



# Retirement in Sight

## Part 1 – See What’s Included

### 10 Practical Strategies to Get Retirement Ready

While retirement promises rest and relaxation, planning for the financial part of it can be anything but leisurely. But we have simple strategies you can start today to help ensure you have enough money to live on once you stop earning a regular paycheck.

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### Make the Right Plan to Get the Most From Social Security

When to start drawing Social Security is one of many personal decisions you’ll have to make as you plan for retirement. But some of the steps you take leading up to that date can mean the difference between collecting hundreds of dollars more each month or missing out on some hard-earned benefits.

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### A Connection Between Your Health and ... Dental Insurance?

Would you believe one out of every three American adults didn’t go to the dentist in the past year? For people over 65, that number is even higher. The reasons for skipping dental care are often tied to high costs and a lack of insurance. But avoiding dental care can lead to even more costly health problems later on.

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# 10 Practical Strategies to Get Retirement Ready

While retirement promises rest and relaxation, planning for the financial part of it can be anything but leisurely. The good news is there are some simple steps you can start today that will help pave the way to a financially comfortable retirement. Try these 10 to get started.

## 1. Assess where you stand right now.

Add up your assets, and then do the same for your debts. This will give you a quick look at your financial state, and might even help you follow the second strategy.



## 2. Live below your means.

This is a good idea for everyone, especially those nearing retirement. In short, don't spend more than you earn. Save more money than you have been, and look for ways to cut your expenses. For example, if you eat out a lot, try cutting back to once a week, then once a month.

## 3. Stay out of debt.

Try not to borrow money for things you don't need. If a brand new car would mean taking out a large loan, think about a reliable used one instead – or fix your old one to keep it on the road. You won't be alone. Cars are more reliable than they used to be, and Americans are holding on to them longer than ever before. The average age of cars and light trucks on the road is now 12 years old.

## 4. Downsize your housing.

If you and your spouse are empty nesters, consider selling the big family home and moving to a smaller one in a less expensive neighborhood. A smaller home could also mean lower taxes and maintenance costs.

## 5. Don't bankroll your adult kids' lifestyles.

It's one thing to help your kids financially if they're in a pinch, but it's another to pick up their expenses for years on end. If your adult child lives with you, have them pay rent and contribute to other household costs.

# 10 Practical Strategies to Get Retirement Ready *continued*



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## 6. Share expenses.

An alternative to your rent-paying child moving in with you is you moving in with your child. Paying rent is less expensive than maintaining your own place. Or maybe you can share a home and expenses with a sibling or friend. Living with a person you're compatible with also offers companionship.

## 7. Increase your income.

If you believe you need to save more for retirement than your current income and expenses will allow, increase your income by taking on a part-time job or better paying position. Just make sure 100 percent of that extra income goes into your retirement savings.

## 8. Invest in your health.

Health care expenses are the most unpredictable expense in retirement. Out-of-pocket costs not covered by insurance can run more than \$250,000 over a typical person's retirement years. Take care of yourself. Getting enough sleep, staying physically active, eating healthy foods and managing stress might help you keep health care expenses down, feel better in the process and maybe even extend your life.

## 9. Look for free entertainment.

From outdoor concerts in the summer to senior exercise classes in the winter, your town or city probably offers many low-cost or free entertainment, seminars, book clubs, etc. Look for these rewarding opportunities in your local newspaper, at the library, or through church and veterans groups.

## 10. Take advantage of senior citizen discounts.

Discounts for senior citizens are everywhere – sometimes for people as young as 50. Many retailers offer senior discounts certain days of the week, and some public transportation systems offer free rides to people over a certain age. While many businesses, restaurants and retailers clearly advertise their senior rates, others have policies that require you ask for their discounts. Wherever you're doing business or visiting (a museum, for example), ask if there's a senior discount available. You can also become a member of a senior discount association for access to more discount offers.

Saving money and cutting expenses at every chance will help you now and when you're ready to retire.

These steps are effective, simple things you can do today to start preparing for retirement. As you make plans, you might have questions about more complicated issues such as Social Security, investments, annuities and insurance. When these questions arise, it's important to turn to a trusted financial advisor or insurance agent for help.

# 10 Practical Strategies to Get Retirement Ready

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# Make the Right Plan to Get the Most From Social Security

When to start drawing Social Security is one of many personal decisions you'll have to make as you plan for retirement. But some of the steps you take leading up to that big day can mean the difference between collecting hundreds of dollars more each month or missing out on some hard-earned benefits.

When planning your retirement income, follow these important tips to maximize your benefit payments from Social Security:

**TIP**

## Consider Waiting Until You're 70

The earliest age you can begin drawing Social Security is 62, but if you wait to your full retirement age (66 or 67 for most workers) or later to withdraw benefits, you will maximize your benefits. By choosing to receive payments at 62, you will receive just 75 percent of the benefits you would receive by waiting until full retirement age. Payouts are permanently reduced for people who claim early.

If you are able, wait until you turn 70 to start drawing benefits. Your payments will increase by 8 percent for each year you delay after your full retirement age until you reach 70.

**IMPORTANT:** If you decide to delay your retirement, be sure to sign up for Medicare at age 65. If you don't sign up, in some circumstances, your Medicare coverage may be delayed and cost more.

