Health & Retirement Services Of Illinois

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OUR NEWS LETTER HRSI

Dying Careers You Should Avoid

If you're pursuing one of these careers, you may want to think about changing your focus. Check out these five alternatives instead.

By Terence Loose

It's been said that if you're not growing, you're dying. Well, that seems true when it comes to careers, too. Unfortunately, in today's fast-paced, technology-driven world, sometimes it's hard to predict which jobs will be winners and which will be losers. But understanding the likely trajectory of your chosen field will be crucial to your professional success.

"People need to ensure that they're in an industry, or working to enter one, that has long-term potential and security," says Debra Wheatman, a certified professional career coach and president of Careers Done Write. She says that if you're not careful, you could find yourself putting your best earning years into a dead-end job.

Or worse: By the time you do see the light, you might be stuck. "A career change often times means you have to start over at a more junior level," says Wheatman, "If you have a family or other debt obligations, it could be really difficult. These things have to be considered."

With your professional future in mind, we combed the U.S. Department of Labor, the authority on the nation's job trends, to find five common careers that may not be so common by 2020. And while they might not be completely phased out by then, they'll likely be either on their last legs or barely staying afloat.

And yet there is a silver lining. We also identified five alternatives that the Department of Labor says have a more promising future. Read on to see if your career goals are destined for success, or headed to the unemployment line.

In Our Newsletter

Dying Career #1: Desktop Publisher

Desktop publishing was revolutionary during the printed media era, helping organizations avoid the cost and complications of using large printing presses to print everything from advertisements to magazines. Today, desktop publishers still design layouts with computer software for newspapers, books, and other printed media, says the U.S. Department of Labor, but the printing party has come to an end.

Projected Decline: According to the Department of Labor, desktop publisher jobs are expected to decline by 15 percent from 2010 to 2020. That's a total of 3,300 lost jobs, which is sizable considering the profession had only 22,600 jobs in 2010.

Why It's Dying: The Department says that advances in user-friendly desktop publishing software will allow other workers, such as graphic designers and copyeditors, to perform the tasks desktop publishers do now. Automation will also lead to job loss. Finally, the Department says, opportunities in desktop publishing will be stronger "for those with a degree in graphic design or a related field."

Which begs the question: Why not consider...

Alternative Career: Graphic Designer

Not only does the career of graphic designer have a better outlook for job growth, according to the Department, it also gives you the opportunity to be more creative. That's because graphic designers use computer software, and sometimes even draw by hand, to create visual concepts for logos, websites, or product illustrations.

Projected Growth: The Department projects graphic designer jobs to grow by 13 percent from 2010 to 2020, which translates to 37,300 possible new jobs.

Why It's Growing: The Department says that due to the increased use of the Internet, graphic designers will be needed to create layouts and images for such things as websites, electronic publications, portable devices, and video entertainment media.

"Companies need artists to create packaging, branding, marketing/PR materials, trade show/billboard signage, online and print advertising, gaming development artists, and many are anxious to [hire graphic designers]" says Cheryl Chapman, a professor of digital graphic art with Coastline Community College in Southern California.

Education Options: Typically, a bachelor's degree in graphic design or a related field is a must for graphic designers, says the Department. "However, those with a bachelor's degree in another field may pursue technical training in graphic design to meet most hiring qualifications," says the Department.

Dying Career #2: Reporter

They say a species must adapt or die, and with the trend of the Internet replacing print journalism (you are reading this on the computer, after all), media folks who don't adjust might not survive too much longer. In short, many reporters could be going the way of their typewriters soon.

Projected Decline: Reporter and correspondent positions are expected to decline by 8 percent from 51,900 jobs in 2010 to 48,000 in 2020, for a total of nearly 4,000 jobs lost, says the U.S. Department of Labor

Why It's Dying: The Department of Labor says that because of the trend of consolidation of media companies and the decline in readership of newspapers, reporters will find there are fewer available jobs.

So, if you have a hankering for writing, you might look into...

Alternative Career: Public Relations Specialist

In the new world of Facebook, Twitter, and all things Web, the public image of a company has never been more important, and so the role of public relations specialist is a vital one. These are the people who evaluate advertising programs, write press releases, and communicate with the media and public to promote a company's public image, according to U.S. Department of Labor.

Projected Growth: The Department projects openings for PR specialists to grow by 23 percent from 2010 to 2020, which equals 58,200 new jobs.

Why It's Growing: Thanks to the fact that both good and bad news spreads quickly in the Internet age, the Department says that companies need PR specialists to respond to these news developments. "With the popularity of social media marketers, specializing in that will be absolutely critical in the future. These people will be sought after by most companies," says Susan Heathfield, a management consultant and writer of About.com's Guide to Human Resources.

Education Options: The Department says public relations specialists normally need a bachelor's degree, with employers usually wanting applicants to have studied public relations, communications, journalism, English, or business.

Dying Career #3: Semiconductor Processor

You'd think if any job was safe in this computer-filled world it would be the people who manufacture electronic semiconductors, aka microchips and integrated circuits. But alas, looking at projections by the U.S. Department of Labor, it appears these workers are destined to be processed out.

Projected Decline: The Department of Labor expects this job to decline rapidly by 18 percent, going from 21,100 jobs in 2010 to just 17,300 in 2020, a total loss of 3,800 jobs.

Why It's Dying: Here's a bitter irony for those in the semiconductor processing biz: Despite the fact that semiconductors are in strong demand, increased automation in the plants that make semiconductors means fewer of these workers will be hired, says the Department. In addition, many microchip manufacturers will close plants in the U.S. and move production overseas to less-costly countries, says the Department.

So if you're a techie, you might want to think about...

Alternative Career: Database Administrator

With the recent kerfuffle about China allegedly hacking private companies' databases to perform corporate espionage, it shouldn't come as a surprise that database administrators will be much needed in years to come. Why? Database administrators use computer software to help companies store and organize data, as well as keep that data safe from unauthorized users, says the U.S. Department of Labor.

Projected Growth: Job opportunities for database administrators will grow by 31 percent, from 2010 to 2020, says the Department of Labor. That's a total of almost 34,000 new jobs.

Why It's Growing: There is rapid growth in the amount of data being collected by companies, and therefore a greater need for database administrators to keep it organized for analysis, says the Department.

Heathfield says that this "big data" collection promises to be a huge job creator, with companies needing people to organize and analyze the data they have been collecting from consumers for the past decade or more. "Companies are now discovering that they're not using that data and want to start utilizing it," she says.

Education Options: Database administrators have a bachelor's degree in a computer- or information- related subject, says the Department.

