

ESSENTIALS BY DEBI & JIM BOWMAN

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Total

Benefit

Services

GAP Plans

We have been asked more and more lately, “What are GAP plans and how can they benefit us?” The question can be answered in two ways. They are available to small group health plans and to those with individual health plans.

For those companies that have group health plans, the plan designs of late have increasingly higher deductibles for each member. Bottom line is that each employee must spend more of their own money for health care expenses. One solution is for the employer to purchase a “Gap” plan, which pays the employee back for expenses that fall within the GAP plan benefit up to the limit of the Gap plan. Some Gap plans even reimburse the office visit co-pay.

The cost for these plans is much lower per employee than going with a lower deductible health care plan. This saves the employer money and the employee’s net out-of-pocket expenses equal those of lower deductible plans.

These plans can be set-up so that the employee pays some or all the cost. There are also many other voluntary (ie. employee paid) supplemental plan options available to employers such as life insurance, disability and dental or vision. When combined with a Section 125 plan, these voluntary benefits can be purchased by the employee income tax and FICA tax-free. The cost is also FICA tax-free to the employer.

For those with individual health plans there are several different types of Gap plans. These include cancer and critical illness.

Small Group Health Plan Employee Enrollment

When a full time employee is hired (works 30 or more hours per week) the employer must offer them coverage in the group health plan within the (open) enrollment waiting period, established by the employer when the group plan was setup. This includes getting a signed waiver should the employee not wish to join the plan due to cost or coverage elsewhere.

No employee or dependent can join the plan during the plan year if they missed the open enrollment unless they lose coverage elsewhere, or have a change in status, (ie birth or marriage).

There are NO exceptions to this.

Healthy Habits for Healthy Kids

Unicare has donated 500,000 copies of a new brochure called “Healthy Habits for Healthy Kids” to Texas elementary schools to help show parents how a family can eat together and be active together. It helps to identify areas where families can do better. Produced along with the American Dietetic Association this brochure and website contain valuable information for children and parents to help learn lifetime good dietary habits and try to reverse the trend in overweight kids.

The brochure and interactive quiz can be viewed online at:
www.unicare.com/bus_unit/healthyliving/healthyhabits/index.html

Going Over-the-Counter

Drug companies are working with the Food & Drug Administration (FDA) to get some of the older Cholesterol medications to be sold over-the-counter such as is done in Britain. The decision to let some of these medications be sold without prescriptions is coming hopefully by the end of the year.

These statins help limit the buildup of artery clogging fat deposits, and get reduce the risk of heart disease by one-third.

With heart disease as America's number 1 cause of death, this is seen by many as a positive step towards getting medication to more individuals who are at mild to medium risk. These are the people who are likely not to see a Doctor for treatment, yet would benefit from the medication.

Of course, a good diet and exercise routine are essential for overall health. Drugs are not the complete answer.

Life Insurance

The need for life insurance has never been greater. There are many one-income families raising children and relying on one source of income to sustain their lifestyle. Should the "bread winner" die, where will the money come from to sustain the remaining family members? Life insurance fulfills this role.

Assume a life insurance policy with a \$250,000 death benefit. The surviving spouse would get this amount income tax free. Assuming this money were invested at a fixed rate of 6%, this would yield \$15,000 per year (and income taxable) without withdrawing any principle. Could your family survive on \$15,000 a year without dramatically changing their lives, such as the surviving spouse having to go get a job. Who would watch the kids? Where will the money come from for college or other activities? Where will the money come from to pay the mortgage? Car payment?

Take your current income and divide by .06 and you will have the amount of life insurance needed to replace your income (assuming a 6% rate of return). For example, to replace \$50,000 of income, it would take \$833,333 of death benefit.

Term insurance for 20 years is often the most effective way (and best value) to accomplish this. It is much less expensive than cash value life insurance (ie. Whole Life or Universal Life). Once the children are finished with their education needs or the home is paid for, the need for this amount of insurance normally decreases. This is where cash value life insurance comes in. It is designed to last your whole life and will pay the benefit to your beneficiary when you die.

