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RETIREMENT CHECKLIST

A COMPREHENSIVE GUIDE TO HELP YOU
PLAN FOR AND ENJOY THE NEXT CHAPTER



EXPERIENCE
· WISDOM ·
PREPARATION



PREPARED BY

CAPT. AL TUPY



FOR PILOTS APPROACHING RETIREMENT OR ALREADY RETIRED

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Retirement Planning Information Only

The information contained in this checklist is provided by the Retired United Pilots Association (“RUPA”) solely as a general informational resource for retired and soon-to-retire United Airlines pilots. Its purpose is to help members identify topics, deadlines, questions, and planning areas that may warrant further review.

RUPA does not provide legal, tax, financial, investment, insurance, medical, Medicare, Social Security, employment, or benefits advice. Nothing in this checklist should be interpreted as professional advice, a recommendation to take or avoid any specific action, or a guarantee of eligibility, coverage, reimbursement, tax treatment, benefit levels, or financial outcome.

Rules, procedures, forms, deadlines, rates, eligibility requirements, and contact information related to United Airlines, ALPA, PBGC, Medicare, Social Security, the IRS, the VA, TRICARE, insurance carriers, financial institutions, benefit administrators, and government agencies may change at any time. Members are responsible for independently verifying all information directly with the appropriate official source before relying upon it.

Each pilot’s retirement situation is unique. Before making decisions involving retirement income, taxes, Medicare enrollment, Social Security, health insurance, RHSA/AHSA reimbursement, estate planning, long-term care, benefit elections, disability, unemployment, or investment withdrawals, members are encouraged to consult qualified professionals, including attorneys, tax advisors, financial planners, insurance specialists, benefits representatives, and appropriate government agencies.

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This checklist should be considered a starting point for personal due diligence and retirement planning, not a substitute for individualized professional advice.

United Airlines Retirement “Consideration” Checklist

Updated 260410

Based on suggestions from many pilots, I should charge a fee for this checklist.

I believe in helping others and find this to be enjoyable so there is no cost!

However, if you'd like to express your appreciation through a donation, please use my Venmo and drop a comment or suggestion for improving this checklist.



Well Prior to Retirement (3-5 years)

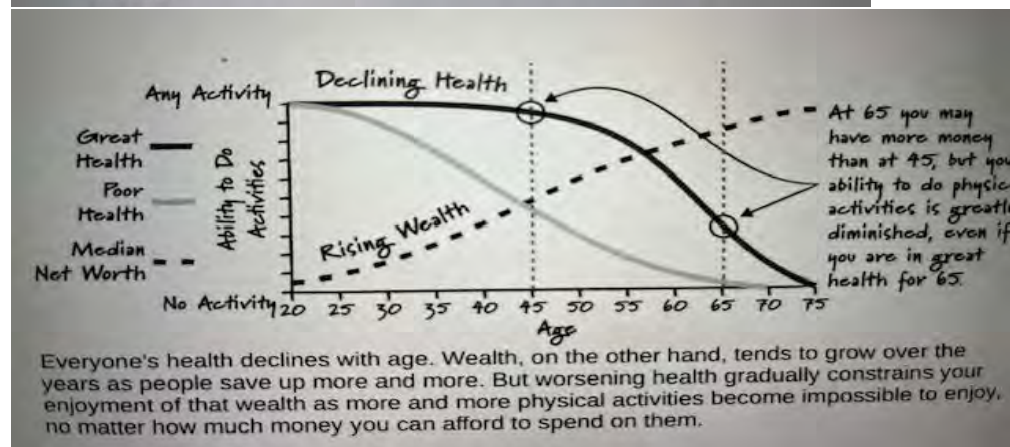
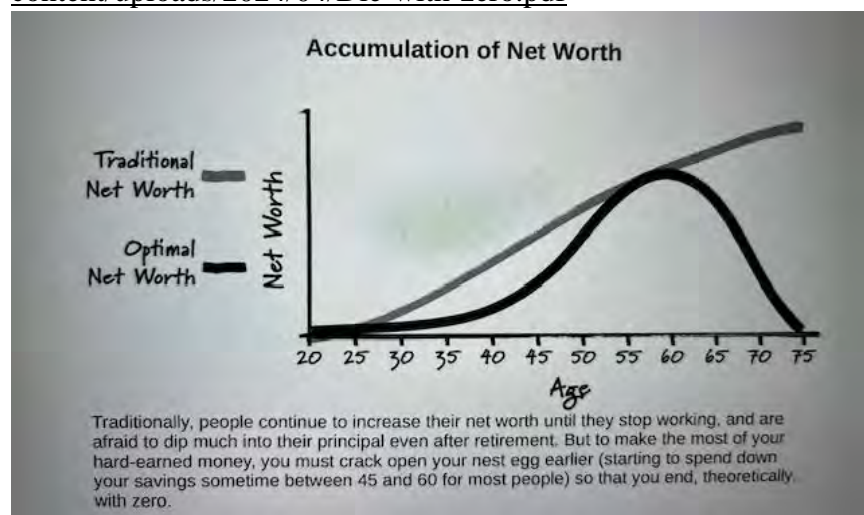
- What to do in retirement? This may help organize specific ideas.
 - Draw a large square box diagram with 4 square boxes inside. Within each box, list activities in retirement. On the top horizontal axis write the titles “Inside” and “Outside” and on the vertical axis write “By Yourself” and “With Others”. Fill the boxes with hobbies, travel, adventures, bucket-list items, current and new activities, and goals. Dream big. Consider that there is a limited time of good health.
 - Someone once said to me that retirement will be in three phases: Go-Go, Go-Slow and finally No-Go. So use wealth in retirement in those first two phases.
- Establish exercise and healthy lifestyle while still having company health insurance and support.
- Consider more education. There are free college courses at many universities and community colleges, commonly referred to as “auditing” to enroll in courses without the intent of earning credit. Also this is an excellent way to interact with younger adults.
- Consider becoming an educator. Many high schools allow people with a college degree to be a substitute teacher. Maybe develop a course based on life, education or experience to be taught by you during lunchtime.
- Get involved in community and volunteer or run for local political office.
- Ask, where to live, and where will significant family and friends live? If deciding to move, realize that getting a mortgage is significantly easier to qualify for while employed so that retirement investments are not pledge as collateral.
 - If deciding to get a mortgage in retirement, realize a written withdrawal plan from a Traditional 401k and/or Traditional IRAs may qualify for a mortgage. It’s considered to be income.
- Let’s talk about money:
 - Plan out where retirement money will come from. (Money Inflow). First write down all possible sources of steady money inflow: 401k and IRA required minimum distributions (RMD), annuities, Social Security (i.e., get an estimate online), PBGC or CPRP/CARP (i.e., review payment options online), rental properties, potential inheritance or lottery payout, gains from the sale of real-estate, military or former employer retirement, disability compensation and so on.
 - Plan out when and how money will be spent. (Money Outflow) A good place to start is reviewing bank account cash outflow, assuming all payments go through one bank.

- Consider new costs such as Medicare (See “Medicare IRMAA, IRMAA below), non-group dental and vision insurance, and retiree space available travel costs.
- Consider establishing a gift to children: In 2025 of \$19k/giver/year, \$38k/couple; its tax free.
- Also consider donating to charity. Qualified Charitable Distribution (QCD) allows individuals aged 70½ or older to donate directly from their traditional IRA to a qualified charity, up to a maximum of \$100,000, while reducing taxable income. This donation also counts towards the IRS required minimum distribution (RMD). Donations prior to age 70.5 are not tax-advantaged.

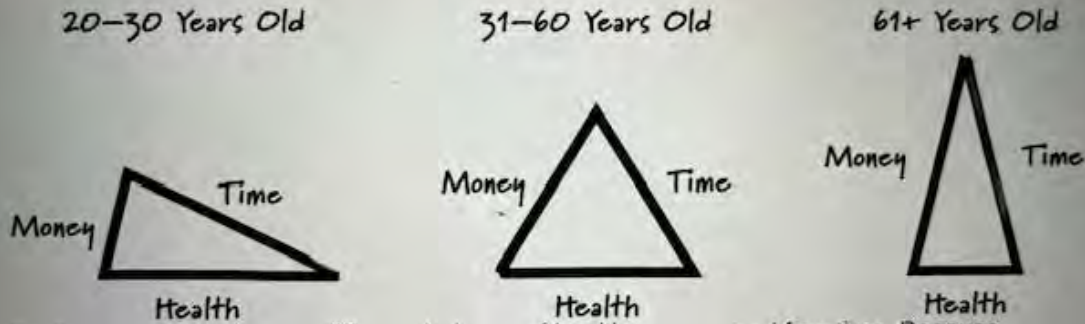
Consider consolidating assets to make managing simpler. (Money Simplification) As an example, Schwab PCRA can be rolled over to another financial institution as earlier at age 59 ½, or vice versa. By consolidating assets, the management, the distribution and taxation would be simplified, especially for a surviving spouse who has limited aptitude for investments. Consolidating into one financial institution may result in special consideration and benefits as a highly valued customer.

CAUTION: Research all desired states. For example, Hawaii will not tax “company contributions”, so if rollover a 401k, be sure to properly record that contribution amount.

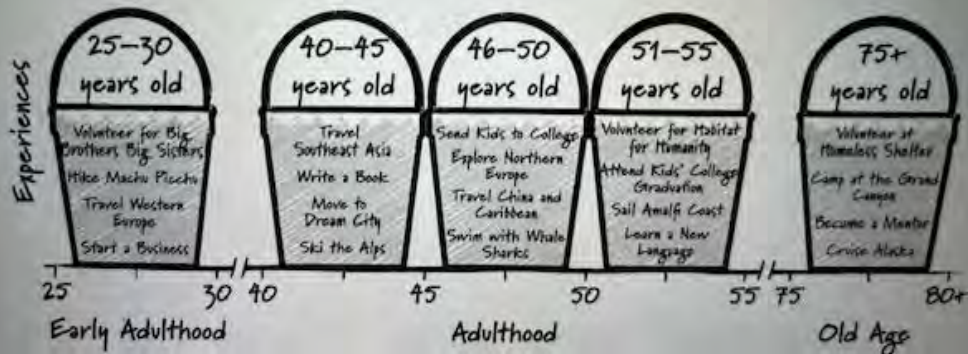
Read the book “Die with Zero” by Bill Perkins. There’s a free PDF online. This mostly applies to people retiring with excessive money and can easily meet their daily. This book gives sound reasoning to “decumulate” in exchange for making memories. After you are gone, it’s the memories that you created for yourself and others is what will be remembered for. <https://files.addictbooks.com/wp-content/uploads/2024/04/Die-with-zero.pdf>



Shifting Balance of Health, Money, and Free Time



Each age tends to have a different balance of health, money, and free time. Because fulfillment requires reasonable amounts of all three, it's a good idea at every age to trade an abundance of one (such as money) to attain more of the other two (such as buying more health or free time).



As you time-bucket your life, you parcel out a single list of experiences into different and distinct time sections of your life.

Consider getting a Financial Advisor (Making money last): Better yet, getting an advisor who is also a United Airlines pilot. I recommend Eric Lybarger, SFOFO 787, Evergreen Investing, LLC, 1-303-800-6350, 6995 S Buchanan Ct, Aurora, CA 800016 Eric@evergreeninvesting.com,

- Educate about retirement.
 - Attend the ALPA Retirement Seminar, review ALPA and United Airlines provided retirement checklists.
 - See Addendum 1, "Supplement Information to Support the Checklist",
 - This includes retirement benefits from both company and outside United Airlines.
 - Continental Pilot Retirement Plan Benefits (CPRP) for 2025 Retirees. See Addendum 4

Just Prior to Retirement (1-2 years)

- ALPA sends out a checklist one (1) year prior to retirement and follows-up with a countdown checklist. These checklists are good but it would be best to also consulted with an ALPA representative. Contact the MEC to set up an appointment.
- Attend an ALPA R&I Briefing and download the PowerPoint briefing slides.
- During United Airlines open enrollment, sign up for the MetLife Legal Insurance and either "restate", update or create a living trust. Copayment as low as \$50 rather than paying full price for a trust of approximately \$3000-\$5000.

- Renew life insurance. Life insurance is a great way to pay inheritance tax owed after death but can get very expensive when renewing after age 60.
- Renew passport at company expense.
- Get medical and dental examinations, surgeries or any procedures completed.
- Make sure to have signed up for Active Healthcare Saving Account (AHSA) monthly auto deductions for healthcare, dental and vision premiums. This information can be found in the ALIGHT website under “Take Actions” and at the bottom left menu, select “Active HealthCare Saving”. In addition, sign up for auto deposit to bank account for any AHSA reimbursements. I believe most this set up will rollover in retirement to the RHSA.

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During November Open Enrollment and the December and January before retiring (<1 year)

- Sign up for MetLife Legal Insurance
- Consider signing up for the Flexible “Healthcare” Saving Account (FSA). Yes this is in addition to whatever has spillover into AHSA from 401k but consider the following:
 - For 2026, the maximum FSA contribution per couple for a Dependent Care FSA is \$7,500 if filing jointly, and \$3,750 for each spouse if married and filing separately.
 - On 01 January the FSA is “fully funded” by United (i.e., have the full amount available to spend on 01 January) and will have a monthly pay check deduction through December.
 - However, if retiring before December, can use the fully funded amount even though it won’t be required to repay for the months remaining from retirement through December.
 - Must use the full amount before retiring though!!!!
 - Can roll-over the full amount to an outside healthcare saving account up to once a year.
 - As an example, if retiring in January and are married, the company will place \$7,500 into FSA, you will pay \$7,500/12 for 1 month of deductions, but can either spend the entire amount in January or roll it over to, let’s say Fidelity Healthcare Saving Account, that has no expiration date. Basically got free money!!!!
- December: Make sure to elect where 21 days of vacation will be deposited, into either into the Retirement HSA or into the 401k.
- January: Make sure to elect the minimum allowed number of vacations so as to get an extra payout the month after retirement.

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Last Year (<1 year)

- Create a “My Social Security” login. <https://www.ssa.gov/myaccount/>
- In January, bid minimum Vacation Days to be awarded. This assure a payment of the remaining vacation after retiring. See explanation below about vacation bidding and payout.
- Use Normal and/or Extended Sick Bank before retiring. USE IT or LOSE IT.
 - Calculate Normal Sick Bank usage.
 - Calculate a usage glide path to zero at retirement. Be sure to add-in future sick leave accrual (i.e., 6 hours/mth) for remaining months prior to retirement. Realize that the 95 hour cap may restore some or all used sick leave to the bank.
 - If used Extended Sick Bank (ESB)
 - If normal sick leave bank is zero, then UPA 13-B ESB establishes a minimum of 180 hrs up to a maximum of 540 hrs during a career. Assume using 85 hrs of ESB per month, this would be the resulting number of months of sick leave you have: $180/85=2.1$ mths and $540/85=6.3$ mths. The take-away is that may not need LTD for 2-6 months prior to retiring since you have ESB. If wanted, could make ESB last longer by reducing to minimum usage, such as 55 hrs/mth.
 - WARNING: The first 15 hrs of a dropped trip using ESB will NOT be paid!!!
 - CONSIDER: So should LTD payments stop if there’s enough ESB? Yes!

- All pilots that domicile in California are eligible for California SDI EED after 9 days of sick leave. Make sure to check your state of residence or domicile for a similar programs. Have up to 49 days after initial sick call to file, with certain exceptions
- If sick last month of employment at United Airlines.
 - If using sick leave the last month of employment, the 95 hour pay cap may affect last month of employed pay and create a sick bank restoration; taking into account the last month's pay includes: the trips during the last month, the pay per day calculation after my birthday, and the vacation payout for present and next year's vacation That would be a complete injustice if all pay greater than 95 hours is credited back to my sick bank and then you lose it because you retired.
 - This is the response received after submitting a PDR:
 "There is no exception from 13-A-3-c (95 Hour Sick Rule) for retiring pilots. The bad news is, your 3-I-6 Payout is included in LPV/PTC for final month and will increase BSH. This is the 2.8 hour per day from mandatory retirement until end of the bid period. The good news is, next year's Vacation Pay out occurs after pay closes from final month. As such, it is not part of BSH.

Retiree Pay outs are completed manually so pay close attention. I am unable to give an accurate BSH, but current BSH prior to the 3-I-6 Pay-out is 95:12. This means that you exceed 95 hours in BSH and will incur a 13-A-3-c adjustment."

Approaching Birthday and shortly after Retirement Date (6 mths prior to retirement/DOB to 1 month after)

- Social Security (SS) Office for Medicare Part-B sign up and possibly to start Social Security at age 65 instead of waiting for the SS full retirement age.
 - Apply for Medicare Part-B no later than three months prior to retirement or birthday.
 - Important: Set up online an in-person appointment for 3 months prior but also make a reservation 6 months prior on the Social Security website. The 6 month is to verify that you understand the process when going to the 3 month appointment. Signup online but always go in-person to the appointments.
 - Recommended: Make sure to get the SS representative's name, contact information and written confirmation of what was completed.
 - Read more details in Medicare IRAA Addendum 2, especially how to reduce high Medicare Part-B premiums for high income earners.
 - WARNING: Late signup for Medicare Part-B will result in a recurring month penalty that lasts the rest of your life!!!!
 - WARNING: MUST also sign up for Medicare Part-D (Drugs) otherwise receive a lifetime penalty for late sign up. Also sign up on app "Good RX" to get discounts on prescriptions.
 - Delaying Medicare sign up. Delay starting Medicare at 65 if you or your spouse are still working and have health insurance through an employer group health plan or through "creditable coverage", allowing to enroll later without penalty during a special enrollment period (SEP). WARNING: Creditable Coverage is NOT United's nor ALPA's provided retirement healthcare, neither is TriCare for military retirees. If going to delay, highly recommend keeping copies of Form 1095C, Proof of Healthcare coverage.
 - What if want to start Medicare at age 65, suspend UA retirement health insurance BUT keep spouse on the UA retirement health insurance? See Addendum 6 for an explanation.
 - For more information and to confirm your eligibility for a special enrollment period, contact Medicare at 1-800-633-4227 or visit Medicare.gov.
- Starting Social Security
 - Some things to take into consideration when determining when to start SS: your health, family longevity, do you need the SS money, the SS online break-even calculation, starting SS to protect your spouse and other considerations.
 - See Addendum 5 for a detailed explanation of what age to start Social Security payments.

