

Insurance Insights

A NEWSLETTER FOR CLIENTS AND FRIENDS OF
MEADE INSURANCE AGENCY



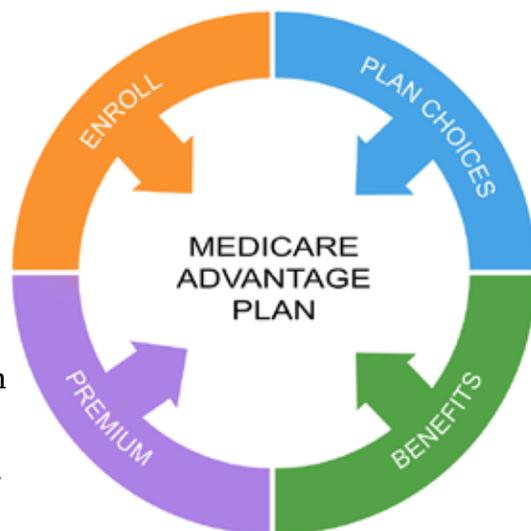
5 Important Things to Remember about Medicare Fall Open Enrollment

availability during open enrollment depending on geographic location.

2. Everyone should review their Medicare coverage annually. A review is not just important for people who are unsatisfied with their current coverage. Every person should review their current coverage, find out what the upcoming year's changes are and make an educated decision. If health issues change during the year or are expected to change, one plan may be better than the existing coverage.

Members of Part D and Advantage plans receive annual notices outlining the various changes to coverage within the plan. For example, a Part D plan covering one type of prescription drug may stop covering it during the next year. For people who rely on that drug, a prescription plan switch may be necessary. Research suggests that people who compare Part D plans can save themselves hundreds of dollars by doing so every year. Always check with various plans in the area to see which ones have less restrictions and cover more drugs.

3. Know how to make changes or switch plans. For anyone considering a change, there is plenty of help available. To find the best prescription drug plan for individual needs, visit Medicare.gov. Use the plan finder tool to see the best options. To join an Advantage plan, simply call 800-Medicare for local resources. Be sure to research prospective plans online. After doing



the necessary research, call the plans directly to confirm important points. Make sure drugs, doctors and chosen pharmacies are covered. For information about plans or how to pick one, discuss options with Meade Insurance Agency.

4. Remember the disenrollment period. Although many changes are limited to the open enrollment

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Open enrollment takes place each fall. This is the time when Medicare participants can change plans, and people who are newly eligible for Medicare can enroll. Many people join a prescription drug plan or start using a Medicare Advantage plan. In some cases, people who have Advantage plans return to Original Medicare. There are several important considerations for anyone planning to make a change this fall.

1. Open enrollment lasts from October 15 through December 7. These dates are the same every year. When a person enrolls in a plan or makes a change, the new plan is effective January 1. For most situations, the open enrollment period is the only time when a person can choose an Advantage plan or a Part D plan. People who have an Advantage plan and want to switch back to Original Medicare should also enroll in a Part D prescription drug coverage plan. Medigap is also helpful to have with Original Medicare to cover costs. However, they are limited in

Welcome to Meade Insurance Agency Newsletter! ● ● ● ● ●

Meade Insurance Agency is pleased to present you with our agency newsletter. We hope the articles in this and future editions will provide insight into an array of general insurance matters. We are an independent agency, which means we are able to provide more selection through top rated companies for insurance products like home, auto, business, life, health and medicare supplements. Our goal is to provide excellent service and competitive pricing with products tailored to meet the individual needs of each client.



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Get a Handle on How Much Life Insurance You Need



In the event of a breadwinner's untimely death, a life insurance policy is often all that stands between continued prosperity and security for surviving family members and severe financial hardship. For most working Americans, a life insurance policy is the promise of a lifetime of earnings and financial support, even if the insured is no longer there to see it.

For working Americans supporting a family, many experts recommend a figure between 10 and 20 times your current annual income. If you are younger you will probably want to be near the upper end of that range. You may need less coverage as you get older, since the life insurance policy needs to replace fewer years of future salaries as you get closer to retirement, and children grow up.