Dying Career #4: Auto Insurance Appraiser

You know those nice men and women who tell you just how much damage your car sustained in your recent fender bender? Well, according to the U.S. Department of Labor, there will be far fewer of them in the near future.

Projected Decline: The Department of Labor says this occupation will contract by 8 percent between 2010 to 2020. And although that only amounts to 800 jobs lost overall, it will have a significant impact on the field when you consider that just 10,600 appraisers were employed in 2010.

Why It's Dying: Believe it or not, the decline in insurance appraisers of auto damage is good news. Why? Because, says the Department, the loss of employment is due to our cars getting safer. That, they say, will lead to fewer accidents and this will mean less need for insurance adjusters.

So these workers might want to try...

Alternative Career: Cost Estimator

If you've got a bit of the appraiser in you, cost estimator might be a better gig. These are the folks who collect and analyze data to estimate the time, labor, resources, and, of course, money it will take to produce a certain product or service, says the U.S. Department of Labor. It's an important position for any business.

Projected Growth: Job opportunities for cost estimators will grow by a surprising 36 percent from 2010 to 2020, says the Department of Labor. What does that look like in jobs figures? Try 67,500.

Why It's Growing: The Department says that this profession will grow as companies continue to look for more cost-effective services and products. The greatest growth, says the Department, will come in the construction industry, especially in national infrastructure projects such as roads, bridges, and airports.

Education Options: More and more employers of cost estimators prefer their candidates to have a bachelor's degree, says the Department, and though field of study may vary by industry, a background in mathematics is important. Some employers could prefer candidates with business-related majors in areas such as accounting, economics, business, finance, and others.

Construction cost estimators, on the other hand, probably need a bachelor's in building science or construction management, says the Department. Likewise, cost estimators working in manufacturing usually are required to earn a bachelor's in engineering, math, statistics, or the physical sciences.

Dying Career #5: Insurance Underwriters

If you've ever applied for auto, health, or any other kind of insurance, it's likely that your fate - whether you got the insurance and how much you paid for it - was in the hands of an insurance underwriter. Now, it seems, many underwriter jobs are in need of a little insurance themselves. Why?

Projected Decline: Opportunities in this field will increase, but at a mere six percent between 2010 to 2020. That's slower than the average rate of 14 percent for all occupations, according to the U.S. Department of Labor, which doesn't bode well for the future.

Why It's Dying: The reason for the snail-paced growth will probably come as little surprise to most. The Department of Labor says that new forms of underwriting software will allow companies to process insurance applications more efficiently than ever and this will result in fewer underwriters needed.

Let's hope these professionals have unemployment insurance, or a backup plan like...

Alternative Career: Accountant or Auditor

If you like working with spreadsheets, examining financial records, analyzing financial operations, and helping companies to run more efficiently to create bigger profits, the job of accountant or auditor could add up for your future.

Projected Growth: Accounting and auditing positions are expected to grow by 16 percent from 2010 to 2020, says the U.S. Department of Labor. Talk about growth: The Department of Labor expects 190,700 new jobs in the field by 2020.

Click to Find the Right Accounting Program.

Why It's Growing: Unless you've been vacationing on the moon for the past five years, you've heard about the financial crises and scandals - all of which has resulted in companies placing a bigger emphasis on accounting practices to adhere to stricter laws and regulations, says the Department. "Every business has to keep track of money, pay taxes, and balance the books, so accountants will always have jobs," says Heathfield.

Education Options: The Department says, "Most accountants and auditors need at least a bachelor's degree in accounting or a related field."

How to Save One Million Dollars

By Jocelyn Black Hodes | DailyWorth

The elusive million dollar milestone...is it reachable? Well, in short, yes. But not without some careful planning and discipline. Time is a key factor, of course. It all depends on your age, when you plan to retire, what kinds of accounts you use, your investment costs, and your risk tolerance. The more you are able to save on a regular basis, the less risk you need to take and the less time it should take to hit that first million.

Start Saving Now

If you are 35 and starting from scratch, for example, you need to save around $735 per month to have $1 million by age 65, assuming an 8% average annual return. If you are 40, you need to save around $1,135 per month. If you were willing to take on more risk with your investments and managed to average a 10% annual return, you would only have to save around $506 per month from age 35, or around $850 each month from age 40. If you were more conservative, you would need to save more. You get the idea. (You can use the SEC's calculator to plug in your age and determine monthly contributions.)

Keep in mind that these numbers do not take potential investment costs into account like management fees and fund expense ratios, which could decrease your annual returns by more than 2%. This means that you will likely need to contribute more and/or take on more risk to meet your goal. They also don't take into account inflation and taxes (we'll get to that in a minute).

Max Out Your Retirement Accounts

So, where is the best place to save this money for retirement? In tax-advantaged retirement accounts, of course! We're talking about your 401(k), 403(b), traditional IRA and/or Roth IRA. These kinds of accounts allow you to avoid paying taxes on market growth (capital gains), which really makes a big difference in how much you can accumulate over the long run.

If your company has a plan available, the easiest thing to do is to save there through automatic payroll deductions. These types of plans have a 2013 contribution limit of $17,500 or $23,000 if you are over 50. If your company offers a matching contribution (a.k.a*free money*), you definitely want to put in at least as much as they will match.

If you have maxed out contributions to your company plan and still want to save more, you can put an additional total of $5,500 (or $6,500 if you are over 50) for 2013 in a traditional or Roth IRA. Remember that Roth IRAs -- unlike their traditional counterparts -- allow you to grow post-tax money that you can potentially pull out totally tax-free in retirement. Some companies even offer a Roth IRA option as well as a 401(k) within their company plan, which means that you could potentially save $23,000 per year of tax-free money (or more, if you're over 50).

If you do not have a company plan available and are an entrepreneur, or even if you do have a company plan but also freelance part-time, you may be able to open a SEP IRA or Individual 401(k), two other types of traditional IRAs. These plans allow you to save as much as $51,000 (or $56,500 if you are over 50) on a tax-deferred basis, including any other potential savings in other retirement accounts.

Don't Forget About Taxes and Inflation

It's also important to remember that, while hitting that 7-figure mark is still a major milestone, $1 million today won't be worth that much in 25 years. Assuming an average inflation rate of 3%, it would only be worth around $475,000 in 25 years. (Over the last decade, the average annual inflation rate was less than 2.5%, but over the last quarter-century, the average annual inflation rate has been a little over 3%.)

If you want an inflation *and* tax-adjusted balance of $1 million by age 65, you may need to save upwards of $2,600 per month from age 35, or $3,200 per month from age 40, assuming an 8% return, and not including investment fees or state taxes. (We know: GULP.) Of course, that's also assuming that you're starting from scratch and accounting for 3% annual inflation. (You can do your own calculations with Bankrate's inflation calculator tool.)