- It's possible that the SSA may incorrectly interpret last month's pay check and profit sharing payment as "earned income". This would result in social security being significantly reduced. To alleviate the misunderstanding, it's recommend:
 - Contact UA Payroll and assure they fill-out an Employer Report of Special Wages, Form SSA-131.
 - After which, create and send a form letter to the SSA with a copy of the SSA-131 attached. See Addendum 7 for format of the form letter.
- Extra Social Security Payments for military service.
 - Military service can lead to extra Social Security benefits through special earnings credits for active duty service between 1957 and 2001. May be eligible for these credits, which increase average earnings record and can help qualify for or increased Social Security benefit amount. The extra credits for 1957–1967 are added when applying, while credits for 1968–2001 were added automatically. For service after 2001, no special earnings credits are provided.
 - For service from 1978–2001: The SSA credits an additional \$100 in earnings for every \$300 earned on active duty, up to a maximum of \$1,200 per year.
 - The credits are added to earnings record, which is used to calculate your average lifetime earnings. This may increase the amount of monthly benefit payment.
 - Need to provide proof of military service, such as a DD-214. If your military service occurred between 1968 and 2001, the Social Security Administration (SSA) automatically adjusted earnings, so benefit **should** already be reflecting this. Recommend you verify!!!
 - Also bring birth certificate, proof of US citizenship, and W-2 from military.
- Social Security for disability
 - If becoming disabled while on active duty after October 1, 2001, apply for disability benefits at ssa.gov/wounded-warriors. Keep in mind that the Social Security Administration (SSA) has a different definition of disability than the Department of Veterans Affairs (VA). Can receive benefits from both agencies if qualified for each one.
- Medicare
 - Medicare Supplements: Allowed to purchase a Medicare Supplement up to 6 months prior to birthday (DOB). See Medicare flowchart below to understand all the available Supplements plans.
 - Can sign up for Medicare Part B up to 3 months prior to DOB
 - Can sign up for Medicare Part D up to 60 days prior to DOB
- United Airlines last month's pay will be paid in the first month of your retirement, as referred to as "in the arrears".
 - Prior to birthday month, bid normally for birthday month for the available days.
 - Last day of work awarded by PBS will be the day prior to birthday at 0100 so could fly right up to 2359 two days prior. As an example, if birthday is the 15th then no award on 14th after 0100 but still flying until 2359L on 13th.
 - Will receive paid at 2.8hr/day from birthday till end of BID month, not calendar month.
 - Last pay check will include flying plus 2.8/day, as a minimum. Most likely the check will also include unused vacation for the current year plus for next year's earned vacation.
- Depending on when retire relative the United Pilot Agreement (UPA), you may be eligible for "retro pay".
 - For example the current UPA 2023 will become amendable on 30 Sept 2027 so if you work past that date and the new contract gives retro pay back to the amendable date, then you most likely will receive retro pay. IMPORTANT: Keep detail records of work after the amendable date, so can make a claim to recover retro.
- Contact Chief Pilot Office (CPO)
 - Retirement flight MUST be the last trip on your line, MUST be designated NLT 7 days prior, MUST contact Chief Pilot Office for Positive Space for 2 Business or 4 Coach, and 2 additional hotel rooms at crew rate (yes, you pay).
 - While talking to the CPO, get the envelope to return the below items.
 - Return via CPO Envelope by mail: Company ID, parking electronic pass, and Known Crewmember (KCM) badge(s)

- Return iPad (IN-PERSON). This is still while having an employee ID. Consider submitting an Expense Report if having to travel to be “IN-PERSON”
- Request retirement/termination letter that will eventual take to the social security office to get Medicare Part-B IRMAA premiums reduced. See section below about Medicare IRMAA.
- Request a copy of “Employee Separation Data Review”
- Save a copy of your Employee Profile and Personnel File (PE). FT>>Employee Services>>My Info>>Personal Details>>Employee Profile
- Request United Airlines picture(s) for signatures at ALPA website---Committees---Retirement & Insurance---Resources---Retirement Photo. Will be delivered to your home address.
- Order a current United by email to UnitedRecognitionTeam@united.com and ALPA longevity pin by logging in to ALPA website and go to Membership.
- Update home mailing address, if necessary. FT>>Employee Services>>My Info>>Personal Data
- Get retirement ID with no expiration date. Costs \$35 by PayPal payment, Apply at EmployeeRes or FT>>Employee Services>>Help Hub. Not required to have a UAL retiree badge for travel. Realize after you retire you may not have full access to FT.
- Establish new logins for Flying Together, CCS, UA discounts, employee travel reservations, YBR, and Schwab. Changing to personal email instead of company email.
- Look of any foreign currency and consider exchanging it back to dollars while still having an active United pilot status where exchange fees are waived.
- Possible last items to expense:
 - Renew passport and expense to company if you have six months or less on the passport before retirement.
 - Dry clean all uniforms for future retired photos prior to last month of work and expense it.
 - Travel if you have to return your iPad in-person.
- Stopping ALPA automatic payments:
 - CAUTION: If while working and union due payments are stopped, United Airlines has the right to fire based on the contract and federal law governing airline labor (Railway Labor Act). This is commonly called the “union security” clause.
 - ALPA dues will be taken out profit sharing in March the following year of retirement even though ALPA no longer represents you as a retiree.
 - ALPA will also take dues from any Retro pay for upon contract renewal. This could occur many years after retiring.

NOTE: ALPA’s website does not have the option to stop Dues Check-Off (DCO), so you will have to call ALPA 1-888-359-2572 / 703-689-4106, select Option 3 and talk to a “Membership Administrative Representative” OR email Caroline Koenig, Membership Analyst in Membership Administrative, caroline.koenig@alpa.org. May get an email warning “Please note that will then be billed monthly based off an annual estimate of earnings”

- Consider stopping LTD with Opt-Out. Call 1-800-651-1007 Benefits Center. Base decision on how much Normal or Extended Sick Bank remaining.

BEWARE: Even though “Normal” sick bank is empty, may still have “Extended” Sick Bank. Look at the “Lifetime” displayed amount to make calculation. As an example, Extended is 360 hour and want a minimum of 80 hours of pay so have 4.5 months of sick leave coverage so helping LTD 4 months prior to retirement would be possible.

Misc. Suggestions before retiring that were suggested

- In final year, if prefer “DRAP Cash” payments of the 21 days of vacation that’s normally would be contributed to the 401k after retirement, consider the following, which will also limit Active HSA spillover:
 - First attempt to earn up to the 415c \$350k income limit. This restricts spillover to the Active HSA to \$10k
 - Also time the maximum 401k contribution from both you and the company to coincide with reaching the income 415c limit.

- -In other words, the 401k has been maxed out and all company contributions start to spill to the AHSA but will spill to up to a maximum of \$10k. After that, all company contributions will flow into “PRAP Cash”

ALWAYS LOOKING FOR SUGGESTIONS!!!!

After Retirement

- Retired United Pilots Association (RUPA) <http://www.rupa.org> \$35/yr.
- Attempt to login into all the available retirement sites to verify have access. This could become important when preparing your taxes.
- Taxes Preparation:
 - W-2 will be available via Automatic Data Processing (ADP)
 - Electronic W-2 is now available on the secure web site, <https://paperlessW2.ual.com>
 - Don't forget about Per Diem printout from MyInfo page
 - Tax traps and solutions:
 - Trap: Waiting until age 73 to take RMD from 401k tradition, pretax and company contributions will result in a significant “income tax” since having allowed the money to grow and the RMD will be large. This will increase Medicare monthly premiums for both you and your spouse, if filing jointly.
 - Solution: Consider starting RMD at age 65 to reduce taxation
 - Trap: If taking RMD, must pay have withdrawn the RMD amount by 01 April of the current year or will pay up to a 40% tax penalty on the unwithdrawn amount plus the pretax and capital gain taxes. This in my opinion that is elderly abuse.
 - Solution: If think the age 65 distributions will be needed later, the convert those RMD distributions to Roth but should to keep enough to pay the taxes.

RETIREMENT CHECKLIST COMPLETE (SOP requires it to be read out loud)

Addendum 1

Supplemental Information to Support the Checklist

Income in Retirement

- Will have access to United Airlines Online Pay Advice in retirement
 - Last month's pay check, as a minimum, will include trips flown plus 2.8 hrs/day from birthday till end of BID month, not calendar month. In addition, will receive unused vacation pay.
 - Retirement Year Vacation payout per UPA 11-B and C plus vacation payout of next year's earned vacation
 - -Paid at 4.25 hr/day
 - -First 21 days of vacation paid to PRAP or RHA, then remaining paid to you
 - -PRAP/RHA election made in the prior December before the May vacation bidding begins.
Election made on the PRAP website.
 - -Prior to May, be sure to bid "minimum election" of vacation days. If do not bid, will receive all of your vacation in the schedule prior to retirement!
 - Mini Elections are May (0), June-Aug (7), Sept-Dec (14), Jan-Apr (21)
 - -Will also receive vacation that was earned this year but won't be around to bid next year. Every month working starting in May, is earned vacation for next year, but you will be retired so will be paid for that too.
 - -Go to the CCS menu "Vacation Summary" to look at **future years** allotted days of vacation. It's likely that your last year will not show an allotted number of days until you are within 2 years of retirement. That last year should equate to $x/12 \times 42$. For example, December retirement would be from May through December or 8 months, so $8/12 \times 42 = 28$ days.
WARNING: Be sure to check the calculation. I've known of two people that have the last month (their birthday month) excluded from the calculation, therefore the Vacation Summary page displayed the incorrect number of vacation days. Note that earn vacation for every month that can bid flying and most likely will be bidding your last or birthday month. Make sure to PDR the incorrect calculation as soon as discover it. I wonder how many pilots were unaware of the error and lost 3 days of future vacation pay.
 - 18% 401k contributions
 - When receiving the last check from United, make sure to verify that truly received the company 18% contribution to 401k.
 - Will get profit sharing payment in March in the following year after retirement. This will also include contributions made to PRAP B/C and may pay ALPA dues even though you are not employed!
How to Make 401k Elections on a Profit Sharing Check. Go to the Profit Sharing (PS) statement to make an election: Flying Together > Employee Services > Compensation and Incentives > Profit Sharing Statements. On the PS statement, click the link "401k deferrals page."
 - Pilots have until 23:59 CT on February 5 to make the election. (Date may change)
 - PRAP elections on the Schwab site are not applicable to the PS payment.
 - Pilots can usually expect 10-15% of their PS payment being withheld for taxes
 - The PS 401k election will be on a different line in the Pay Advice than the bi-monthly 401k contributions.
 - Social Security Office for Medicare sign up and possibly to start Social Security
 - Create a "My Social Security" login through Login.gov about a year prior to retirement to verify past income, get an estimate of benefit, and simply know how the login works.
www.ssa.gov 18007721213
<https://articles.opensocialsecurity.com/calculate-retirement-benefit/>
 - Apply no later than 3 months prior to your 65th birthday!
- Important:** Set up an in-person appointment for 3 months prior but also make a reservation 6 months prior on the Social Security website. The 6 month is to verify that understand the process before going to the 3 month appointment.

-Also 3 months prior to birthday, consider making an appointment for the month following your birthday and after you've paid one month's Medicare premiums. This is to start the process of reducing Medicare IRMAA premiums.

-In-person hand them a copy of the UA CPO letter stating that you had a qualifying life event (QLE) of retiring. This QLV qualifies you to reduce your premiums to the lowest rate.

-So yes, make 3 appointments at the SS office for Medicare: 6 months prior to BD to understand the Medicare signup process, 3 months prior to BD to sign up for Medicare and 1 month after BD to request a waiver to high Medicare premiums.

-Also, I believe that a year later, need another appointment to renew the waiver for high Medicare premiums IRMAA. In November of every year, Medicare uses a 2 year look back at tax returns for earned income so this look back will see last year at United Airlines.

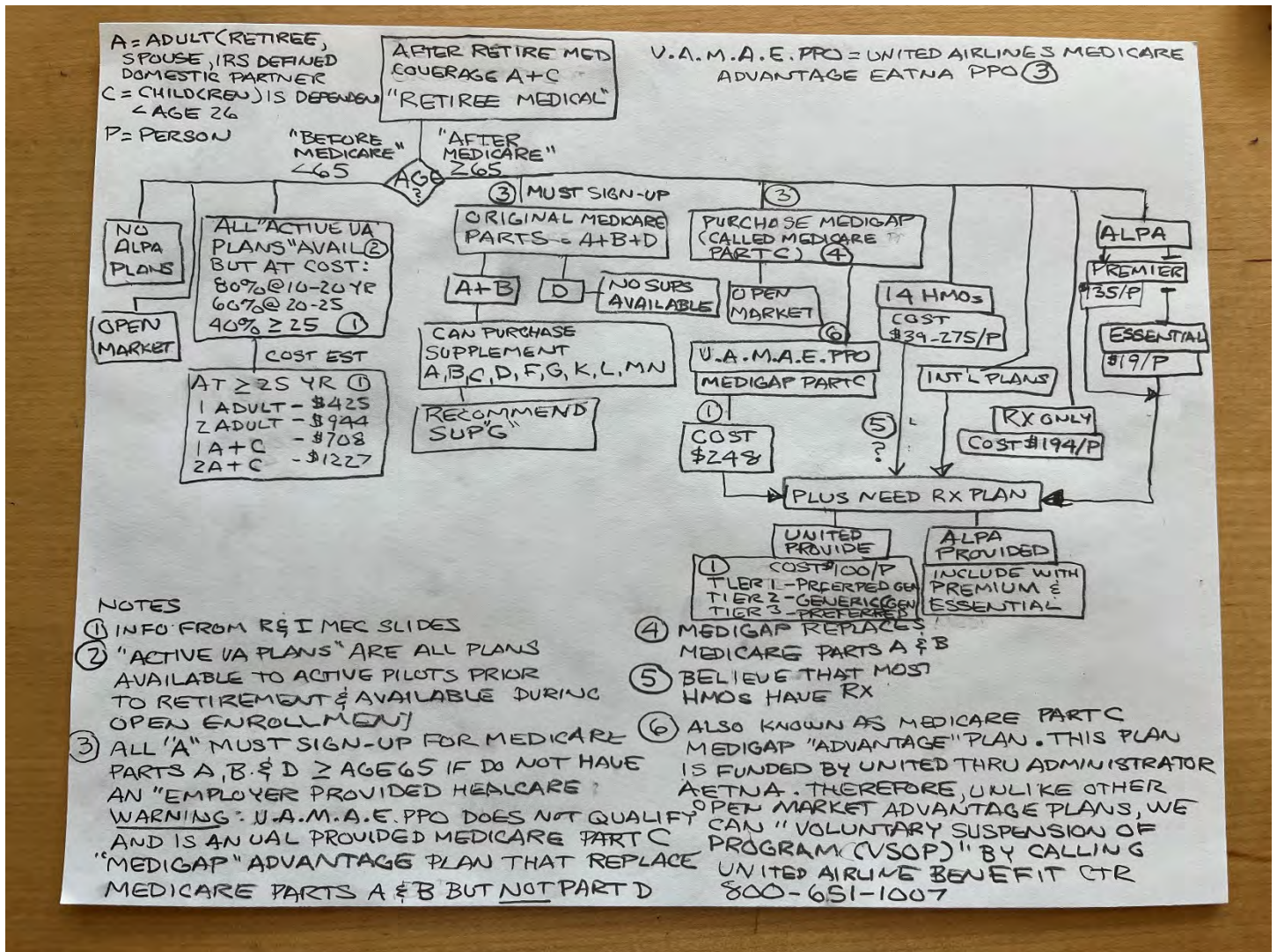
- If you start Social Security payments
 - Social Security payments can be reduced for earned income while in retirement and prior to full retirement age. The good news is that your first year of SS is exempt for income limits so can receive last paycheck and any profit sharing without reducing your SS monthly payments.
 - After that first year and if below full retirement age, any earned income could potentially reduce social security payment by \$1 for every \$2 earned. This of course assumes starting SS at age 65.
- PBGC : Review the different payout options prior to retiring.
<https://www.pbgc.gov/>
<https://www.pbgc.gov/mypha>
Plan Name: United Airlines Inc. Pilots Defined Benefit PP
Pilot Defined Benefits Pension Plan, Case No.: 19962700
Date of Plan Termination (DOPT): 30 December 2004
For Workers & Retirees 1-800-400-7242
8:00 a.m. to 7:00 p.m. Eastern Time Monday through Friday
- PRAP Schwab 401(k) 1-866-855-7727 Limit telephone availability
 - Consider possibly rollover the Schwab PRAP to another financial institution or management team. This can be requested online, will need name and account number. Will receive a check made-out to that account which will have to be deposited.
 - If rollover all your Schwab funds, do NOT close account since it is still needed to receive 401k contributions from the company.
 - Understand how contributions are taxed for Roth, Pre-Tax, Post-Tax and company contributions. Roth has no taxes, Pre-Tax are 100% taxed, Post-Tax taxes only gains as income, and all company contributions are taxed as ordinary income
 - Good to Know: Realize that Schwab is a bank and then a brokerage. For instance, if wanting to do Intelligent Portfolios (i.e., Schwab's robo-investing platform), Schwab hold back 20% of your investment in cash because they benefit as a bank when there's cash. Also as a bank, they are only insured to the FDIC limits whereas other investment companies have insurance on your entire investment and to protect you if they do something wrong.
- When to consider required minimum distribution (RMD) starting at retirement age 65?
 - How to calculate RMD. Take the total balance and divide by your life expectancy as in IRS Publication 590-B. This has to be done for each individual account so that's why it's recommended to consolidate all investments into one financial institution.
 - Using the publication, at age 65 the denominator is 32. Therefore assuming you have \$5M in tax deferred investments that will be required to be RMD withdrawn as some future date, the age 65 will receive RMD of \$156/year. NOTE: This is the "minimum", can always take out more.
 - As an additional reference in 2024, life expectancy at 65 is 22.9 years more and at 72 it's 17.2. Therefore dividing a big number into retirement savings is better dividing a smaller number into age 72.
 - -At age 72/73 you are required to take RMD withdrawals even if you are employed. Otherwise will pay a 25% penalty for every dollar not withdrawn. So be careful, this penalty is a form of taxation.

- -Something to Consider: In general, RMD withdrawals early at age 65 would be recommended. If the money is not needed then set-up the RMD to rollover to a Roth IRA but withhold enough to pay the conversion to Roth taxes. This strategy allows for future tax free growth, tax free distribution and minimizes inheritance taxation.
- In CA then eligible for Unemployment compensation if meet the requirements. Check out your state also.
 - -For example, in CA if enter a training program, such as getting a single engine commercial, are considered to be searching for employment by improving education. CA unemployment is \$450/week and can be used for 1 year, maybe longer. Something to think about, especially since you paid into it. <https://edd.ca.gov/UNEMPLOYMENT>
- How much should I withdraw from my all my investments but still have enough to the end of life for both you and your spouse?
 - William Bengen developed the “4.7% Rule” where if you withdraw 4.7% per year while keeping fully invested in the market (ie, 80-100% invested in stocks), your investment will be worth the same amount at death as when you started the withdrawals. So let’s assume you have \$5M total investments at age65 and withdraw 4.7% annually, that’s \$250K/year. I bet you can live on that amount.
 - Compare this the age 65 RMD calculation above of \$156k/year.

