Volume 5, Issue 3

THE LYFE ADVISOR

March 2022

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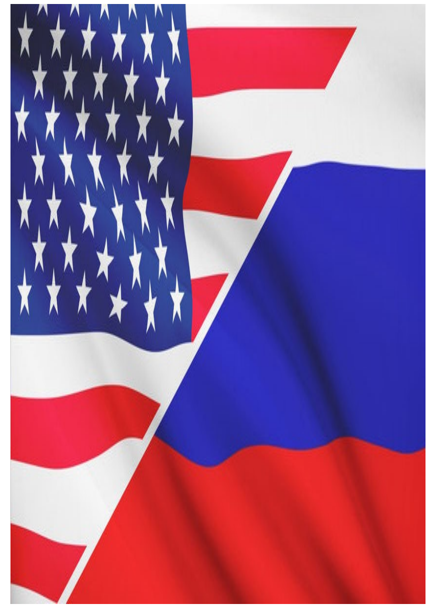

THE TIME IS NOW...

SAVE YOUR RETIREMENT FROM THE STOCK MARKET TURMOIL

By Thomas Shultz

To start 2022, our phones have been ringing off the hook. With the markets back to 2008 volatility, clients have been in panic mode trying to figure out what to do.

Close to the end of February, we received a call from a 63-year-old female, a referral from one of our clients. After a quick introduction she asked, "I've heard from my co-worker that you work in the stock market. I wanted to discuss my investments. Can you please help?"

"Sure," I said, sensing that she wanted to discuss her stock portfolio with me. But she started talking about her upcoming retirement - planned for 2023 - and about her plan to finally live out her dream and live abroad (she wanted to move to Costa Rica).

She said she had been saving and investing as much money as she could for her retirement and for starting this journey. She had almost 90% of her money invested in stocks and equity funds. The stock market's recent volatility - and especially in the technology space, where this person was invested heavily - has made her lose around 35% of its total value in a span of just a few weeks.

Now, this discussion is not about technology stocks, how good/bad they are, or how quick/long they would take to recover. This discussion is about lessons from how this person's retirement seems to have gotten compromised at least for another few years, thanks to the decline in her stock portfolio less than a year away from her retirement, and how you may avoid a similar fate when you stare your own retirement in the face.

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March

PREPARE FOR THE UNEXPECTED!

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She told me how the recent dip in her portfolio brought back some painful memories, as in 2008, when she had seen her retirement portfolio lose around 50% of its value. At the time, while she was more than a decade away from retiring, the decline in portfolio value was still a significant portion of her total family savings.

She now worries it will be harder to recover another big loss so close to retirement. ***"It's impossible to try and time the market," she told me. "To sit there and watch your investments fall apart is hard, but if you take it out and it goes up, that's not good either. It's hard!"***

As a financial advisor, when people ask me how much money they should invest in stocks versus other avenues like bonds, alternative investments, fixed investments, etc., my response is consistent - ***"It depends on when you need the money."***

My general rule of thumb is that any money that you need in less than three years *(maybe five years, if you're a little riskier)* must be protected as far as the core capital is concerned. You are not seeking growth here but safety. And thus, this kind of money may be kept in liquid funds, fixed investments, and some part cash. Don't invest this money in the stock market, because if the tide turns for the worse during this period (like it had done for this person), your financial life and retirement may become compromised.

Any money you need between three and five years from now may be invested in stocks/MFs versus bonds/cd's/annuities in a ratio of 50:50 (again, choose your own ratio based on your comfort levels).

This leaves us with money that is needed beyond the next five years. This may be invested fully in equities. History has proven that equity returns improve with an increase in holding periods. So, the probability is on your side when you invest your long-term money (needed beyond five years) in equities.

You may also divide this long-term money into two separate buckets. The first bucket could be the money you need between the fifth and tenth years of your retirement, say between 70 and 75 years of age (assuming you will retire at 65).

This money could be invested in high-quality, well-diversified mutual funds or high-quality, stable stocks that provide not just the possibility of some growth but, more importantly, capital preservation and consistent income.

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As for the second bucket of your long-term money, which you will require beyond ten years from retirement, you can be more aggressive and invest that part in high-quality mid- and small-cap stocks and/or funds. Here, the risks you take will be higher than the first bucket, but the probability of growth is higher too. Just ensure that you don't buy stocks that may lose your capital permanently here too. This is a non-negotiable, even when you extend your investment horizon.

