



TOP TIPS BOOKLET

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MEDICARE ENROLLMENT

Here are five things you should know before you enroll in Medicare health plans and prescription drug coverage:

1 Learn the ABCs and D

Medicare can be difficult to understand. Here are the basics:

- All beneficiaries receive Original Medicare – Parts A and B. Part A (hospital insurance) covers inpatient hospital services, skilled nursing home care and hospice. Part B (medical insurance) covers doctor's visits, outpatient surgery and some preventive services.
- Part C is an alternative to Original Medicare, called Medicare Advantage. These plans, offered by private insurers, provide coverage equivalent to Original Medicare. Some may provide additional coverage, like vision, dental, prescription drugs and even wellness programs.
- Part D covers prescription drug costs.
- Medicare Supplemental Insurance offered by private insurers as plans F, G, K, L, M and N, supplements Original Medicare to help pay for uncovered services, such as co-payments and deductibles.

2 Avoid late enrollment penalties

When you're first eligible, there is a seven-month Initial Enrollment Period for Medicare Part A and B that begins three months before the month you turn 65, includes the month you turn 65, and ends three months after the month you turn 65. If you miss this window, in most instances you'll have to pay a late enrollment penalty of 10% for Part A, and 10% for each full 12-month period you could have had Part B.

3 Take advantage of the Medicare Open Enrollment period

Each year, you have an opportunity to change your Medicare health plans and prescription drug coverage for the following year during Medicare's Open Enrollment Period, held each year from October 15-December 7. Use this opportunity to review your current coverage and make any changes to better meet your needs.

4 Identify gaps in coverage

Original Medicare doesn't cover common healthcare expenses, such as copayments, deductibles and long-term care. According to a study from the Bankers Life Center for a Secure Retirement, nearly half of middle-income Baby Boomers are concerned about not being able to afford these health care expenses. Many Americans are adding Medicare Supplement coverage or opting to buy Medicare Advantage in lieu of Original Medicare to address expenses not covered by Medicare.

5 Seek help

Visit www.medicare.gov to access "Medicare & You," which includes everything you need to know about Medicare and enrollment. The website also offers a Plan Finder tool to compare Medicare Advantage and prescription drug plans available in your area. A local financial advisor can also help you weigh your options and choose the best combination of benefits for your physical and your financial well-being. Visit BankersLife.com to learn about simplifying the Medicare Open Enrollment process.

SAVING FOR RETIREMENT

Retirement planning doesn't have to be a guessing game. Even if you don't know exactly how much money you'll need in retirement, there are a few certainties you can depend on to help you plan ahead, track progress and make more informed decisions about your needs in retirement.

1

Milestone #1

Catch-up contribution. At age 50, you can increase contributions to your qualified retirement accounts, including IRAs, Roth IRAs, 401(k)s, etc.

2

Milestone #2

Early retirement. If you're planning to retire early (age 55+), you can begin qualified retirement plan distributions at this point, without incurring the premature distributions penalty tax that typically applies to distributions made before age 59½.

3

Milestone #3

Penalty-free access to retirement savings. Once you reach age 59½, you can access your retirement savings and avoid the 10 percent early withdrawal penalty, whether or not you continue working.

4

Milestone #4

Social Security benefits. You may begin receiving early Social Security benefits at age 62. Keep in mind, if you file at 62, your early benefits will only equal 70 percent of your total benefit. Alternatively, if you were born in 1943-54, you may wait until you reach the full retirement age of 66 to receive 100 percent of your Social Security benefit. The ideal time to start receiving benefits depends on several factors, such as your health, finances, life expectancy and projected future financial needs.

5

Milestone #5

Medicare eligibility. Eligibility to enroll in Medicare begins at age 65. You have a seven month-long window to register for Medicare benefits, including the three months before your 65th birthday, the month you turn 65 and the three months after. Don't miss this window—if you enroll outside of it you may have to pay higher premiums for your coverage.