Medical Healthcare in Retirement

- Medicare Enrollment
 - How to reduce premium from highest (\$594/mth based on 2024) to lowest (\$174/mth) for a qualifying life event during first 2 years of retirement (See “Medicare IRMAA”, Addendum 2)
 - Medicare is during your Initial Enrollment Period (IEP) begins three months before turning 65, includes the month of turning 65, and ends three months after turning 65.
 - MUST sign up by age 65 or you will get penalized for late sign up the rest of your life. There are exceptions.
 - Coverage begins the month after signing up during the IEP.
 - Paste www.medicare.gov
 - 4 Parts to Medicare: Part-A (Hospital this is included with B premiums), Part-B (Medical-Pay Premium), Part-C (Advantage. This is optional), Part-D (Drugs which is included with B premiums)
 - Medicare Part D provides this at no additional cost after signing up for Part-B
 - Recommend to get a “Supplement, also known as “Medigap”” and not an “Advantage” plan. An Advantage is a replacement of Medicare. Look for the Supplement that includes the most and has the least deductibles.
 - Currently Medicare Supplement Plan G seems to be the best value and most comprehensive.
 - Each state has a State Health Insurance assistance Program (SHIP) to help navigate and explain Medicare. www.shiptacenter.org
- Exceptions to not enrolling in Medicare at age 65
 - If don’t qualify for an exception and if waited 2 full years (24 months) to sign up for Part B and didn't qualify for a Special Enrollment Period, will have to pay a 20% late enrollment penalty (10% for each full 12-month period that could have signed up), plus the standard Part B monthly premium (\$185 in 2025)
 - To qualify for a Medicare Special Enrollment Period (SEP), you typically need to experience a qualifying life event: Covered by a group health plan through your employer or a family member ,losing employer-sponsored health insurance, moving to a new area, , becoming eligible for Medicaid, enter a nursing home, or joining a plan with a 5-star quality rating. There are other SEP so search to see if situation applies.
- What to do is spouse is older that retiring pilot? The flow chart below assumes that spouse is younger than the retiring pilot.

- The older spouse can remain on the United benefits while the pilot is employed.
- If the pilot retires and the spouse is ≥ 65 , then the spouse must apply for Medicare upon retirement of the UA pilot. Do not delay, there is penalties for late application. In addition, the spouse must bring “proof” of United healthcare coverage for all years of age 65 and older. Believe the annual enrollment summary would be proof enough.
- “Medical Coverage for RETIRED or FORMER MILITARY” is explained in Addendum 3.
- You are eligible for COBRA for up to 18 months but it’s expensive.
- UA provided AETNA
 - If plan to just use Medicare or have other healthcare coverage, consider applying for only one month then “put on hold”. There will NOT be a health requirement if you decide to “restart” the AETNA coverage. That’s a great backup plan!!
 - If apply for United provided Aetna, will be given 2 months of free coverage.
 - How to work with UA AETNA denied claim or prior authorization required
 - Call AETNA, ask for “HIPAA Compliance/Privacy Officer”. Federal law requires them to have one
 - Ask the NAMES and CREDENTIALS of every person that’s accessing your record to make the decision. By law, you the right to that information.
 - Likely they will reverse the decision by using these questions.
 - Any refusal should be reported to the US office of Civil Rights (OCR.gov) as a HIPAA violation
- Also consider getting ALPA provided health plan for one month and put on hold. Not sure if this works the same as United Airlines provided Aetna, but worth looking at.
- Get health care from the open market. www.healthmarkets.com/ual
 - Health Market counseling service 18446360512
 - Believe Kaiser is available and open enrollment starts on November 1, 2024. Call 8006306318. Learn more and find coverage that’s right for you



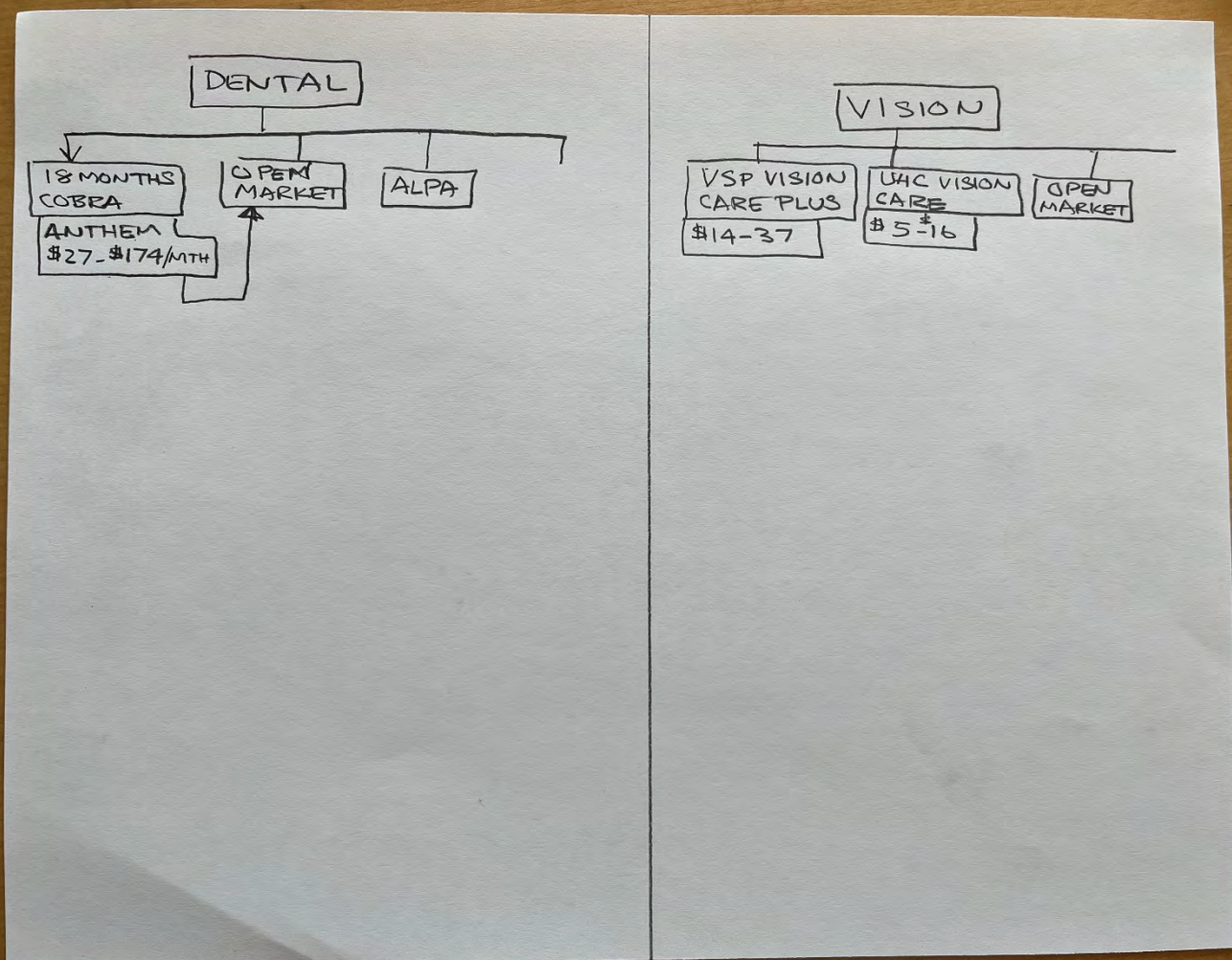
Dental and Vision Care in Retirement

Dental Care

- UA provided – NONE or at least I am not aware of it
- ALPA provided Anthem
- VA provided
- Tricare Dental [Read the article to learn more](#)

Vision Care

- Check with your healthcare provider, some include one annual eye exam. With that exam, you'll get a prescription and then can shop for eye glasses.
- UA provided
- ALPA provided
- VA provided



Healthcare savings accounts (HSA)

- Active healthcare savings account (AHSA)
 - Overflow from 401k into AHSA, in general, occurs after you've reached 401k contribution limit of \$69,000 or age 50 limit \$75,500 (i.e., Roth/Traditional contribution \$23,000 or \$30,500 plus Post Tax plus Company). This limits changes annually.
 - Excess AHSA overflows to Retirement HSA (RHSA) in Jan when AHSA >\$15k and June, which has been increased to >\$15k.
 - The overflow/sweep/spillover could be limited to the \$10k. Until the Cash Balance Plan is implemented, PRAP contributions that cannot go to the PRAP due to the 401(a)(17) limit will go to the Active HRA/RHA, but will be limited to \$10,000. *This does not mean that Active HRA/RHA contributions are limited to \$10,000.* This is because some pilots could reach their 415(c) limit before the 401(a)(17) limit and therefore spill more than \$10,000 to their Active HRA/RHA.
 - Currently there are a lot of unknowns about the MBCBP, such as will it be an annuity which traditional is an insurance product with restriction, requirements and limited wealth distribution to you inheritors.
 - Pilots can also have vacation forfeiture contributed to the Active HRA/RHA if they make an annual election or if the pilot has reached an IRS limit in the PRAP.
 - Recommendation to avoid overflow into either the RHSA or into the MBCBP. Note the RHA cannot be rolled over to an outside HSA, like Fidelity HSA. Also the RHSA will upon your or your dependents death be transferred to the surviving pilots RHSA.
 - Any Active HRA balance will rollover to the RHA sixty (60) days after a pilot's retirement date.

- Qualified medical expenses eligible for reimbursement as defined in IRC section 213(d). IRS Publication 502 contains detailed information regarding qualified medical expenses and important information specific to reimbursement of long-term care premiums. For a complete updated list of eligible medical expenses and amounts allowed for long-term care insurance premiums, see [IRS Publication 502](#).
- For more information on the Active HRA/RHA and the annual sweeps, please review the [Benefits Book](#) or send a PDR > Retirement and Insurance.
- Retirement Healthcare Savings Account (RHSA)
 - How much should be in the RHSA at retirement?
 - Fidelity Investments estimates that the average 65-year-old couple retiring in 2025 can expect to spend approximately \$330,000 to \$345,000 on health care and medical expenses throughout retirement. Individual retirees may need about \$172,500 in savings.
- How will the RHSA be invested and how much will it grow?
 - Pilot RHA Vanguard Target Retirement Funds is how it's invested. The target year of the fund is based on date of birth. For instance 1967-1962 is the 2020 fund and 1963-1967 is 2025 with a 5 year increment for each birth group. On average each fund returns approximately 7% per year. To put this in perspective using the Rule of 72, the money will double every 10 years if no withdrawals occur.
 - The Target Retirement Funds provide you with a well-diversified blend of stocks, bonds, and other investments that are automatically adjusted to a lower risk level as you near age 65.
- If didn't avoid the overflow and have money here, consider setting up automatic payments to Medicare. Therefore, bring the RHSA info to the meeting with the social security office when you are enrolling in Medicare. Normally, the social security office will attempt to set up automatic payments of Medicare from your monthly social security payment. Make sure to confirm that was not done and have the payment come from your RHSA.
- If have a lot of money here and you have a disability, such as you cannot walk up and down stairs in your house, then get a doctor's note stating that. I talked to a pilot who installed an elevator in his home and he had the RHSA reimburse him. A doctor's note is a must!!!!
- The RHSA cannot be rolled over to an outside HSA. The RHSA is unlike most health care savings accounts and cannot be transferred nor inherited.
- The RHSA can be used for travel to see a specialist. Interestingly, I knew a pilot that got annual full body scans, comprehensive lab testing and expert doctors to evaluate the results in Thailand. Another pilot got a doctor's note he need to lose weight so he went to Thailand health retreat to lose the weight.
- WARNING: RUPA mentions numerous times that retirees have had their RHSA accounts hacked and money withdrawn. Highly recommend that you update you login password and, if available, set up double authentication login.
- If plan to use the RHSA to reimburse the purchase of Longer Term Care (LTC) insurance be sure to review IRS Pub 502 about the annual allowable reimbursements limitations. As of 2025, age 61-70 was \$4,960/year and age 71 and up was \$5,640/year.
 - NOTE: If looking at a LTC policy, realize that Medicare will not provide any financial assistance, Medicaid will only assist after all personal assets are depleted (i.e., sold off at whatever price the market is willing to pay at that very moment) and if a disabled veteran you may have some level of LTC for both you and your spouse.
 - WARNING: Most LTC policies include care facility medical treatment, room and board. However if you choose not to get a LTC policy and instead pay for out-of-pocket for all those items, room and board is NOT a RHSA reimbursable item. The medical treat is reimbursable but you will probably be too old, frail and unable to submit a claim. Maybe the only option, in this situations if to have a debit card and inform your family to provide it to the care facility upon check-in.
 - "Separately Identifiable" Rule under IRS Section 7702B, a "qualified" LTC policy typically cannot have a cash surrender value. However, many hybrid policies (like those from Nationwide, OneAmerica, or Securian) are structured so that the LTC rider premium is "separately

identifiable" from the life insurance premium. Life Insurance Portion: Cannot be paid with HSA funds (this part builds the cash value).

- Key Requirements for the Policy
- To ensure your HSA withdrawal stays tax-free, the policy must be "Tax-Qualified," which means:
 - It must be guaranteed renewable.
 - It must not pay for expenses covered by Medicare.
 - The insurance company must provide you with an annual statement specifically labeling the "Qualified Long-Term Care" portion of the premium.

UA Retiree Travel Benefit

- Retirement flight benefits required you to set up PayPal to pay for fees, taxes or expenses since it can't be deducted from your pay.
- Employee Travel Center (ETC), etc@united.com
- Need a new Flying Together password: 800-255-5801
- What you can still use in retirement:
 - Can use UA discount and ZED fares for 10 years.
 - Double check your eligibility.
 - Can still use UAdiscounttravel.com
 - Travel on other airlines seat availability:
 - IDDeals.com for travel on Southwest and Delta.
 - Note: Do not respond to "Staff Traveler" queries on seat availability until 24 hours before departure.
 - Both airline apps will give seat availability without listing or buying, just click on "Seat"
 - MyIDTravel: Will give green, yellow or red indication when listing.
 - [ID90 Travel](http://ID90Travel) listing platform for Alaska and American will give relative position on the standby list and will estimate available seats.
 - Best for checking availability are IDDeals.com and [Staff Traveler](http://StaffTraveler)
 - Checking Strategy with United app or on another airline's app:
 - People who check-in first normally will be the first non-employee standbys. Especially on Lufthansa, Air Canada or ANA
 - Some airlines will issue a boarding pass immediately after check-in if there is a lot of seat availability. If this does happen, then go to that airlines app to see if the assigned seat can be changed. Airlines to often do this are ANA, Finnair and Lufthansa but sometimes these airlines will also allow the seat change, Air Canada, Air France and Quantas.
 - Overseas airlines can open prior to 24 hrs, sometimes as early as 36 or 48 hrs
 - Check ChatGPT with airline, flight number, dept and arrive cities and date for each airline check-in time window.
 - Make sure you understand if it was local time or other time zones.
- UA reverse seniority and boarding priorities change.
 - Flight Together>>Travel>>Retire pass travel OR >>Survivor Benefits
 - Have Vacation Passes still but only used relative to other Retirees and not relative to active employees
 - Make sure to check Retiree Travel Profile accuracy FTG>>EmployeeRes. Board Date is date of hire
 - No cost to you/spouse.
 - If dependents, there could be costs for their travel

Retiree Parking at SFO

- First must obtain a 14 day parking pass. The pass can be obtain the day of or the day prior to travel.

- Obtain the pass from the SFO MOC located at end of San Bruno Ave East after exiting off Hwy 101. See MOC on map.
- MOC Security is available 24/7 and the Security on Duty will issue the parking pass.
 - First go to the MOC lobby but if it is closed, press the intercom button near the entrance and advise security that you would like a “retiree parking pass”.
 - Must bring Retiree ID with proof of file number, vehicle year, make/model, and license plate number.
- After obtaining pass and driving from MOC to Retiree Parking Lot:
 - Exit the MOC parking and drive straight out on San Bruno Ave E back toward Hwy 101.
 - Immediately after passing under the Air Tram Bridge, take the first right turn, parallel the Air Tram and be looking to the right.
 - The entrance to the parking lot is under the Tram overpass and at parking lot coordinates: 37.63381N 122.39908W.
 - At the parking lot entrance, push the call button to be connected to United’s security Control Center to ask them to open the gate.
 - Park anywhere, there is no designated parking but be respectful because other employees use this lot.
 - Pass must be clearly displayed in the front window on the dashboard.
- Recommend doing the following:
 - Obtaining the UAL Security department email and telephone number. In the event that you are delayed beyond 14 days, you may be able to call to get an extension.
 - Also take a picture of the pass and a picture of the car showing that you properly displayed the parking pass.
- Allow 35 minutes from parking, walking to and boarding Air Tram, and riding Air Tram to the airport
 - The is no designated “retiree” parking spots so just park anywhere but closes to the Air Tram
 - Make sure to review your path to the Air Tram because, 14 days later you will have to follow the same path back to your car
- Exiting the parking lot. See the map for 2 possible exit routes

16:23



US 101



Lot DD



Clean Energy



SIXT Rent A Car



SFO Rental Car Center

AQI 55

Apple Maps



AT



... (MOC)



-Retirement boarding prior decreases with every year you are retired.

Boarding Priority in Retirement

	Retiree SAV Levels				
	0	1	2	3	4
<u>Person Traveling</u>					
ME	X				
SPOUSE	W/ME	X			
CHILD<26	W/ME	W/SPOUSE	X		X
	W/O EITHER ME/SPOUSE ON VACATION PASS				
CHILD>26					X
PRIM DEST		X			

FRIEND

Other Discounts in Retirement

PERZ discounts through United Airlines

Education Benefits in Retirement

- California EED has education courses for finding work
- Department of Veterans Affairs (VA) Vocational Rehabilitation and Employment (VR&E) program
- Colleges offer free class. Just google search. Also search for “audit college courses”.
-There are ship cruises that teach college accredited courses. “Semester at Sea”

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Jobs after Retiring

WARNING: If started Social Security payments, by working it likely it will reduce SS payments by \$1 for every \$2 earned above \$24400.