The idea of such allocation across buckets is that the more time you have before you need the money, the more aggressive your investment strategy. You may probably live another twenty to thirty years or more after you retire, leaving you more than enough time to ride out not one, but multiple stock market crashes. So why not take advantage of the potential time on hand?

However, that's not a mandatory thing. As Warren Buffett has said, ***"It's insane to risk what you have for something you don't need."***

The bottom line is this: You can't predict when a bull market will stumble or know for certain how severe the ensuing bear market will be. No one can. But giving your retirement planning a stress test before the market slumps and thinking rationally about how to react will put you in a much better position to weather any crisis than making decisions on the fly while you're under duress.

If you'd like a second opinion on your current portfolio or are getting ready to retire and would like to see what retirement could look like for you, we would love the chance to show you our skills!

Thomas Shultz

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CORALYN'S CORNER

Every month, my corner is to keep you updated on changes in our world, AZMedicare101.org, LyfeAdvisors and our family.

The month of February flew by and was a month filled with annual financial reviews and problems still with Medicare Prescription Drug Plans. I know this might sound like a broken record, but don't count on those companies to do anything correct.

Our biggest issue is with Wellcare and we are still fighting battles daily with them to make sure our clients are on the correct plans getting charged the correct amount.

Please, if you are a Wellcare customer, check your bank statements regularly to make sure they are deducting the correct amount. If you don't know what that is, call the office and ask for Cat and she will help you figure it out.

With all these issues, Thomas has made the decision to not allow anyone moving forward to set up drug plans on EFT (auto deduct from checking) or deductions from Social Security. We are finding they do a much better job when you just pay the annual premium and take away their ability to make a mistake.

Valentines Day this year was special as Thomas did something for me completely unexpected **(Thanks to our Client DP).**

A barbershop quartet showed up at the office on February 14th and crooned me with love songs, gave me a box of chocolates, and made me feel extra special.

Cat also made the day amazing and put personalized bags of candy **(low carb for me)** on each persons desk that have been a saving grace on those days when there is no time to eat. **(Thanks Cat!)**

The highlight of the month was our son's basketball team and how much they improved from beginning to end.

If you know anything about Thomas, you know he loves basketball, and being able to watch how much he enjoys it makes me really happy. Let's face it, not all days at LyfeAdvisors are easy, and when he was on the court with those boys you could see the stress leave his face, which sometimes he desperately needs.

Our team definitely over achieved, going 7-2 and losing in the tournament semifinal to the eventual champion by a close margin.

He is already talking about next season, which I'm thrilled about, and feels very confident that he can take them to the top!

Coralyn Shultz

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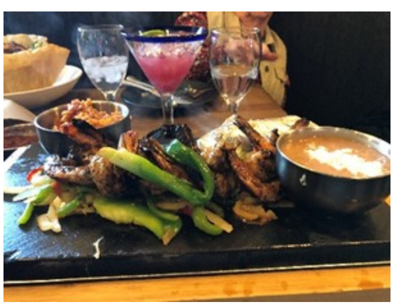
RITA'S REVIEWS

Every month, my husband and I enjoy trying out places to eat. This month we enjoyed a new location in Paradise Valley called "The Mexicano" by Chef Joey.

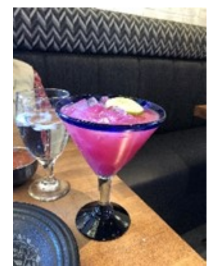
My family and I have been watching for this new restaurant to finally open its doors. After eating at Hash Kitchen for breakfast and finding out that this new place was also from the same chef we couldn't wait to go. To top it off it is serving my favorite food!! The Mexicano by Chef Joey with the Maggiore Group did not let me down.

We had to wait several weeks before we finally made it there because of the long wait. They do not take reservations and do not participate in any of the online waiting lists apps such as Open Door or Yelp Waitlist. It is first come, first serve. We were told that if we ate before 3:00pm we would not have a long wait and so we arrived at 2:20 pm and still waited 45 minutes.

