured are poor and likely to qualify for an exemption. But they have to know how to claim it, and for all the attention Obamacare has generated, a surprisingly large portion of the population knows little or nothing about the law. Nearly 30% of those without insurance don't know they're required to have it or pay a penalty, for instance. And 65% of the uninsured say they're not familiar with the healthcare exchanges set up to offer policies, which means a lot of people without insurance don't know how to get it.

It's up to the IRS — possibly the least popular government agency — to assess penalties and collect payments. The IRS likely won't be sending agents to doorsteps demanding payment. Its only method of collecting will be to withhold the money owed from tax refunds issued in 2015, for calendar year 2014.

It's not clear how the IRS will collect from people who don't get a refund. Still, it will require a deft touch by the IRS to collect money enforcing an unpopular law strongly opposed by the majority party in both houses of Congress, without triggering a furor. At a minimum, expect rhetorical fireworks.

For Americans unsure how the mandate applies to them, there's plenty of information available from the government itself and from many third-party web sites. The law was designed to make it cheaper for most people to buy insurance than pay the penalty fee, which rises from $95 per person or 1% of your income (whichever is greater) in 2014, to $325 per person or 2% of your income in 2015. (In 2015, the maximum penalty is the national average premium for a bronze plan.)

At some point, there may be only a small band of die-hard Obamacare opponents taking a painful financial hit for the privilege of foregoing insurance. But first, penalty fees will sting many others as the nation discovers how Obamacare really works.

Don't forget these year-end retirement planning tips

By Emily Brandon Tue, Nov 18, 2014

You only have a few weeks left to make a 401(k) contribution that will get you a tax deduction on your 2014 return. The deadline is also rapidly approaching for retirees to take required minimum distributions from their retirement accounts. Here's a look at the retirement planning moves you need to make before the end of the year.

Make last-minute 401(k) contributions. Workers age 49 and younger can contribute up to $17,500 to their 401(k) plan in 2014. Income tax won't be due on the amount deposited in a traditional 401(k) account until the money is withdrawn. An employee in the 25 percent tax bracket who is able to max out his 401(k) would save $4,375 on his federal income tax bill, compared with $1,250 in tax savings for someone who deposits $5,000 in a 401(k). Contributions are typically due by Dec. 31, but it's a good idea to avoid waiting until the last minute. "You can't call on Dec. 29 and say you want to put in an extra five grand," says Joyce Streithorst, a certified financial planner for Frisch Financial Group in Melville, New York. "They need to have a little lead time of at least one paycheck and sometimes two." In some cases, you can also allocate part or all of a year-end bonus to your 401(k) account and avoid the extra tax bill on it. Workers age 50 and older can contribute an extra $5,500 to a 401(k) account as a catch-up contribution in 2014, or a total of $23,000.

Extra time for IRA contributions. While 401(k) contributions typically need to be made by the end of the calendar year, you have until April 15, 2015, to make IRA contributions that count toward tax year 2014. "For a lot of my clients, we wait until 2015 because we want to see what their tax return looks like," says Robert Reed, a certified financial planner for Partnership Financial in Columbus, Ohio. "We can see if it will make more sense for us to do a traditional IRA and get the tax break this year or do a Roth IRA and pay the tax this year and then not pay tax again ever." You can type a hypothetical IRA or Roth IRA contribution into tax preparation software to see how much you could save on your tax bill. However, if you wait until 2015 to contribute to an IRA for tax year 2014, make sure you specify which tax year the contribution should be applied to. Financial institutions may automatically apply contributions to the calendar year when they are received unless you indicate otherwise.

Take your required minimum distributions. Distributions from traditional 401(k)s and IRAs are required after age 70½, and income tax will be due on each withdrawal. The penalty for missing a distribution is a 50 percent tax on the amount that should have been withdrawn. You have until April 1 of the year after you turn 70½ to take your first required minimum distributions, but subsequent distributions are due by Dec. 31 each year. And if you delay your first distribution until April, you will then need to take two distributions in the same year, which could result in an unusually high tax bill. "If you have to take two distributions in that year, you may want to be careful because it could push you up into a higher tax bracket," Reed says. "You're just looking at a difference of a few months, so for the vast majority of people, when you get to be 70½, just take it."