Flying Jobs: NetJets, JSX, Flight Safety, Climbto350.com
Find a Job for over 50: Bizstarters.com, Encore.org, Five O'clock Club, Grayhairmanagement.com, Retiredbrains.com, Retirementjobs.com, 2young2retire.com

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United Contact Information

Retired United Pilot Association (RUPA) membership (\$35/yr) rupaMembership@rupa.org
RUPA address change rupasectr@rupa.org
Website www.rupa.org

Payroll Care Center 1-877-825-3729option 6
Employment and/or Wage Verification The Work Number 1-800-367-5690
United Employee Service Center, email: esc@united.com 1-877-825-3729
United Benefits Center (UABC) Link 1-800-651-1007 (M-F 7-7 CT)
For Traditional Medical, HMO, or insurance quests; report death, change address
<https://flyingtogether.ual.com>

UABC (Outside U.S.) Link 1-646-254-3463

Pass Travel Program Help Hub Request
United Pass Line (UPL) Ticketing requests only, fees apply.
1-866-FLY-EPAS (359-3727) (inside the U.S.)
1-713-324-7277 (outside the U.S.)
Password: first time PIN is the employee's DOB (mmddyy)

Password Reset (Flying Together) 1-800-255-5801
Flying Together Help Desk 800-255-5801

United Travel

United Reservations for travel 1-800241-6522
United ePass Line US 866-359-3727 Outside US 1-713-324-7277
Will talk with reservation agent, \$25 fee for new booking or change to existing class (FC, BC, Y), pass types (Personal, Vacation) or Origin/Destination. No charge for Cancel or change travel date or time.
My Employee Travel <https://myetm.ual.com/>

Health Contact Information

United EAP Link 1-844-327-9990
Medicare Hotline Medicare Hotline 1-800-633-4227
TeleDoc service 1-855-835-2362

Health Insurance

Blue Cross/Blue Shield	Link	1-800-535-9825
Aetna	Link	1-800-334-0110
Aetna Provider Line (For Providers only)		1-800-624-0756
Aetna Intl		1-888-219-6232
Aetna Enrollment and Coverage Documents	https://digital.alight.com.united	
<u>Within AETNA Contact Telephone Numbers</u>		
Medical and Behavior Health		1-866-246-8088
Doctors/Medical Providers		1-800-624-0756
24hr Nurse		1-808-556-1555
Silver Sneakers (15,000 Gyms free)		1-888-423-4632
Silver Script (Prescriptions)		1-844-819-3074
Pharmacy Help Desk		1-866-693-4620
Doctor-on-Demand	Link	1-800-997-6196
Lyra and Mental Health	Lyra	1-866-324-4327
Medical Claims/Covered Expenses	<u>Medical Benefits</u>	
Accolade Care	Link	1-866-518-1774
Dental Claims/Covered Expenses	<u>Dental Benefits</u>	
Cigna Dental	Link	1-800-244-6224
Vision Claims/Covered Expenses	<u>Vision Benefits</u>	
VSP Vision	Link	1-800-877-7195
(M-F 0600-2000, Sat 0700-2000, Sun 0700-1900 Pacific)		
UHC Vision Care	Link	1-800-638-3120
CVS Prescription Drugs	<u>CVS Caremark</u>	1-844-635-3401
Care Transport: 24 trips/year for Medicare		855-814-1699

Insurance Contact Information

Company Paid Life Insurance	Link	1-866-293-6047
Personal Accident Insurance	Link	1-800-651-1007
Voluntary Term Life Insurance <u>Securian</u>	Link	1-866-293-6047
GVUL Life Insurance	Link	1-800-936-0931
Group Voluntary Universal Life (GVUL)		1-866-887-1043
MetLife		1-800-936-0931
Personal Accident Insurance, AIG Benefits Solutions		1-800-651-1007
Pilot Long-Term Disability (LTD)	<u>Reed Group</u> Link	1-888-459-0795
LTD (Outside U.S.)	Link	1-720-282-8453
Non-Pilot Long-Term Disability (LTD), Prudential		1-800-842-1718

Pension and Finance Contact Information

Pension Benefit Guarantee Corporation (PBGC)		1-800-400-7242
Pilot Retirement Account Plan (PRAP)	<u>Charles Schwab</u>	
PRAP Service Center		1-866-855-7727
<u>Retirement Specialist Appointment Scheduling</u>		
Alliant Credit Union	<u>Alliant Credit Union</u>	1-800-328-1935
		773-462-2000
Internal Revenue Service	IRS	1-800-829-1040
Social Security Administration	<u>Social Security Administration</u>	1-800-772-1213

Addendum 2

Medicare IRMAA

ALL PILOTS-IF YOU WANT TO REDUCE YOUR MONTHLY MEDICARE PREMIUMS

How not to getting screwed by Medicare Part-B:

Income Related Monthly Adjustment Amounts (IRMAA) is the premium paid to Medicare Part B based on a two-year earned income look-back. This really hurts the retired pilot who just 2 years ago earned a very high income but now earns zip. Based on 2023 Medicare Part-B premiums charts, most pilots that are retiring, the highest monthly premium will be \$560.50. However this premium can be reduced down to the lowest amount of \$164.90. Please do a Google search for IRMAA Medicare Part-B premiums to see what income levels are associated with which premium payments if you want to puke, because this is simply taking from the achievers and giving to the less financially fortunate.

There is hope! This premium can be reduced with a “qualifying life event”, such as retiring from United Airlines.

Required documents include:

- Letter from the Chief Pilot Office saying that you’re retiring or being terminated due to a lawful discriminatory age requirement. Please note, make additional copies of that letter because may need it to refile a year later because of the 2 year look back. I believe the initial waiver is only good for 1 year and needs to be renewed the second year.
- Need Social Security SSForm44. Not sure but I think this can be completed online.

Timing:

- ALPA sends out a checklist 1 year prior to retirement and follows-up with a countdown checklist. Was told that the checklists are good but it would be best if you consulted with an ALPA representative
- Approximately 6 months before turning age 65 and retiring from United, login to the Social Security website and make an appointment no later than 4 months before age 65, but definitely no later than 3 months prior to retirement. I was told that you may have to make 2 appointments. The first to simply sign up for Medicare before age 65 and a second when you turn 65 to submit the SS Form 44 with the Chief Pilot letter for a “qualified life event”. Report early before the SS office opens because the wait could be long. Government efficiency at work.
- Medicare will start on the 1st of the month of turning age 65.
- Since this a two-year income look back, in second year of retirement, may have to repeat this process. I don’t know for sure. The IRS reports income to SS every year in November, that’s “probably” when your IRMAA premium payment will “snap-up”.
- Going into third year of retirement, realize that required minimum distributions (RMD) from 401(k) may also increase income into a higher Medicare Part-B premium level. Not surprisingly, all company contributions (17%) plus gains are taxed as ordinary income.

How to pay your Medicare premiums:

Now that Medicare Part-B premiums are reduced, it’s time to have an adult beverage...no, time to decide how to pay for those Medicare premiums.

Recommendations:

- My recommendation is using United Airlines retirement healthcare savings account (RHA) by direct withdrawal made payable to Medicare Part-B. I am not sure of the process, but I assume during Medicare sign

up can also sign up for direct withdrawals from RHA. Recommend taking all retire health care saving account information with and also do some research to see if there is a form to be filled out in advance.

-I also do not recommend signing up for automatic withdrawals from your Social Security payments until after RHA is depleted. If deciding to have payments withdraw from Social Security, make sure to claim those premium expenses against United Airlines retirement healthcare savings account (RHA). Important note, the RHA can be used for both you and your dependents payments.

- Was told not to get the Debit Card. Supposedly, the debit card reports the reimbursement back to the IRS, the IRS reports that to SS, then effectively SS may consider reimbursement to you as income. So, to minimize confusing, don't get the debt card, or if you have the card, don't use it. This seems like a retarded circular financial reasoning, where your reimbursement from your savings then becomes income.

Notes, Cautions and Other Recommendations:

1, Spouse may be included in these IRMAA higher premiums too. Therefore, it may be possible that a waiver will also have to be filled-out for your spouse for your qualifying life event of retirement. I don't know this to be a fact, but I highly recommend checking into it.

2, If late applying for Medicare Part-B, for every late month after the age of 65 there will be a charged penalty FOR LIFE. That penalty will be included in every monthly premium payment for the rest of your life. There is no waiver or redo to have that penalty removed.

3, If a military retiree with TRICARE, **MUST** sign up for Medicare Part-B or will lose TRICARE. Medicare is considered to be the primary payer and TRICARE is secondary payer.

4. If deciding to get private health insurance, like AETNA through United Airlines, AETNA will most likely be considered the secondary payer after Medicare.

Finally, Medicare is a very bureaucratic system that is not user-friendly. Check and double check, get documented proof of everything, especially when you applied for Medicare in a timely manner. If you get it wrong regardless of whose mistake, you may have to pay higher premiums for a life time due to late filing.

Final Word on UA Health Insurance, Unemployment Insurance and CA SDI

-Even though you have Medicare Part B, recommend to still apply for the AETNA United Airlines medical retirement healthcare program. If healthcare coverage is not needed, then request to have the benefit "put on hold". By placing it on hold, can **always restart** it at any future date **without having to provide proof of health**. If did not apply for United Airlines retirement health insurance upon retirement, but at a future date decide it's needed, it is more difficult to get since there is proof of good health requirement. This essentially is reserve healthcare coverage at no additional long-term cost except that may have to pay one, maybe two months of United medical premiums coverage before putting it on hold. Small price to pay for a big backup health coverage protection.

-Currently Medicare Supplemental Plan G is the most comprehensive. It may be possible for supplemental plans premiums can also be paid for from the RHA. Naturally, do own research to see if or what Medicare supplemental plan may work.

- Can change plans at any time throughout the year. In other words, there is no "open enrollment window"
- There is currently 5 insurance providers offer Plan G: Cigna, Mutual of Omaha, Aetna, Braner's Fidelity and Humana. As of 2026, most plans are about \$185/mth.
- Be aware there 2 deductible options: Normal and High Deductible.

-Depending on your state, may qualify for "unemployment" insurance. I haven't researched this but it seems to qualify for unemployment since pilots are involuntarily terminated from work due to an age restriction, which

we call “retirement”. Time to start updating resumes and being readying to fill-out job applications since I believe there is a requirement to show that actively looking for employment or training for a job.

-For folks who live and/or working in California, it’s possible may qualify for CA-SDI. Take a look at Pay Advice pay stub for a monthly deductions.

Reference <https://edd.ca.gov/en/disability/SDI Online/> if you plan to use

I’ve only heard but supposedly if sick on last trip before retiring and for specific duration (i.e., more than 9 days) then may qualify for CA-SDI after retirement (i.e., heard for up to 12 months, possibly longer but most likely requiring a doctor note). I make this as a suggestion and in no way imply that you attempt insurance fraud. Use this benefit if you are truly sick and it so happens to have occurred in the last months before retirement. Maybe could get that needed knee or shoulder surgery that would require a long recovery and rehab time but never had enough sick leave to get it done?

Just thinking out loud and with a word of caution: If calling in sick during last month, it’s possible that pay (which may include contract last month’s flight pay, payouts for current year’s vacation, next year’s sick vacation, and remainder of last month not eligible to work days of 2.8 hr/day payout) could potentially put over 95 hours thereby triggering a Normal Sick Back credit back. Naturally, why would NOT want to credit back a sick bank when retired the next month?

Here’s the PDR correspondence with ALPA so make your own assessment:

There is no exception from 13-A-3-c (95 Hour Sick Rule) for retiring pilots. The Bad news is, your 3-I-6 Payout is included in your LPV/PTC for your final month and will increase your BSH. This is the 2.8 hour per day from mandatory retirement until end of the bid period. The good news is, your next year's Vacation Pay out occurs after pay close from your final month. As such, it is not part of your BSH.

Retiree Pay outs are completed manually at pay close, so I am unable to give you an accurate BSH, but your current BSH prior to the 3-I-6 Payout is 95:12. This means that you exceed 95 hours in BSH and will incur a 13-A-3-c adjustment.

So with all this to consider, and I don’t know the answer, can you apply for CA-SDI the month following your retirement month and still qualify? Since you are retired, the 95 Rule would not apply.

I wish you a happy retirement and thank you for your service to United Airlines as a professional aviator and role model for future captains.

Addendum 3

Medical Coverage for RETIRED or FORMER MILITARY

Medical Healthcare for Retired Military and Disabled Veterans

-Military Retiree TRICARE – Either Tricare Select/Tricare Prime before age 65 then Tricare for Life at age 65 and older.

- MUST sign up for Medicare or you will LOSE your Tricare.
- Go to www.tricare.mil/west
- Annual enrollment is in November plus an annual enrollment fee around \$500

-Disabled Veterans are eligible for medical and drug coverage with ANY disability rating.

- If 100% then also eligible for vision and dental plus your spouse is eligible to go to a VA clinic/hospital using CHAMPVA
- Search for “VA Federal Benefits Guide for Veterans, Dependents, Survivors and Caregivers” [Federal Benefits for Veterans, Dependents and Survivors handbook online](#)

Tricare Medical Coverage based on Age

At 60, entire family eligible for Tricare Prime or Tricare Select. Child can get TRICARE until their 23rd birthday or graduation (whichever is first) if enrolled full time at an approved college. The sponsor must provide at least 50% of the child's financial support while in college.

At 65, eligible for Tricare for Life (TFL) but have to apply for Premium-Free Medicare Part A (Hospital for free because worked and paid Social Security taxes for at least 10 years) and Part B (Medical).

- Keeping your information up to date in the Defense Enrollment Eligibility Reporting System (DEERS) is key to ensuring effective, timely delivery of your TRICARE benefits.
- TFL coverage begins on the first day you have both Medicare Part A and Part B coverage. If your birthday falls after the first day of the month, you become eligible for Medicare on the first day of the month you turn age 65. Sign up for Medicare three months before the month you turn age 65 but no later than two months before the month you turn age 65.
- Once you have both Medicare Part A and Part B, you automatically receive TRICARE benefits under TRICARE for Life (TFL). Medicare Part C (Medicare Advantage plans) and Part D (prescription drug coverage) isn't required.
- This means your new TFL coverage at age 65 doesn't extend to family members. Your spouse younger than age 65 would remain eligible for TRICARE Prime or TRICARE Select until they turn age 65 and become eligible for Medicare Part A and Part B. your family's existing TRICARE coverage doesn't change. Your spouse can remain in her TRICARE plan. And if you have children, they remain in their current plan until they change plans or lose TRICARE eligibility.
- Once wife turns 65 she may have to apply for a Qualifying Life Event (QLE) to change to TFL. A QLE opens a 90-day period for you to make eligible enrollment changes. A QLE for one family member means all family members may make enrollment changes. Allows you and your family to: Enroll in a new TRICARE health plan or Change your health plan coverage.
- Under TFL, Medicare is the primary payer in areas where Medicare is available (the United States and U.S. territories), and TRICARE pays last. Generally, you'll have no out-of-pocket costs for services that both Medicare and TRICARE cover
- TFL beneficiaries are covered under the TRICARE Pharmacy Program, which is managed by Express Scripts. You don't need to purchase Medicare Part D prescription drug plan if you have TRICARE coverage.

- There aren't any enrollment forms or fees for TFL coverage but you must pay Medicare Part B premiums to remain eligible for TFL
- Services that are generally not reimbursable by Medicare or TFL include: eye exams, hearing aids
- You may qualify for one of two voluntary dental care programs: the TRICARE Dental Program (TDP) or the Federal Employees Dental and Vision Insurance Program (FEDVIP).

Federal Employees Dental and Vision Insurance Program (FEDVIP),

Need to apply for income-related monthly adjustment amounts (IRMAA) waiver for surcharge often based on your tax return from two years prior. The process to prove that your current income is lower involves asking the agency (either over the phone or in writing) to reconsider their assessment. You also have to fill out a form (SSA-44) and provide supporting documents. Suitable proof may include a more recent tax return, a letter from your former employer stating that you retired, more recent pay stubs or something similar showing evidence that your income has dropped. You can appeal the decision to an administrative law judge, although the process could take time and you'd continue paying those surcharges in the meantime. The SSA reevaluates your situation every year, which means the IRMAAs (or whether you pay them) could change annually so may have to apply the next year too.

Medicare Supplement (Medigap)- Pays for the balance you're responsible for after Medicare pays.

When you have this type of policy, in addition to your Medicare and VA coverage, your visits to civilian facilities and hospitals that accept Medicare will receive full coverage. Although the VA doesn't bill Medicare, they may bill your Medigap plan for services the plan covers (which are the same as those Medicare covers).

VA Health Benefits and Medicare

- If you're eligible for both TFL and VA benefits and elect to use your TFL benefit to see a VA provider for non-service connected care (after 10 years, I think everything is consider service connected???), you'll incur significant out-of-pocket expenses. When using your TFL benefit, your least expensive option is to see a Medicare participating or Medicare non-participating provider.
- Medicare doesn't coordinate with VA benefits. However, you can have both types of insurance at the same time and benefit from doing so just know who pays for the services you receive. Simply, you'll use your VA benefits if you're receiving care at a VA hospital or facility. Likewise, when the facility where your services take place is Medicare-certified, Medicare will pay. Once you enroll in Medicare, you'll want to update your health information (VA Form 10-10EZR) with the VA.
- Have both VA benefits and Parts A and B of Medicare therefore have the option to replace Parts A and B with a Medicare Advantage plan. Private insurance companies offer these plans, and when you have one, the carrier pays instead of Medicare. Sometimes, Part C, Medicare Advantage plans come without premiums and can involve limiting maximum out-of-pocket whereas the Original Medicare (Parts A and B) doesn't have a limit, so you still have to pay. In general, it doesn't seem like a good idea.
- <https://www.retireguide.com/guides/medicare-for-veterans/>
- Your veterans' coverage will only cover you when you go to doctors, facilities, and pharmacies included in the VA system. Medicare will only cover you when you go to doctors, facilities, and pharmacies that are covered under Medicare.
 - **Part A** is for hospitalization, stays in skilled nursing facilities (in some cases), home health care (in some cases), and hospice.
 - **Part B** covers doctor's bills and outpatient costs, like laboratory work, medical equipment, and physical and speech therapy.
 - **Part C** functions like a private insurance plan that replaces the need for Parts A and B (as a veteran, you probably shouldn't worry about part C, unless you feel your VA benefits are too limited for your needs)

- **Part D** covers prescription drugs. Most veterans will get better coverage for drugs under your VA plan, so the only reason to consider Part D is if you want more options in terms of who prescribes your drugs and where you can get them filled.

