



News You Can Use

Andrea Hoxie — Hoxie Insurance Solutions

March 2016

- Choose your tax preparer carefully
- This is not an exclusively *Hispanic* problem

Inside this issue:

- Sanctions Against Medicare Plan **2**
- The Cost of Rapid Refunds **2**
- CMS News **2**
- What's in Your Kid's Lunch Box? **2**
- The Cost of Rapid Refunds **3**
- What's in Your Kid's Lunch Box? (Part 2) **3**
- Life Insurance for Children? Yes! **3**
- The Things We Do for Love **4**

IRS Issues Warning About Affordable Care Scams

The Internal Revenue Service is warning consumers about tax scams involving the Affordable Care Act and penalties imposed under the law on people who go without health insurance. Some tax preparers have told clients to pay Affordable Care Act penalties for remaining uninsured directly to the preparer instead of to the Treasury Department and have

kept those payments, according to the IRS. People with limited English language proficiency are especially at risk for being targeted by scammers, the IRS says. In some cases, tax preparers are not asking the right questions and have told people they owe penalties when they are, in fact, exempt. The creators of these schemes have been targeting taxpayers with limited English

proficiency and, in particular, those who primarily speak Spanish. The health law requires most Americans to have health insurance. For those who flout the requirement, the penalty may be \$695 or more this year.

<https://www.irs.gov/Affordable-Care-Act/Individuals-and-Families/ACA-Consumer-Alert-Choose-Your-Tax-Preparer-Wisely>

Health Insurance: There are NO Deals; There Are Alternatives

More than once a telephone conversation ended with *That's okay; I met this guy and he's going to give me a deal.* There will be no argument, even though there is no deal. Generally, these deals medical discount plans with limited coverage that is not construed as creditable coverage under the Affordable Care Act.

There are, however, *alternatives* to the ACA coverage. Until recently, it was not clear if the alternatives would be sufficient to avoid penalties for not having creditable coverage. There are "health sharing ministries," the members of which are exempt from the federal "tax" imposed on individuals who do not have health insurance.

Their requirements are not mainstream, and generally include a clean and healthy lifestyle, no extramarital sex, and no illegal drugs or alcohol. In other words, not just everyone will qualify. When thinking about alternatives to conventional health insurance, remember to check for proof of exemption pursuant to Section 5000A of the Internal Revenue Code.

“The discipline of gratitude is the explicit effort to acknowledge that all I am and have is given to me as a gift of love, a gift to be celebrated with joy.”

—Henri Nouwen

Have you requested your personal planning guide?

Happy Easter

Sanctions Against Medicare Advantage Plan

U.S. regulators have temporarily banned health insurer Cigna from offering certain Medicare plans to new patients after a probe uncovered issues with current offerings.

The insurer recently disclosed in a public filing that the U.S. Centers for Medicare and Medicaid Services (CMS), had suspended the company from enrolling new customers or marketing plans for

Cigna Medicare Advantage and Standalone Prescription Drug Plan Contracts.

In an enforcement letter, CMS accused Cigna of *widespread and systemic failures*, including the denial of health care coverage and prescription drugs to patients who should have received them.

Members of this sanctioned Medicare Advantage and Prescription Drug Plans are not re-

quired to leave the plan. If they have concerns about denial of coverage and wish to leave their plan, they should contact CMS or an agent for assistance. Members should be aware that they may receive phone calls or unauthorized solicitations to make a change. This is not in keeping with CMS marketing rules.

What’s in Your Kids’ Lunch Box?

The US Public Health Service is promoting public health through campaigns that encourage walking and other physical activity, as well as promote healthy diets, Surgeon General Vivek Murthy said during a visit to the Greater

New York YMCA. For example, the USPHS has worked with public schools to offer fresh fruits and vegetables in lunches, encouraged merchants to raise prices on unhealthy foods while lowering prices for nutritious options, and

supported local efforts to make neighborhoods safer for pedestrians. "The culture has viewed healthy options in food and activity as pain," Murthy said. "We're trying to change that view from pain to preference ."- (continued)

CMS News (Center for Medicare & Medicaid Services)

- Effective 2017, a new rule will help consumers with surprise out-of-network costs at in-network facilities and provide consumers with notifications when a provider network changes.