Get the saver's credit. Workers who earn up to $30,000 for individuals, $45,000 for heads of household or $60,000 for married couples in 2014 and save in a 401(k) or IRA are eligible for an additional tax perk, the saver's credit. This valuable tax credit available to moderate-income households can be worth as much as $1,000 for individuals and $2,000 for couples, with the biggest credits going to people with the lowest incomes who manage to save for retirement.

Reset your contributions for 2015. In tax year 2015, the 401(k) contribution limit will increase by $500 to $18,000, and the catch-up contribution limit will also grow by $500 to $6,000. So if you can, consider setting your 401(k) direct deposits a little higher next year to get the biggest retirement savings tax break you can. "Make sure you take full advantage of your 401(k), especially if there is an employer match," says Gwen Gepfert, a certified financial planner and principal of Oaktree Financial Planning in Basking Ridge, New Jersey. You can even use part of your 2014 tax refund to get a jump-start on saving for next year.

The Disease Many Americans Don't Know They Have

Laura Tedesco November 19, 2014

As a nation, our sugar addiction is catching up with us — yet many of us are still unaware the stuff is wreaking havoc inside our bodies. *(Getty Images)*

You'd think a disease that can cause blindness, leads to amputations, and is the seventh leading cause of death in the United States would incite mass panic.

Yet Americans — and even some doctors — don't take diabetes very seriously. (Did *you* even know it's American Diabetes Month?) "Sometimes, people think 'serious' means things that kill you right away," said Dr. Carlos del Rio, chair of the Emory University Department of Global Health. "But, the reality is, I would be more concerned about diabetes than Ebola."

This lax attitude toward the disease may explain why nearly 30 percent of Americans who have diabetes don't realize it, according to a new study in the Annals of Internal Medicine, conducted by del Rio and other Emory University scientists. They analyzed health data for 29,353 people from the National Health and Nutritional Examination Survey, identifying those with diabetes based on levels of fasting glucose and hemoglobin A1C (an indicator of blood-sugar control).

Overall, about 12 percent of all U.S. adults had diabetes, which translated to 28.4 million people in 2012. Among those, nearly 8 million hadn't been diagnosed — a stat that's made all the more alarming by the fact that most regularly went to the doctor: Two-thirds of undiagnosed diabetics had seen a health care provider at least twice in the past year, the study found.

Going undiagnosed — or even just delaying the process — is asking for internal trouble. The longer diabetes goes untreated, the worse the outcome tends to be. "Once the disease sets in, it's really progressive," study co-author Mohammed Ali, an assistant professor of global health at Emory University, told Yahoo Health. "It may be slow in some cases, but it leads to really disabling and often fatal complications." Common but scary outcomes include vascular disease, kidney disease, or eye disease, which can lead to blindness.

On the flip side, if you catch and control diabetes early, "patients are very likely to do well, in terms of delaying the onset of all these horrendous complications, preserving their quality of life," said Ali.

Unfortunately, the nature of the disease means that patients who should be undergoing blood tests often slip through the cracks: Diabetes is typically asymptomatic until people develop serious complications, so doctors don't necessarily have clear cues to prompt them to suggest testing early on (although weight, family history, and lifestyle should be a consideration). “Diabetes is the silent killer,” said del Rio.

And because the U.S. is a nation of episodic care — that is, we seek medical attention for specific symptoms, rather than as a matter of routine — doctors aren’t necessarily thinking about performing preemptive blood tests on high-risk people. Instead, they’re usually focusing on, say, the patient’s back-pain problem, and not his or her overall care.