VA Benefits vs Tricare

<https://cahealthadvocates.org/other-health-insurance/tricare-for-life-tfl-veterans-affairs-va-benefits/>

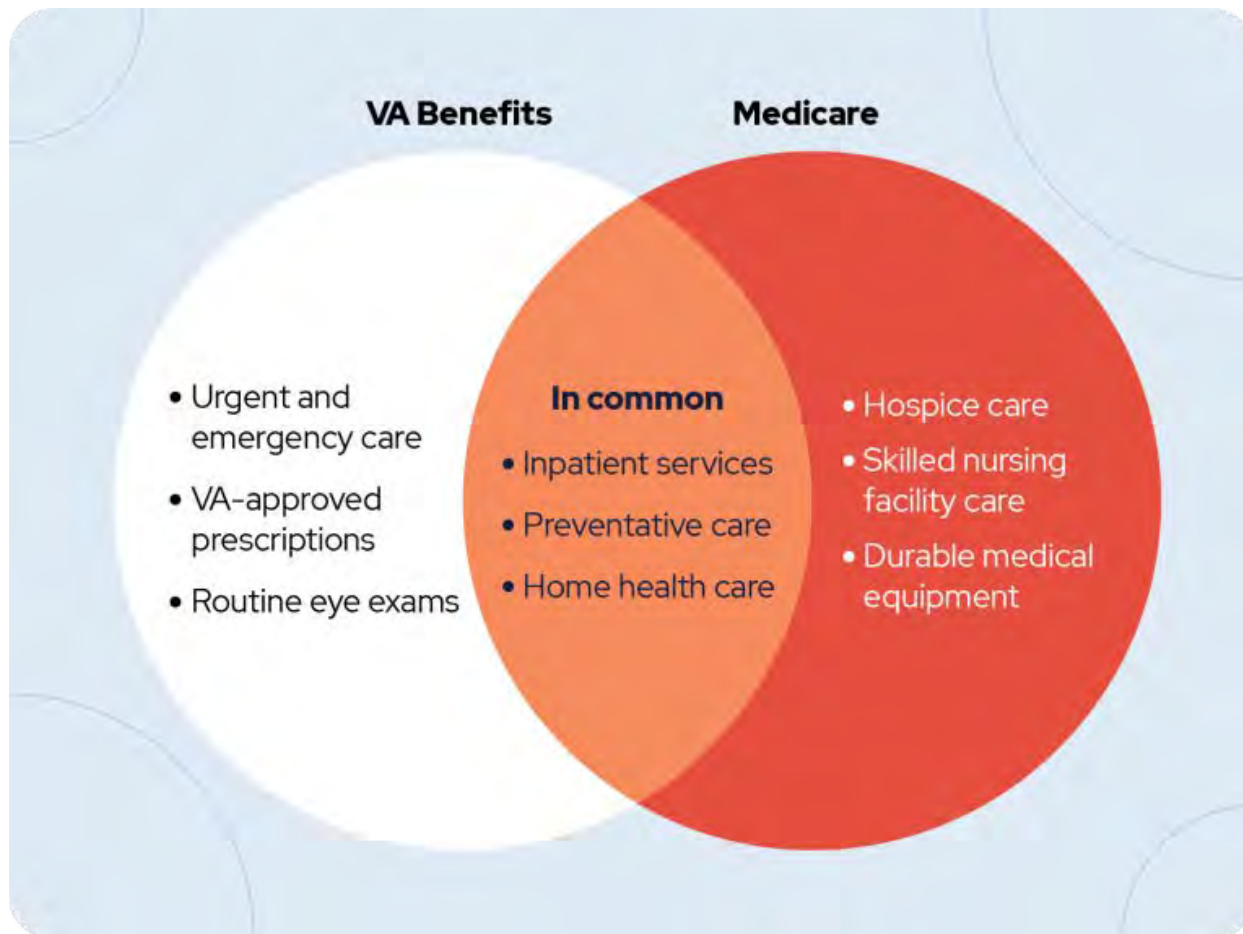
Tricare vs Medicare

<https://www.ehealthinsurance.com/medicare/resources/medicare-vs-tricare-which-is-better>

Using VA Benefits, Tricare for Life and Medicare

<https://cahealthadvocates.org/other-health-insurance/tricare-for-life-tfl-veterans-affairs-va-benefits/>

-Medicare is the primary insurer and TFL is the secondary insurer for services covered by both plans.



Addendum 4

Continental Pilot Retirement Plan Benefits (CPRP) for 2025 Retirees

For pilots who plan to retire in 2025 and have not yet taken the Continental Pilot Retirement Plan (CPRP) benefit, it is expected that lump sums will decrease during the second half of 2025. Pilots retiring at age 65 and electing the lump sum option can anticipate a roughly 3% decrease in their benefit dependent on the specific situation (2025 Benefits Book page 26). When determining whether to take the lump sum distribution, timing can be very important.

A lump sum is the present-day value of the stream of monthly annuity payments one could expect to receive during retirement. In the Retirement Plan, pilots may elect a lump sum payment when they retire from the Company at:

- Age 50 with at least 20 years of vesting service, or
- Age 55 with at least 10 years of vesting service, or
- Age 65 (Age 60 for pilots)

The amount of the lump sum will be determined by many factors, including the amount of one's monthly annuity benefit, the age when one collects, and the assumptions set by the Internal Revenue Service (IRS). These assumptions include a mortality table - used to estimate one's remaining lifetime - as well as segmented interest rates to convert the annuity payments that would be paid in the future into a present-day value lump sum.

The new interest rates for the CPRP are now available on Your Benefits Resource. Anyone who runs an estimate with a benefit commencement date from July 1, 2025 to December 31, 2025 will have the new rates applied.

The interest rates for lump sums payable from July 1, 2025 to December 31, 2025 are 4.65% (year 1-5), 5.38% (year 6-20), and 5.81% (year 20+), based on the published IRS "segmented" interest rates each month. The total lump sum is the sum of these values.

The lump sums paid in the second half of 2025 will be slightly lower than the lump sums paid in the first half of 2025. The following is an example of estimated impacts.

A lump sum of \$600,000 based on the rates and mortality table for the first half of 2025 would be equal to the following amounts using the rates and mortality table for the second half of 2025:

Age 50 retiree = \$555,000 (7.5% lower)
Age 55 retiree = \$565,000 (5.8% lower)
Age 60 retiree = \$577,000 (3.8% lower)
Age 65 retiree = \$580,000 (3.3% lower)

The MEC Retirement and Insurance Committee is supplying pilots with this information to make an educated decision regarding the date they take a CPRP lump sum (if one plans on taking that benefit form instead of an annuity). Please PDR > Retirement and Insurance with any questions.

Education Opportunity for Military Veterans

The *Rudisill decision* allows eligible veterans to combine up to 48 months of benefits from both the Montgomery GI Bill (MGIB) and the Post-9/11 GI Bill, which were previously treated as separate entitlements.

This means a veteran who served a period of service under the MGIB and a separate period under the Post-9/11 GI Bill can use benefits from both for a total of 48 months. This benefit cannot be transferred to dependents if the veteran has already used or transferred the 36 months of Post-9/11 benefits, unless they had not used their full Post-9/11 entitlement before the decision.

How to apply

- Submit a request for a *Rudisill* review to the VA by completing VA Form 22-1995, a request for change of program or place of training.
- The application can be submitted online on the VA website and must be submitted by October 1, 2030.

ADDENDUM 5

AT WHAT AGE TO START SOCIAL SECURITY PAYMENTS

When to start Social Security (SS) can be controversial and is often has various emotional opinions. So **I proposed age 65 based on these assumptions.** So let's explore this:

When should I start SS, when I reach retirement age (RA) at 65, when reaching full retirement age (FRA) of 67.5, or when I reach maximum benefit age (MBA) of 70?

SS Breakeven estimate:

-The total SS benefit payout breakeven calculation varies from age 78 to 83 using ALL start ages i.e., as early as age 60), but we will limit are start dates to these choices: RA verses age 70 (82-83), FRA verses age 70 (82-83) and age at MBA the monthly benefit amount does not increase.

Your bailout if you change your mind about the start date. These options offer a "do-over" for strategic benefit claiming, allowing for higher future payments. Can stop and restart Social Security in a few ways:

-Can withdraw your application within 12 months (requiring repayment) for a complete do-over, or
-Can suspend benefits after reaching Full Retirement Age (FRA) to earn delayed credits, with payments restarting automatically at 70 or manually earlier.

About personal health:

-Most significant risk is not living long enough to maximize and achieve the SS "break-even" time.
-The pilot's average age of death for male minus 2 years, due to ANF schedules and radiation exposure. Some research indicates that at age 45, life expectancy can be reduced by nearly 1 year (0.94 years) among consistent night shift workers, with risks increasing as the duration of shift work increases but I will round-up to 2 years because we fly for 20 more years than this study. Based on 2023 provisional data from the CDC, the average life expectancy at birth for U.S. men is 75.8 years, so 73.8 will be used. Notice that you are not at any of the breakeven estimates. I know, some have longevity in your family, so use this information as a thought provoker.
-Spouse is assumed to be female since the majority of pilots are male and spouse dies at the average death age for females, based on the same study, of 81.1.
-Females spouses most likely will live longer. By starting SS at your RA you have locked-in a lower SS payment than if had waited for FRA, but if you pass and your surviving spouse waits for their FRA, then the surviving spouse can receive up to 100% of the deceased spouse's Social Security benefit. This is reassuring that the surviving spouse can get a step-up in SS payment by waiting until their FRA. This seems like another opportunity to "re-do" but you would have had to die.

About you:

-You are the high income earner in your marriage.
-You are the pilot in these assumptions.
-You are male. The majority of pilots are male so this is not meant to be a biased assumption.

About your spouse:

-Your spouse is female. This is not meant to be biased, but the major of marriages are heterosexual.
-Spouse has no significant income. Also not to be biased, just trying to simplify the analysis and maybe find the most common way to analysis for the largest number of pilots.
-Spouse does not work or has minimum lifetime income because the pilot's income makes additional income prohibitive due to high tax bracket.
-On average, the spouse is 3-5 years younger.

About your financial health:

- You nor your spouse will work in retirement therefore SS payments will not be reduced.
- You have sufficient funds in retirement, no risk of running out of money from other sources, and you will maintain your current lifestyle.
- SS is simply a bonus income in retirement so waiting to maximum age and maximum monthly payments would not be necessary.
- SS payments will be maximum allowed by SS for pilot working and spouse not working.
- The spouse will delay starting SS until reaching either 65 or 67.5 but will start at the same age as the pilot spouse.
- You have sufficient health care insurance to cover large medical expenses.

To summarize, you have everything to gain by starting SS at RA, have options to “do-over”, have established a SS surviving spouse benefit, and have given you spouse options. Take SS at age 65!!!!

Now for the expected better situation (BS) statement: Talk to your financial planner and determine what’s best for your situation.

Addendum 6

For retirees (age 65) start Medicare and suspend UA retirement healthcare but with younger spouse (< age 65) keeps UA retirement healthcare

Information summarized from Jan 2026 RUPA Magazine

How to start Medicare at age 65 and keep spouses UA's Aetna Core PPO health insurance coverage until spouse is eligible for Medicare at age 65, even though you will be "SUSPENDING" your retirement UA Aetna health insurance. Note: UA and Alight provide no information on this process.

1. On "your" YBR page. Choose Aetna Core PPO health care insurance coverage for both you and your spouse. Note: Coverage automatically rolls over from previous year, so assure that coverage is for Aetna and not the previous year's coverage.

2. Call the UA Benefits Center (808-651-1007), inform them that "you" are going to use "Medicare only" so you will be "suspending" your UA health insurance but your spouse will remain on UA Aetna insurance until turning age 65 when he/she is eligible for Medicare.

3. The benefits center will then establish a YBR "beneficiary" account for your spouse, since when you suspend your healthcare, you will no longer have YBR access. Your spouse will receive an US mail with temporary PIN and password for the new YBR account.

4. After setting up the new "spouse" YBR account, call the Alight sales representative

([https://learn.smartchoiceaccounts.net/UNITED FSA HRA](https://learn.smartchoiceaccounts.net/UNITED_FSA_HRA), PO Box 7248, Sioux Fall SD 57117,

www.ybr.com/united Call 800-651-1007) to apply for an "original" Medicare plan and drug plan to start on the first day of the month after you retire. WARNING: Assure the start date is set correctly, otherwise a duplicate over-lapping coverage will immediately cancel the UA Aetna medical insurance plan!!

5. Set up your Medigap and drug plans online for the start date. Show get a confirmation email within a week. Be sure to answer all online questions truthfully. Guaranteed acceptance is only for the first 6 months after becoming eligible for Medicare. I believe Humana is the Medicare administrator.

6. Call UA Benefits center to set up auto-deduct from bank account to pay the spouses Aetna monthly premiums and because you "SUSPENDED" your Aetna cover, assure that deduction are stop for you.

Addendum 7

Report of Special Wage Payments and "Explanation of Benefits" Letter to Social Security

To avoid an automated and incorrect "Earnings Limit" notice

Subject: Notice of Special Wage Payments – [Your Name] – SSN: [XXX-XX-XXXX]

To the Social Security Administration,

I am writing to clarify the nature of my earnings for the tax year **202X**. I retired from **United Airlines** on **[Your Retirement Date]** and began receiving Social Security benefits in **[the month after retirement]**.

Please be advised that the income reported on my 202X W-2 includes **Special Wage Payments** as defined in **Social Security Publication No. 05-10063**. These payments were earned prior to my retirement and should not be counted toward the annual earnings limit for the following reasons:

1. **Terminal Pay:** The payment received in [month] 202X (\$_____) represents accrued vacation and final wages for flight hours completed in December 202X.
2. **Profit Sharing:** The payment received in March 202x (\$_____) is a performance-based bonus earned for my service during the [year you retired] fiscal year.
3. **Retirement Distributions:** Any additional income reported from my PRAP (401k) or IRA are distributions from retirement accounts and do not constitute "earned income" for the purposes of the earnings test.

Attached is Employer Report of Special Wages, **Form SSA-131** completed by United Airlines payroll confirming these amounts were earned for services performed prior to my benefit entitlement.

Sincerely,

[Your Name]

[Your Phone Number]

Addendum 8
Misc.

CHECKLISTS

The 90-Day Retirement Checklist

Save this. The last 3 months before retirement are when small money mistakes can turn into expensive ones.

90 Days Out	
<input type="checkbox"/>	Confirm your retirement date with HR and understand your benefits end date
<input type="checkbox"/>	Review your income sources: 401(k), IRA, pension, Social Security, cash savings
<input type="checkbox"/>	Build your retirement paycheck plan so you know where monthly income will come from
<input type="checkbox"/>	Estimate healthcare costs before and after Medicare
<input type="checkbox"/>	Review your emergency cash buffer for unexpected expenses
60 Days Out	
<input type="checkbox"/>	Check your withdrawal strategy for taxes, sequencing, and account efficiency
<input type="checkbox"/>	Review your investment allocation and reduce risk if needed
<input type="checkbox"/>	Decide on pension payout options if a pension is available
<input type="checkbox"/>	Review Social Security timing before filing too early
<input type="checkbox"/>	Update tax withholding so you do not get surprised next April
30 Days Out	
<input type="checkbox"/>	Review beneficiary designations on retirement accounts and insurance
<input type="checkbox"/>	Update your estate plan: will, power of attorney, healthcare directive
<input type="checkbox"/>	Make a plan for unused PTO, HSA, and FSA balances
<input type="checkbox"/>	Know what to do with your 401(k): leave it, roll it over, or consolidate
<input type="checkbox"/>	Set your first 6-month spending plan before retirement begins



The Mistake Most New Retirees Make

They focus on how much they've saved, but not how they'll turn it into a paycheck. Retirement income planning is different from retirement saving.



11

The Financial Documents Checklist Every Family Should Have

[Save this.](#) In an emergency, you should know where these key financial and legal documents are kept.

Legal Documents	
<input type="checkbox"/>	Will and trust documents if you have them
<input type="checkbox"/>	Durable power of attorney for financial decisions
<input type="checkbox"/>	Healthcare power of attorney and advance directive
<input type="checkbox"/>	Guardianship documents if you have minor children
<input type="checkbox"/>	Marriage, divorce, birth, and death certificates where applicable
Financial Documents	
<input type="checkbox"/>	Bank and investment account information
<input type="checkbox"/>	Retirement account details including 401(k)s, IRAs, and pensions
<input type="checkbox"/>	Life, home, auto, disability, and long-term care insurance policies
<input type="checkbox"/>	Mortgage, loan, and debt records
<input type="checkbox"/>	Recent tax returns and contact info for your CPA or tax preparer
Access & Organization	
<input type="checkbox"/>	A current list of monthly bills and subscriptions
<input type="checkbox"/>	Beneficiary designations reviewed and up to date
<input type="checkbox"/>	Titles and deeds for homes, vehicles, and other major assets
<input type="checkbox"/>	A secure system for passwords and digital access
<input type="checkbox"/>	One trusted person who knows where everything is

The Mistake Most Families Make

They assume having documents is enough. But if no one knows where they are or how to access them...they may not help when it matters most.

THE ESTATE PLANNING CHECKLIST FOR PEOPLE OVER 60

Costco's private label brand moves more clothing than Chanel.
Here's what the reporting actually says.

Legal Documents

- Will or trust** that names who gets what and who is in charge
- Durable power of attorney** for finances if you become incapacitated
- Health care proxy** naming who makes medical decisions for you
- Living will** with your end-of-life wishes in writing

Beneficiary and Title Review

- Beneficiary designations** on IRAs, 401(k)s, and life insurance are current
- TOD/POD designations** on bank and brokerage accounts
- Home title** reviewed for how it passes at death (deed type matters)

Communication

- Document location** told to at least one trusted person
- Digital accounts** with passwords stored and a legacy contact named
- Executor or trustee** has agreed to serve and knows what to expect

THE PART MOST PEOPLE MISS

Beneficiary designations override your will. If your ex-spouse is still listed on your IRA, the money goes to them regardless of what your will says. Check every account.

The One-Year Checklist After a Spouse Dies

Save this. Most of these have deadlines that do not reset if you miss them.

First 30 Days

- Order 10-15 certified death certificates** from the funeral home
- Notify Social Security** and apply for the \$255 lump-sum death benefit
- Contact life insurance companies** and file claims
- Notify employer, pension, and VA** if applicable

30 to 90 Days

- Update beneficiary designations** on your own accounts
- Retitle joint accounts** and remove spouse from deeds
- Review Medicare and health insurance** for coverage changes
- File for survivor Social Security benefits** if eligible

3 to 12 Months

- File the final joint tax return** for the year of death
- Update your estate plan** with new will, POA, and healthcare directive
- Roll over inherited retirement accounts** (spousal rollover)

THE PART MOST PEOPLE MISS

You can still file jointly for the year your spouse died. The following year you file as single, which can push you into a higher tax bracket on nearly the same income.

Every Age That Matters in Retirement Planning

Miss one and it can cost you penalties, lost benefits, or higher premiums for life.

- 50 Catch-Up Contributions Begin**
Extra \$7,500/yr into 401(k). Extra \$1,000/yr into IRA.
- 55 Rule of 55**
Penalty-free 401(k) withdrawals if you leave your job at 55 or later.
- 59½ Penalty-Free Withdrawals**
10% early withdrawal penalty ends for IRAs and 401(k)s.
- 62 Earliest Social Security**
Reduced benefit. Up to 30% less than your full retirement age amount.
- 63 IRMAA Lookback Window Opens**
Income at 63 sets your Medicare premiums at 65. Plan Roth conversions before this.
- 65 Medicare Eligibility**
7-month enrollment window. Late signup adds a permanent penalty to Part B.
- 67 Full Retirement Age (66-67)**
Full Social Security benefit. Earnings test no longer applies after FRA.
- 70 Maximum Social Security Benefit**
Delayed credits stop. No additional benefit for waiting past 70.
- 73 RMDs Begin (Born 1951-1959)**
Required minimum distributions from traditional IRAs and 401(k)s.
- 75 RMDs Begin (Born 1960+)**
SECURE 2.0 pushes the start date to 75. Effective January 1, 2033.