6

Milestone #6

Delayed retirement credit. If you did not file early for Social Security benefits, you'll receive an eight percent increase to your accumulated benefits for every year you delay until you reach age 70. After age 70 the credit no longer applies, so there is no advantage to delaying beyond your 70th birthday.

7

Milestone #7

Required Minimum Distributions. At age 70½, if you're not working, the government requires you to begin taking out a Required Minimum Distribution (RMD) from your traditional retirement accounts.

SELECTING A LONG-TERM CARE PLAN

While not for everyone, many people can benefit from owning a long-term care insurance policy, as it offers protection from having to spend down your assets to pay for home health or nursing home care.

- 1 Research long-term care plans and premium rates**

Long-term care plans and rates can vary widely from insurer to insurer, so it's wise to look at the plans offered by at least two well-established insurers. According to the American Association for Long-Term Care Insurance (AALTCI), consumers perceive the cost to be more than double what it actually is. Others are unaware that there are options that could allow them to choose a plan with lower premium rates.
- 2 Modify benefit levels and elimination periods**

Cost can be a barrier to buying long-term care insurance. However, by modifying benefit levels and elimination periods, you can find a long-term care policy that works within your budget.
- 3 Use deductible and discounts to reduce premiums**

According to the AALTCI, adding a deductible can reduce the annual cost by 20 percent. Good health can result in a 10 to 20 percent discount, while discounts for married couples and partners can reduce the cost by as much as 40 percent.
- 4 Look at home care policies**

Consumers should also consider a policy that includes home health care. Many older adults prefer to remain in their homes when faced with an illness or health condition.
- 5 Plan earlier**

Planning at a younger age can be worthwhile because, in addition to the benefit levels you choose, your long-term care insurance premium will be based on your age and your health.
- 6 Don't forget about inflation protection**

The National Association of Insurance Commissioners (NAIC) states that, "Inflation protection can be one of the most important additions you can make to a long-term care insurance policy."¹ Typically, buyers of long-term care insurance are in their 50s or early 60s. But you likely won't need long-term care services until you are in your 80s. If your daily benefit doesn't increase over time, this option will keep it at the level of increasing long-term care costs by the time you need them. The option can be costly, but if you can afford it, it's well worth it.

REDUCING YOUR FALL RISK

How likely are you or an elderly loved one to suffer a fall? According to the National Institute of Health, more than one in three people age 65 or older will fall each year, and over 1.6 million will visit an emergency department for fall-related injuries.

- 1 Secure the floors and stairs**
Clear your stairs and floors of all objects, including toys and magazines. Keep electrical cords out of sight and remove, or secure to the floor, small throw rugs.
 - 2 Wipe up spills immediately**
Forgetting about liquids on floors and countertops can lead to slips, so clean messes thoroughly and carefully.
 - 3 Use stools**
If you must reach for an item on a shelf, use a sturdy step stool with handrails.
 - 4 Turn on night lights**
Keep a night light in your bathroom and the hallways near the restroom so you'll have clear vision of everywhere you might walk around at night. This ensures you won't bump into the walls or slip anywhere else.
 - 5 Secure your bathroom**
Install grab bars by toilets and in the shower and tub to ensure that slips in the bathroom do not occur.
 - 6 Check your eyes**
Have your eyes checked regularly to correct deficits so your depth perception remains intact.
 - 7 Purchase a personal alarm**
Consider purchasing a wearable alarm in case you fall and can't get up. As with all your fall prevention strategies, don't wait until you fall to take action.
 - 8 Exercise**
Your doctor can identify exercises to improve your strength and balance. The Home Safety Council notes that gentle exercise programs, such as Tai Chi, have been shown to improve balance and strengthen muscles safely.
 - 9 Understand side effects**
Review medications with your doctor so you'll know how to reduce any side effects, such as dizziness, that can cause a fall.
 - 10 Get personalized recommendations**
Enlist the help of your health care providers in planning your fall prevention strategy.
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SELECTING A LIFE INSURANCE PLAN

Many Americans may be risking their future by going without life insurance coverage. Life insurance has long been a way to help preserve a legacy, and now more than ever, is a necessary asset to ensure retirees pass along a sound estate—where their obligations are covered—to their survivors.