Another feature (rider) of current life insurance policies is when a policy owner is diagnosed as terminally ill, the policy will pay half the death benefit (up to some preset amount) to help pay the final years expenses. There is no cost for this rider.

Eating Peanuts

Eating a handful of peanuts or one tablespoon of natural peanut butter 5 times per week protects against adult onset diabetes. Peanuts are high in unsaturated fat, fiber and magnesium, which help improve insulin sensitivity and glucose metabolism and lower cholesterol levels. Peanuts are also helpful in the prevention of vision loss in later years.

Avoid peanut butters that are not labeled as natural, as they contain artificial ingredients not easily processed by the body. In addition, many additives in package foods build-up in the body, which can later cause increased health risks.

Prescription Assistance

Pharmaceutical companies provide drugs free or at low cost to those who qualify. Income is the usual criteria, but circumstances such as a critical or catastrophic illness are considered.

Prescription Assistance Services for Seniors (PASS) handles paperwork between you, your doctor and the pharmaceutical company. Call 800-727-7479 or visit www.pass4rx.com to see if you or someone you know qualifies. The website has enrollment and qualification information.

You do not have to be a senior citizen to participate.

Serenity

A recent survey found out that those who give thanks have more serenity in their lives. People who are grateful for what they have, such as family, health and friends (the top 3 reasons), are less prone to depression and anxiety.

Another study suggests that we need to take more care of our inner selves. Our lives are so busy doing things, that taking time for relaxation, contemplation and enjoyment is negated. We need to set aside time to nurture ourselves so our self can be healed, empowered and sustained. It will do your spirit a world of good.

TEXAS State Quarters

Did you know you can get uncirculated Texas State Quarters for free. All you need to do is pay for postage (3 stamps). Simply write to US Montetary Exchange, FREE Coin Dept. TX202, Southern Dist. Center, Special Drawer 3678, US Postal Zip 44309-3678.

Enclose a piece a paper with your name and address and enclose 3 first class postage (.37) stamps with adhesive backer still on (do not stick or staple to the paper). Limit 1 per household (or mailing address).

Need Eyeglasses

Currently LensCrafters is offering \$100 off glasses including prescription sunglasses.

Prescription Description

Are you currently taking any prescription medication? Do you know the true cost of the drug you take? Do you know what's in the medication? Are there any side effects? What it treats? How it treats the disorder? Do you know the generic alternative?

One of the easiest ways to access this information is to use Costco's website. Go to www.costco.com and click on pharmacy. Then choose what you need to know about the medication you are taking. There is no cost to use the this informative website.

Insurance Company Websites

Did you know you can monitor your account online with the insurance carrier you have your policy through? If you have not done so, go online and register yourself so that you can access all the information available to you.

One of the best features is the monitoring of filed claims. You can check on the status when you want it versus waiting to get the EOB (Explanation of Benefits) form in the mail.

There is more information on the site that may benefit you as well, such as disease management or news that effects the plan you have.

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Total Benefit Services

Have a new email? If so, please send it to us so we can update our files.

Web-Sites of Interest

www.socialsecurity.gov/coa/ - For those who are receiving this benefit, go online to change your address or phone number without needing a PIN or password.
www.kff.org/consumerguide/TX.cfm – A consumer guide to handling disputes with group or individual health plan.

Canadian Prescriptions

We have been made aware of 3 different on-line Canadian prescription drug plans. This may be the place to purchase your prescriptions at a cost less than buying in the US either at the pharmacy or by mail. Savings vary by drug and so you must go on-line or call toll-free to see if it works for you.

www.crossborderpharmacy.com or 1-888-626-0696 www.tcds.com or 1-888-372-2252
www.thecanadianconnection.net or 1-800-498-8425

This is a good option for those without a prescription drug plan, such as those on Medicare, those with riders for certain conditions or for those who do not have any drug benefit at all.

Fall 2004 Class Schedule

Tuesday, October 26 – Plano Senior Center 10am – 11:30am
Medicare and Long Term Care

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