



P E R S P E C T I V E S

Summer 2019 Newsletter

Welcome Letter
Wealth Advisors' Corner
Ask a Wealth Manager
The More You Know
Ullmann Brown Updates

SAVE THE DATE

Thursday, September 26, 5 pm

Redefining investment Advice

Weston Wellington, Vice President of Dimensional Fund Advisors, will be our guest speaker at this engaging special presentation. More information at www.ullmannbrown.com/events.



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WEALTH ADVISORS

W E L C O M E L E T T E R

Dear Friends,

Welcome to **PERSPECTIVES**, our redesigned Ullmann Brown Wealth Advisors' newsletter. We hope you enjoy the updated format. These changes are intended to create a more engaging, informative, and easy-to-read publication.

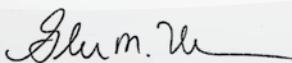


Each quarter, **PERSPECTIVES** will include the following sections:

- **Welcome Letter.** A member of our wealth management team will share his or her insights here.
- **Wealth Advisors' Corner.** This portion will address an important topic that may be important to your overall financial health. This issue focuses on Medicare and how Medigap (Supplement) choices are changing.
- **Ask a Wealth Manager.** This part of the newsletter will highlight typical questions our team hears from our clients.
- **The More You Know.** A general story to help educate our readers on a variety of topics.
- **Ullmann Brown Updates.** This section highlights happenings around our office. It may include anything from personnel news to technology updates. Check out this section to learn about our first company book club that was held in July.

On behalf of our entire team, enjoy the rest of your summer.

Sincerely,



Glenn Ullmann

Wealth Advisors' Corner

How Medigap Choices Are Changing

Plan F is fading away, and Plan G may gain more popularity. Soon, two types of Medigap policies will no longer be sold. Seniors who enroll in Medicare in 2020 or later will be unable to buy Medigap Plan F or Plan C. These are the two Medicare Supplement policies that cover Medicare's Part B deductible (currently \$185).^{1,2}

This change impacts new Medicare enrollees. If you already receive Medicare and you already have Plan F or Plan C coverage, you can keep that coverage after 2019.¹

What if you are eligible for Medicare before January 1, 2020, but not yet enrolled? If that is the case, then "you may be able to buy one of these plans," according to Medicare.gov.¹



Some journalists and health care industry analysts are speculating that a high-deductible Plan G could appear in 2020, in response to the phasing-out of the high-deductible Plan F.³

Why do people like Plan F? Plan F is basically a "Cadillac plan": it is

not cheap, but it lets you see any doctor or hospital that accepts Medicare patients, and the upfront cost is the total cost. With Plan F, you are not surprised by subsequent requests to pay a deductible, a copayment, or coinsurance.⁴

How does Plan G differ from Plan F? While both plans provide similar coverage, the major differences are about dollars and cents. Plan G asks you for the \$185 Part B deductible; Plan F does not. Premiums also differ notably. According to Weiss Ratings Medigap, which tracks the cost of Medigap policies, the average 2018 premium for a Plan F policy was \$2,204. The average 2018 premium for a Plan G policy? Just \$1,786.⁵

What will happen to Plan F and Plan G premiums in the 2020s is hard to say. Plan F premiums may jump because the supply of 65-year-olds buying Plan F will be abruptly cut, leaving an older and less healthy population to cover. Plan G premiums could rise also because a Medigap plan must accept new enrollees by the terms of Medicare regardless of how healthy or ill they may be. The current Plan G deductible might significantly increase as well.⁴

Do you think you might switch out of one Medigap policy to another? That move may be harder to make once 2020 rolls around. If it has been more than six months since you enrolled in Medicare Part B and you want to switch Medigap plans or supplement traditional Medicare with one, some Medigap insurers in certain states may exercise their right to charge you more in view of pre-existing health conditions and even turn you down. As Kiplinger notes, some states may intervene and pass consumer protections for people who currently have Plan F policies.⁵

This material was prepared by MarketingPro, Inc.

1 - [medicare.gov/supplements-other-insurance/how-to-compare-medigap-policies](https://www.medicare.gov/supplements-other-insurance/how-to-compare-medigap-policies) [6/24/19]

2 - [kiplinger.com/article/retirement/T039-C001-S003-medicare-premiums-deductibles-2019-part-b-part-a.html](https://www.kiplinger.com/article/retirement/T039-C001-S003-medicare-premiums-deductibles-2019-part-b-part-a.html) [8/10/18]

3 - [benzinga.com/general/health-care/19/01/13052659/whats-known-so-far-about-the-changes-coming-to-medicare-in-2020](https://www.benzinga.com/general/health-care/19/01/13052659/whats-known-so-far-about-the-changes-coming-to-medicare-in-2020) [1/29/19]