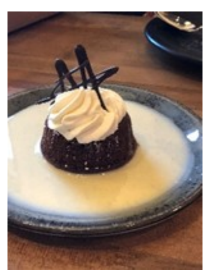


Once we were seated our service was terrific. Their appetizer menu has some very interesting offerings. There is a guacamole & salsa "Ferris Wheel" and the Machete, which is a 3-foot-long quesadilla to name just a few. We stuck with the complimentary chips and salsa to save room for the meal. As I remember the servings were huge at Hash Kitchen so I was anticipating the same here, and I wasn't disappointed. My husband and I both went with fajitas. He had the carne asada and I had the shrimp. My mom had her usual taco salad.

My husband and I had Margaritas to accompany our meals, Classic and Prickly Pear. We also shared the chopped salad which was very good. Our fajitas came with fluffy Mexican rice and pinto bean refritos. I am not usually a fan of the red rice but this was great. The fajitas were terrific and huge portions. As you can see mom's salad was large and yummy as well.



Because we had waited so long to eat here, my husband thought we should try dessert and as always it had to be chocolate. I think my husband imagined it to be similar to the chocolate lava cake from Chili's. It wasn't. I think they forgot the hot molten chocolate. There wasn't any chocolate poured over it or none baked inside it. When it was brought to our table, our server could see that we were disappointed.



I am going back though because I definitely want to try the Sizzling Molcajetes and some of the unique appetizers. The Mexicano is open Sunday through Thursday from 11:00 am to 10:00 pm; and Friday and Saturday from 11:00 am to 11:30 pm. On Fridays and Saturdays from 5:00 to closing there is a live DJ and the music is quite loud. So be aware of that if you are not ready to boogie with the music.

Rita Henderson

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Medicare Hack #30

It's Getting Bad Out There…

Marketing Misrepresentation & States That Have Decided To Partner With Insurance Companies

With private insurers increasingly promoting Medicare Advantage coverage plans through marketing campaigns that feature celebrities or offer gifts, the Department of Aging from 25 different states have sent letters to the Centers for Medicare & Medicaid Services (CMS), supporting CMS' efforts to address the issue of marketing misrepresentation, and offering suggestions to protect consumers from advertising messages that may be confusing or misleading, according to a release from the departments.

In the letters, Department of Aging Secretaries outlined the consequences older adults could face if they switch from a Medigap plan to a Medicare Advantage plan due to these marketing campaigns, including loss of coverage and access to their doctors, new co-pays, and the inability to return to the Medigap plan, according to the release. The letters cited an example in which an older adult left their Medigap plan for a Medicare Advantage plan for the incentive of a free fruit basket that they did not qualify for and never received.

Health officials across the country are urging CMS to act on the following proposed measures:

1) Require clearer disclaimers with standard language developed by CMS that indicate the products offered do not represent the full selection of choices available to consumers.

2) Make the beneficiary aware of the disclaimer, the availability of other suitable options, and the ramifications of switching plans.

3) Prohibit the use of the word "Medicare" in the phone number, company, or website name, and the use of Medicare-like graphics in marketing materials.

4) Require a statement that the advertised plans may not be the best choice for everyone and may not be available in every area.

5) Include the 1-800-MEDICARE toll-free helpline and numbers for State Health Insurance and Assistance Programs (SHIPs).

6) Fine and bar individual insurance agencies who promote with this misleading advertising for life, no three-strike rule.

STATES CHANGING RETIREMENT OPTIONS FOR THEIR BENEFIT

Another 45,000 retired municipal workers across the country have opted to keep their current Medicare coverage for a price instead of enrolling in a free, controversial new plan offered by their local municipalities, New York as the latest example.

The new Medicare Advantage plan, which was first rolled out by former Mayor Bill de Blasio last September, has for months been a source of anxiety for many of the city's 250,000 retired workers who fear it could dilute their benefits. While retirees are automatically enrolled in the new plan, the city allows those who want to opt-out from it to keep their current Medicare coverage — but at a new $191

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monthly fee. Despite the financial penalty, 45,646 retirees have declined the Advantage plan in order to maintain their current benefits, with an another 100,000 expected to do so by the city's deadline of March 31st.

Many retirees have spoken out and said they had already opted out or would do so in coming weeks if the state doesn't make a change.