We know that may seem daunting; most people aren't in a position to save $2,600 or more per month. But it does highlight the importance of starting early, or retiring a little later, in order to reach your retirement savings goal. Hopefully, you don't have to start from scratch and you can build upon some base savings. You will help yourself a lot by saving extra cash (e.g. bonuses, tax refunds, inheritances) in tax-advantaged retirement accounts whenever possible, opening no or low-fee IRAs at a discount brokerage firm, and choosing lower-cost investments like indexed mutual funds and exchange-traded funds. Whatever your goal, the most important step you can take is to start saving anything you can *now* so your money can start growing and you'll be that much closer to reaching $1 million, or whatever your personal retirement savings goal may be.

Drugmakers Get Reprieve From Medicare Cost-Cutting Board

By Alex Wayne - Apr 30, 2013

Pfizer Inc. (PFE) and other drugmakers will avoid a reduction in U.S. government payments that was to be imposed in 2015 by a cost-cutting panel created by President Barack Obama's Affordable Care Act.

Spending in Medicare, the federal health program for the elderly and disabled, has been growing so slowly that the Independent Payment Advisory Board wasn't triggered for 2015, the first year it could have acted, the actuary for the Centers for Medicare and Medicaid Services said today in a memo. The board was created to propose ways to reduce costs if Medicare spending exceeds target growth rates.

Republicans and the drug industry have urged a repeal of the board, and Obama hasn't yet appointed any of its members. A spokeswoman for the Pharmaceutical Research and Manufacturers of America, the industry's Washington-based lobbying group, didn't immediately comment on today's decision.

"Since the Affordable Care Act was enacted, growth in Medicare per capita spending has slowed significantly, putting Medicare on a more sustainable path to keep its commitment to seniors and persons with disabilities today and well into the future," Brian Cook, an agency spokesman, said in an e-mail.

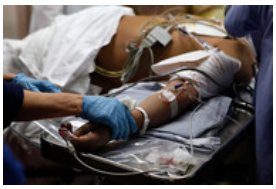
Medicare's spending per patient is projected to grow at an average rate of about 1.15 percent from 2011 to 2015, the program's actuary said in a memo. Spending would have to grow more than twice as fast, at an average 3.03 percent, for the payment advisory panel to be triggered.

U.S. to Delete Data on Life-Threatening Mistakes From Website

By Charles R. Babcock - May 1, 2013

Two years ago, over objections from the hospital industry, the U.S. announced it would add data about "potentially life-threatening" mistakes made in hospitals to a website people can search to check on safety performance.

Now the Centers for Medicare and Medicaid Services is planning to strip the site of the eight hospital-acquired conditions, which include infections and mismatched blood transfusions, while it comes up with a different set. The agency said it's taking the step because some of the eight are redundant and because an advisory panel created by the 2010 Affordable Care Act recommended regulators use other gauges.

Enlarge image 

Scott Olson/Getty Images

Staff in a trauma unit in Chicago, Illinois.

Staff in a trauma unit in Chicago, Illinois. Photographer: Scott Olson/Getty Images

The decision to pull the measures is a retreat from a commitment to transparency, according to organizations representing employers that help pay for health insurance.

"We have a right to know if hospitals are making errors that are catastrophic to patients," said Leah Binder, president of the Washington-based Leapfrog Group, whose members include General Motors Co. and Verizon Communications Inc. "What they're saying basically is hospital claims of unfairness have more weight than consumers' right to know."

The initial proposal CMS has made for new safety-assessment data suggests the Hospital Compare website won't be as comprehensive as it is now, Binder said.

Bill Kramer, executive director for national health policy at the Pacific Business Group on Health, said removing the data"would be a significant step backwards." The coalition, including Wal-Mart Stores Inc. and Walt Disney Co., was among 33 business, labor and consumer organizations that argued against taking the hospital-acquired conditions, or HACs, off the site.

Error Rates

The debate over public reporting of hospital errors underscores the challenges regulators face in balancing patient and provider interests in an economy that spends $2.7 trillion a year on medical care, about one-third of it at hospitals.

The statistics were first posted in October 2011. CMS officials have said they'll be removed during the website's annual update in July, according to Binder and the American Hospital Association. Binder estimated it could be two years before data from the new HACs appear on Hospital Compare.

Patrick Conway, CMS's chief medical officer and top quality-control official, declined to be interviewed and didn't respond to written questions about the HACs' removal, the new measures and when they might appear on the site.

The hospital industry argued against adding the statistics to Hospital Compare from the beginning, contending the data, culled from Medicare billing records, aren't precise enough and can paint inaccurate pictures.

'Real Picture'

"Our members have long been in favor of transparency,"said Nancy Foster, vice president for quality and patient safety policy at the Washington-based American Hospital Association."The only thing we have insisted upon is that the measures be accurate and fair, that they represent a real picture of what's going on in an individual hospital if you're going to put it up on a public website."

Baltimore-based CMS, which oversees the government health insurance programs that pay almost half of all U.S. medical bills, revealed it would be stripping Hospital Compare of the HACs in an Aug. 31 regulation.

CMS said it was doing so in part because two of them, both involving catheter infections, are already mentioned in other sections on the site and that three more are included in composite scores in another category.

New List

In addition, the Measure Applications Partnership or MAP, the group created by the health-care overhaul law, recommended that CMS instead use hospital-acquired conditions endorsed by the National Quality Forum. MAP is part of the nonprofit, which advises the U.S. government and hospitals on best practices.

The health-care law requires CMS to cut Medicare payments starting in October 2015 to hospitals that score in the 25 percent of worst-offenders on a list of hospital-acquired conditions, which the law leaves to regulators to define.

CMS proposed on April 26 that the measures include versions of two currently on the site -- bed sores and objects left inside surgical patients' bodies -- and others that cover accidental cuts and tears, collapsed lungs, blood clots after surgery and other post-operative complications.

Two now on Hospital Compare that aren't among those proposed by CMS are transfusions of the wrong type of blood and air embolisms, which are air bubbles that become trapped in the bloodstream. Both are known in the medical community as never-events, because they should never happen.

The agency will accept comments from the public on the suggested new HACs until June 25.

'Great Concern'

Binder said it "should be a great concern to every American" that blood transfusion and air embolism aren't among the proposals. "We deserve to know where they happen."

Foster at the American Hospital Association said she couldn't comment yet on the specific CMS proposals. While the trade group is concerned some might not be reliable indicators, she said, AHA experts are still studying them.

The website's current HAC data are for the period from July 1, 2009, to June 30, 2011. Hospitals are scored on incidents per 1,000 discharges, and compared to a national ranking.