4 - [reuters.com/article/us-column-marksjarvis-medigap/medicare-supplement-plans-are-changing-what-you-need-to-know-idUSKCN1LZ18F](https://www.reuters.com/article/us-column-marksjarvis-medigap/medicare-supplement-plans-are-changing-what-you-need-to-know-idUSKCN1LZ18F) [9/19/18]

5 - [kiplinger.com/article/retirement/T039-C001-S001-two-medigap-plans-to-be-phased-out.html](https://www.kiplinger.com/article/retirement/T039-C001-S001-two-medigap-plans-to-be-phased-out.html) [8/10/18]

Ask a Wealth Manager

A Lifeboat Drill – How Much Longer can the Stock Market Continue on its Winning Streak?

By Glenn Ullmann



The bull market that began in March 2009 is the longest up market since WWII. Many of our clients ask “How much longer can the stock market continue on this streak?” Our response is we don’t know the answer and you shouldn’t believe anyone who claims to know. If you are feeling nervous, however, it is a good time to remind you of the disciplined process we have in place when a market downturn occurs.

Nick Murray, a financial writer whom I have been reading for a good part of my career, calls this a “Lifeboat drill”. If you have ever taken a cruise, you know that before a ship leaves port, you are taught what to do in case of an emergency. The idea is that by training all of the passengers in advance, they won’t panic if they find themselves in danger during their journey.

Remember that everything we do is based on your wealth management plan and what rate of return is required, over time, to accomplish your life goals. When the market starts taking on water, the great companies of the world go on sale. In a broadly diversified portfolio, that may be the time to buy. As the market increases in value, that is the time to trim equities and rebalance into fixed income and cash. As Warren Buffet put it, “Be greedy when others are fearful and fearful when others are greedy.”

We regularly monitor our clients’ portfolios to ensure that they are rebalanced and reallocated according to each client’s individualized plan. Although nobody likes to see their investment statements decline from one period to the next, rest assured that those pullbacks are a healthy part of increasing your wealth and strengthening your financial future. As history has shown, declines are temporary but advances have proven to be permanent.

We hope this “Lifeboat Drill” will help you should the markets encounter any rough seas.

Feed the Positive Dog



A man travels to the village to speak to the tribe’s wise man who resides there. He says to the wise man, “I feel like there are two dogs inside me. One dog is positive, loving, kind and optimistic and then I have this fearful, pessimistic, angry and negative dog and they fight all the time. I don’t know who is going to win.” The wise man thinks for a moment and responds, **“I know who is going to win. The one you feed the most. So feed the positive dog.”**

The More You Know

More Rest, Less Stress

Getting more sleep appears to be good for your heart as well as your mind. A new study directed by researchers from the University of Arizona sees a link between better sleep at night and lower blood pressure the following day.

This study gave out blood pressure cuffs to 300 adults aged 21 to 70 who had no history of heart problems. The cuffs took the blood pressure of these adults every 45 minutes over two consecutive days. Additionally, the study participants wore wrist monitors tracking movement, which helped to assess what the researchers called their “sleep efficiency.” Those who had restless nights also had higher blood pressure readings the next day (in medical terms, higher systolic blood pressure), a phenomenon not notable in those who had slept well. To encourage a good night’s sleep, the study recommends some basics: keeping light from the sunrise-in-the-east out of your room and leaving your smartphone in another part of your home. As the study’s lead author noted, “Blood pressure is one of the best predictors of cardiovascular health.”¹

This material was prepared by MarketingPro, Inc.

1 –marketwatch.com/story/one-easy-way-to-reduce-high-blood-pressure-and-help-reduce-risks-of-heart-attacks-cardiovascular-disease-and-strokes-2019-06-05 [6/5/19]

Ullmann Brown Updates



Pat Kilbane appointed Chair of Northeast Regional Council for Leadership Florida!

Pat Kilbane, Wealth Manager, JD & CDFP, was recently appointed Chair of the Northeast Regional Council for Leadership Florida. Leadership Florida is made up of a community of committed leaders who take a statewide view of our state and work together to identify and create a better

Florida. Participants are selected after a competitive application process, and then meet regularly throughout the year to brainstorm and connect. Leadership Florida was founded in 1982 and today counts over 800 members as its graduates. Congratulations Pat!

Ullmann Brown Book Club

We have a lot of readers in our office and have been recommending books in our newsletter over the past couple of years. In July, we had our first internal book club and discussed *The Third Door* by Alex Banayan. This engaging read tells the story of a USC Student who, uses earnings won on *The Price is Right*, to fund his quest to discover how some of the most successful people got to where they are today. You might enjoy reading this book as well.



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