So why are states, cities and retiree benefit plans doing this all over the country?

Well, state officials say that switching to only offering Medicare Advantage plans saves city taxpayers hundreds of millions of dollars per year because the federal government subsidizes Advantage programs at a higher rate.

Many retirees across the country don't believe it, as Donna Armillas, a 78-year-old retired city schools supervisor, called bull on the states' justification and said she's concerned that she would be denied care under the Advantage plan due to convoluted preauthorization procedures that did not exist under the old coverage.

"It's absolutely wrong. It is a bait and switch," said Armillas, who has already filed to keep her old plan at a $191 monthly fee. "I want to be able to choose my doctors. I don't want to have to go through a process where I have to ask permission to have a procedure."

New York is just one of thousands of similar situations that have transpired over the past few years. States, cities, and retiree benefit plans have all opted to partner with insurance companies and Medicare Advantage plans due to the cost savings that benefits the entities, not the retirees.

In Arizona alone last year, almost 72% of eligible retirees with the Arizona State Retirement system decided to opt out, choosing to go to the open market and not be forced to choose between 2 Medicare Advantage plans offered by one company. **In Arizona alone, the open market has 63 different supplement companies, 60 different Medicare advantage plans, and 27 different prescription drug plans.**

It is expected that over the next 10 years, less than 14% of all retiree benefit plans will have anything other than a Medicare Advantage offering for the 65 and older crowd.

It definitely isn't the retirement benefits you thought you were getting when you decided to be an employee and loyal to that entity years ago.

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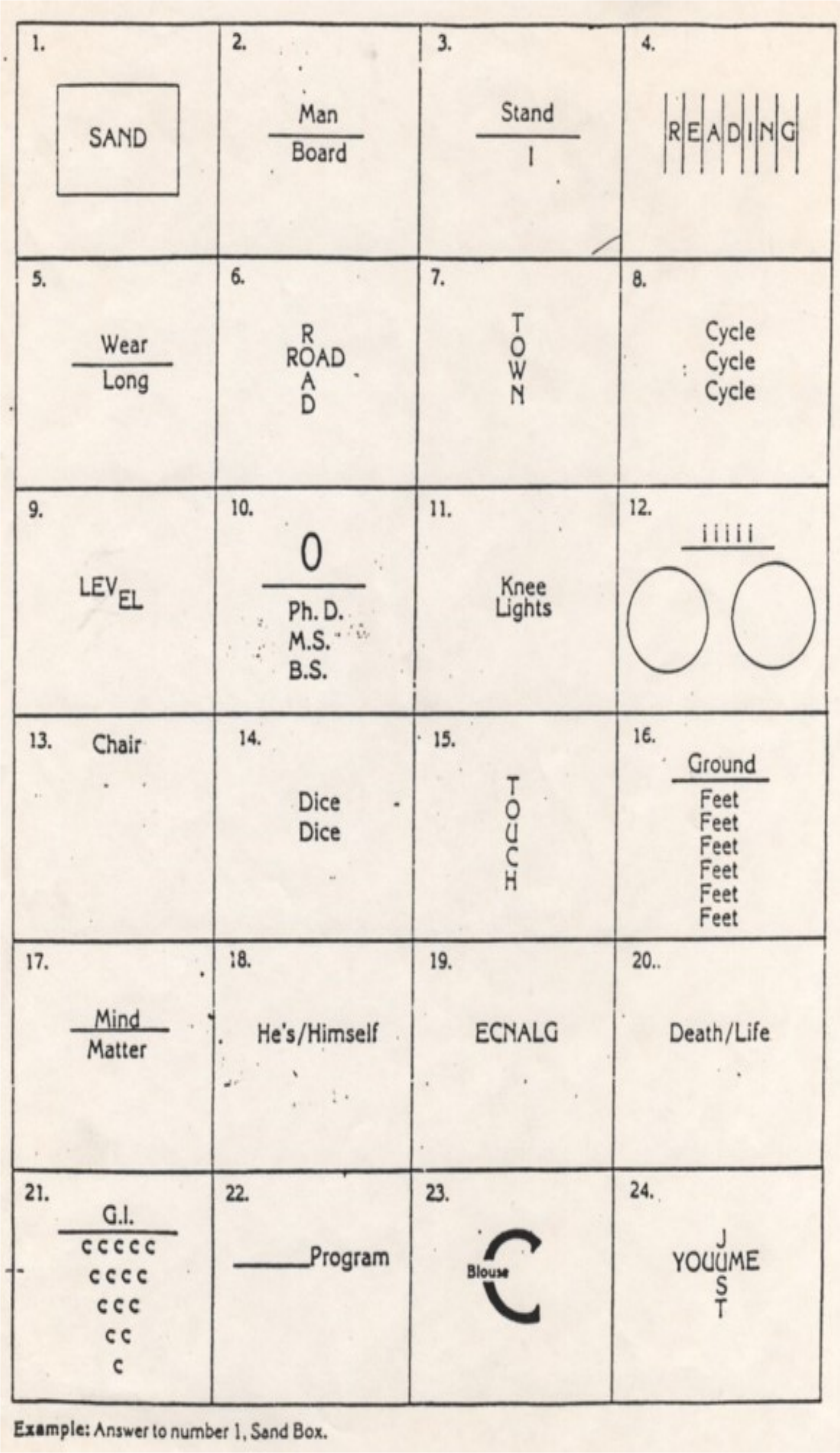

