

The Independent Investor

By Bill Schmick

All you need to know about Medicare

More of us are signing up for Medicare every day, and like social security, there are plenty of unanswered questions for those of us who are beginning the process. There are many places to seek answers, but knowing how to separate the facts from the sales pitches of health insurance brokers can be difficult. Here is a primer that may help you navigate these muddy waters.

Presidents as far back as Theodore Roosevelt in 1912 toyed with the idea of a government-sponsored health insurance program. Harry S. Truman and John F. Kennedy both tried and failed to get an act passed. But in 1965, under the administration of Lyndon B. Johnson, Medicare was finally passed.

You qualify for Medicare at age 65, or older, if you are a citizen or permanent legal resident who has lived in the U.S. for at least five years. Here are the qualification rules: You (or your spouse) need to have worked long enough to qualify for Social Security or railroad retirement benefits, or have worked as a government employee or retiree who may not have paid into Social Security, but has paid Medicare payroll taxes while working.

In addition, you qualify for Medicare if you are disabled and have received Social Security benefits for at least two years. A disability pension from the Railroad Retirement Board or Lou Gehrig's disease, permanent kidney failure, and a kidney transplant also count toward Medicare benefits, provided you or your spouse has paid some Social Security taxes over a certain length of time.

Last year, nearly 165 million American workers were contributing to Medicare through payroll taxes, and roughly 57 million people are receiving Medicare benefits, with 9.1 million of them disabled.

For those who don't know it, Medicare has two main parts. Medicare Part A is hospital insurance that helps pay for inpatient hospital care as well as short-term care in a skilled nursing facility. It will also partially cover in-home care and hospice care. Medicare Part B is medical insurance that helps pay for outpatient care: examples include doctor visits, tests, medical equipment, supplies and some home health services. Many preventive health services such as screening for cancer, heart disease and diabetes are free under Part B.

As long as you or your spouse paid Medicare taxes during your working life, you don't have to pay a monthly premium for "A," but you will have to pay some costs, such as co-payments, coinsurance and hospital deductibles. The Medicare system is based on benefit periods. For example, a hospital stay is a "benefit" that begins on the day you're admitted. It ends when you haven't received any inpatient care for 60 days.

You will need to pay a deductible of \$1,316 (in 2017) for every benefit period. You pay nothing after that for up to 60 days, but for every day after that that you remain in the hospital, you are charged a co-pay that starts at \$329/day.

You do pay a monthly premium for Part B, which is based on your yearly income. For those filing a joint tax return of \$170,000 or less (\$85,000 or less as an individual) you will pay \$134/month. Your payments increase on a sliding scale with those who are making more than \$428,000/year paying the top premium of \$428.60/month (\$214,000 or more as an individual). In addition, there is a \$183 deductible you will pay for Part B in 2017. After that, you will typically pay 20% of the cost of any medical care.

The bottom line here, folks, is that Medicare, contrary to many readers' impressions, is not free, and costs can mount up quickly depending on your health problems. Remember, too, that there is no yearly limit on how much you might be required to pay. In my next column, I will explore two kinds of insurance that you can buy that will protect you from any gaps between your health care costs and your income.

Bill Schmick is registered as an investment advisor representative and portfolio manager with Berkshire Money Management (BMM), managing over \$200 million for investors in the Berkshires. Bill's forecasts and opinions are purely his own and do not necessarily represent the views of BMM, and none of his commentary is or should be considered investment advice. Direct your inquiries to Bill at 1-888-232-6072 or Bill@afewdollarsmore.com. Visit www.afewdollarsmore.com for more of Bill's insights.

What's Up With PARC?

By Jean McDanal

The 2017 Carteret County Senior Games is in its 30th year. Join in the fun and festivities by participating in all of the exciting events for everyone "50 and Better." Events will run from April 10 through May 5. Deadline for the Early Bird registration is March 3, with a fee of \$15, and the final deadline is 4:30 p.m. on March 17, with a fee of \$20.

Pine Knoll Shores traditionally sponsors the cycling and kayak/paddleboard events. The cycling will be held Tuesday, April 18, at 9 a.m., with distances of one mile, 5K, or 10K. The kayak race is also scheduled for April 18 at 10:30 a.m., followed by the paddleboard event at 11:30. Please contact Carteret County Parks and Recreation at 808-3301. The events schedule is available at ccpr.recdesk.com.

Put your bunny ears on and bring the kids and grandkids to our annual Easter Egg Hunt to be held at Garner Park on Saturday, April 15, beginning at 10 a.m. Over 2,500 candy-filled eggs will be hidden. There will be separate sections for four age groups: 0-2, 3-5, 6-8 and 9-12. The Easter Bunny will arrive on the fire truck, and cookies and lemonade will be served. We are requesting everyone to donate individually wrapped candy of the size that will fit inside a plastic egg. You can drop off your donation at town hall.

We are currently gearing up for the 10th anniversary for our Kayak for the Warriors activities in late May and June. The 5K Beach Run begins on the beach at the Inn at Pine Knoll Shores (formerly the Clam Digger) and continues through Beacon's Reach. All proceeds will go to Hope For The Warriors. This event will be held on May 27, from 8 until 10 a.m. Online registration will be available at a later date for all events. More information on this and other events will be forthcoming.

The PARC calendar for the rest of the year has been set:

April

- Easter Egg Hunt at Garner Park, April 15, 10 a.m.
- Carteret County Senior Games begin
- Pine Knoll Shores hosts Carteret County Senior Games on April 18: bike races, 9 a.m.; kayak race, 10:30 a.m.; and paddleboard race at 11:30 a.m.

May

- Carteret County Senior Games continue/conclude
- Kayak for the Warriors 5K Run and Fun Run/Walk, May 27, 8 a.m.

June

- Kayak for the Warriors reception and auction, June 1, 6 p.m. Silent auction from 6 to 7:15 p.m., live auction from 7:30 to 8:30 p.m.
- Kayak/Paddleboard races, picnic/raffle, June 3, 10 a.m.

July

- Independence Day Parade, July 4, 10 a.m. at Garner Park
- Annual Beach Sweep, July 10, 9 a.m., at the Iron Steamer beach access

August

- National Night Out, Tuesday, August 1, in Morehead City

September

- Pine Knoll Shores Pickleball Tournament, tentatively for September 23

October

- Pine Knoll Shores Fishing Tournament, October 14, with a rain date to be determined
- Pine Knoll Shores Annual Community Yard Sale, date to be determined

November

- Hope For The Warriors Angel Tree, beginning on November 1
- Thanksgiving Day Turkey Trot, November 23, 9 a.m., at McNeill Park

December

- Pine Knoll Shores Christmas Flotilla, December 9; boats to pass McNeill Park at 5:30 p.m.
- Pine Knoll Shores Christmas Parade, December 16, 10 a.m.

The Parks and Recreation Committee welcomes any suggestions for activities that will get people out, moving and involved. If you have any suggestions for PARC, please email PARCPR@ec.rr.com or come to one of our meetings. The next meeting is scheduled for Tuesday, March 14, at 9 a.m., upstairs at the fire station.