**TIP**

## Work for 35 Years

The amount you get paid is based on your highest paying 35 years of work history. If you didn't collect a paycheck during any of those years, it will decrease your average. Even if you've been out of work for a while but can still find even a lower-paying job to make up for some of the lost years of income, it's better to show some earnings than to average in a zero.

**TIP**

## The More You Earn, the More You Receive

It's important to maximize your earnings while you're working. If you can work a second job, you might consider it, just to boost your retirement earnings. Just

# Make the Right Plan to Get the Most From Social Security *continued*



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remember there is a limit to how much you can earn in order to contribute to your benefits. Social Security taxes are assessed on only a certain amount of wages each year (\$118,500 for 2015).

**TIP**

## Be Careful How Much You Earn When You Start Drawing Benefits

If you're younger than full retirement age when you start withdrawing and are still making more than the yearly limit (\$15,720 for 2015), Social Security will deduct \$1 from your benefit payments for every \$2 you earn above the annual limit.

When you reach full retirement age, your earnings no longer reduce your benefits, no matter how much you earn.

**TIP**

## Take Advantage of Your Spouse's Earnings

If you're married, you can claim benefits based on your own work history. Or you can claim up to 50 percent of the higher earner's benefit, whichever is higher. If you're divorced, and you were married for at least 10 years, you can also claim benefits based on your ex-spouse's work history.

When you turn 62, you're automatically entitled to receive the benefit that provides you the higher monthly amount – either a benefit based on your own earnings, or the spousal benefit. After you reach full retirement age, you can choose to receive only the spousal benefit and delay receiving your retirement benefits, allowing you to receive a higher benefit.

When it comes to Social Security, it pays to know all your options. So before you make the decision to start drawing your benefits, talk to a trusted advisor or go to [www.ssa.gov](http://www.ssa.gov) to learn more.

## Go Online for a Quick Benefits Estimate

The official Social Security website ([www.ssa.gov](http://www.ssa.gov)) furnishes a Quick Calculator that will provide an estimate of your earnings based on the information you supply. Because this estimate isn't based on your official earnings, it may only give a rough estimate of your benefits.



# Make the Right Plan to Get the Most From Social Security

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# A Connection Between Your Health and ... Dental Insurance?

## Learn the surprising consequences of going without coverage

Would you believe one out of every three American adults didn't go to the dentist in the past year? For people over 65, that number is even higher. Here are the reasons why so many people are skipping out on important dental care:



**Retirement** – 90 percent of Americans today lose their dental insurance when they retire – and Medicare doesn't cover most dental care.

**Lack of dental coverage overall** – Many employers are no longer paying for/offering dental coverage for their employees. At the end of 2012, more than 126 million Americans did not have dental insurance.

**Cost** – Out-of-pocket spending on adult dental services has risen to about \$310 per person.

While busy schedules can also be a factor – 14 percent of adults say they don't have time to go to the dentist – the truth is, many people without dental insurance simply avoid going to the dentist because of the cost.

It can be especially difficult for retired individuals on a fixed income to afford the dental care they need. But putting off going to the dentist can put you at risk for expensive dental problems down the road.

## The Health Connection

Since dental health is closely connected to your overall health, the lack of regular dental care can also lead to serious health problems. According to the National Association of Dental Plans, people without dental insurance are:

- 67 percent more likely to have heart disease
- 50 percent more likely to have osteoporosis
- 29 percent more likely to have diabetes

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# A Connection Between Your Health and ... Dental Insurance? *continued*



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## A Sensible Solution

If you're without dental coverage for any reason, buying an affordable individual dental insurance policy can make a lot of sense. And while you may need to shop around to find the right dental insurance policy for your needs, getting coverage can be easy.

To help guide you through the process, here are five simple, important questions to ask before you choose a dental insurance policy.

## Dental Insurance Shopping 101

**Does the plan allow you to see any dentist you like?** Some dental insurance plans have networks and you may be restricted to seeing dentists who participate in the insurance company's plan. If you want the freedom to choose any dentist you want, **look for a dental insurance plan that allows you to go to any provider.**

**How many procedures does the plan cover?** Keep in mind not all dental insurance policies cover the same number of procedures. Besides benefits for preventive care services like routine cleanings and X-rays, you'll want a plan that helps cover other services you're likely to need and use the most. Fillings, simple tooth extractions and minor oral surgery are just a few covered procedures to look for, along with more costly services like root canals, crowns and dentures. A plan that helps pay for **many kinds of covered procedures** is likely to provide the coverage you'll need.

**Is there an annual maximum on the dollar amount of benefits you can receive?** You'll want to find a dental insurance plan that doesn't put a cap on the amount of cash benefits you can receive in a year – or your lifetime. For example, if a plan pays only \$1,000 of benefits for the year, you will have to pay anything above that out of your own pocket.

**Is there a deductible?** Some dental insurance policies require you to pay a certain amount of money out-of-pocket before you can collect benefits for dental services. Look for a plan that has **a low or no deductible.**

**Who is eligible for coverage?** Whether you're single, married, with or without dependent children, make sure the dental plan offers the coverage options you need for you and your family. Also, look for a plan that will guarantee your acceptance even if you have "pre-existing conditions."

Avoiding the dentist can be harmful to your dental and overall health. A dental insurance policy that helps pay for routine checkups and other services – like fillings, crowns and root canals – can make it easier for you to get the dental care you need, so you can keep your smile and your body healthy.

# A Connection Between Your Health and ... Dental Insurance?

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