However, doctors are only one part of the equation: Patients may not be proactive about seeking care, Ali said, perhaps as a result of a low perceived risk of diabetes, poor insurance coverage, or even just time constraints. In the study, young people (ages 18 to 44) were especially likely to go undiagnosed, probably because they seek care only if they feel sick. “With diabetes, you don’t feel bad per se,” said Ali. “There’s a whole lot going on inside you, but you don’t feel it.”

How retirement benefits will change in 2015

By Emily Brandon November 26, 2014

Social Security and Medicare will be making important changes to their programs next year. Individual retirement accounts and 401(k)s will also be tweaked in significant ways. Here's a look at the new features your retirement benefits will have next year.

Social Security. Social Security recipients will receive 1.7 percent bigger payments in 2015, due to the annual cost-of-living adjustment. Most workers will continue to pay 6.2 percent of their earnings into the Social Security system, but the maximum taxable earnings amount will increase next year from $117,000 in 2014 to $118,500 in 2015. The Social Security administration will also mail Social Security statements to workers turning ages 25, 30, 35, 40, 45, 50, 55 and 60 in 2015 who have not created an online account.

Medicare. The standard Medicare Part B premium will remain $104.90 monthly in 2015, although high-income beneficiaries pay more, and the deductible is unchanged at $147 per year. The Medicare Part A hospital inpatient deductible will increase from $1,216 in 2014 to $1,260 in 2015. Medicare Part D premiums vary by plan and are expected to increase by 4 percent to an average $38.83 in 2015, assuming retirees stick with their current plan, according to an analysis of Part D plans by researchers at Georgetown University, the University of Chicago and the Kaiser Family Foundation. The maximum possible Part D deductible will be $320 in 2015, but some plans may charge smaller deductibles or no deductible. "Some plans, including many of the most popular plans, are increasing their premiums next year," says Juliette Cubanski, a policy analyst at the Kaiser Family Foundation. "The open enrollment period is a good time to look to see whether the plan will continue to be offered next year and, if so, look to see how that plan might be changing in terms of the premiums you pay every month to be enrolled as well as the costs you pay for coverage, including the annual deductible and the costs that you pay for your prescription medications." Beneficiaries have an opportunity to switch Part D plans each year during open enrollment.

401(k)s. The 401(k) contribution limit will increase by $500 to $18,000 in 2015. The catch-up contribution limit for workers age 50 and older will also grow by $500 to $6,000 in 2015. "There's a considerable amount of tax deferral you can get on those savings," says Kevin Brosious, a certified financial planner and president of Wealth Management Inc. in Allentown, Pennsylvania. A worker under age 50 who is in the 25 percent tax bracket and contributes the maximum amount to a traditional 401(k) in 2015 will save $4,500 on his federal income tax bill, compared with a tax break of $4,375 for maxing out in 2014.

IRAs. The IRA contribution limit will remain $5,500 in 2015, and savers age 50 and older can contribute an additional $1,000 as a catch-up contribution. Workers who have a retirement account at work can claim a tax deduction for making a traditional IRA contribution until their modified adjusted gross income is between $61,000 and $71,000 for individuals and $98,000 to $118,000 for couples in 2015, up $1,000 and $2,000, respectively, from 2014. Spouses without a workplace retirement plan who are married to someone with a 401(k) can claim the IRA contribution tax deduction until their income is between $183,000 and $193,000 in 2015. The Roth IRA income limits will also increase by $2,000 in 2015 to between $116,000 and $131,000 for individuals and $183,000 to $193,000 for married couples. However, investors who earn more than these limits may be able to convert traditional IRA assets to a Roth IRA. "High-income employees typically aren't eligible for Roth IRAs, but they can add after-tax dollars and then roll that directly into their Roth IRA," says Michael Hollars, a certified financial planner for Client First Finance in Sunnyvale, California.

Saver's credit. Workers who save in a 401(k) or IRA may be eligible for the saver's credit if their AGI is less than $30,500 for singles, $45,750 for heads of household and $61,000 for married couples in 2015. These limits are between $500 and $1,000 higher than in 2014. This valuable tax credit is worth 50 percent, 20 percent or 10 percent of your 401(k) or IRA contributions up to $2,000 ($4,000 for couples), with the biggest credit going to savers with the lowest incomes. The maximum possible saver's credit is worth $1,000 for individuals and $2,000 for couples.