— The annual enrollment periods for 2017 and 2018 will run from 1 November through 31 January.

- Regarding continuity of care, an insurer will be required to provide written notice to all enrollees who are patients seen on a regular basis by a provider or receive primary care from a provider of discontinuation of that provider 30 days prior to the effective date of the change or otherwise as soon as practicable. In cases where a provider

is terminated without cause, insurers will have to allow enrollees in active treatment to continue treatment until the treatment is complete or for 90 days (whichever is shorter) at in-network cost-sharing rates. The provision is limited to specific cases where the enrollee is in active treatment

The Cost of Rapid Refunds

Do you really need your refund so fast? Have you ever considered the cost? Have you ever considered what you're really getting?

What you're getting when you opt for a rapid refund is a REFUND ANTICIPATION LOAN ("RAL"). This is what it might cost you:

- Check Fee
- Account Processing Fee
- Finance Fee
- Technology Fee
- Refund Estimate Fee
- Tax Preparation Fee
- E-file Fee Bank
- Documents Fee
- Transmission Fee
- Service Bureau Fee

Those fees can add up quickly, to as much as \$1,000!!!

It's best to wait, but if you really, really need the cash now, read the fine print, ask questions, and understand what that quick cash will cost you!



Refund:

\$4,000

RAL fees:

\$1,000

You get:

\$3,000

What's In Your Kid's Lunch Box (Part 2)?

One indication of that cultural shift has been the rise of the private sector programs, like Healthy Chef, that offer healthful meals online. Moreover, the U.S.P.H.S. is encouraging schools to offer fresh fruits and vegetables in

lunch menus, which students are beginning to prefer. The agency has also been supporting local efforts to make neighborhoods more walkable by improving street lighting, which deters violence.

Murthy said the agency

has achieved some success is convincing merchants to lower the price of fruits and vegetables and raise the price of junk food.

Something that was shared with me:

"You are not here merely to make a living. You are here in order to enable the world to live more amply, with greater vision, with a finer spirit of hope and achievement. You are here to enrich the world, and you impoverish yourself if you forget the errand."

— Woodrow Wilson

Life Insurance for Children??? Yes!

Whenever possible, we encourage parents and grandparents to gift their little loved ones with life insurance. To some that seems *icky*— and perish the thought a claim would be made.

However — an affordable policy that is renewable to age 70 (and comes with additional benefits for children of mili-

tary members or first responders), will get children off to a good start. When they're just going out on their own as young adults, it will be one less thing to worry about. Why is this available? I'm glad you asked! Decades ago, President General Dwight D. Eisenhower saw the need for benefits that were not offered

to military members while in combat. From that concern was born an association that now offers benefits not only to military members but to first responders. Some of those benefit offerings have been expanded to include just about everyone.



Have you scheduled your needs analysis?

Hoxie Insurance Solutions

Post Office Box 667506
Houston, Texas 77266-7506
Phone: 713.626.4690
Fax: 713.364.7973
Email: info@HoxieIS.com

*My Business is Taking Care
of Yours — Andrea Hoxie*



The Things We do For Love

You do small things every day to show your love. The small, simple act of preparing for the future can make a big impact on those you love. Now, more than ever, there are more choices in life insurance coverage, even for people with *underwriting* issues. Studies show that 38% of us have not purchased life insurance because of being unsure of how much or what type to buy. There are three main types as a starting point —

- 1. Term Life** - This is generally least expensive type of life insurance. As the word "term" implies, this type of insurance lasts for a certain time period. Generally this is 10, 15, 20 or 30 years.
- 2. Whole Life** - This type of life insurance is different from term insurance in that it is built to last the policy owner's entire life. The other major difference in whole life and term is that whole life builds tax deferred cash value during the duration of the policy (in most cases). That cash value builds differently depending on the type of whole life you purchase.
- 3. Final Expense** - Final expense is built on the whole life platform, so it does build cash value. However, these policies are lower face amounts than traditional whole life, generally maxing out around \$50,000. These policies are a smart and less expensive option for older people who need some life insurance to cover their final wishes, or pay off any debts after they pass in order to keep their children from having to take on that burden. Some policies are available on a guaranteed issue basis, for individuals who might not qualify for certain health reasons.

For more information about life insurance, or to do a needs analysis, contact us.