

Retirement In Sight

MONTHLY NEWS AND INFORMATION FOR CURRENT AND FUTURE RETIREES
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QUOTE OF THE MONTH

“Each day is the scholar of yesterday.”

PUBLILIUS SYRUS

CAN YOU STAY ON A COMPANY HEALTH PLAN AFTER AGE 65?

Generally, Medicare is available for people age 65 or older; this is well-known. What is less well-known is the fact that some companies can legally cancel group health insurance for a worker reaching this milestone. Baby boomers who aspire to keep working into their mid-sixties may want to take note of this.

The key factor here is the size of the workplace. A business with fewer than 20 employees can either choose to stop group health coverage for a worker at age 65, or let the employee stay on the plan with the recognition that his or her Medicare benefits will take precedence over the group coverage. When a company has 20 or more employees, it has a legal responsibility to offer the same group health insurance to all of its workers, regardless of how old or young they are. That said, the employer may require an employee to work a certain number of hours per week to maintain his or her group health benefits; if the employee cannot meet that criterion, then eligibility for group health coverage may be lost.¹

BABY BOOMER TREND: SCALING BACK ON SWEETS

Roughly half of baby boomers are cutting down on their sugar consumption, according to the findings of a new white paper from Innova Market Insights (IMI), a food and beverage industry research firm. Innova reports that about 40% of Americans born during 1946-64 say they are reducing the amount of sweet snacks they eat. This dietary shift is not exclusive to baby boomers. In 2017, per-capita consumption of sugar and caloric sweeteners fell for the third straight year in the U.S.

The Food and Drug Administration notes that sugar accounts for about 13% of daily caloric intake in this country, so lessening the amount consumed per day is only wise given sugar's link to diabetes and its association with weight gain and obesity. As IMI notes, boomers go lightly on ice cream, desserts, candy bars, and chocolate compared with other age groups, but consume more bakery treats, breakfast cereals, and yogurt, all of which can contain sizable levels of sugar. Manufacturers are taking notice and rolling out low-sugar yogurts, cereals, and baked goods in response to changing diets and changing times.²

ON THE BRIGHT SIDE

In its 2019 *How America Saves* study, investment manager Vanguard notes that the average workplace retirement plan account grew by about 4% in 2018, even with the S&P 500 having a negative year. Increased participant contributions were a big factor.³

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CITATIONS.

1 - nerdwallet.com/blog/investing/need-know-working-retirement [6/4/19]

2 - fooddive.com/news/half-of-baby-boomers-are-limiting-sugar-consumption-study-finds/555495/ [5/30/19]

3 - cnbc.com/2019/06/12/americas-retirement-accounts-are-growing-but-not-fast-enough.html [6/12/19]