New retirement account. The Treasury is expected to offer a new type of retirement account, the myRA. These Roth accounts with be funded with after-tax dollars via payroll deduction, but they are not tied to your job and are guaranteed by the government to never lose value. The myRA will be available to workers with an annual income of less than $129,000 for individuals and $191,000 for couples, and they can use the account for up to 30 years or until their account balance hits $15,000, after which the balance will transfer to a private-sector retirement account.

America's most educated cities, 2014

By Thomas C. Frohlich November 26, 2014

The pursuit of higher education is more common in America today than in previous generations. According to the National Center for Education Statistics, roughly 41% of Americans aged 18 to 24 were enrolled in a two- or four-year degree-granting institution, far more than the 25.5% enrolled in 1967.

As of last year, nearly 30% of all American adults 25 and older had attained at least a bachelor's degree. Yet, in some cities, a far higher percentage of residents are college-educated. Boulder, Colorado, led the nation last year with 58.5% of adults having attained at least a bachelor's degree, while the Lake Havasu City, Arizona, metro area had the lowest percentage of college-educated adults, at just 11.3%.

According to Pedro Noguera, professor of education at New York University, a combination of related factors affect the likelihood that college-educated adults will move to or stay in a particular city. Perhaps not surprisingly, primary among them is the presence of colleges and universities. At least one major academic institution was located in all of the most educated U.S. cities.

According to Noguera, many graduates choose to remain in their college's city, adding to the numbers of college-educated adults. In addition, since "there are many highly educated people, employers who rely upon a more highly skilled and highly educated pool of employees are drawn to those areas." This can both encourage recent local graduates to remain in the city, as well as encourage other well-educated people to move there.

As one might expect, cities with the highest college attainment rates also tend to have higher median household incomes. Household incomes in most of these cities were in line with the national median of $52,250 in 2013, and in several cases were far higher. The San Jose, California, and Bridgeport, Connecticut, metro areas had particularly wealthy residents, with median household incomes of $91,533 and $82,084, respectively. Earnings vary dramatically according to a person's level of education. While a typical American adult with less than a high school diploma earned slightly more than $20,000 in 2013, a typical person with a bachelor's degree earned more than $50,000.

To see America's *least* educated cities, visit 247WallSt.com:

In many cities, however, a high-paying job is by no means guaranteed to recent graduates. As Noguera explained, "the relationship between education and income is not linear. While people with more education generally earn higher wages than individuals with less, there are many exceptions to the pattern." For instance, the median income for adults with a bachelor's degree was lower than $40,000 in four of the 10 most-educated cities.

Noguera also pointed to other factors that help shape the relationship between education and income. "One factor influencing the relationship is the local economy and the types of jobs that are available. In the most prosperous cities — New York, Seattle, San Francisco, and Boston — high-wage jobs are in the financial and high-tech sectors. Individuals with college degrees who are not able to find employment in those sectors will often have lower wages."

According to a 2013 report from the Milken Institute, five of the 10 most educated metro areas had among the absolute highest shares of output from the technology sector in the nation. In fact, Corvallis, Oregon, had a greater high-tech GDP concentration than any other small city identified by the Milken Institute.

To identify the most-educated cities in America, 24/7 Wall St. reviewed U.S. metropolitan areas with the highest percentage of adults 25 and older with at least a bachelor's degree in 2013. Educational attainment rates, median earnings by level of education, household median income, population estimates, and poverty data all came from the U.S. Census Bureau's 2013 American Community Survey. Unemployment rates came from the Bureau of Labor Statistics and are annual averages for 2013.