Another method suggests choosing a reasonable and conservative interest rate and dividing that interest rate into a lump sum to generate the desired annual income. Many experts use the going rate on home mortgages as a useful proxy to estimate the discount rate, since that is generally an attainable rate that can be achieved with reasonable prudence on the part of an investor.

If the assumed reasonable interest rate is 6 percent, then that will generate an income of \$60,000 per year for every \$1 million in death benefit without taking inordinate risk to principal. Is that enough money? That depends on your personal family situation and goals. If you have a lot of savings, or if you don't earn that much, or if your home is nearly paid off, you may need less. If children are very young and you need to worry about inflation over the next 18-20 years, you may need more.

Some people choose to have a death benefit sufficient to pay off the mortgage, pay for anticipated educational expenses for surviving family members, pay off any outstanding debts, pay for any funeral costs. \$15,000 to \$20,000 is a reasonable estimate for typical funeral and burial costs in many cases. In addition, some people want to build in enough extra to allow a surviving parent to take six months or a year off work to be with children.

Have family members with special needs or medical issues? You'll probably want to add about \$100,000 to \$250,000 in death benefit to the final amount.

Consider Future Insurability

As your earnings increase, you can add to your life insurance, as long as you can medically qualify. You may consider purchasing a 'guaranteed insurability rider.' This is a contractual guarantee that you may purchase additional insurance at specific future dates, regardless of your medical status at that time. For example, if your health situation

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period, there is a disenrollment period where participants can revoke their enrollment in a chosen plan. This period is from January 1 through February 14. However, this period is only for people who enroll in an Advantage plan and want to switch back to Original Medicare.

5. Understand the two different fall open enrollment periods. The open enrollment period for Medicare is not the same as the open enrollment period for the Health Insurance Marketplace. The marketplaces or exchanges are not intended for individuals who are enrolled in Medicare or plan to enroll in Medicare during the upcoming year. These exchanges are for uninsured or underinsured individuals.

For those who are newly eligible to enroll in Medicare, it is important to take the time to research all options. Enrolling may seem confusing with all of the information available. For more information about changing a plan or enrolling for the first time, discuss concerns with an agent at Meade Insurance Agency.

changes, a guaranteed insurability rider means you will still be able to purchase additional insurance to protect your family at specific ages, or if you should have a child or get married. The insurance company cannot turn you down.

Don't Delay

The best, as they say, is the mortal enemy of the good. If taking out \$1 million or more in life insurance seems tough now, you don't have to wait until you can afford the ideal life insurance plan. It's usually best to buy as much as you can easily afford right away, while you are in good health and while rates are likely the lowest they'll ever be in your lifetime.

What Homeowners Need to Know about the Insurance Policies and Expensive Jewelry



After purchasing any valuable jewelry, homeowners should contact their insurance agents quickly to update their policies. There is only limited coverage for expensive jewelry on a typical home insurance policy, so the owner may not receive the full value of the item if it is stolen or destroyed. Most home insurance policies allow coverage of possessions up to 50 percent of the amount of insurance chosen. For example, a person choosing insurance of \$400,000 would have coverage up to \$200,000.

There are limits for certain types of items. For example, an insurance company may offer a set dollar amount of coverage for stolen or destroyed jewelry. However, the amount may be much less than the jewelry is worth. If the insurer offers \$1,000 for a piece of jewelry that cost \$10,000, the homeowner will take a major loss. There are a variety of

personal belongings categories with limited terms for reimbursement. All homeowners must be sure they read the sections of their policies where additional coverage and contents are specified. As a rule, accidental loss is not covered. This means a woman who loses her engagement ring will not be compensated.

If homeowners want to increase their policy limits to make sure theft and loss are covered, it is important to discuss additional coverage for valuable items with your Meade agent. Your agent can add a rider or specify the particular piece of jewelry. Written appraisals may be required for some items, so it is important to ask your agent if this is a necessary step in obtaining coverage. In most cases, a detailed receipt for the item is proof enough of its value. Once a value schedule has been created, the policyholder is fully covered for the item's total value in the event of theft

or loss of any kind. Since there is no need for an investigation, this makes the process of filing a claim much easier. Also, there is no deductible for the specified item.