1

Understand the benefits of life insurance

Life insurance can help with the financial burden that is associated with illnesses while still keeping savings intact. It is important to consider having a life insurance plan. Life insurance provides a solid foundation on which to plan for your legacy.

2

Who may benefit from life insurance?

The old school of thought is that life insurance is only needed by primary breadwinners, married couples and those with dangerous jobs. These misconceptions, coupled with general confusion about life insurance plans, have prevented many from further investigating the options available to them. Most everyone is a good candidate for life insurance, from someone who may only need to cover funeral expenses, to someone with a high net worth to protect.

3

Research policies

Life insurance plans can be offered for every level of need, so research plans available with different companies. Understand the difference between term and permanent life insurance. Some life insurance policies can provide policy owners with a source of income to supplement Social Security and personal savings. Some insurers also offer policies that combine life insurance and long-term care benefits.

4

Investigate rates and policy fees

Rates vary based on plans – typically term life insurance rates are more affordable than permanent life insurance. Also, permanent life insurance might have a cash value aspect that acts as a savings component, and there may be fees involved that impact your return. Do your research to determine the premium rate you can afford and whether there are any associated fees with the plan.

5

Find a great sales agent

When it's time to buy, it's always best to research what's available with the help of an experienced sales agent. Life insurance plans can be confusing, and an agent can help you carefully evaluate your situation and suggest the appropriate policy and level of coverage that meets your needs.

YOUR SAFETY AND SECURITY

Older Americans tend to be among one of the most vulnerable groups targeted by criminals. Many older Americans are taking steps to help secure personal safety and security, especially as the desire for independence is balanced with the challenges of declining health. There are many steps you can take to protect yourself from risk.

- 1 Check door locks**
Replace any nonfunctioning or poorly installed locks. Make sure that your garage is equipped with a sturdy lock as well.
 - 2 Install exterior lighting**
A well-lit home can deter nighttime break-ins.
 - 3 Make your house look occupied**
When you're out of town, use light timers to mimic your normal routine. Cancel newspaper and mail delivery, so that papers don't pile up outside.
 - 4 Know your neighbors**
Keep neighbors' phone numbers near your phone with emergency information. Inform neighbors of your travel plans and any scheduled deliveries or home maintenance appointments.
 - 5 Install an alarm**
Security companies offer a wide range of alarm options, including systems that provide medical alert services.
 - 6 Stay safe on the street**
Always walk in well-lit areas. Ask a friend to accompany you or tell someone where you're going.
 - 7 Neighborhood watch involvement**
Neighborhood involvement is another key to deterring crime on a street or block. Seniors who want to protect their homes and help raise awareness in the community can join neighborhood watch groups.
 - 8 Don't let fear of crime get you down**
When seniors feel unsafe, they may begin to withdraw from normal activities. Over time, fear and reduced activity can lead to feelings of social isolation and depression.
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MANAGING YOUR PRESCRIPTION DRUG COSTS

Prescription drug costs continue to rise. According to data cited by the Wall Street Journal, while food and alcohol prices have risen 3%, and clothing and accessories are up 6%, pharmaceutical prices have increased 10% in the past year. Here are some tips for making the most of your prescription drug dollars.

1

Learn about Medicare Part D

All seniors need to know how the federal government program to subsidize the costs of prescription drugs and prescription drug insurance premiums for Medicare beneficiaries can help them. Visit the Official U.S. Government Site for Medicare's Part D information site for more information, and to learn about simple steps you can take to keep your out-of-pocket prescription drug costs in check.

2

Smart shopping

Don't overlook the importance of smart shopping when it comes to choosing your prescription drug coverage. The federal government's Medicare web site has a listing of available plans in your area, and lets you submit a list of your current medications to see what plans will cover them, in addition to comparing rates, policy benefits and limitations.

3

Check out state programs

Many states have programs in place for qualifying seniors that cover costs not included in Part D. These programs can substantially reduce out-of-pocket costs for eligible seniors. You can find a listing of them on Medicare's State Pharmaceutical Assistance Program web site.