These are America's most educated cities:

Downtown Durham. (Photo by Lance King/Getty Images)

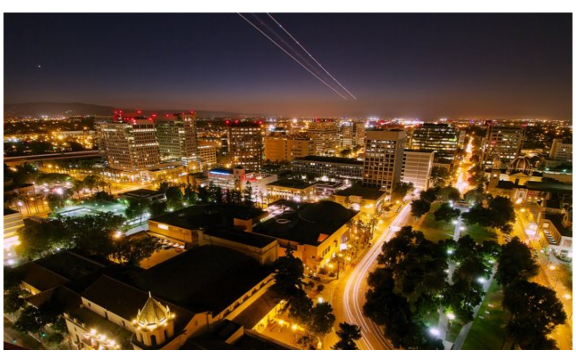
10. Durham-Chapel Hill, N.C.
• Bachelor's degree or higher: 45.5% (tied-9th highest)
• Median household income: $53,492 (100th highest)
• Median earnings – bachelor's degree: $43,007 (166th lowest)
• Poverty rate: 16.9% (164th highest)

More than 45% of adults living in the Durham-Chapel Hill metro area had attained at least a bachelor's degree as of last year, tied for the 9th highest figure among all U.S. cities. By contrast, just under 30% of adults nationwide had done so. While most Americans with bachelor's degrees earn considerably more than their less-educated peers, higher education does not guarantee higher wages in the Durham metro area. A typical Durham resident with a bachelor's degree earned $43,007, lower than the national median of $50,050. Overall, however, the median household income in Durham was $53,492, in line with the national median. Like other well-educated cities, the area is home to several large academic institutions, including Duke University and The University of North Carolina at Chapel Hill.

Fayerweather Island Light, aka Black Rock Harbor Light, Bridgeport. (Flickr photo by Charlie Kellogg)

9. Bridgeport-Stamford-Norwalk, Conn.
• Bachelor's degree or higher: 45.5% (tied-9th highest)
• Median household income: $82,084 (2nd highest)
• Median earnings – bachelor's degree: $67,061 (3rd highest)
• Poverty rate: 9.6% (21st lowest)

With a median household income of $82,084, Bridgeport metro area residents are among the nation's wealthiest. Area residents were far more likely to be employed in the financial sector than adults across the nation, and were paid nearly three times as much as their peers nationwide. High incomes in the region are also likely due in large part to high rates of educational attainment. More than 45% of adults in the area had at least a bachelor's degree, higher than the statewide rate of 37.2% and also that of every other metro area in the state. A typical area adult with a graduate or professional degree earned more than $90,000 in 2013, more than similarly educated residents in all but two other U.S. metro areas.



San Jose. (Flickr photo by Memories by Mike)

8. San Jose-Sunnyvale-Santa Clara, Calif.

• Bachelor’s degree or higher: 46.7%
• Median household income: $91,533 (the highest)
• Median earnings – bachelor’s degree: $74,727 (2nd highest)
• Poverty rate: 10.5% (27th lowest)

As one of the nation’s high-tech and information hubs, it is not particularly surprising that San Jose metro area residents are well educated and well paid. Nearly 47% of adults in the area had attained at least a bachelor’s degree last year. A typical household in the area earned $91,533, the highest median household income among all U.S. cities. Residents with graduate degrees also led their peers nationwide, with median earnings of $102,307. A typical American with a graduate degree earned $65,565, by contrast. Many highly paid area residents are employed in the information sector, where wages are more than four-and-a-half times higher than information sector jobs nationwide. Area residents are also three times more likely to work in the industry than their country-wide peers.

Iowa State University in Ames. (Flickr photo by Sarah Cady)

7. Ames, Iowa

• Bachelor’s degree or higher: 48.2%
• Median household income: $50,279 (153rd highest)
• Median earnings – bachelor’s degree: $42,482 (155th lowest)
• Poverty rate: 23.5% (22nd highest)

The high proportion of college graduates in Ames is due in large part to the presence of Iowa State University, which is also one of the region’s largest employers. The university also explains the disproportionately high numbers of young people living in Ames. More than 22% of the local population is between 20 and 24 years old, versus less than 8% of the nation. Despite the area’s exceptionally high educational attainment rates, residents with bachelor’s degrees tend to earn less than their peers nationwide. A typical Ames resident with a bachelor’s degree earned $42,482 in 2013, versus the national median of more than $50,000.

