



Q4 Pinellas Protector eNewsletter



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Year-End Greetings to Our Clients and Friends

Happy New Year! With just a couple hours left to go before the clock strikes midnight on the East Coast, I feel readier than ever to turn the calendar to a new month and new year.

Readers of this eNewsletter may recall that the third quarter issue was distributed just hours away from the launch of the new ObamaCare health care marketplace. While the Federally-facilitated Marketplaces (FFM) and State Partnership Marketplaces (SPM) indeed opened for business on October 1, the business processes did not work as planned.

Nonetheless, health insurance enrollments continue both on-exchange (for those seeking a premium subsidy, coverage must be bought on-exchange) and off-exchange where the processes have been working more smoothly. The open enrollment period to purchase an individual 2014 plan (either on-exchange or off-exchange) will end on March 31, 2014.

For those interested in the initial enrollment numbers for ObamaCare health plans sold over the exchanges, [please see our lead article that includes a link to a 12-29-2013 press release from Marilyn Tavenner, Administrator for the Centers for Medicare and Medicaid Services.](#)

Many of my clients approaching Medicare eligibility have inquired if having Medicare will satisfy the health law's mandate to have health insurance. The answer is Yes - those who are enrolled in Medicare Part A (which covers hospital care) or a Medicare Advantage plan (the Part C program of Medicare) will meet the individual coverage mandate.

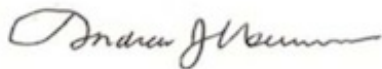
So what about people who are not yet eligible for Medicare - how will the individual coverage mandate beginning in 2014 impact them? Employer-based group insurance likely will satisfy the insurance requirement, but if you do not get insurance through the workplace you may incur a "penalty tax" for not obtaining an individual health plan. For specifics, scroll down or [click here to read our article "How Much is the ObamaCare Penalty Tax?"](#).

Other features of this quarter's eNewsletter are:

- * For people approaching age 65, [Are you Thinking About Delaying Medicare Part B?](#)
- * [Recipe for Chocolate Ganache Tart from Organic Valley](#)
- * Our quarterly feature, "[Tips For Your Good Health](#)"

I said it once, and I'll say it again: Happy New Year!

Until next quarter,



Andrew Herman
AH Insurance Services, Inc.

Quarterly Quotation

"While there is a chance of the world getting through its troubles, I hold that a reasonable man has to behave as though he were sure of it. If at the end your cheerfulness is not justified, at any rate you will have been cheerful."

ObamaCare Enrollments - Early Numbers Are In!



After a vast number of problems signing people up for healthcare through the health insurance exchanges (marketplaces), the total that has purchased insurance on the federal exchange has hit the 1.1 million mark. December traffic on the exchange has marked some improvement for both the [government's healthcare website](#) and the future of the exchanges.

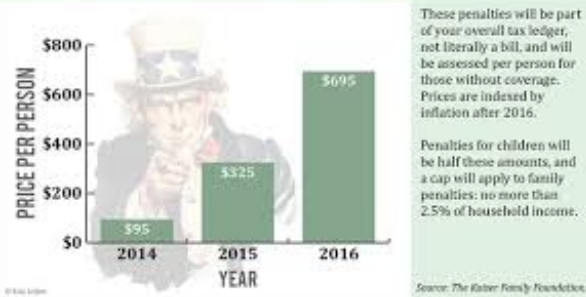
December, 2013 has certainly not been smooth for the health insurance exchanges (HIXs), as is evidenced by a [number of delays and setbacks](#). There are still problems with the website for the federal and state exchanges. Most notably, the computer systems built to collect the initial premium payment still are not working properly; and consequently, insurance carriers are allowing until January 10 for the first premium to be paid for policies effective on January 1.

The number of people enrolled in health insurance through the HIXs increased markedly in December. In October, there were only 27,000 sign-ups through the federal marketplace; in November, there were 137,000 sign-ups. As of December 24, the federal government reports that the total number of December sign-ups [reached over 975,000 people](#). This brought the total to over 1.1 million to purchase insurance through the federal marketplace, and 2 million to purchase total through both the federal marketplace and the marketplaces set up by 14 states.

The 2 million total of enrollees seems much better as compared to October and November results; however it still falls short of the 3.3 million target that the government had expected to be enrolled by year-end 2013. Whether the enrollment will rise to expectations remains to be seen; people can enroll without penalty until March 31, 2014.