4

Review your current medications

It's also useful to periodically review your medications with your doctor. Are there any that your doctor feels you no longer need to take? Can any be replaced with a generic or a less expensive alternative, such as an over-the-counter drug? With the growing cost of name-brand drugs, it's worth checking.

5

Check different stores for the same medications

A recent Consumer Reports article reported that prescription drugs could cost as much as 10 times more at one retailer vs. another. Make sure you check prices among local pharmacies and ask about any discount programs they offer. You could save 10 percent on brand-name drugs and up to 80% on generic drugs.

FIGHTING LONELINESS

Companionship, friendship and emotional support are important at any age, but probably even more so as we age. However, the absence of this type of social network is a reality for many older Americans, and can lead to loneliness. The following tips can help to overcome loneliness and provide the support necessary to lead a fulfilling life.

1

Talk to your neighbors

Social interaction can be as close as your own residence or neighborhood, and all it takes is a simple smile or “hello” to break the ice. Inviting a neighbor over, or asking them to come along on an errand can provide companionship, and even give way to a meaningful friendship.

2

Go to a senior center

In addition to providing services for seniors, senior centers provide opportunities for socializing, learning and traveling – all in one place. According to the National Institute of Senior Centers, there are 15,000 senior centers serving older adults in the U.S. You can search them by state by using the eldercare locator at www.agenet.com.

3

Use technology

If it's too cold or difficult for you to get out, stay connected to others by phone, mail or computer. Older generations are online now more than ever before with email being their most popular online activity. According to a report released by Pew Internet, Baby Boomers have used social media in higher numbers each year since 2010, with Facebook being the most popular site.

4

Engage in a hobby

You may have friends that enjoy playing cards, going for morning walks, reading books, cooking or playing tennis. Whatever your hobby, ask your friends if they'd like to join you for a weekly session. Not only will this keep both your mind and body active, you'll have guaranteed time each week with friends and have something you'll look forward to doing.

5

Volunteer

Volunteer work can provide an excellent way to not only help others, but yourself as well. A report released by the Corporation for National and Community Service noted lower levels of depression and increased longevity among the benefits experienced by individuals over 70 who devoted a considerable amount of time to volunteering throughout the year.

TOP TIPS

CONSIDERING ANNUITIES

Many Americans expect Social Security to provide much of their retirement income, despite growing concerns about the reliability of future payouts. According to a recent study commissioned by the Bankers Life Center for a Secure Retirement, nearly three-fourths of middle-income Americans say that Social Security benefits make up at least half of their retirement income. Financial experts, however, say annuities may be the better option for a dependable, long-term means of retirement savings.

1

Understand the basics

Providing a steady stream of income during retirement is the primary goal of an annuity. Typically how it works is you make a lump sum payment to an insurance company and in return receive regular payouts. There are immediate annuities and deferred annuities.

2

Do your research

Annuities can be tailored to your needs. It's useful to learn about different types of annuities, and select the payment and payout options that make the most sense for you. Also keep in mind that different annuities can carry management fees from the insurance companies. You don't want to be surprised by any hidden costs as you consider these options.

3

Consider a Fixed Interest Annuity

This product is designed to help you accumulate funds for your retirement. The money in your annuity earns a guaranteed fixed rate of interest and accumulates on a tax-deferred basis, meaning you do not pay taxes on your earnings until you actually withdraw them from your policy.

4

Consider a Fixed Indexed Annuity

A fixed indexed annuity provides the guarantees that come with fixed annuities but is combined with the opportunity to earn interest based on changes in an external market index. Because you are not actually participating in the market, the money in your annuity is at a minimal risk.

5

Consider an Immediate Annuity

An immediate annuity is purchased with a single lump-sum payment and, in exchange, pays a guaranteed income stream that starts any time within the first year after the purchase.

6

Talk to a financial advisor

Many of the variables that affect retirement security are dependent on your personal situation. A financial advisor can help you learn more about how annuities may be the right solution for you, and which products to consider.