Downtown Iowa City. (Flickr photo by S.D. Putnam Photography)

6. Iowa City, Iowa
• Bachelor's degree or higher: 48.6%
• Median household income: $52,220 (116th highest)
• Median earnings – bachelor's degree: $38,807 (52nd lowest)
• Poverty rate: 15.6% (154th lowest)

Compared with other metro areas in Iowa, Iowa City had the highest educational attainment rate and was tied for the lowest unemployment rate, at 3.2% in September. Like most of the cities on this list, Iowa City is the site of a major research institution. More than 30,000 students attend the University of Iowa, and many of them will likely remain in the city after graduation. While attaining a college degree is frequently a reliable path to high wages, median earnings among Iowa City residents with bachelor's degrees were quite low, at just $38,807. A typical resident with a high school diploma, on the other hand, earned $34,278, among the highest figures compared to similarly educated Americans.

Sunflower fields, Lawrence. (Flickr photo by Patrick Emerson)

5. Lawrence, Kan.
• Bachelor's degree or higher: 50.4%
• Median household income: $52,150 (117th highest)
• Median earnings – bachelor's degree: $39,913 (63rd lowest)
• Poverty rate: 17.1% (151st highest)

Lawrence was one of only five U.S. cities in which more than half of the adult population had attained at least a bachelor's degree in 2013. Also, 95.5% had completed at least high school, the second-highest rate nationwide. The University of Kansas is located in the city and is likely an attraction for both employers and future well-educated residents. While Lawrence no doubt benefits from having a well-educated community, high incomes are not guaranteed. The median earnings for residents with bachelor's degrees was just $39,913, one of the lower such figures nationwide.

Cornell University, Ithaca. (Flickr photo by Zach Stern)

4. Ithaca, N.Y.
• Bachelor's degree or higher: 50.9%
• Median household income: $48,516 (177th highest)
• Median earnings – bachelor's degree: $36,172 (17th lowest)
• Poverty rate: 20.3% (65th highest)

Like most well-educated cities, Ithaca has a large population of young people, many of whom attend Cornell University. Compared to the nation, the city had twice the proportion of 20-24 year old residents. The presence of a large research institution has a positive impact on the area's economy. Ithaca residents were several times more likely to work in education and health services than their fellow Americans. Average wages in those sectors were also considerably higher than nationwide. Among graduates and households, however, median earnings were quite low. A typical household in Ithaca earned $48,516 last year, less than the national median. And while the nationwide median earnings for adults with a graduate degree was more than $65,000 last year, similarly educated Ithaca residents had median earnings of less than $47,000.

Sunset over Corvallis. (Flickr photo by Paul Bausch)

3. Corvallis, Ore.
• Bachelor's degree or higher: 52.2%
• Median household income: $47,808 (188th lowest)
• Median earnings – bachelor's degree: $36,211 (18th lowest)
• Poverty rate: 23.1% (23rd highest)

Corvallis is described by the area chamber of commerce as having a "college town atmosphere and an economy rooted in education, high-tech industries and healthcare." The sentiment is largely due to the presence of Oregon State University, where nearly 25,000 students are currently enrolled. The city seems able to retain many graduates, as more than 52% of adults in the area had completed at least a bachelor's degree last year. The job market is likely very competitive for college graduates, however, as median earnings were low for area adults with bachelor's degrees. A typical college-educated adult earned just $36,211 last year, considerably lower than the national figure of $50,050.

