



INSURANCE SERVICES, INC.
PROTECTING YOUR HEALTH & WEALTH

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Client eNewsletter



Welcome to Our First Client Newsletter!

Our goal is to provide you - our client - an informative eNewsletter on a monthly basis. We will keep you informed about the newest (and possibly most controversial) developments in the life and health insurance industry.

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Medicare Enrollment for 2011 Plan Year

AEP Runs from 11-15 through 12-31, but no OEP in 2011!

The new Medicare Season has arrived. Plan documents for 2011 Medicare health & drug plans are available, and the Annual Election Period (AEP) will run from November 15th through December 31st. As in past years, Medicare beneficiaries can dis-enroll from, switch, or enroll into a Medicare Advantage plan or a Part D drug plan during AEP.

The big news this year for Medicare enrollments is that the Open Enrollment Period (OEP), which has run from January 1st through March 31st since 2006, has been eliminated. This means it's critical that you select your 2011 Medicare plan before the end of this year.

In 2011, there will be a new Annual Disenrollment Period (ADP). During ADP, which will run from January 1st through February 14th, Medicare beneficiaries can dis-enroll from Medicare Advantage and return to Original Medicare, but they cannot switch or enroll into a Medicare Advantage plan.

Those dis-enrolling during ADP from a Medicare Advantage plan that has prescription drug coverage will have a special enrollment period (SEP) to join a standalone Part D drug plan.

As a side note, there is some relief on the way for people who reach the dreaded Part D coverage gap. If you hit the gap in 2011, you'll get 50% off the price of covered brand-name prescription drugs while in the gap. A smaller percentage discount will be given on covered generic medicines.

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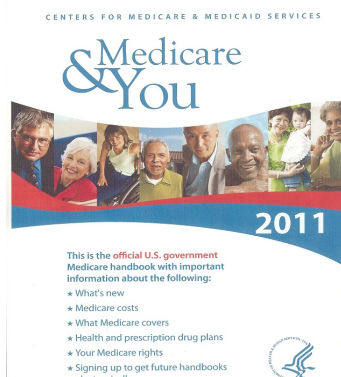
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Now is the time to review your Medicare coverage! To request a consultation, call us on 727-397-6932 or [contact us online](#)

Quote of the Month

Fall seven times,
stand up eight.

- Japanese Proverb



Tax Credits for Small Businesses

Who Gets Health Care Tax Credits, and How Much?



Starting in 2010, small businesses may be eligible to receive health care tax credits if they meet average salary and full-time-equivalent (FTE) employee requirements. Part time-workers contribute to the FTE count based on the proportion of their hours to full-time workers. For instance, if a business has six part-time employees each averaging about one third the work time of a full-time employee, they will collectively count as two FTE employees.

In order to receive a tax credit, the following criteria must be met:

- The small business must have fewer than 25 FTE employees
- The average salary of employees must be less than \$25,000 for full tax benefits
- The average salary of employees must be less than \$50,000 for phased tax benefits (benefits cease if average exceeds \$50,000)
- An employer must cover at least 50% of the cost of health insurance for its participating employees

For qualifying businesses, the tax credit is up to 35% of health plan costs, increasing to 50% in 2014 (except tax-exempt organizations will remain limited to 35%). It should be noted, however, that the tax exemption will not necessarily equal the full percentage of health plan costs that a small business is considered qualified for, since the credit is capped at the percentage of the average group health plan cost in the state.

Small businesses will need to use a new Form 8941 in order to calculate how much tax credit they may receive. Tax-exempts also will need to fill out special 990-T forms. [Click here to see a draft of Form 8941.](#)

Featuring Our Valued Client Jeff Copeland

Each month, we'll conclude our eNewsletter by featuring a product or service offered by one of our valued clients. Our first issue features Jeff Copeland, who is a trusted friend, client, and my Webmaster. In addition to his web design work, Jeff consults on search engine optimization (SEO), press releases, graphic design and commercial photography.

[Click here to visit the official blog of Jeff's company Tampa Bay Search.](#)

Anyone planning a Florida wedding will want to learn more about the photography businesses Jeff runs with his wife Claire. Two websites well worth a visit are www.simpletreasuresflorida.com and its offshoot www.simpleweddingsflorida.com. Reader beware, you may shed tears!

Until next month,

Andrew Herman
AH Insurance Services, Inc.

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