Regulators have emphasized curbing infections and injuries since the Institute of Medicine reported in 1999 that as many as 98,000 Americans die annually from preventable hospital mishaps. While some states track them, Hospital Compare is the only national compilation.

'Done Right'

"It's better to have measures that might not meet the highest level of statistical reliability than to ask your next-door neighbor," said Dolores Mitchell, executive director of the health-care program for Massachusetts state employees, who said she was the only member of the MAP panel that opposed removing the HACs.

In Los Angeles, the Ronald Reagan UCLA Medical Center has a Hospital Compare score of .079 per 1,000 discharges for air embolisms, compared to a national average of .003.

After a transplant patient died in 2010 because an air bubble blocked a vein, UCLA conducted a root cause analysis and identified and put into place several changes in procedure, said Tom Rosenthal, who is chief medical officer of the UCLA Hospital System. "We have done everything we can do to reduce patient harm, and we've had no cases since."

Opposition to the HACs on the website doesn't mean the industry is "trying to cover up our dirty linen," Rosenthal said. "The public does have a right to know what's going on at UCLA and every other hospital in the country. But it should be done right."

ILLINOIS HOSPITAL PRICES VASTLY DIFFERENT: MEDICARE DATA

Tribune staff report *May 8, 2013*

Hospitals in Illinois charged vastly different amounts of money for the same procedure -- with some charging seven or eight times more than another -- according to data released by the government Wednesday.

The discrepancies are detailed in a report from the Centers for Medicare and Medicaid Services that for the first time made public data on what 3,000 U.S. hospitals charge for the 100 most common procedures. It also disclosed the much lower amounts that hospitals collect from Medicare.

One of the most common ailments, pneumonia, had one of the largest ranges in average prices among Illinois hospitals.

Gateway Regional Medical Center in Granite City charged $86,570 for treatment while, Iroquois Memorial Hospital in Watseka charged $10,733. In Chicago, the priciest treatment was at the University of Chicago Medical Center at $72,845 and the cheapest was Holy Cross Hospital at $27,588.

Government officials said the release of such detailed information will bring more transparency to the health care market and pressure high-cost providers to drop prices to be more in-line with competitors.

"Even basic information about health premiums or hospital charges has long been hidden from consumers," said Health and Human Services Secretary Kathleen Sebelius, in a call with reporters.

That has made is difficult for patients to make informed decisions and offered no incentive for hospitals to compete on price, she said.

"By making this available for free for the first time we will save consumers money by arming them with better information that can help them make better choices," she said.

The data also could sharpen the debate over what patients and the government pay for health care ahead of the implementation of President Barack Obama's health care overhaul law, which could add as many as 30 million Americans to health insurance rolls starting in 2014.

"Transformation of the health care delivery system cannot occur without greater price transparency," said Dr. RisaLavizzo-Mourey, president and CEO of healthcare philanthropic organization Robert Wood Johnson Foundation. "While more work lies ahead, the release of these hospital price data will allow us to shine a light on the often vast variations in hospital charges."

In Illinois, the price for major joint replacement ranged from $117,102 at Galesburg Cottage Hospital in Galesburg to $36,141 at Mercy Hospital and Medical Centers in Chicago. Most Illinois hospitals charged between $50,000 and $70,000.

In Chicago, the highest price for major joint replacement was at Mt. Sinai at $74,425. It collected an average of $21,072 for such procedures from Medicare, reflecting the wide gap between what uninsured patients are asked to pay and what hospitals actually collect from government programs and insurance companies.

A routine laparoscopic gall bladder removal in Illinois ranged from $67,846 at Provena Mercy Medical Center in Aurora to $20,227 at Trinity Hospital in Rock Island.

In Chicago, Swedish Covenant charged the most at $51,503, while Resurrection Medical Center

charged $31,701. Swedish Covenant collected $13,625, while Resurrection collected just $9,285.

For a cervical spinal fusion, the most expensive hospital charged more than three times what the cheapest did, on average.

The costliest procedure was at Swedish American Hospital in Rockford at $97,132. The cheapest was at Memorial Hospital in Belleville at $31,808.15. In Chicago, prices ranged from $56,169 at Rush University Medical Center to $93,144 at Swedish Covenant.

Health concerns top list of retirement worries in U.S.: study

Mon May 6, 2013

(Reuters) - Health problems and the cost of healthcare are the biggest concerns for those entering retirement, according to a study released on Monday from Bank of America Corp's Merrill Lynch.

The findings, part of a larger study focused on how people are feeling about and preparing for retirement, were based on a survey of more than 6,300 individuals aged 45 and older across the United States.

When asked what their biggest worry was about living a long life, 72 percent of retirees surveyed said serious health problems. Among other concerns cited by respondents were running out of money to live comfortably and not being a burden on their family.

The study, co-conducted with research firm Age Wave, divided respondents into those that have more than $250,000 in investable assets and those that have less than $250,000.

When asked what their top financial worries for retirement were, 52 percent of those surveyed in the affluent population group and 37 percent in the latter - ranked healthcare expenses as their biggest concern.

Other concerns included outliving their money, lack of personal savings, social security and company pension.

The study cited worries about the long-term stability of government healthcare programs, such as Medicare, and unexpected medical expenses as reasons why healthcare costs topped the list of concerns for retirees.

"It requires that people give some thought to what other contingencies" they have in place to prepare for those unexpected expenses, said David Tyrie, head of personal wealth and retirement at Merrill.

Health problems were also listed as the top reason for early retirement, rather than financial success, with 34 percent of retirees surveyed ranking it first. Sufficient financial resources came in as a second reason, with 27 percent of retirees surveyed listing it as their top reason.

6 Ways to Get the Most Out of Social Security

By Tom Sightings | U.S.News& World Report LP – Tue, May 7, 201

Social Security took a cut out of every paycheck we ever earned, and the money was used to pay benefits to our grandparents, parents and older siblings. Now, finally, it's our turn, and it's only natural that we want our benefits, too. Yet the rules for collecting Social Security are incredibly complicated, and vary depending on your marital status, how long you worked, where you worked and when you retire.

Meanwhile, we hear dire predictions that Social Security is running out of funds, benefits will be cut and eligibility rules may change. Nobody knows what the long-term future holds, but under the current program, which is not likely to change much in the near term, there are six proven strategies to make the most out of the program:

1. Work a long time. Social Security says it figures your benefit by calculating "your average indexed monthly earnings during the 35 years in which you earned the most." So, obviously, one way to maximize your benefit is to put in a full career, working for at least 35 years. Maybe that seems like a long time, but look at it this way: If you retire at full retirement age (66 for most of us), you can still get the maximum benefit even if you didn't start your career until you were 31, or if you began working at age 21 and took off 10 years to raise children.