March Quiz

Question 1:
How many March Madness basketball tournaments have their been?

A. 54
B. 63
C. 81

Question 2:
Who has won the most NCAA basketball championships?

A. UCLA
B. Kentucky
C. North Carolina

Question 3: How many hours are in the month of March?

A. 826
B. 542
C. 744

Answers for February

Question 1: What is the biggest organ belonging to the human body?

B. Skin

Question 2: What is the longest running American television show?

B. The Simpsons

Question 3: How many bones are in the human body?

B. 206

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Social Security's Remarriage Rule and How It Could Cost You A Lot Of $$$

You might think that something as simple as getting remarried should be treated the same in all circumstances, but that isn't the case when it comes to Social Security.

The labyrinth of rules around Social Security has a way to make this act, if done at the wrong time, the grounds for eliminating benefits you were either already receiving or could potentially receive.

As it turns out, your 60th birthday is extremely important. Get married a day before your 60th, and you can lose benefits. The day of, or the day after? No problem, you are still eligible.

I'm referring to the potential to receive survivor benefits based on an earlier marriage. The earlier marriage could have ended because of a divorce or the death of your earlier spouse. In either case, this previous spouse or ex-spouse is now deceased, and you are otherwise eligible to receive survivor benefits based on the late spouse's record.

In some cases, you might already be receiving this survivor benefit — if you were disabled, for example, you could be eligible for the survivor benefit as early as age 50. You could also be eligible for a survivor benefit as a parent caring for a child (under age 16) of the deceased.

Beyond those two exceptions, age 60 is the first age when most surviving spouses (or ex-spouses) are eligible to receive survivor benefits.

Under Social Security's rules however, if you remarry before age 60 you are no longer eligible to receive the survivor benefit based on a late spouse's (or ex-spouse's) record. This ineligibility continues for the duration of your marriage that occurred before age 60. If that marriage ends, whether by death or divorce, your eligibility for survivor benefits based on your earlier marriage is restored.

On the other hand, if you wait until your 60th birthday or later to remarry, you will remain eligible to receive survivor benefits based on a previous marriage.

Eligibility for survivor benefits assumes that the marriage lasted at least one year if it ended in the death of your spouse, or that the marriage at lasted least 10 years if the marriage ended in a divorce and then later the ex-spouse died.

These same options apply if the late spouse was an ex-spouse, as long as the marriage lasted at least 10 years. There is an exception to the remarriage rule but it only applies in special circumstances.

So, think twice before tying the knot or it could cost you thousands of dollars.

