



# SENIOR LIVING

## Do You Owe Taxes on Social Security?

One of the perks of retirement for many seniors is not having to pay taxes any longer ... except when we do. And sometimes when we discover that we have to pay taxes after all, it's a tough situation.

According to a Social Security assistant deputy commissioner in a recent newsletter, one-third of seniors receiving benefits have to pay taxes because of disability and survivor benefits, as well as income that is in addition to Social Security.

You'll need your benefit statement (Form SSA-1099), which you likely received in January, to calculate whether you need to pay taxes. This document is similar to a regular Form 1099 in that it's used to send information about your income to the Internal Revenue Service. The amount listed is what you received the previous year.

Specifically, if your benefits and any additional income exceed \$25,000 (or \$32,000 for a married couple filing jointly), you'll have to pay tax. Depending on your income, you might be taxed on up to 50 percent of your benefits. You'll never pay taxes on more than 85 percent of your Social Security benefits.

If you didn't get your benefits statement in the mail or have misplaced it, there are two ways to find out the amount of your benefits. You can go to your My Social Security account (if you don't have one, you can open one online) and select "Replacement Documents" to get a new form, or you can call Social Security at 1-800-772-1213 and ask that one be sent to you.

Even if you don't have to pay federal taxes on your Social Security benefits, beware of state taxes. There are more than a dozen states that may tax that income.

## Virtual Medicare

Seniors are clipping along at a fast rate when it comes to being involved in new technology. However, just because new things are available doesn't mean we should participate until we check them out.

Tele-visits for medical problems are one of those areas

where the idea might be better than the actual execution. For someone who's ill, however, and can't get a same-day appointment with the doctor, the idea of going online for medical care might be appealing.

A recent study looked at the results of telephone, webchat and videoconference medical visits to test the level of care

and the accuracy of diagnoses. The illnesses were limited to fairly simple complaints such as lower back pain, sore throat, sinus infection and strep throat. Nearly 600 "virtual" online medical visits were made to eight websites, and the results were checked.

Here's what researchers came up with:

\* Doctors asked the correct medical history and did physical exams 69 percent of the time.

\* Patients were given the correct diagnosis 76 percent of the time.

\* Out of 101 complaints of ankle pain, only 17 recommended X-rays.

\* Only 83 patients were referred to a health provider, and that was because follow-up care could not be provided on a website.

\* Researchers found no big difference between the methods of communication, such as vid-

eoconference versus telephone.

Before you decide to use an online site for medical care, determine whether your Medicare Advantage plan will pay for it. Some of them will. If you have an online medical visit, have your file and diagnosis forwarded to your regular doctor.



## Social Security Strategies Change

Starting in May 2016, there are some changes to Social Security that will eliminate strategies seniors have used to maximize benefits. Unlike what some doom-mongers have said, Social Security isn't going away, our benefits aren't being cut ... there's nothing radical going on here.

Tucked into the Bipartisan Budget Act of 2015 was language that covers three strategies many of us have used in collecting Social Security:

1) File and suspend -- In this strategy, the full retirement-age spouse (age 66 for those born between 1943 and 1954) filed for benefits and then immediately suspended them. The other spouse then claimed spousal benefits while the initial benefits accrued for years at an 8 percent annual increase.

No more. Now if one spouse files, he or she must take those benefits or the other spouse can't claim spousal benefits.

2) Restricted application -- In this strategy, the retirement-age spouse filed for spousal benefits, but didn't collect his or her own benefits, letting the personal benefits sit for years and accrue.

Per the new rules, you can claim one or the other, spousal or personal benefits, but not both. You get the larger of the two, with no changing back and forth, and no deferring benefits until age 70.

3) Suspended benefits -- In this strategy, the recipient filed and then immediately suspended payments. If these benefits were suddenly needed down the road, he or she could collect them in a lump sum, but not at the higher

monthly rate that the extra time would have afforded.

Per the new rules, there will be no lump-sum payment. Monthly payment will be made at a higher rate.

If your future retirement plans included any of the above strategies, consult with your financial adviser about alternative options.

## How Healthy Is It Where You Live?

The Centers for Medicare & Medicaid Services has unveiled a new online mapping tool to show the levels of health in various parts of the country. Medicare beneficiaries are grouped by geographic location, race, health outcomes, sex, age and more. Eighteen health conditions are defined, as well as use of hospitals and emergency rooms, rate of readmissions and mortality rates. The best feature is that the mapping tool can even be broken down into the county level of each state.

While the map developers planned to use it to identify areas where there are problems (below-average health because of lack of access to health care, for example), the tool is also a good way for us to compare our own health to those around us and around the country.

To use the map, go online to [www.cms.gov](http://www.cms.gov) and put Mapping Medicare Disparities Tool in the search box. Then click Get

Started. Using the dropdown list, put in your parameters. Select year, state or county, condition, sex, age, race and more. At that point you have a choice: You can either click Download or mouse over the various states or counties, depending on which you selected. (If you chose the county level, you can expand the screen to make it easier to see.)

For more help, you also can click the Quick Start Guide.

Under Other Resources (below the Get Started button), look for County Health Rankings and Roadmaps, and click on your state. You'll find rankings for your county for health factors and outcomes.

If you haven't retired and plan to move, this tool can help you decide if the areas you've considered living are more or less healthy than where you currently live.



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