2. Have a good job. Social Security sets a maximum amount of salary that is subject to the payroll tax, currently $113,700 per year, which is the same amount of earnings it will credit toward your benefit. This amount is adjusted for inflation. The maximum amount in 2000 was $76,200, and in 1990 is was $51,300. This is easier said than done, but the way to maximize your benefit is to earn the maximum amount set by Social Security throughout your career. If you were earning at least $51,300 in 1990, $76,200 in 2000 and $113,700 today, you're eligible to collect the maximum benefit from Social Security.

3. Don't retire early. Workers are eligible to start taking Social Security benefits at age 62, but the amount you receive at 62 is discounted by about 25 percent. Also, if you start Social Security before full retirement age, and you earn more than $14,160 per year, the government starts temporarily withholding your benefits. Conversely, if you work beyond full retirement age, you receive a bonus of approximately 7 percent a year, up to age 70. There's no extra benefit to working past age 70.

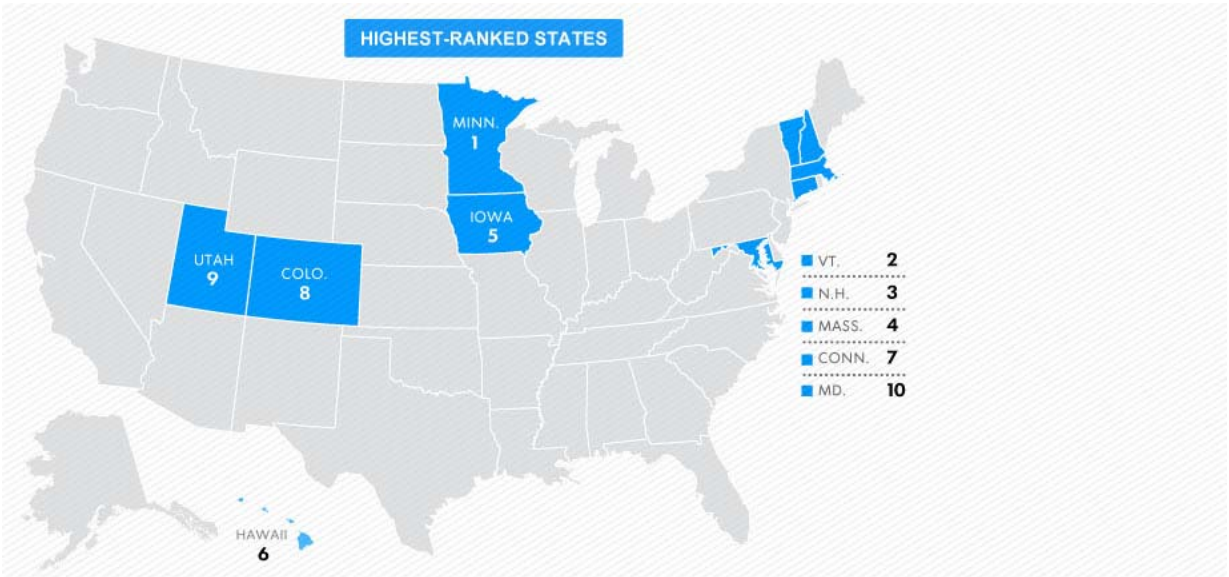
4. Don't earn too much in retirement. If you're married and file a joint tax return, your Social Security benefits are not taxed if your combined income falls below $32,000. Half is taxed if your income is between $32,000 and $44,000, and 85 percent of your benefits are taxed if your income exceeds $44,000. If you had a good career and didn't retire early, you'll likely be subject to the 85 percent rule. Don't get upset; that's the one progressive aspect of Social Security. But there is one way around it: don't get married. Two singles can earn up to $50,000, instead of $32,000, before their benefits are subject to federal income tax.

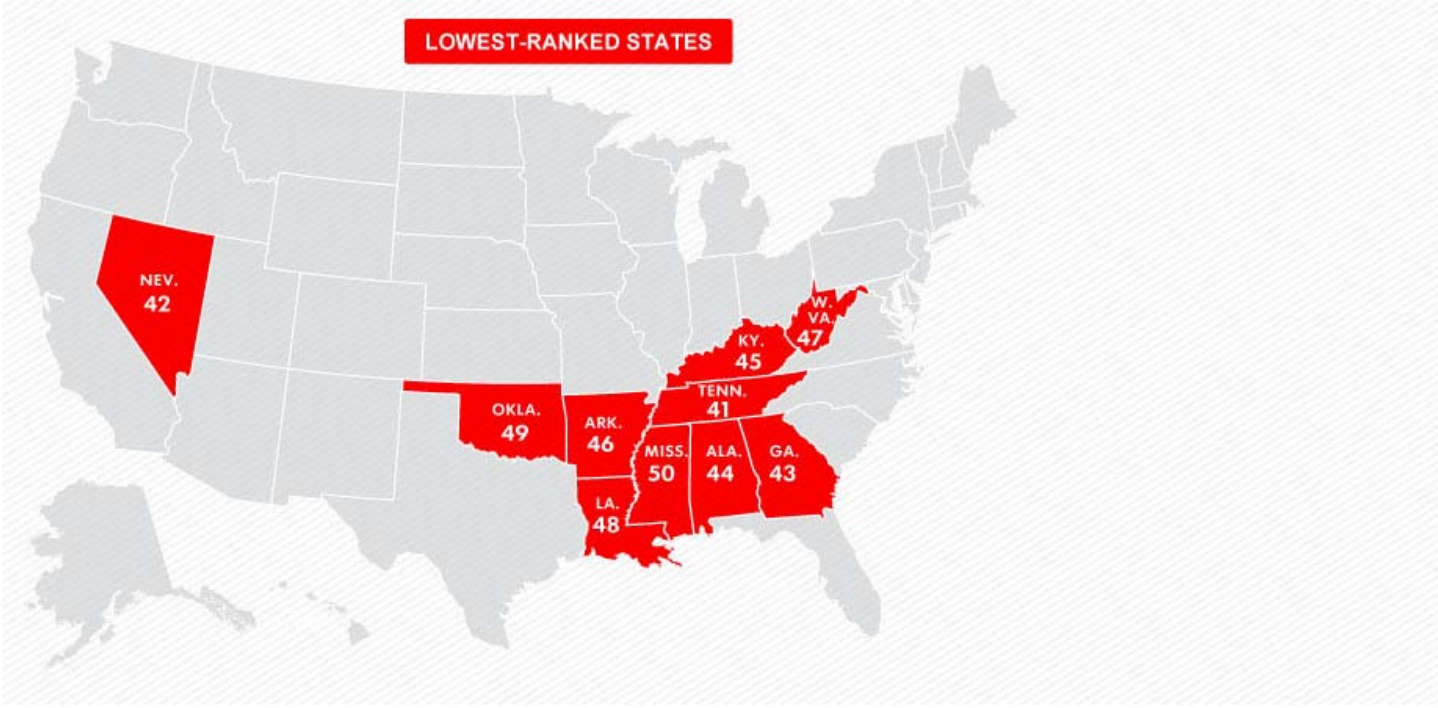
5. Live in a tax friendly state. There's not much you can do to avoid federal taxes unless you take a vow of poverty, but you can do something about state tax. Most states do not levy income tax on Social Security benefits, including retirement havens like Florida, Arizona and the Carolinas. But about a dozen states do exact income tax on your Social Security benefits, including red states like Kansas and Utah as well as blue states like Connecticut and Vermont.