Ann Arbor. (Flickr photo by Mark Sprague)

2. Ann Arbor, Mich.
• Bachelor's degree or higher: 53.5%
• Median household income: $59,660 (46th highest)
• Median earnings – bachelor's degree: $46,829 (136th highest)
• Poverty rate: 16.7% (174th highest)

A typical household in Ann Arbor earned nearly $60,000 last year, well above the national median household income and the highest figure among all Michigan metro areas. The high incomes may be explained in part by high educational attainment rates, as median earnings for residents with graduate degrees were $72,207, among the highest nationwide. A typical adult with a bachelor's degree, on the other hand, earned less than the national figure of $50,050. With nearly 44,000 students enrolled — including 15,427 graduate students — and thousands of staff, the University of Michigan is a major contributor to Ann Arbor's community.

Sunrise over Boulder. (Flickr photo by Bo Insogna, TheLightningMan.com)

1. Boulder, Colo.
• Bachelor's degree or higher: 58.5%
• Median household income: $71,604 (9th highest)
• Median earnings – bachelor's degree: $44,060 (188th lowest)
• Poverty rate: 13.9% (94th lowest)

Almost 59% of adults living in Boulder had attained at least a bachelor's degree as of 2013, the highest figure among all U.S. cities and nearly double the national rate of 29.6%. Area residents were also quite wealthy, with a typical household earning $71,604 in 2013, among the highest figures in the country. Boulder's poverty rate of 13.9% was also lower than most cities on this list, as well as lower than the nation. Like nearly all well-educated cities, Boulder residents live in proximity to a major academic institution. Approximately 32,000 students were enrolled at the University of Colorado at Boulder last year.

Is the Obama administration missing a major chance to boost Obamacare enrollment?

By Jason Millman November 24

The Obamacare enrollment period just re-opened, but the Obama administration is already starting to lay down new ground rules for how enrollment will work in the future. Among the ideas: changing when the enrollment period will actually take place. And that could have big implications for how many people will sign up for coverage.

The law's first ever enrollment period ran a lengthy six months, from Oct. 1, 2013 to March 31. The second enrollment period now underway will be half as long — it started on Nov. 15 and is scheduled to end Feb. 15. Starting in fall 2015, the Obama administration says enrollment in the law's health insurance marketplaces, or exchanges, will run Oct. 1 through Dec. 15 of each year.

What's the point of shifting up the dates? It's all about eliminating possible confusion about when a person's coverage actually starts, according to the proposed rule issued Friday afternoon by HHS. In the future, all health plans purchased in the enrollment window will start on Jan. 1 of the following year, which is a change from how things work now. Under the current enrollment window, if you purchase a plan on Dec. 15, your coverage starts start Jan. 1. But if you purchase a health plan on Dec. 16, you have to wait until Feb. 1 for your coverage to kick in.

"This will be less complicated for Exchanges and issuers to implement," HHS wrote about the proposed change.

But there are some experts who think that having people sign up for health insurance during the fall is a bad idea in the first place.

"[L]ate fall is one of the most financially and emotionally stressful times of the year, particularly for people with limited incomes," wrote Harvard School of Public Health professor Katherine Swartz and John Graves, an assistant professor at the School of Medicine at Vanderbilt University, this past summer in Health Affairs. "The holiday season between Thanksgiving and New Year's — with pressures for buying presents, travel, and the onset of winter home-heating bills — strains many family budgets. These are not months when lower-income households have extra money for paying premiums for health insurance plans that begin the following January."

Some Affordable Care Act advocates and tax preparers like Jackson Hewitt have also been urging the Obama administration to set an Obamacare enrollment period that more closely aligns with tax season, citing a few reasons. People in tax season will learn whether they're paying the ACA penalty for not having health insurance, so they may make the calculation they'd rather get coverage. Also, people receiving tax refunds may then feel like they have the financial flexibility to purchase private coverage.

The advocacy group Families USA, one of the ACA's strongest proponents, has also called for a marriage of the enrollment period and tax season. "Fully aligning the open enrollment period with the tax filing period would significantly increase enrollment," the group concluded in recommendations issued earlier this year.

The important caveat here is that HHS has only proposed the change so far and is asking for feedback on this provision, among others. But given the importance of the enrollment window and those who've spoken up, it will be interesting to see if this rule sticks.