THE PART MOST PEOPLE MISS

The window between retirement and 73 is when Roth conversions cost the least. Once RMDs start, they push your bracket up and limit how much you can convert.

5 Questions Worth Answering Before You Retire

Most retirement plans focus on the number. These focus on the gaps the number does not cover.

- 1 How Much Do You Actually Spend?**
Not what you estimate. What you actually spend. Most retirees are off by \$1,000 to \$2,000 per month.
- 2 If Markets Drop 30% in Year One, What Do You Pull From?**
Selling investments in a down market early in retirement can permanently shrink your income. Have a source that is not your portfolio.
- 3 If You Die First, Can Your Spouse Keep the Same Life?**
Social Security drops to one check. A pension may shrink. Tax filing status changes. The survivor math is almost always worse.
- 4 What Are You Retiring To?**
People who retire away from something they hate fare worse than those who retire toward something specific.
- 5 Which Account Do You Draw From First?**
Roth, traditional, or taxable in the wrong order can cost tens of thousands in taxes and trigger IRMAA surcharges.

THE PART MOST PEOPLE MISS

The cost of not knowing shows up 2-3 years in. A market drop, a spouse's death, or an IRMAA surcharge hits and there is no plan for it.

7 Financial Terms To Learn in Your 50s Before They Cost You in Your 60s

These are not textbook definitions. They are the terms behind penalties, surcharges, and missed deadlines.

1 IRMAA

A Medicare surcharge based on income from 2 years ago. One dollar over the line raises premiums for the full year.

2 Catch-Up Contributions

At 50 you can add \$8,000 extra to a 401(k) in 2026. At 60-63 that jumps to \$11,250. Most plans allow it. Few workers use it.

3 Medicare Part B Late Penalty

10% added to your Part B premium for every 12 months you delayed enrollment. The penalty is permanent.

4 Roth Conversion Window

The low-income years between retirement and 73. Converting here means lower taxes now and smaller RMDs later.

5 Social Security Earnings Test

Claim before full retirement age while working and SS withholds \$1 for every \$2 earned above \$24,480 in 2026.

6 Required Minimum Distributions

At 73, the IRS forces withdrawals from traditional IRAs and 401(k)s. Miss one and the penalty is 25% of the amount owed.

7 The Coverage Gap

Retire before 65 and Medicare does not start early. You need COBRA or an ACA marketplace plan to bridge the gap.

THE PART MOST PEOPLE MISS

A home sale or Roth conversion at 63 can trigger IRMAA surcharges at 65. The 2-year lookback catches most people off guard.

CASH, INCOME AND EXPENSES IN RETIREMENT

Cash Reserves Serve a Different Purpose After You Retire

Before retirement, cash is a safety net. After retirement, it is a tax management tool.

Before

Emergency fund

- Covers 3-6 months of expenses
- Protects against job loss or unexpected bills
- Sits in a savings account and does not move

After

Spending reserve

- Covers 1-2 years of living expenses
- Keeps taxable income low during Roth conversion windows
- Avoids forced withdrawals in down markets
- Controls MAGI to stay below IRMAA and ACA thresholds

THE PART MOST PEOPLE MISS

Every dollar you spend from cash instead of a traditional IRA is a dollar that does not count as income for Social Security taxation, IRMAA, or tax bracket purposes.

8 GOVERNMENT BENEFITS MOST RETIREES NEVER CLAIM

Worth thousands of dollars annually for households that qualify.

1 Extra Help (Part D)

Up to \$5,700/year avg

Covers drug premiums, deductibles, and copays.



Estimated \$7.6B goes unclaimed annually.

5 SSI

Up to \$994/month

For adults 65+ with limited income and assets.

Many qualifying seniors never apply.

2 Medicare Savings Program

\$2,434/year

Pays the \$202.90 monthly Part B premium. More than 3M eligible adults are not enrolled.



6 VA Aid and Attendance

Up to \$2,874/month

Tax-free pension for wartime veterans needing daily care.

Veterans and surviving spouses only.



3 SNAP

Avg. \$104/month

63% of eligible adults 50+ do not apply. Many assume this program is not for retirees.



7 Senior Property Tax Relief

Varies by state

Most states offer exemptions or freezes for adults 65+.

Check with your county assessor.



4 LIHEAP

Up to \$1,400/year

Energy cost assistance. Only 17% of eligible households receive it.



8 Lifeline

Up to \$9.25/month

Federal subsidy for phone or internet service for qualifying low-income households.



Tax-Free Income in Retirement: 7 Sources the IRS Does Not Touch

Not all retirement income shows up on your tax return. These seven sources can reduce what you owe without reducing what you receive.

- Roth IRA Withdrawals** — Tax-free after 59½ if the account has been open at least 5 years
- HSA for Medical Expenses** — No tax at any age when used for qualified medical costs
- Municipal Bond Interest** — Exempt from federal income tax. May also be state-tax-free if issued in your state.
- Life Insurance Loan Proceeds** — Borrow against cash value without triggering a taxable event
- Return of Basis (Non-Qualified Annuities)** — The portion you already paid tax on comes back tax-free
- Reverse Mortgage Proceeds** — Loan advances, not income. No tax until the home is sold.
- Qualified Charitable Distributions** — Up to \$111,000/year from an IRA to charity. Satisfies your RMD without adding to income.

THE PART MOST PEOPLE MISS

Roth withdrawals are only tax-free if the account has been open five years and you are 59½ or older. Without both, earnings are taxed as ordinary income.

Paying a Medical Bill with a Credit Card Costs You 4 Protections

The moment it hits your card, it is no longer medical debt. It is consumer debt. Every protection disappears.

Medical Debt

Owed to the provider

- **Under \$500** never reported to credit bureaus
- **1-year grace period** before any credit reporting
- **Paid debt removed** from your credit report immediately
- **0% interest** on most provider payment plans

Credit Card Debt

Owed to the card issuer

- **All amounts reported** to credit bureaus monthly
- **No grace period** for credit reporting
- **Paid debt still shows** as a closed account on your report
- **20%+ interest** begins accruing immediately

THE PART MOST PEOPLE MISS

Most hospitals offer interest-free payment plans and are required by law to offer financial assistance. A credit card offers neither.

Your Federal Rights When a Medical Bill Goes to Collections

Most people just pay. Federal law says you do not have to.

Before You Pay Anything

- Request an itemized bill showing each charge and billing code
- Check for services you never received or duplicate charges
- Verify your insurance was applied correctly
- Look for No Surprises Act violations on out-of-network bills

You Can Negotiate

- Contact the provider first, not the collector
- Ask: "What is the settlement amount?"
- Request an interest-free payment plan with the provider
- Do not pay with a credit card or medical credit card

A Collector Cannot Legally:

- Collect for services you did not receive
- Collect bills already paid by you or your insurance
- Make harassing, abusive, or around-the-clock calls
- Ignore your written request to stop contacting you

THE PART MOST PEOPLE MISS

Medical bills under \$500 do not appear on credit reports.
In many states, collectors cannot sue to collect debts that are more than a few years old.

TAXES

7 Simple Mistakes That Trigger an IRS Letter

Most are easy to avoid. All are hard to fix once the letter arrives.

- 1 Not Reporting Tax-Free Income**
Roth withdrawals, 401(k) rollovers, and HSA payouts generate a 1099. Leave it off your return and the IRS bills you for the full amount.
- 2 Switching Name Order on Joint Returns**
IRS computers track Taxpayer and Spouse by position. Swapping the order triggers processing errors.
- 3 Skipping Direct Deposit Setup**
Paper refund checks now take 10+ weeks. The IRS requires bank info within 30 days of a CP53E notice.
- 4 Ignoring an IRS Letter**
Even if the letter is wrong, silence lets the issue escalate. The system does not self-correct.
- 5 Mailing Without Proof of Delivery**
Use certified mail or an approved carrier. Kiosk labels and postage meters do not count.
- 6 Losing Carryover Data in New Software**
Capital loss carryforwards and nondeductible IRA basis vanish when you switch programs or computers.
- 7 Amending Instead of Filing an Extension**
An amendment invites scrutiny. An extension gives you until Oct. 15 to fix issues before filing.

THE PART MOST PEOPLE MISS

The IRS lost about 28,000 employees in 2025. A letter that takes 20 minutes to prevent can now take months to resolve.

10 Tax Breaks Retirees Often Miss

Many retirees qualify for these tax benefits, but they're not automatic and often go unclaimed.

1

Extra Standard Deduction (Age 65+)

Taxpayers 65 or older qualify for a larger standard deduction, reducing taxable income.

2

Medical Expense Deduction

Medical expenses above 7.5% of adjusted gross income may be deductible if you itemize.

3

Qualified Charitable Distributions (QCDs)

If you're 70½ or older, donations directly from an IRA can count toward your required minimum distribution and avoid taxable income.

4

Saver's Credit

Lower- and moderate-income retirees who still contribute to retirement accounts may qualify for a tax credit worth up to \$1,000 (\$2,000 for couples).

5

Property Tax Exemptions

Many states offer homestead exemptions or property tax reductions for homeowners over a certain age.

6

Tax-Free HSA Withdrawals

Health Savings Account withdrawals used for qualified medical expenses remain tax-free, even in retirement.

7

Lower Capital Gains Rates

Many retirees fall into lower tax brackets, meaning long-term capital gains may be taxed at 0%.

8

Social Security Tax Planning

Up to 85% of Social Security benefits can be taxable, but strategic withdrawals from retirement accounts can reduce the amount taxed.

9

Medicare Premium Deduction (Self-Employed)

Self-employed retirees may be able to deduct Medicare premiums as an above-the-line deduction.

10

State Retirement Income Exemptions

Some states allow partial or full exemptions for retirement income such as pensions, IRAs, or Social Security.

**Tax laws and eligibility rules may change. Consider consulting a tax professional for guidance.*



Every Retirement Account and How It Is Taxed

One account type is never taxed at any stage. Most people overlook it.

ACCOUNT	TAXED GOING IN	TAXED GROWING	TAXED COMING OUT
Traditional IRA	NO	NO	YES
Roth IRA	YES	NO	NO
401(k) / 403(b)	NO	NO	YES
Roth 401(k) / Roth 403(b)	YES	NO	NO
457(b) Gov't	NO	NO	YES
SEP IRA	NO	NO	YES
SIMPLE IRA	NO	NO	YES
HSA TRIPLE TAX-FREE	NO	NO	NO*
Taxable Brokerage	YES	YES	YES

*HSA withdrawals are tax-free only for qualified medical expenses. After 65, non-medical withdrawals are taxed as income but have no penalty.



7

THE PART MOST PEOPLE MISS

The HSA is the only account that is never taxed at any stage. It beats the Roth because contributions are also tax-free.



The Tax-Smart Withdrawal Order and When To Break It

The standard order works for most retirees. The exceptions matter just as much.

The Standard Order

Works for most retirees

- **RMDs first.** Required after 73. Skipping triggers a 25% penalty.
- **Taxable brokerage next.** Gains taxed at 0%, 15%, or 20%. Lets tax-deferred accounts compound.
- **Traditional IRA/401(k).** Fill to the top of your current bracket. Shrinks future RMDs.
- **Roth accounts last.** \$0 in taxes. No RMDs. Grows tax-free for you or heirs.

When To Break It

Situations that change the math

- **Roth conversions in low-income years.** Pull less from traditional. Convert instead while the bracket is cheap.
- **Keep taxable cash for future tax bills.** If you drain brokerage first, you may have no cash to cover RMD taxes later.
- **IRMAA cliff management.** Take more from traditional now to shrink future RMDs before they push you over \$218,000 (MFJ).
- **QCDs after 70½.** Qualified charitable distributions satisfy RMDs tax-free. Changes the entire sequence.

THE PART MOST PEOPLE MISS

In 2026, married couples crossing \$218,000 in MAGI pay \$1,948 more per year in Medicare premiums. One badly timed IRA withdrawal is enough to trigger it.

Which Retirement Account To Withdraw From First Depends on 3 Things

There is no fixed order. The right answer changes every year based on where you are.

Tax Bracket Room

How much income can you add before hitting the next bracket? If you have room, fill it from traditional accounts now. If you are already near the top, use Roth or taxable instead. The goal is to smooth income across years, not minimize it in one year.

Threshold Exposure

Extra income can trigger IRMAA surcharges on Medicare, increase Social Security taxation, or eliminate ACA subsidies. Roth withdrawals do not count toward any of these thresholds. Traditional withdrawals do.

RMD Timeline

Before age 73, you choose which accounts to tap. After 73, required minimum distributions from traditional accounts override your preferred order. The years between retirement and 73 are the window to convert or draw down while you still control the sequence.

THE VARIABLE MOST PEOPLE SKIP

Most retirees draw from one account per year. The ones paying the least in taxes draw from two or three, filling each bracket deliberately.

Giftting to Children Now vs. Leaving an Inheritance

The \$19,000 annual exclusion is well-known. The capital gains consequence of gifting appreciated assets is not.

Asset Type

Cash gifts carry no basis issue. Appreciated stock or real estate carries your original cost basis to the recipient. At death, heirs get a stepped-up basis to current market value.

Estate Size

Below \$15M (single) or \$30M (married), there is no federal estate tax in 2026. Gifting to shrink the estate only matters if you are above those thresholds.

Recipient's Plan

If the recipient will hold long-term, carryover basis matters less. If they plan to sell, the capital gains tax on your original cost basis hits immediately.

THE PART MOST PEOPLE MISS

Gift stock with a \$450,000 unrealized gain and the recipient inherits your cost basis. Leave it as an inheritance and the entire gain resets to zero through step-up.

How All 50 States Tax IRA and 401(k) Withdrawals in 2026

State income tax treatment of traditional retirement account withdrawals **varies widely** depending on where you live.

Applies to traditional IRAs and traditional 401(k)s only. Does not include Social Security, Roth withdrawals, or local taxes.

States That Do Not Tax IRA & 401(k) Withdrawals

14 states

Alaska
Florida
Illinois
Iowa
Michigan **NEW**
Mississippi
Nevada
New Hampshire
Pennsylvania
South Dakota
Tennessee
Texas
Washington
Wyoming

States That Partially Tax IRA & 401(k) Withdrawals

19 states

Alabama
Arkansas
Colorado
Connecticut
Delaware
Georgia
Kentucky
Louisiana
Maryland
Montana
New Jersey
New Mexico
New York
Oklahoma
Rhode Island
South Carolina
Virginia
West Virginia
Wisconsin

Exemptions often depend on age, income, or deduction limits.

States That Fully Tax IRA & 401(k) Withdrawals

17 states + DC

Arizona
California
D.C.
Hawaii
Idaho
Indiana
Kansas
Maine
Massachusetts
Minnesota
Missouri
Nebraska
North Carolina
North Dakota
Ohio
Oregon
Utah
Vermont

Updated for 2026. Michigan now fully exempts retirement income. Maryland (missing from our prior version) partially taxes. Where you retire changes how much of your savings you keep.

How All 50 States Tax IRA and 401(k) Withdrawals

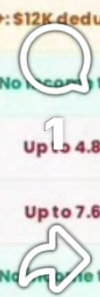
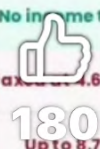
14 states do not tax retirement distributions. The other 36 take a cut.

■ Not Taxed ■ Partial Exemption ■ Fully Taxed

Alabama	65+: \$6K exempt	Louisiana	65+: \$6K exempt	Ohio	Up to 3.5%
Alaska	No income tax	Maine	Up to 7.15%	Oklahoma	65+: \$10K exempt
Arizona	Taxed at 2.5%	Maryland	Up to 5.75%	Oregon	Up to 9.9%
Arkansas	59%+: \$6K exempt	Massachusetts	Taxed at 5%	Pennsylvania	Fully exempt
California	Up to 13.3%	Michigan	Exempt in 2026	Rhode Island	Up to 5.99%
Colorado	55+: \$20K deduct.	Minnesota	Up to 9.85%	South Carolina	\$15K exclusion
Connecticut	Income-based	Mississippi	Fully exempt	South Dakota	No income tax
Delaware	60+: \$12.5K exempt	Missouri	Up to 4.8%	Tennessee	No income tax
Florida	No income tax	Montana	\$5.5K deduction	Texas	No income tax
Georgia	65+: \$65K exempt	Nebraska	Up to 5.84%	Utah	Taxed at 4.65%
Hawaii	Up to 11%	Nevada	No income tax	Vermont	Up to 8.75%
Idaho	Taxed at 5.8%	New Hampshire	No income tax	Virginia	65+: \$12K deduct.
Illinois	Fully exempt	New Jersey	62+: \$100K exempt	Washington	No income tax
Indiana	Taxed at 3.05%	New Mexico	Up to 5.9%	West Virginia	Up to 4.82%
Iowa	55+: exempt	New York	59%+: \$20K exempt	Wisconsin	Up to 7.65%
Kansas	Up to 5.7%	North Carolina	Taxed at 4.25%	Wyoming	No income tax
Kentucky	\$31K deduction	North Dakota	Up to 2.5%		

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04:03

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10 Things About Pension and 401k Mistakes After 65 That Cost You Money

1. **Required minimum distributions start at 73** – Missing them triggers a 25% penalty on the amount you should have taken

2. **Taking 401k distributions too fast pushes you into higher tax brackets** – Sequence matters enormously

3. **Roth conversions before 73 can save significant taxes** – The window between retirement and RMDs is valuable

4. **Beneficiary designations override your will** – An outdated form leaves money to the wrong person

5. **401k accounts have no step-up in basis** – Heirs pay income tax on every dollar inherited

6. **Withdrawing from tax-deferred accounts first is often the worst strategy** – Order of withdrawal matters



477

7. **Annuities inside 401ks charge double fees** – The fund fee plus the annuity fee



8

8. **Social Security and pension together may make 85% of your Social Security taxable** – Plan accordingly

9. **Rolling 401k to IRA upon retirement gives more investment options** – And lower fees



96

10. **Medicare IRMAA surcharge hits when income exceeds \$106,000** – A large 401k withdrawal can spike your Medicare premium



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The biggest retirement mistakes are tax strategies. A one-hour session with a fee-only advisor pays for itself.