6. Stay in good health. By far the most important factor in how much you collect from Social Security is not how much you earned, but how long you stick around to collect benefits. You can work all your life, but if you die the day after you retire, all is lost. The best way to maximize Social Security is to eat right, go to the gym, get your annual checkup and in every other way take care of yourself so you can continue to collect that monthly benefit through your 70s, 80s and 90s.

Senior health care crisis looms; report ranks states

Health of Americans 65 and older: How states stack up
Rankings are based on 34 measures of senior health from government agencies and private research groups, ranging from physical activity levels and obesity to poverty and flu vaccinations:

- 

- 

- 1 Highest
- 2 Lowest

Source: United Health Foundation
Joan Murphy and Karl Gelles, USA TODAY
Michelle Healy, USA TODAY May 28, 2013

Analysis of key population indicators illustrates strengths, challenges for senior health on national and state levels

A major demographic shift with Baby Boomers living longer with health problems could overwhelm the health care system, according to a new report.(Photo: Getty Images)

Story Highlights

- Rapidly growing senior population likely to live longer and be sicker than parents
- Minnesota ranks best for senior health; Mississippi ranks 50th
- Report culls data from more than 12 public and private sources

An aging nation that's living longer but with growing rates of obesity, diabetes and other chronic diseases points to an emerging health care crisis, says a report out Tuesday that analyzes seniors' health status state-by-state.

Just two years ago, the first Baby Boomers turned 65, setting into motion a "tremendous demographic shift in the U.S. population," said physician Rhonda Randall, a senior adviser to the not-for-profit United Health Foundation, which released America's Health Rankings Senior Report Tuesday.

The report focuses on 34 measures of senior health, including physical inactivity, obesity, self-reported health status, poverty, drug coverage, hospital re-admission rates and flu vaccinations. The data analyzed is from more than a dozen government agencies and private research groups.

As generations move into retirement, they become greater consumers of health care, Randall said. But those turning 65 today "are more likely to live longer than their parents and grandparents, and much more likely to live sicker for a longer period of time," she said.

Among signs of impending challenges the report cites:

• 1 in 8 Americans (13% or 40.3 million) are 65 or older, and that is projected to grow to 1 in 5 (19.3%, or 72.1) in 2030, the year all members of the Baby Boomer generation will have turned 65, according to Census data. By 2050, seniors will make up 25% of the population. Those 85 and older are projected to increase from 5.8 million in 2010 to 8.7 million in 2030.

• Nearly 8 in 10 seniors are living with at least one chronic health condition; 50% have two or more, the Centers for Disease Control and Prevention estimates. About 25% of older Americans are obese; 20% have been diagnosed with diabetes; more than 70% have heart disease; nearly 60% have arthritis, a leading cause of disability.

• Adults 65 and older spend nearly twice as much as those 45 to 64 on health care each year; they spend three to five times more than all adults younger than 65, according to CDC.

If not addressed, the increased burden of chronic disease will not only have severe economic consequences but affect older adults' overall well-being, Randall said. "This is a really important time in our nation's history for us to take a look at this demographic change and the health and behavior outcomes for this population. If we don't measure it, we won't know what to do about it."

The report offers "an important set of messages ... for personal focus, family and community focus, and a heads-up to the providers, and a real heads-up to policy makers," said Jennie Chin Hansen, CEO of the American Geriatrics Society and author of one of several commentaries in the report.

Some of the trends are "very cautionary," Hansen added. They highlight "that we really do have to be thoughtful, strategic and intentional if we are going to insure that people's health and well-being is going to be made better. There's stuff we know, but now there's stuff we have to do. "

Overall, Minnesota tops the list in senior health, followed by Vermont (2), New Hampshire (3), Massachusetts (4) and Iowa (5).

At the bottom: Mississippi (50), Oklahoma (49), Louisiana (48), West Virginia (47) and Arkansas (46).

Minnesota's top ranking reflects a combination of factors, including a large number of seniors who report being in very good or excellent health, high rates of creditable drug coverage, relatively high availability of home health care workers, as well as a low rate of seniors at risk of going hungry and a low rate of hospitalization for hip fractures, according to the study.

But it notes challenges for Minnesota, as well, including a high percentage of chronic drinking, a low percentage of senior residents with a dedicated health care provider, and low per-person expenditures by the state to assist older adults in poverty.

In bottom-ranked Mississippi, a high percentage of seniors live in poverty and are at risk of going hungry; there is a high rate of premature death; a low percentage of seniors report very good or excellent health and a low rate report annual dental visits. But Mississippi scored well for a low prevalence of chronic drinking and a high rate of flu vaccination.

The senior population in Mississippi is predicted to grow 46% between 2015 and 2030. In Minnesota, the population is expected to grow 54%. Arizona tops that category with an expected increase of 101%, followed by Nevada (89%), Florida (88%), Alaska (70%) and Texas (67%).

Among other trends noted in the report:

• Alaska (21%) has the lowest percentage of seniors with multiple chronic health conditions, followed by Wyoming (22%) and Montana (23%). The highest percentages are in Florida (44%), New Jersey (43%) and Delaware (40%).

• Nationally, 30% of seniors in fair or better health report doing no physical activity or exercise other than their regular job in the last 30 days. Inactivity levels range from a low of 20.5% of senior who report being inactive in Colorado and 21.3% in California to highs of 41.2% in West Virginia and 41.3% in Tennessee.

• Obesity rates among those ages 50 to 64 increased 8% from 1995 to 2010, suggesting that the next generation of seniors will experience higher rates of obesity compared with current seniors. Overall, 25% of adults ages 65 and older are considered obese. The prevalence varies from a low of 17% in Hawaii and 18% in Nevada to highs of 29% in Alaska and 30% in Michigan.

