

ESSENTIALS BY DEBI & JIM BOWMAN

BOWMAN & BOWMAN CONSULTANTS, INC

1700 Alma Rd. Suite 230 Plano, TX 75075 Office: 972-578-5095
Send all mail to: 2701 W. 15th St. #554 Plano, TX 75075

email: debi@bowmanbenefits.com

Total Benefit Services
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www.bowmanbenefits.com

Healthcare Reform Update

On March 23, 2010 the Healthcare reform legislation went into law. It is called the Patient Protection and Affordable Care Act. Although the law phases in over the next 3 ½ years (2014), some components phase in within 6 months of March 23. For the most part, we are waiting for the rules of the law to be issued.

Sometime on or before September 23rd, dependent children can remain on the policy to their 26th birthday. Many insurance companies are implementing this earlier. If you have a dependent who will be affected by this, contact the insurance company for their implementation date.

A new federal high risk pool, only for those currently not on a Risk Pool policy and without insurance for 6 months or more, would be eligible. Expect this to be in place this September.

By September, children under age 18 will be able to enroll in a policy that will not subject them to any pre-existing condition.

Beginning January 2011, all policies will have unlimited maximum benefit. All plans with limited annual benefits will be discontinued. We do not know what this means for college plans for students, which usually have annual and maximum benefits.

The law provides that you can keep your current policy. This means you would not be subject to purchasing one of the new policies authorized by the new law. It is predicted that current policies will be lower in cost than these new policies.

Life Insurance – Is it Needed?

Writing this on Mother's Day reminded me of an event about 10 years ago that had consequences 3 weeks ago. My neighbor approached me about some life insurance. He was 58, married with grandchildren, active and otherwise normal. I put some quotes together for him with various options.

Then, last year he was diagnosed with leukemia. He passed away 3 weeks ago. Thinking of his widow on this day, also a friend, mother and grandmother, I thought how I would deliver to her the death benefit check from the life insurance company for \$250,000 (the requested quote). It would not replace him, but she would have a financial legacy for her and the family to move forward with. It would pay off their bills, provide funds for her to live on and if desired, money for the grandchildren's education.

The cost for the 20 year term policy was \$130 per month (preferred rate) or a total of \$15,600 for the past 10 years. Sadly, he did not purchase the policy.

Are you leaving a financial legacy? Where will the money come from if the income earner in your family dies? Was the life insurance needed?

Office Closed on Fridays

Beginning Friday May 28, our office will be closed every Friday until September. Any needs about your insurance plan can be directed to the insurance company. The membership number is on your ID card or visit the insurance company website or logon to your online account.

If you leave a voice message or send an email, these will be replied to on Monday.

H.S.A Funding Update

For 2010, the H.S.A funding maximums have changed as listed below.

H.S.A plan with a single member, the maximum funding is \$3,050. H.S.A plan with two or more members, the maximum funding is \$6,150

For those that turn 55 this year, you can fund an additional \$1,000 (the catch-up provision).

2010 funding must be completed by April 15, 2011.

Short Term Health Policy Option

With graduation season here, many dependents are forced to be removed from their dependents group health plans. Unless the graduate has a job with group benefits or purchased an individual policy, one option is get a “Short Term” temporary policy.

These policies can be effective the day after application is done, cover a period of 1 to 6 months, cost less than a regular policy, but do not cover any pre-existing conditions.

These temporary policies are just right when helping keep a person insured, whether between jobs or transitioning to a new policy.

Importantly, these policies can preserve not being subject to pre-existing conditions. Short term policies are considered creditable when considered for the waiver of time towards a pre-existing condition when going from one policy to another.

Member Account Registration

We **strongly encourage** each member who has a health insurance policy register online with that insurance company (see websites listed below). This is where you can see your personal account information, including billing information and claims. You can also print temporary ID cards.

When we are asked to look into a claims issue, this is where we need to go to see the claims activity and Explanation of Benefits (EOB) forms, which show how the claim was processed. **When registering, use an ID and Password you can share with us**, otherwise you will need to be present if you want us to look at your claims or account.

Websites of Interest

www.aetna.com – Aetna insurance company member website

www.eams.com – AMS insurance company member website

www.bcbstx.com – Blue Cross & Blue Shield insurance company member website

www.myrxhealth.com – Blue Cross & Blue Shield prescription member website

www.mycigna.com – Cigna insurance company member website

www.humana.com – Humana insurance company member website

www.myuhc.com – United Healthcare insurance company member website

www.newlifestyles.com – List of state licensed senior living facilities at New Lifestyles website.

This newsletter intends to offer factual and up-to-date information on the subjects discussed, but should not be regarded as a complete analysis of these subjects. Professionals should be consulted before implementing any option presented. It is meant for informational use only.

This is a Christian business based on the teachings of the Bible, with a strong belief in the Holy Spirit. We believe that God has blessed each of us and assigned us the task of stewardship during our lifetime. All efforts are focused towards this walk. As it is written, “Minister to one another, as good stewards of the manifold grace of God” 1 Peter 4:10