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====MEDICARE====

Medicare Eligibility

Part A & Part B

U.S. citizens and people who've been lawfully present in the U.S. for 5 consecutive years who are around age 65

Part A & Part B

(Under 65)

People under 65 with certain health conditions or have had SSDI for at least 24 months

Part C

People who have Part A and Part B and live in a plan's service area

Part D

People who have Part A and/or Part B and live in a plan's service area

Medicare Enrollment Periods

A quick overview of the different Medicare enrollment periods

PERIOD	WHO	WHAT	WHEN
Initial Enrollment/Election Period (IEP)	People eligible for Medicare due to turning 65	To enroll in Part A, Part B, an Advantage plan, or Part D plan	3 months before 65th birthday month & 3 months after
General Enrollment Period (GEP)	People who missed their IEP & don't qualify for a SEP	To enroll in Part A & Part B	Each year from Jan 1 to March 31
Annual Election Period (AEP)	People already enrolled in Medicare	To enroll in, change, or disenroll from an Advantage or Part D plan	Each year from Oct 15 to Dec 7
Medicare Advantage Open Enrollment Period (MAOEP)	People who currently have an Advantage plan	To switch Advantage plans or return to Original Medicare	Each year from Jan 1 to March 31
Special Enrollment/Election Period (SEP)	People who have a qualifying situation	Qualifying event to enroll in Medicare, Medicare Advantage or Part D mid-year	8 months for Part A & Part B, 2 months for Advantage & Part D plans
Medigap Open Enrollment Period (MOEP)	People who just started Part B	To enroll in a Medigap plan without underwriting	6 months from Part B effective date

2026 Medicare Part B Premiums

Medicare 2026 Part B Premiums by Income

If your filing status and yearly income in 2024 was:

File Individual Tax Return	File Joint Tax Return	File Married & Separate Tax Return	(In 2026) Each Month You Pay
\$109k or less	\$218k or less	\$109k or less	\$202.90
Above \$109k up to \$137k	Above \$218k up to \$274k	N/A	\$284.10
Above \$137k up to \$171k	Above \$274k up to \$342k	N/A	\$405.80
Above \$171k up to \$205k	Above \$342k up to \$410k	N/A	\$527.50
Above \$205k & less than \$500k	Above \$410k & less than \$750k	Above \$109k & less than \$391k	\$649.20
\$500k or above	\$750k or above	\$391k or above	\$689.90

Medicare Essentials for Your Fifties

The Four Parts

- **Part A:** Hospital insurance. Inpatient stays, skilled nursing, hospice. Most pay no premium.
- **Part B:** Medical insurance. Doctor visits, outpatient care. \$202.90/mo in 2026.
- **Part C (Advantage):** Private plans bundling A + B + usually D. Uses provider networks.
- **Part D:** Prescription drug coverage. Standalone or bundled inside Part C.

How Coverage Works

- **Original Medicare (A+B):** See any Medicare-accepting provider. No network.
- **Medicare Advantage:** HMO or PPO network. Lower premiums, but restricted providers.
- **IRMAA:** Income surcharge on Parts B and D. Starts at \$109,000 (single) / \$218,000 (joint). Based on income from 2 years prior.

Enrollment Windows

- **Initial Enrollment Period:** 7 months around your 65th birthday. Miss it and penalties apply.
- **Special Enrollment Period:** Triggered by losing employer coverage.
- **Late penalty:** 10% added to Part B premium for each year you delayed. Permanent.

“Key Takeaway: Secure coverage early to avoid lifetime premium penalties.”

What Counts as Income for Medicare IRMAA (and What Doesn't)

IRMAA uses your MAGI from 2 years ago. One dollar over \$109,000 triggers the first surcharge.

Counts

RAISES YOUR MAGI

- **Wages and salary**
- **Pension and annuity** income
- **Traditional IRA/401(k)** withdrawals and RMDs
- **Roth conversions** (the full converted amount)
- **Capital gains** (long-term and short-term)
- **Rental income**
- **Taxable Social Security** benefits
- **Tax-exempt interest** (municipal bonds are added back)
- **Business and self-employment** income

Does Not Count

INVISIBLE TO IRMAA

- **Qualified Roth IRA** withdrawals
- **Qualified Roth 401(k)** withdrawals
- **HSA withdrawals** for qualified medical expenses
- **Loan proceeds** (personal, HELOC, etc.)
- **Reverse mortgage** payments
- **Life insurance** death benefits
- **Gifts and inheritances**
- **Return of basis** (non-taxable portion of annuity payments)

THE PART MOST PEOPLE MISS

Roth conversions count as income in the year you convert. A \$150,000 conversion in 2024 can trigger IRMAA surcharges in 2026.

10 Medicare Rights After 65 That Nobody Brings Up at Enrollment

1. **You can appeal every denial**— first appeals overturn 40–60% of decisions
2. **You can get a second surgical opinion covered**— no referral, no questions asked
3. **You can request every charge itemized**— Medicare patients have a legal right to a line-by-line bill
4. **You can fire your doctor and keep Medicare**— no penalty, no permission, no waiting
5. **You can disenroll from Medicare Advantage if hospitalized**— care denial triggers Special Enrollment
6. **You can bring anyone into any appointment**— a patient advocate can speak on your behalf
7. **You can demand a denied treatment be documented**— ask for the refusal in writing every time
8. **SHIP counselors review your full Medicare situation for free**— no financial interest, every state has them
9. **You can report billing fraud and receive a reward**— confirmed tips are eligible for payment
10. **You can get free advance care planning under Medicare**— a covered visit most patients never schedule



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3



88

Medicare gives you rights the enrollment packet isn't highlighting. Most people never use them.



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10 Medicare Decisions That Cost Retirees the Most Money


1. **Enrolling in Advantage without comparing original Medicare** – switching back is hard, Medigap may deny coverage
2. **Missing initial enrollment window is permanent** – penalty follows every plan you ever join
3. **Not applying for Extra Help with Part D** – millions qualify on income, almost none apply
4. **Large IRA distribution before Medicare starts** – triggers IRMAA two years later
5. **Part D plan chosen without checking your medications** – formularies vary, up to \$3,000/year difference
6. **Not appealing a denied claim** – reversed 40–60% of first appeals, most people never file
7. **Assuming dental, vision, and hearing are covered** – they aren't under original Medicare period  268
8. **Buying Medigap without comparing all 10 plans** – same coverage, prices vary up to 300% 
9. **Never scheduling the Annual Wellness Visit** – covered preventive benefit, most enrollees skip it  8
10. **Ignoring the Medicare Summary Notice** – monthly statement that catches billing fraud early  96



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Medicare's complexity is not accidental. The decisions that cost the most are the ones made without comparing all the options.

10 Medicare Decisions That... more  585

=CONVERTING TO ROTH=

The Best Years for Roth Conversions: Ages 60-72

After income drops and before RMDs begin, many retirees fall into their lowest lifetime tax bracket. That gap creates a powerful Roth conversion opportunity.

Before 60	Ages 60-72	Age 73+
Working Years Higher income often pushes you into higher tax brackets. Roth conversions during these years can be expensive.	Roth Conversion Window Income drops after retirement. RMDs have NOT started yet. This may be the lowest tax bracket of your lifetime, making conversion much more attractive.	RMDs Begin Required Minimum Distributions force taxable income. Higher income can push you into higher tax brackets, making conversions cost more.



Current Tax Bracket

Roth conversions often make the most sense in the 12% or 22% tax brackets. Once you reach 32% or higher, the math may favor waiting.

Future RMD Size

Large pre-tax retirement accounts create large RMDs. Ex: A \$2M IRA could produce \$70K+/yr in required taxable income in your late 70's. Roth conversions today can permanently reduce those future RMDs.

Medicare IRMAA Risk

Large RMDs can push income above Medicare IRMAA thresholds. This can add \$1,000-\$5,000+/yr in Medicare surcharges. Strategic Roth conversions may reduce that

Good Financial Cents

22h



5 Roth Conversion Mistakes That Cost More Than the Tax Bill

The conversion itself is simple. The mistakes happen in what it triggers.

- 1 Paying the Tax From the IRA**
If you convert \$50,000 and withhold \$6,000 for taxes, only \$44,000 enters the Roth. That \$6,000 is gone forever. Pay from outside funds to keep the full amount growing tax-free.
- 2 Pushing Social Security to 85% Taxable**
Conversion income counts toward provisional income. A \$40,000 conversion can push a single filer past \$34,000 and make 85% of Social Security benefits taxable that year.
- 3 Triggering IRMAA Surcharges**
IRMAA is based on income from two years prior. A large 2025 conversion can increase your Medicare premiums in 2027. The first surcharge adds \$888 per year for a single filer.
- 4 Eliminating ACA Premium Subsidies**
If you are under 65 and on marketplace insurance, conversion income raises your MAGI. A \$30,000 conversion could cost thousands in lost premium tax credits.
- 5 Converting Too Much in One Year**
There is no limit on conversions. But every dollar above your current bracket is taxed at the next rate. Convert to the top of a bracket, not past it.

THE PART MOST PEOPLE MISS

A Roth conversion has no dollar limit. The real limit is the bracket you are willing to fill. The right amount changes every year.

Convert One Dollar Too Many and Your Tax Rate Jumps From 24% to 32%

The fill-the-bracket method sizes your Roth conversion to the dollar. Here is how it works in 2026.

TOP OF THE 24% BRACKET (SINGLE FILER, 2026)

\$217,875

in total income before the 32% rate begins

How To Calculate Your Conversion Room

- 1 Find Your Base Income**
Social Security + pension + investment income + any other taxable income.
Example: \$50,000.
- 2 Subtract the Standard Deduction**
\$16,100 for single filers. \$32,200 for married filing jointly. Taxable base income: \$33,900.
- 3 Find the Gap**
Top of 24% bracket (\$201,775) minus taxable base income (\$33,900) = \$167,875 of conversion room at 24% or lower.

WHAT HAPPENS AT DOLLAR 517,875

Every dollar above the gap is taxed at 32%. That is an 8-percentage-point jump on a single dollar of income.

Three Roth 5-Year Rules People Confuse

Same name, different triggers, different consequences. Here is what each one actually does.

1 The Qualified Distribution Rule

Clock starts: January 1 of the tax year of your first Roth IRA contribution

What it controls: Whether Roth earnings are tax-free and penalty-free

Requires: 5 years plus a qualifying event (age 59½, disability, death, or first-home exception)

2 The Conversion Rule

Clock starts: January 1 of each conversion year

What it controls: Whether converted pre-tax dollars face a 10% early-withdrawal penalty

Matters if: You are under age 59½ at withdrawal

3 Inherited Roth IRA Rule

Clock used: The original owner's Roth 5-year clock

What it controls: Whether inherited earnings come out tax-free

Key detail: Beneficiaries use the original owner's aging period, not their own

THE PART MOST PEOPLE MISS

At 59½ or older, the conversion penalty rule usually no longer matters. But the qualified distribution rule still determines whether earnings are tax-free.

Roth IRA Withdrawals Are Tax-Free. The IRS Still Expects You to Report Them.

Skip the 1099-R on your return and IRS computers generate a tax bill anyway.

WHAT HAPPENS WHEN YOU DON'T REPORT IT

- 1 You Take a Qualified Roth Withdrawal**
The distribution is tax-free. No federal income tax is owed on qualified withdrawals.
- 2 Your Custodian Files a 1099-R**
The form reports the full distribution amount to the IRS regardless of whether tax is owed.
- 3 You Leave It Off Your Return**
IRS computers compare 1099s to your return line by line. A missing form creates a matching error.
- 4 The IRS Sends You a Tax Bill**
The notice treats the full amount as taxable income. You owe tax on it until you prove otherwise.

THE PART MOST PEOPLE MISS

This also applies to HSA distributions, 401(k) rollovers, and home sales below the exclusion. Every 1099 the IRS receives must appear on your return.

Roth 401(k)s No Longer Require Minimum Distributions

Here is what changed under SECURE 2.0 and what stayed the same.

What Changed

Under SECURE 2.0

- **Roth 401(k)s** are now exempt from RMDs while the account holder is alive
- **RMD starting age** moved to 73, then to 75 beginning in 2033
- **Missed RMD penalty** cut from 50% to 25% (10% if corrected within 2 years)
- **QCD limit** now indexed to inflation: \$111,000 for 2026

What Did Not

Same rules as before

- **Traditional IRAs and 401(k)s** still require annual RMDs after the starting age
- **Roth IRAs** still have no RMDs. This was already the rule before SECURE 2.0
- **RMD income** from traditional accounts is still taxed as ordinary income
- **Post-death rules** still apply to Roth 401(k)s and Roth IRAs for beneficiaries

THE PART MOST PEOPLE MISS

Roth 401(k)s are exempt from RMDs while you are alive. After the account holder dies, post-death distribution rules still apply to beneficiaries.

SOCIAL SECURITY

How To Check Your Social Security Online

Even decades before you claim, having an account protects you and improves your planning.

CREATE YOUR FREE ACCOUNT AT

ssa.gov/myaccount

1 Create Your Account

Go to ssa.gov/myaccount. You will need your Social Security number, a valid email, and identity-verification information. You can create or sign in using [Login.gov](https://login.gov) or [ID.me](https://id.me).

2 See What You Can Access

BEFORE BENEFITS

- Full earnings history
- Estimated benefit at 62, 67, 70
- Spouse benefit estimates
- When you qualify for Medicare

AFTER BENEFITS

- 1099-SSA tax form
- Benefit verification letters
- COLA adjustments
- Direct deposit settings

3 Check Your Earnings Record for Errors

Your benefit is calculated from your highest 35 earning years. Missing or incorrect wages lower your future check. Errors are far easier to correct before you file than after.

THE SECURITY REASON MOST PEOPLE SKIP

If you do not claim your account, someone else can create one using your information. Identity thieves have used unclaimed accounts to redirect benefit payments.

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Social Security at 62, 67, or 70: A Decision Matrix

Two variables determine the answer. One is health. The other is whether you have reliable income or reserves to bridge the gap.

		RELIABLE INCOME OR RESERVES BRIDGE YOU TO 70?	
		YES	NO
HEALTH / LONGEVITY	FAVORABLE	<p>Delay to 70</p> <p>Each year past FRA adds 8% to your benefit permanently. With good health and no cash need, delay produces the highest lifetime payout.</p>	<p>Lean Toward FRA</p> <p>The math may favor delay, but funding the gap from a portfolio introduces sequence risk. FRA (67) is often the middle-ground choice.</p>
	UNFAVORABLE	<p>Lean Toward FRA or Earlier</p> <p>If you are unlikely to reach the break-even point (often the early 80s, but it varies), delayed credits may never pay off. Collecting sooner recovers more total dollars.</p>	<p>Consider Claiming Early</p> <p>Shorter life expectancy plus no other income source. Claiming early provides cash flow now. The reduced benefit is offset by more years of collecting.</p>

THE VARIABLE MOST PEOPLE SKIP

For married couples, the higher earner's benefit becomes the survivor's check for life. Many couples split the timing: lower earner claims early, higher earner delays.

10 Social Security Questions Your Financial Advisor Never Asks You

1. **Your break-even age if you delay**— most advisors never run this number
2. **Whether your spouse has a higher earner record**— changes the entire claiming sequence
3. **Whether your SSA earnings record has errors**— mistakes stay until you report them
4. **Whether Windfall Elimination affects you**— teachers and government workers lose benefits silently
5. **Whether a divorced spouse qualifies on your record**— your ex can claim without your knowledge
6. Whether you had a high-income event in the last 2 years— IRA withdrawal today raises Medicare premiums in 2027
7. **Whether all contingent beneficiaries are named**— a deceased primary beneficiary sends assets to probate
8. **What your combined SS taxation threshold actually is**— most couples calculate this wrong for years
9. **Whether you worked in a non-covered pension job**— reduces SS benefits permanently never disclosed upfront
10. **Whether survivor benefits exceed your own retirement benefit**— claiming order determines lifetime household income



70



3



19



120



Most financial advisors bill by the hour. They don't ask what you don't know to help you.

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11 Social Security Claiming Strategies Most People Never Hear

1. **File and suspend no longer exists** – eliminated in 2016, advisors still reference it

2. **Restricted application still exists for some** – only if born before January 2, 1954

3. **Delayed credits stop at exactly 70** – waiting past 70 earns zero additional benefit

4. **Coordinating with a spouse doubles lifetime income** – one claims early, one delays

5. **Divorce benefits need no ex's permission** – or their knowledge, or any contact

6. **Disability converts to retirement at FRA** – same amount, different name, no action required

7. **Windfall Elimination Provision cuts government workers** – teachers, police, 15+ states



234

8. **Government Pension Offset eliminates spousal benefits** – for those with non-covered pensions



8

9. **International agreements let some foreign workers claim** – almost nobody navigates this correctly



55

10. **SS is never garnished for most consumer debts** – but student loans and federal taxes can



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11. **SSA benefit estimate assumes you keep working** – actual retirement number may be



318

11 Social Security Claiming... more

10 Things About Social Security Disability That Most People Don't Know Exist

1. **SSDI available before 65 for any disabling condition** – most who qualify don't find out until years in

2. **First application denied 65% of the time** – appeal rates are far higher with proper representation

3. **SSDI converts to retirement benefits at FRA** – same amount, no action needed, no reduction

4. **Working while disabled is allowed up to \$1,470/month** – the SGA limit applies, not zero income

5. **Medicare starts 24 months after SSDI approval** – not immediately, a gap most recipients don't plan for

6. **Back pay can cover 12 months before application date** – date of disability, not date of filing



7. **Children and spouses of SSDI recipients may qualify** – dependent benefits on the disabled worker's record



8. **Chronic conditions qualify if they prevent substantial work** – not just sudden injuries or terminal diagnoses

7

9. **Mental health conditions qualify when documented** – severe depression, PTSD, and anxiety disorder all count



126

10. **SSA requires ongoing medical evidence** – benefits stop without regular treatment records



471



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Social Security Survivor Benefits: 5 Rules Most People Get Wrong

The survivor benefit is not the same as the spousal benefit. Confusing the two costs families thousands.

- 1 It Is 100%, Not 50%**
A surviving spouse at full retirement age receives **100% of the deceased spouse's benefit**. The 50% figure is the spousal benefit while both spouses are alive.
- 2 You Can Claim as Early as Age 60**
Age 50 if disabled. Claiming before survivor FRA permanently reduces the benefit. At 60, you receive about **71.5%** of the full amount.
- 3 The Survivor Benefit Does Not Grow Past FRA**
Delayed retirement credits do not apply to the survivor benefit. But you may still delay **your own** retirement benefit and switch to it later.
- 4 You Can Take One Benefit Now, Switch Later**
Survivor benefits are **not subject to deemed filing**. Take the survivor benefit first and let your own benefit grow to 70, or vice versa.
- 5 The Earnings Test Still Applies**
If you work and collect before FRA, **\$1 is withheld for every \$2 earned over \$24,480** in 2026. The money is restored at FRA.