• An average of 9% of adults ages 65 and older live at or below recognized poverty thresholds, which is also associated with higher rates of chronic diseases and shorter life expectancy. Rates range from a low of 5% in Alaska and 6% in Utah to 12% in New Mexico and 14% in Mississippi.

How all 50 states ranked:

1. Minnesota
2. Vermont
3. New Hampshire
4. Massachusetts
5. Iowa
6. Hawaii
7. Connecticut
8. Colorado
9. Utah
10. Maryland
11. North Dakota
12. Delaware
13. Maine
14. Nebraska
15. Oregon
16. Washington
17. Pennsylvania
18. Kansas
19. South Dakota
20. Wisconsin
21. Virginia
22. Arizona
23. New York
24. Idaho
25. California
26. Michigan
27. New Jersey
28. Ohio
29. North Carolina
30. Florida
31. Rhode Island
32. Indiana
33. Missouri
34. Wyoming
35. Montana
36. South Carolina
37. Illinois
38. New Mexico
39. Texas
40. Alaska
41. Tennessee
42. Nevada
43. Georgia
44. Alabama
45. Kentucky
46. Arkansas
47. West Virginia
48. Louisiana
49. Oklahoma
50. Mississippi

Source: United Health Foundation

Long-term care: Investigate your options early

Christine Dugas, USA TODAY May 28, 2013

Most people put off planning for long-term care, but that can be a costly mistake and can reduce your options.

Karen Thomas, CEO and managing partner of Labor of Love Adult Care, assists her mother, Willeane Romaine, 83, at Labor of Love Adult Care in Flowery Branch, Ga.(Photo: Michael A. Schwarz, USA TODAY)

Story Highlights

- Two-thirds of Americas over age 65 will need long-term care
- Most middle class Americans can't afford long-term care insurance
- Key to planning: 'Figuring out your budget and your biggest risks'

Karen Thomas has learned the hard way about the harsh realities of long-term care.

Three years ago, her mother was diagnosed with Alzheimer's and the doctor said she could not return home. "I had never given it a thought that my mom one day would need long-term care," says Thomas, who lives in Atlanta. "I'm a professional business woman and yet I did not know where to begin. It was completely overwhelming."

Since then she has had to sort through the complicated and often expensive maze of long term care options for her mother. Thomas and her husband, Don, also realized that they should not put off planning for their own long term care.

Americans now put health problems it at the top of their retirement worries, says a recent Bank of America's Merrill Lynch Retirement Study. And yet it's not a subject that people spend much time thinking about.

"But if you've done no planning or thinking about it, the likelihood is that the decision will be made a crisis situation," says Sally Hurme, elder law attorney for AARP. And because middle class families face the biggest financial squeeze, they don't have as many options.

Although long-term care insurance could help protect their retirement nest eggs, it is typically more expensive than the middle class can afford. And they will not be qualified for Medicaid unless they impoverish themselves.

And even if they qualify for Medicaid, they can't always count on it. For example, Thomas' mother lived on limited means and could qualify, but when she needed Medicaid she was put on a waiting list.

While Karen's mother waited, the couple helped to pay for the Personal Care Home where she became a resident and received around the clock care. "But to fork out $1,000 extra every month was not in our budget," says Karen. "That took a big dent in our savings."

Karen, who was then the CFO of a large frozen food company, decided to change her career so that she would not have to work 70 hours a week or often travel out of town for business.

Now, because she is the CFO of a non-profit organization, she is able to stop by and see her mother every morning on her way to work. At her new job, she was instrumental in starting a long-term care insurance policy for the organization's employees.

"The circumstances that occurred in my life gave me the opportunity to make things better for my entire organization," she says. Now she and Don can pay a portion of the insurance premium, making it affordable.

Americans need to start planning for health care needs in retirement before it's too late. At least 70% of people who are over age 65 are going to need long-term care, research shows.

SAFEGUARDING YOUR RETIREMENT NEST EGG

Long-term care insurance is one of the few ways to protect retirement savings. But it's not cheap. The average insurance premium for those between age 55 and 64 was $2,261 a year for policies sold in 2010, according to a 2012 AARP report.

The price of long-term care premiums are not locked in, so the cost can increase over time, says Byron Udell, founder and president of AccuQuote. And people often don't like to buy a long-term care insurance policy because if they never need it, their money goes down the drain.

There is no cookie-cutter solution. "A lot of it comes down to figuring out your budget and your biggest risks," says Steve Sperka, Northwestern Mutual vice president of long-term care. If long-term care insurance seems too expensive, you can decide to only insure a portion of the risk. At least you would have some retirement security, he says.

The insurance industry also has begun to offer hybrid products that address some of the concerns. For example, some life insurance policies have a rider for long-term care insurance. If the policy holder never needs long-term care, the family receives the life insurance benefit.

SHOPPING FOR LONG-TERM CARE

Many people associate long-term care with nursing homes. They are extremely expensive because they provide 24-hour-care. Fortunately most people have short nursing home stays, because the average national cost for a private room in a nursing home is $83,950 per year, according to the Genworth 2013 Cost of Care Survey.

Home care is much less expensive, and most people would prefer to stay at home as long as possible. Family members are responsible for finding and paying for a caregiver to take their parent to a doctor's appointment or go shopping for groceries. They also may need a home health aide to help with bathing, dressing and making sure the elderly person is taking their medication.

Some family members contact a home care agency for help. It can make them feel more secure, because the agency has screened the caregiver and is liable for their acts, says Robyn Grant, the director of public policy and advocacy at the National Consumer Voice for Quality Long-term Care, which provides information about the types of services available.

There are also a number of websites that help families find reliable and affordable home care, such as CareFamily.com, Carelinx.com, and AARP Care Scout Service.

Because CareFamily.com is very tech-savvy and automated, its costs are much lower. Compared with agencies that on average charge $21 an hour, it charges about $14 an hour, with $12 of that going to the caregivers, says founder Tom Knox.

The service is particularly helpful to family members who live far away from their parents. CareFamily.com makes it easier to hire a caregiver, remotely provide lists of things to do and receive audio updates from the caregiver did during the day.

When Karen Thomas suddenly had to learn much about long-term care services, she decided to rely on a Personal Care Home for her mother. It provides a cozy home with supervision and assistance. But when the home closed and the owner moved away, Thomas was not successful in finding a similar place for her mother.

The Thomas' didn't give up. Instead, they decided to buy their own Personal Care Home. They hired a staff and manager. And since the doors opened last November it is filled to capacity with six residents. "We provide services that big assisted-living facilities offer and yet maintain the more affordable prices of a Personal Care Home," she says. "And it's wonderful to have my mother there."