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Medicare Supplement Rates

Lowest Medicare Supplement Rates
For 85258 Maricopa County

Gender	Age	Plan	Carrier	Premium*
Female	65	G	Amerigroup (Anthem)	$115.52
Male	65	G	Blue Cross Blue Shield	$120.25
Female	65	GHD	New Era Life	$40.37
Male	65	GHD	New Era Life	$44.41
Female	65	N	Aetna	$90.80
Male	65	N	Blue Cross Blue Shield	$94.82
Female	66	G	AARP United Health Care	$118.93
Male	66	G	Blue Cross Blue Shield	$126.36
Female	66	GHD	Medico	$40.53
Male	66	GHD	New Era Life	$45.54
Female	66	N	Medico	$91.42
Male	66	N	Blue Cross Blue Shield	$99.65

Rates are accurate at the time of production. Included in the list are fraternal organizations, service organizations, and carriers with ratings above B+.
**Source: CSG Actuarial effective dates 03/01/2022*

Interest Rates

Highest CDs and Share Rates
Highest National Rates

Duration	Institution	Yield to Maturity*
1 year	Colorado FSB	1.05%
2 year	Colorado FSB	1.40%
3 year	Colorado FSB	1.45%
4 year	Pentagon FCU	1.45%
5 year	Pentagon FCU	1.80%

Rates are accurate at the time of production. We include banks and federal credit unions in our national search. All have FDIC or NCUA Insurance. **Source: BankRate.com 03/01/2022*

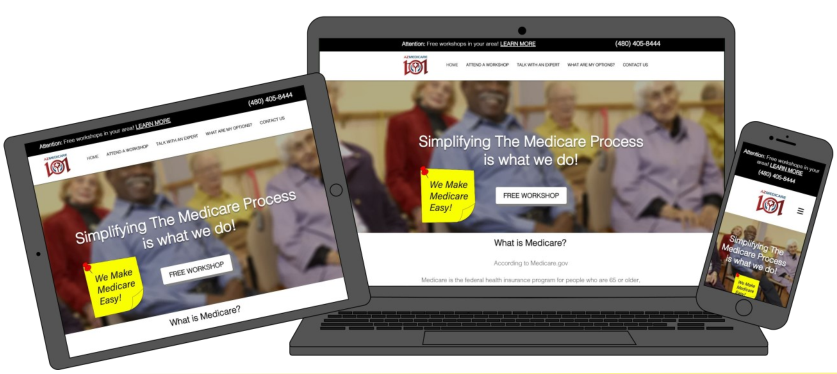
Highest Fixed Annuity Rates

Highest Arizona Rates

Duration	Institution	Yield to Maturity*
3 year	Guaranty Life	3.00%
4 year	Guaranty Life	3.05%
5 year	Atlantic Coast	3.50%
7 year	Guaranty Life	3.60%
10 year	Guaranty Life	3.60%

Rates are accurate at the time of production. Excluded from the list are fraternal organizations, service organizations, and carriers with ratings below B **Source: AnnuityRateWatch 03/01/2022*

Visit us Online at
www.AZMedicare101.org



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Leading Your Financial Education

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Medicare Workshops

1 Hour Presentation - Everything you need to know about Medicare. We explain how Medicare works and what you can expect before you choose!

THIS PRESENTATION HAS BEEN APPROVED BY MEDICARE

Online Workshop
Monday, March 21st
5:30pm to 6:30pm

Online Workshop
Tuesday, March 22nd
1:30pm to 2:30pm

Online Workshop
Wednesday, March 23rd
1:30pm to 2:30pm

Maricopa & Pinal Counties In Blue

Online Workshop
Wednesday, March 23rd
5:30pm to 6:30pm

Pima County In Red

Online Workshop
Thursday, March 24th
6:30pm to 7:30pm

"As a fiduciary, it is our responsibility to make sure that both the Health and Wealth areas of your retirement have been planned for accordingly. You can't have a sound financial plan without addressing both and here at LyfeAdvisors we believe that it starts with Healthcare! For the last 13 years, we have been helping thousands of retirees all throughout Arizona and we'd love to help you as well." - **Thomas Shultz, Managing Partner**

AZ MEDICARE 101 IS NOW LICENSED IN ALMOST EVERY STATE IN THE COUNTRY GIVING US THE ABILITY TO HELP FOLKS NAVIGATE THIS MEDICARE MAZE NATIONWIDE!

IF YOU KNOW SOMEONE THAT COULD USE OUR HELP GETTING READY FOR MEDICARE, WE WOULD GREATLY APPRECIATE THE BUSINESS!

We appreciate your referrals!

Your referrals are gifts to whomever you refer. By making a referral, you are giving them a chance to make a difference in their financial future.
Thank you for helping spread the LYFE Advisor's message.