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HEALTH REFORM TAX PENALTIES



Unless you have been living in the wilderness for the last few years, you already have heard about a "penalty tax" that will be applied to civil offenders who choose not to carry a health insurance policy. Specifically, beginning in April of 2014 all citizens will be required to have health insurance, with the exception of the following:

- Those who make less than \$9,500 per year
- Employees whose employers only offer plans that cost more than 8% of the employee's income
- Those who qualify for a "hardship" exemption
- Members of Native American tribes
- Members of certain religions who do not pay the Social Security tax

The penalty tax (to be collected by the Internal Revenue Service) will be phased in from 2014 to 2016, with a minimum tax per person of \$95 in 2014 rising to \$695 per person in 2016. After 2016, these amounts will increase with inflation. No family will have to pay more than three times the per-person penalty, regardless of family size.

But wait, there's more! The \$695 per-person penalty is only for those who make between \$9,500 - \$37,000 per year. Anyone making below \$9,500 is exempted from a penalty; and for those who make over \$37,000 the penalty will be 2.5% of household income above the level at which a tax return must be filed (currently \$9,500 per person/\$19,000 per couple).

Finally, the penalty tax cannot exceed the cost of a "Bronze" level health insurance plan purchased on the Marketplace (averaged over all age groups, a Bronze health plan is expected to cost between \$4,500 - \$5,000 per person in the year 2016).

In summary, the ObamaCare penalty can get quite expensive if you make a lot of money and choose not to purchase health insurance. **On a per-person basis, by the year 2016 you would be facing annual penalties of approximately the following level:**

- Less than \$9,500 income = \$0
- \$9,500 - \$37,000 income = \$695
- \$50,000 income = \$1,012
- \$100,000 income = \$2,262
- \$150,000 income = \$3,512
- \$200,000 income = \$4,762 (but not to exceed cost of Bronze health plan)

Based on the way the law was written, the Internal Revenue Service does not have the authority to seize assets or charge people criminally for refusing to pay the penalty. IRS would only have the ability to sue you; and in the event it wins the suit the most that can be collected is twice the amount owed. So if it is any consolation, IRS would not be able to take as severe an approach as typically would be used if you refused to pay income tax.

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Are You Thinking About Delaying Medicare Part B?

There are many considerations to delaying enrollment into Medicare Part B beyond attainment of age 65. For many it is easy- if you are retired when you turn 65, you will very likely enroll in Part B coverage during your Initial Enrollment Period. However, this may not be your best choice if you are not retired (or have a working spouse) and have the option of participating in an employer's group health plan.

It is possible to delay your Medicare Part B enrollment without penalty, but you must proceed carefully. You can sign up for Part B at any time that you have health coverage *based on current employment* or during the 8-month Special Enrollment Period that begins after employment ends or after the eligible group health plan coverage ends- whichever is earlier. Eligible health coverage based on employment does not include COBRA continuation plans.

If you delay Medicare Part B enrollment and fail to sign up during the Special Enrollment Period, you will be penalized. You will have to wait until the next General Enrollment Period for Medicare Part B- from January 1 until March 31 of each year; Part B coverage obtained through the General Enrollment Period is not effective until July 1 of that year. Also, not obtaining Part B coverage during your Special Enrollment Period will make you susceptible to the late enrollment penalty. This penalty is an extra 10% of your Part B premium added on for each 12-month period that you could have had Part B coverage in place.

For more information about delaying Medicare Part B enrollment, please [click here to read our December 30 blog post](#).

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Bittersweet Chocolate Ganache Tart Recipe from Organic Valley



This recipe from Organic Valley is neither gluten-free nor sugar-free! And it may seem different to those who are accustomed to chocolate tortes, as this is a chocolate tart. In any case, I hope all chocolate lovers receiving this eNewsletter will give the recipe a try (I will make myself available to taste your chocolate creation, be it a torte or a tart).

[Click here for the Recipe from Organic Valley's website](#)

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Tips For Your Good Health



This Quarter's Tip For Your Good Health: Trigger Point Therapy

Trigger point therapy offers a medicine-free solution to alleviate the pain experienced by those suffering from muscle tension, fibromyalgia and similar conditions. It also can be used as a preventive measure prior to exercising or strenuous activity to lessen the chance of having an injury.

Out of the many trigger point tools available, I have found two products to be the most effective: foam rollers (see graphic above) and trigger point massage balls. I highly recommend the products offered by Trigger Point Performance, a company based in Austin, Texas. [Click here to visit their online store at tpttherapy.com.](http://tpttherapy.com)

For those wanting additional resources, I recommend the technical manual, *"The Trigger Point Therapy Workbook: Your Self-Treatment Guide for Pain Relief"* by Clair Davies NCTMB and Amber Davies CMTPT LMT. People who do not have access to a medical practitioner familiar with effective treatment of fibromyalgia and myofascial pain syndrome will benefit greatly from reviewing this wonderful resource.

Thanks for reading Tips For Your Good Health!

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