THE PART MOST PEOPLE MISS

Because survivor benefits are exempt from deemed filing, widows and widowers can collect one benefit while the other grows. Most other claimants cannot.

Claimed Social Security and Regret It? You Have 12 Months to Undo It.

Form SSA-521 lets you withdraw your application and start over. But the window is exactly 12 months from approval, and it is not forgiving.

- 1 File Form SSA-521**
Request a withdrawal of your Social Security application within 12 months of your first month of entitlement.
- 2 Repay Every Dollar**
You must return all benefits received, including any spouse or dependent benefits paid on your record. No interest charged.
- 3 Your Record Resets**
It is treated as if you never filed. You can refile at any age for a higher benefit based on additional delayed retirement credits.
- 4 You Get One Withdrawal**
This can only be done once in your lifetime. If you refile and change your mind again, there is no second withdrawal.

AFTER 12 MONTHS

The withdrawal option expires permanently. You can still suspend benefits at FRA to earn delayed retirement credits, but that is a different strategy with different math.

Tax note: If you received benefits in a prior tax year and repay them, you may be able to claim a credit or deduction for the taxes you already paid on those benefits.

When Social Security Triggers a Tax Return

Social Security is still taxable in 2026. The thresholds have not changed since 1984.

THE IRS COMBINED INCOME FORMULA

- Adjusted gross income (AGI)
 - + Tax-exempt interest (muni bonds)
 - + Half of your Social Security benefits
-
- = **Combined income**

Combined Income	Single Filer	Married Joint
0% taxable	Under \$25,000	Under \$32,000
Up to 50%	\$25K-\$34K	\$32K-\$44K
Up to 85%	Over \$34,000	Over \$44,000

Counts Toward AGI

- Pensions
- IRA/401(k) withdrawals
- Capital gains
- Dividends and interest
- Part-time wages

Does Not Count

- Roth IRA withdrawals
- HSA withdrawals
- Loan proceeds
- Return of basis

THE PART MOST PEOPLE MISS

These thresholds have not been adjusted for inflation since 1984. A \$32,000 threshold in 1984 would be ~\$97,000 today.

Two Social Security Rules That Reduce What You Keep. Most People Confuse Them.

One stops at full retirement age. The other never does. They are not the same rule.

Earnings Test

Applies before FRA only

- Triggered by **earned income only** – wages and self-employment
- 2026 limit: **\$24,480/yr** – \$1 withheld per \$2 over
- Withheld benefits are **repaid** as higher monthly payments at FRA
- Disappears entirely the month you reach full retirement age

Provisional Income Tax

Applies at any age

- Formula: **AGI + tax-exempt interest + 50% of SS** – wages, RMDs, IRA withdrawals, interest, dividends, and capital gains all count
- Above **\$44,000** (MFJ), up to 85% of SS becomes taxable
- There is **no repayment** – the tax cost is permanent
- Applies at any age – but qualified **Roth withdrawals** generally do not enter AGI and usually do not raise provisional income

WHY THIS DISTINCTION MATTERS FOR ROTH PLANNING

RMDs count in provisional income. A Roth conversion in the years before RMDs begin can reduce the income that pushes SS into higher taxation later.

10 Things About Social Security Spousal Benefits Nobody Talks About


1. **You can claim on a spouse's record even if you never worked** – Up to 50% of their full benefit


2. **Divorced spouses qualify after 10 years of marriage** – Even if your ex remarried

3. **You can't claim both your benefit and spousal benefit** – You get whichever is higher


4. **Survivor benefits are 100% of the deceased spouse's amount** – Bigger than spousal benefit


5. **Widow or widower can remarry after 60 and keep survivor benefits** – Most people don't know this

6. **Claiming early permanently reduces the survivor benefit too** – Delay protects your spouse  7.1K


7. **A non-working spouse should delay claiming** – Let the higher earner's benefit grow to 70 

8. **Social Security will not tell you the optimal strategy** – You have to figure it out yourself 239

9. **Government pension recipients lose part of their Social Security** – Windfall Elimination Provision  2.6K

10. **Your ex's claim does not reduce your ex's own benefit** – Claim without guilt 



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Brent Bourgeois... *...mean 0,000 more over a lifetime. Do the math.*

10 Things About Social Sec... more ...
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10 Social Security Survivor Benefit Facts That Widows and Widowers Don't Know

1. **Surviving spouses can claim as early as age 60** – most are told to wait until 65 or later

2. **You can claim survivor benefits first and switch to your own benefit later** – a strategy that maximizes lifetime income

3. **Survivor benefits are based on what your spouse would have received at full retirement age** – not what they were collecting

4. **A divorced spouse married 10+ years can claim survivor benefits** – even if the ex-spouse remarried before death

5. **Remarrying before 60 eliminates survivor benefits** – but remarrying after 60 does not affect eligibility

6. **Survivor benefits and your own retirement benefit cannot be collected simultaneously** – you receive whichever is higher



926

7. **Children under 18 may also qualify for survivor benefits on a deceased parent's record** – families regularly miss this



8. **A lump-sum death payment of \$255 is available** – small but often unclaimed because families don't know to apply

16

9. **If a spouse died before claiming, benefits are calculated as if they claimed at full retirement age** – not zero



290

10. **Survivor benefits are not automatic** – you must apply, and SSA does not proactively contact eligible widows



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11 Social Security Mistakes After 65 Nobody Warns You About

1. **Claiming at 62 cuts your benefit 30% forever** – most people don't realize it's permanent

2. **Working before full retirement age shrinks your check** – dollar for dollar reduction

3. **Ex-spouse benefits don't reduce your ex's check** – but most divorced people never claim them

4. **Medicare premiums are deducted from Social Security** – few people plan for this

5. **Waiting until 70 grows your benefit 8% per year** – the best guaranteed return available

6. **Widows can claim survivor benefits at 60** – most don't know this exists

7. **Benefits can be taxed up to 85%** – nobody explains this at sign-up



2.4K

8. **You can repay and restart your benefit once** – lets you reclaim at a higher amount later



9. **Your benefit is based on your 35 highest-earning years** – gaps permanently lower it

140

10. **Government pension offset slashes spousal benefits** – hits teachers and public employees hardest



11. **One spouse claiming early while the other waits is a legal strategy** – maximizes lifetime household income

522



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Hidden Truths: 11 Things About Social Security That Nobody Explains

1. **Delaying until 70 increases benefit 24%** – If you can afford to wait

2. **Working while collecting reduces benefit temporarily** – Until full retirement age

3. **Spousal benefit is 50% of higher earner** – Even if divorced after 10 years

4. **Survivor benefit is 100% of deceased spouse** – Can switch from own to survivor

5. **Taxes on Social Security depend on other income** – Up to 85% can be taxed

6. **Medicare premium comes out of payment** – Less than you expect

7. **COLA doesn't keep up with expenses** – Healthcare costs rise faster

8. **Maximum benefit requires 35 years of work** – Zeros in calculation reduce amount

9. **Government pension may reduce benefit** – Windfall Elimination Provision

10. **File and suspend ended in 2016** – Can't use that strategy anymore

11. **Social Security is not going bankrupt** – Benefits will continue, possibly reduced



138



4



40



115



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==INHERITANCE==

5 Ways To Help Your Heirs Pay Less Tax

The account types you hold and the timing of withdrawals shape your beneficiaries' tax burden.

- 1 Convert to Roth Before RMDs Start**
Roth IRAs pass **tax-free** to heirs. Convert in low-income years between retirement and age 73.
- 2 Shrink Tax-Deferred Accounts**
Heirs must empty inherited IRAs within **10 years**. A \$1M IRA can mean \$300K+ in taxes for your kids.
- 3 Hold Appreciated Assets in Taxable**
Stocks and real estate in brokerage accounts get a **cost basis reset at death**. Capital gains vanish.
- 4 Gift Up to \$19K Per Person Tax-Free**
Married couples can give **\$38K per recipient per year** with no gift tax return required.
- 5 Review Beneficiary Designations**
Outdated forms override your will. Confirm every account names the **right person**.

2026 ESTATE TAX EXEMPTION

\$15M per person (\$30M for couples). Now permanent and inflation-adjusted under the One Big Beautiful Bill Act.

R.J. Weiss, CFP®

Founder, The Ways To Wealth

"A \$1M Roth and a \$1M traditional IRA are not worth the same amount to your heirs."

Gifts to Children Now vs. Leaving an Inheritance

The \$19,000 annual exclusion is well-known. The capital gains consequence of gifting appreciated assets is not.

Asset Type Cash gifts carry no basis issue. Appreciated stock or real estate carries your original cost basis to the recipient. At death, heirs get a stepped-up basis to current market value.

Estate Size Below \$15M (single) or \$30M (married), there is no federal estate tax in 2026. Gifting to shrink the estate only matters if you are above those thresholds.

Recipient's Plan If the recipient will hold long-term, carryover basis matters less. If they plan to sell, the capital gains tax on your original cost basis hits immediately.

THE PART MOST PEOPLE MISS

Gift stock with a \$450,000 unrealized gain and the recipient inherits your cost basis. Leave it as an inheritance and the entire gain resets to zero through step-up.

==REAL ESTATE==

Pay Off the Mortgage or Keep It in Retirement

Two variables determine the answer. One is math. The other is cash flow.

GUARANTEED INCOME COVERS PAYMENT?

YES

NO

MORTGAGE RATE VS. RETURN
LOW RATE
HIGH RATE

Keep the Mortgage

The spread works in your favor and you do not need to sell investments to make the payment. Strongest case for keeping it.

It Depends

The spread favors keeping it, but you face sequence risk. A bad early drawdown year can wipe out years of spread gains.

Lean Toward Payoff

The spread is negative or thin. Payoff is a guaranteed return equal to your mortgage rate. Redirect the payment to investing.

Pay It Off

Negative spread plus sequence risk. Eliminating the payment reduces the monthly draw on your portfolio. Clearest case for payoff.

THE VARIABLE MOST PEOPLE SKIP

The decision is not just rate vs. return. It is whether the payment requires selling investments. That is where sequence risk enters.

Buying a Home in Retirement vs. Renting

A capital allocation decision, not a lifestyle preference. Three variables change the math.

Time Horizon Transaction costs on a \$400,000 home run \$30,000–\$45,000 between closing, moving, and agent fees. That is the breakeven hurdle. Stay 7+ years and buying usually wins the math. Move within 5 and those costs are a guaranteed loss that renting avoids entirely.

Capital Concentration A \$300,000 down payment converts liquid, diversified assets into one illiquid, undiversified asset. That cash can no longer absorb a long-term care shock, fund a market downturn bridge, or preserve Roth conversion flexibility.

Health Trajectory Homeownership costs rise as physical capacity declines. Maintenance, repairs, and yard work eventually require paid labor. A renter transfers that burden to the landlord. A homeowner absorbs it or defers it, reducing the home's value.

THE PART MOST PEOPLE MISS

A primary residence is generally exempt from Medicaid's asset count. Rental savings in a brokerage account are not. For some families, owning changes the Medicaid math entirely.

==HEALTH CARE==

State Health Care Rankings

Ranked by U.S. News on three factors: health care quality, health care access, and public health outcomes.

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

Source: U.S. News & World Report Best States 2025 | Factors: health care quality, access & public health outcomes

11 Causes of Weight Gain After 65 That Have Nothing to Do With Eating More

1. **Hypothyroidism slows metabolism 15–40%** – weight gain on the same diet, resolved by correcting thyroid
2. **Insulin resistance stores fat regardless of calories** – the hormone is the driver, not the food
3. **Cortisol deposits fat specifically in the abdomen** – chronic stress creates a shape dieting can't fix
4. **Beta blockers reduce metabolic rate** – weight gain on BP medication is a drug effect, not a lifestyle failure
5. **Sleep deprivation spikes ghrelin 24%** – one bad night creates hunger that overrides willpower
6. **Leptin resistance blocks the fullness signal** – eating to fullness doesn't work when fullness doesn't register
7. **Menopause shifts fat from hips to abdomen** – same weight, different location, different metabolic behavior
8. **Gut microbiome determines calorie extraction** – same food, different outcomes in different microbiomes
9. **Muscle loss lowers resting metabolic rate** – fewer calories burned at rest every year muscle is lost
10. **Antidepressants cause weight gain in 25–65% of users** – a drug effect treated with more dieting instead of drug review
11. **Low progesterone causes water retention and bloating** – looks like weight gain, resolves naturally



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16



88

===OTHER CONSIDERATIONS===

04:00

78



10 Things About Financial Fraud Against Seniors That Banks Know

- 1. **Seniors lose \$28 billion per year to fraud** – more than any other age group
- 2. **Most elder financial abuse is committed by family or trusted caregivers** – not strangers
- 3. **Banks are required to flag suspicious transactions** – but rarely train staff to recognize elder fraud
- 4. **Romance scams targeting widows are the fastest-growing fraud** – averaging \$50,000 per victim
- 5. **Medicare fraud calls are the most common scam** – no real Medicare official will ever ask for your card number
- 6. **Grandparent scams escalate to wire transfers fast** – once wired internationally, the money is gone 
- 7. **Any pressure to sign documents is a red flag** ³⁶
legitimate transactions can always wait 24 hours
- 8. **Adding a trusted contact to accounts is free** 
– it gives banks someone to call if they're concerned ₃
- 9. **Cognitive decline increases fraud vulnerability** – financial judgment deteriorates before other cognition does 
- 10. **Freezing your credit is free and takes 5 minutes** ¹⁹
– prevents new account fraud and can be lifted instantly

Financial fraud targets trust, not intelligence. Every senior is a target. Plan accordingly.




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10 Things About Long-Term Care After 70 That Financial Planners Skip

- 1. **70% of people over 65 will need long-term care** – most have saved nothing for it
- 2. **Medicare doesn't cover custodial care** – only skilled care, and only briefly after hospitalization
- 3. **Medicaid requires near-total financial impoverishment** – most families don't realize this until it's a crisis
- 4. **Average nursing home costs \$9,000-10,000 per month** – 2 years wipes out most retirement savings
- 5. **Long-term care insurance premiums have risen 80-100% in a decade** – older policies are being dropped
- 6. **Hybrid life/LTC policies pay a death benefit if care is never needed** – more stable than standalone LTC policies
- 7. **Home care adds up fast** – \$25-30/hour for an aide, 40 hours a week is \$5,000/month
- 8. **Improper Medicaid spend-down triggers a penalty period** – planning requires legal guidance
- 9. **Most families underestimate care duration** – average need is 3 years, 20% need more than 5
- 10. **Adult children providing unpaid care lose an average of \$300,000 in lifetime earnings** – the hidden cost of no plan



400



18



149



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11 Veterans Benefits After 65 That the VA Doesn't Advertise

1. **Aid and Attendance** pays up to **\$2,300/month** for veterans needing **daily help** – most never apply

2. **Disability ratings can be increased at any age** – many veterans are under-rated and under-compensated

3. **Surviving spouses may qualify for DIC payments** – the VA doesn't proactively tell widows this exists

4. **Veterans can get VA healthcare without service-connected conditions** – income thresholds are rarely explained

5. **Dental is fully covered for 100% disabled veterans** – others have partial coverage they don't know about

6. **CHAMPVA covers dependents of permanently disabled veterans** – a free insurance thousands of families are missing

7. **Veterans pension is need-based** – available regardless of whether injuries are service-connected

8. **PACT Act expanded toxic exposure eligibility** – millions of veterans now qualify who were previously denied

9. **State benefits stack on top of federal** – tax exemptions, tuition waivers, and burial benefits vary by state

10. **Denied claims succeed 30–40% of the time with proper representation** – most veterans give up after the first denial

11. **Veterans Choice lets veterans see community doctors at VA expense** – the option exists, the VA doesn't lead with it



1.7K



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Every claimed dollar is money left on the table.

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11 Veterans Benefits After... more

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11 Estate Planning Mistakes That Cost Families Everything

1. **Dying without a will means the state decides** – not your spouse, not your children
2. **A will alone doesn't avoid probate** – assets in your name still go through court
3. **Beneficiary designations override your will** – an ex-spouse on a 401k gets the money, not your current spouse
4. **Adding adult children to your home** exposes it to their creditors and divorce
5. **A living trust costs \$2,000–3,000 upfront** but saves \$15,000–50,000 in probate fees
6. **Powers of attorney expire in some states** – an outdated document is worthless in a crisis
7. **Digital assets are lost forever without written instructions** – accounts, crypto, and photos disappear
8. **Life insurance proceeds are taxable in large estates** – structure matters more than the policy amount
9. **Medicaid look-back is 5 years** – transferring assets to qualify too early triggers penalties
10. **Adding children to accounts to "help"** makes them legal co-owners of your funds
11. **Not updating documents after divorce or death** is one of the costliest oversights families make



1.7K



15



811



It's about protecting the people you love from illness. **Follow** Brent Bourgeois...

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11 Estate Planning Mistakes... more ...
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10 Things About End-of-Life Planning That Nobody Wants to Say Out Loud

1. **Dying without a will means the state decides everything** – Courts, not family
2. **A living will alone is not enough** – Needs a healthcare proxy who actually knows your wishes
3. **POLST form travels with you** – Advance directive stays in a drawer, POLST goes in the ambulance
4. **DNR is not "do not treat"** – It only means no CPR, everything else continues
5. **CPR on a 75-year-old with illness has less than 5% survival to discharge** – TV shows lie
6. **Hospice extends life in some diagnoses** – Comfort care is not giving up, it reduces suffering and sometimes extends survival
7. **The family meeting you keep postponing is the most important one** – Have it while everyone is healthy
8. **Digital assets need a plan** – Passwords, bank accounts, photos, and subscriptions
9. **Funeral preplanning removes an enormous burden from family** – Not morbid, it's a gift
10. **Grief starts before death** – Anticipatory grief is normal and needs support too



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Planning for the end is an act of love for the



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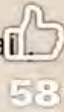
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10 Things About Protecting Your Money After 65 That Financial Crimes Units Know

- 1. **Elder financial exploitation is the fastest-growing crime in America** – Over \$36 billion stolen annually
- 2. **Family members commit 57% of elder financial abuse** – Not just strangers
- 3. **Romance scams are the highest-dollar fraud targeting seniors** – Average loss is \$50,000
- 4. **IRS never calls demanding immediate payment** – Every phone call like this is a scam
- 5. **Medicare scammers use real Medicare numbers from data breaches** – Never read your number to anyone who called you
- 6. **Grandparent scam escalates fast** – "I'm in jail don't tell Mom" is a script
- 7. **Trusting a single financial advisor with everything is dangerous** – Get a second opinion on large moves
- 8. **Bank employees are trained to spot elder financial abuse** – They can intervene and report
- 9. **Freezing your credit is free and blocks new accounts being opened in your name** – Takes 7 minutes
- 10. **Durable power of attorney can be abused** – Choose your agent carefully and review accounts regularly



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