With extra coverage being very affordable, it is good for all homeowners with valuables to consider insuring them separately. An agent at Meade can make an assessment to determine the best option. Homeowners should make sure their valuable items, from jewelry to electronics, are insured in a way that allows for total replacement or compensation for their true value. To learn more about coverage options and how these special policy riders work, discuss concerns with your agent at Meade Insurance.

Understanding Insurance Needs for a New Car

New cars bring the need for auto insurance, and liability coverage alone will not be adequate. Although it may satisfy the state's legal minimum requirements, it will not be enough to compensate for most accidents. In most cases, vehicle owners have unpaid loans to think about, so repairs are almost impossible to pay for. Even spare parts are expensive if they are available at all. As soon as a new car leaves the showroom or lot, its value depreciates considerably. For this reason, the majority of vehicle owners feel safer with insurance that covers accidents, theft and natural disasters. Consider the following tips when looking for coverage.

1. Shop Rates

People who are serious about buying a new car should start comparing various policies before signing the papers and taking the keys. The first step is to obtain quotes from several companies. Meade Insurance quotes are free, and they offer a reasonable estimate of what premium amounts will be. Some insurers may have

cheaper rates than others, as several factors contribute to determining a premium.

2. Pay Attention To Comprehensive & Collision Insurance

Since people like to save money any way they can, they often skip extra coverage beyond the state-required liability minimums. Comprehensive coverage protects vehicle owners from a wide array of incidents aside from collisions. Natural disasters and several other calamities are covered. There are usually add-on policies available for hail damage or other specific events. Collision insurance provides money for damages resulting from an accident. The funds are available whether the vehicle owner was at fault or not. When compared with the cost of paying for accidents upfront, insurance is very affordable. For example, one accident where a person is at fault and two other injured parties are involved could easily cost over \$100,000. If either of the injured parties sustained



permanent injuries that require lifelong treatments, the at-fault driver could be in a financial mess for a long time.

3. Think About GAP Insurance

Many new car owners prefer this type of coverage. It provides funds for the difference between the vehicle's market value and the unpaid loan amount. If a vehicle is lost or stolen, there will be adequate compensation. This is a great choice for people who own expensive luxury cars or have sizable loans to repay. When the amount of money owed is higher than the vehicle's market value, GAP insurance is a good choice.

Working with an Agent Instead of a Navigator has Multiple Benefits

Millions of people will be purchasing health insurance through marketplaces, which are part of the Affordable Care Act provision. In doing this, some consumers face problems with program access due to site failures on the Internet. One option most people forget about or are not told is available is the opportunity to purchase coverage through an agent or broker. These professionals can provide enrollment assistance and valuable advice, and they are able to answer most questions.

There are also navigators, which are not the same as professional brokers and agents. Navigators are paid by the government, and they are not able to provide as much assistance as a broker or agent could. These navigators are prohibited by law to make recommendations or give advice about policies. In the majority of states, navigators do not have to be licensed, and they do

not have to comply with the same continuing education requirements that professional agents are required by law to meet. In addition to this, navigators are not required to keep the professional liability coverage that agents must purchase.

Meade Insurance agents have been trained to provide assistance to people who are trying to enroll in health plans. They are also able to make consumers aware of options that are not offered through exchanges. Experts point out that choosing a health plan is a serious step that should involve research. It should not be the same as going online and purchasing commodities. Buying inadequate coverage could cost a person his or her life or life savings if something goes wrong.

In addition to the problems consumers could face if they use navigators, experts point out that navigators

cannot provide prompt assistance. With the many site issues online associated with the enrollment page, there is a backlog of people waiting for help. About \$67 million was put into funding the enrollment efforts, but navigators still have to wait for issues to be fixed despite this investment. As they continue to sort through the piles of paper applications, they will slowly be able to provide limited help to consumers. People who are concerned about obtaining coverage in the time allowed will have better luck talking to a professional agent at Meade Insurance Agency. Since there is not a great deal of time left to purchase coverage, it is important to contact us as quickly as possible to discuss concerns and ask questions.



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