REDUCING DEBT IN RETIREMENT

If you're retiring with debt, the good news is that it's never too late to take action. There are proactive steps retirees can take to help ease the burden of debt and pave the way for a more fulfilling retirement experience. Here are some options you might consider:

- 1 Prioritize debt**
with the highest interest rates and pay those down first to reduce the total amount of interest you end up paying over time.
 - 2 Create a budget**
A budget will help you take control of how you spend your money. Use it to track what you actually spend to see if you're spending beyond your means. Try to identify any expenses you could eliminate and instead put money toward paying off your debt.
 - 3 Practice healthy living**
Take care of yourself physically and mentally so you can enjoy retirement to the fullest. A healthy, active lifestyle will also help you avoid greater health care costs as you age.
 - 4 Consider Medicare Supplement insurance**
Medicare supplement insurance can help pay medical expenses Original Medicare does not cover, such as copayments, deductibles, coinsurance and outpatient services that could put you in debt.
 - 5 Work**
Ask yourself if paid work is something that could fit within your vision of a happy, satisfying retirement. Many Baby Boomers have turned hobbies from their working years into a second career or part-time job to supplement their retirement income.
 - 6 Rethink your housing**
Consider downsizing or moving to a less costly home, like an apartment. You may also want to consider moving to a location with a lower cost of living where your retirement savings will stretch further.
 - 7 Consider annuities as a reliable source of retirement income**
The owner of an annuity pays a lump sum and receives periodic payouts. Annuities are widely considered a secure option for retirement income because the principal investment is not affected by market gains or losses and the earnings accumulate on an income-tax deferred basis.
 - 8 Seek help from a retirement professional**
Whether you have \$10,000 or \$110,000 saved, retirement planning can be complicated, especially if you have debt to pay off. Consider speaking with a professional adviser to create a financial plan that works for you.
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COLD WEATHER SAFETY

Depending on where you live, the change in season can bring snow, ice, cold temperatures and a new set of safety and health concerns. Stay safe and well this winter with these important cold weather tips:

1

Bundle up when you're outside

Winter weather is cold, snowy and damp. When extreme, it can lead to frost bite and hypothermia. Don't leave any part of the body exposed to the weather—put on gloves, boots, hats and scarves to stay warm. A lot of body heat is lost when your head and neck are uncovered. Also layer up with warm, loose clothing.

2

Shovel smarter

Just 15 minutes of continuous shoveling could mean moving more than 2,000 pounds of snow. If you're not used to that type of physical exertion, it could cause serious health complications. Shovel safely by stretching first to help prevent muscle strains. Wear layers of warm clothing and take regular breaks to limit cold exposure. Watch your shoveling technique: bend your knees, lift with your legs and keep your back straight to avoid lower-back injuries.

3

Avoid slipping on ice

Icy conditions increase the risk of slipping and falling in the winter. Stay safe by staying inside until roads and sidewalks are cleared, if possible. When you do go outside, wear shoes with good traction and non-skid soles, and hold onto available railings.

4

Keep warm inside to avoid hypothermia

In extreme cold weather, hypothermia is a risk even if you're staying inside. Set your heat to at least 68 degrees and close off rooms you are not using to save on heating bills. Layer up with warm sweaters, socks and slippers and a blanket over your legs.

5

Stay active

When it's cold, dark and snowy outside it can be difficult to find the motivation to exercise. But maintaining an active lifestyle can help keep you not only warm but healthy during those long, chilling winter days. Try going for walks inside a local shopping mall, or find an indoor pool with open hours for public swimming. You can stay active at home with morning stretches, a home cleaning routine, and by lifting hand weights or soup cans while you watch TV.

6

Battle the winter blues

Sometimes the snow and freezing temperatures make it challenging to get out of the house to socialize. Feelings of isolation and depression may set in as a result. Stay busy with exercise, hobbies and reading. Daily or weekly phone calls with family members and friends can also help. Also consider arranging a check-in system with neighbors and friends, where each person is responsible for checking in on one or two others every day.

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