DECIPHERING MEDICARE B ENEFITS CAN BE OVERWHELMING FOR SOME SENIORS

NORTHJERSEY.COM : NEWS : BUSINESS

DeMarrais: Medicare an alphabet soup for seniors

SUNDAY, MAY 26, 2013 LAST UPDATED: SUNDAY MAY 26, 2013

By KEVIN DEMARRAIS
RECORD COLUMNIST

The rules can be complicated, but Medicare really isn't as confusing as it seems at first look.

Or second. Or third.

Time to learn your ABC&Ds

Medicare comes in five basic parts, and participants select those that best fit their needs. You pay monthly premiums, either directly or through a deduction in Social Security benefits, for all but Part A.

Part A: Helps pay for hospital stays; free for most people 65 and older.

Part B: Helps cover doctor visits and outpatient care and comes with a monthly premium.

Part C: Known as Medicare Advantage, it combines Part A and B, plus extra benefits, and in most cases, prescription drugs. Sold by private companies.

Part D: Prescription drug coverage, with deductibles; purchased from private companies.

Medigap: Officially, Medicare supplemental insurance, sold by private insurance companies. Pays for most expenses not covered by Parts A and B, but not prescription drugs.

Yes, the official government "Medicare & You" handbook does run 170 pages, and it is filled with multiple choices, exceptions, and special cases that can be overwhelming. And the same is true with the Center for Medicare & Medicaid Services website.

But signing up for retiree health care benefits isn't as complex as it might seem. In fact, for most consumers, the basics are pretty straightforward — as simple as A-B-C, which happen to be the first three parts of Medicare. There's also Part D, which helps pay for prescription drugs, but we'll worry about that later.

Part of the problem is that retirement and Social Security and Medicare used to be paired at age 65, but that is no longer the case. Many people continue working past 65 now — and continue receiving medical benefits through their employer — and hold off on collecting Social Security.

But Medicare still kicks in at 65, and there can be costly penalties if you delay applying for coverage.

"Personally, I find it so confusing," said Diane Daniele, 72, of Oradell at the Bergen County Northwest Regional Senior Activity Center in Midland Park.

Daniele, who says she's in good shape and stays fit at tap dance classes at the center, carries supplemental insurance through Blue Cross/Blue Shield and sees no reason to change.

"So far, so good," she said.

Alex Pillepich of Mahwah, 87, feels the same way about coverage he has through United Healthcare. He says he signed up 20-plus years ago and has no reason to shop elsewhere.

"It seems to be good."

Whatever your choices, Part A is free and helps pay for hospital stays, while Part B, for which you pay a monthly premium, helps cover doctor and outpatient care. Together, they're known as Original Medicare, and while they help, they don't cover all medical expenses or prescription drugs.

To fill the gaps, you have two choices, both through private companies: Medicare Supplemental Insurance, known as Medigap, which is an add-on to Original Medicare; and Part C, or Medicare Advantage, which is an HMO-like all-in-one package, combining Parts A and B, plus extra benefits, and, in most cases, Part D. If you opt for Medigap, you must purchase Part D separately if you want drug coverage.

"You have a number of choices," said Tony Giaguzzi of Clifton, who has Medigap coverage through United Healthcare — a company heavily marketed by AARP. "You have to read over each plan carefully."

Even after reading the materials supplied by the government or the insurance companies, you might have some questions. If so, do not hesitate to visit a local Social Security office — sites include Clifton, Hackensack, Hoboken and Paterson — and ask friends about their experiences, especially in picking among companies.

Here are some commonly asked questions about Medicare:

Q. How do I sign up?

In many cases you need do nothing. Just as you got an application to join AARP on your 50th birthday (remember that depressing moment?), if you're already getting benefits from Social Security, you'll automatically get a red-white-and-blue Medicare card in the mail three months before your 65th birthday.

It will be for Parts A and B, starting the first day of the month you turn 65. If you don't need Part B — which is often the case if you have not retired and have health insurance from your work or a spouse's — you should send the card back using the postage-paid envelope included. If you don't return it, you will be assessed premiums for Part B.

In a few weeks, you'll get a new Medicare card showing that you have Part A coverage only.

Q. What does Medicare cost?

Part A is free if you paid Medicare taxes while working; if not, you'll pay up to $441 a month. For most people, the premium for Part B is $104.90 a month this year, up about $5 from 2012, but it could be higher if your income was above $85,000 (individual) and $170,000 (joint return) in 2011.

Medicare Advantage and Part D are sold by private insurance companies, and rates, levels of coverage, deductibles, copays and areas of coverage vary widely, from $0 to around $200 a month for Medicare Advantage and $15 to $116 for Part D. You'll find specifics in the back of "Medicare & You."

You have to get Medigap rates from individual insurance companies. Comparison is made easy as all insurance companies use the same benefits charts. Many companies charge $100 to $250 per month, depending on features.

Q. What deadlines are involved?

Your Initial Enrollment Period — the first time to enroll in Medicare — is seven months long, and it starts three months before you turn 65 and ends three months after you turn 65. At that time, you can decide whether to enroll in Part B and/or Part D without a late enrollment penalty.

Keep in mind that the start date of your Part B coverage may be delayed if you don't enroll before the month you turn 65. Also, if you do not have prescription drug coverage — which many people get as an employment benefit — and do not enroll in Part D or other coverage during your Initial Enrollment Period, you may be assessed a Part D late enrollment penalty.

That's why it's good to check with your employer to make sure your coverage does qualify.

Q. What happens if I'm not already receiving Social Security benefits and want Medicare?

You must contact Social Security — online at ssa.gov or by calling 800-772-1213 — to enroll in Part A and, if you want, Part B. You can sign up three months before your 65th birthday.

If you or your spouse are still working and have group health plan coverage based on that current employment, you can decide to delay enrollment in Part B. (It is important to note that retiree coverage and COBRA are not considered current employment.)

When you or your spouse's current employment ends, however, or when your group health plan coverage ends — whichever comes first — you have eight months to enroll in Part B coverage, using what is known as a Special Enrollment Period.

To have coverage begin the first month your employment ends, be sure to enroll while you are still working, or the first month after you stop working.

Q. What if I'm still working and covered by employer's insurance, and not receiving Social Security? Do I need to do anything upon turning 65?

No. You can sign up while still covered by other insurance, or during the eight-month period that begins the month after the employment or coverage ends.

Q. What if I am still working, but don't have group health plan coverage?

You should enroll in Medicare Parts A and B during your Initial Enrollment Period. If you miss it, you will have to wait for the next general enrollment period, which is from January through March each year, and your coverage won't begin until July of that year.

You may also be assessed the Part B late enrollment penalty of 10 percent for every 12-month period you didn't have coverage but were eligible for it. You'll have to pay the penalty for as long as you have Part B coverage.