

Volume 11, Issue 3

March 25, 2016

**MARCH ISSUE**

**Inside This Issue:**

Medicare To Pay For End-Of-Life Talks With Doctor 1-2

White House & Congress Take Action To Increase Participation In Retirement Plans 1-2

**White House & Congress Take  
Action To Increase Participation In  
Retirement Plans**

**Medicare To Pay For End-Of-Life  
Talks With Doctor**



For the first time, Medicare will pay this year for a conversation with your healthcare provider about your end-of-life care. When Congress attempted this coverage six years ago, it was met with charges that such conversations would result in “death panels.” Yet polls show that a majority of Americans want to talk to their doctors about their options and preferences as they approach the end of their lives.

Under the new rule, Medicare pays \$86 for the first 30 minutes of “advance care planning” in a doctor’s office and \$80 for the service in a hospital. In both settings, Medicare will pay up to \$75 for 30 additional minutes of consultation. If the discussion takes place during your annual wellness visit, it is considered a preventive service and the patient’s coinsurance and deductible are waived.

*Continued on next page*

A recent study indicates that a majority of American households may not be able to maintain their standard of living after retirement and that the current private pension system is not working well enough to avoid the problem.

A Joint Committee on Taxation study identified several major impediments to retirement savings:

- ♦ Lack of access to workplace plans
- ♦ High costs of starting and maintaining plans especially for small employers
- ♦ Low employee coverage and participation rates
- ♦ The lack of lifetime income options
- ♦ The use of savings before retirement also known as leakage

Key policy goals to remedy these shortfalls include increased access, participation and contribution levels; reduced leakage of account balances; and the promotion of a greater number of lifetime income options.

**Multi-employer plans**

The White House and Congress both support the use of open multiple-employer plans (open MEPs) to increase access to retirement plans. Unlike current law, open MEPs would be available to unrelated employers, without requiring the employers to have a “common bond.”

*Continued on next page*



Medicare To Pay For End-Of-Life Talks With Doctor...continued from page 1

Ideally, end-of-life conversations would cover a range of concerns, including understanding the patient's prognosis and goals. Do you want everything done that would keep you alive, such as chemotherapy or CPR, even if it doesn't meet your wishes for your end of life? Be specific about treatments and interventions you do and do not want.

### Benefits of the Conversation

Communication with your healthcare provider can help ease your fears, minimize pain and suffering and enable you and your family to experience a peaceful passing. Those who are dying often have many fears of pain, abandonment and the unknown. Experts say by talking to your healthcare provider, your end-of-life care can become an experience of choice rather than passivity and of empowerment rather than powerlessness.

Studies have shown that advance-care planning improves the patient's quality of care because it's targeted to what the person wants. Directed treatments can reduce the costs of medical interventions that the patient either doesn't want or doesn't need.

Once you've had the conversation with your doctor, follow up with your family and close friends to let them know your preferences so they can honor your wishes. †

White House & Congress Take Action To Increase Participation In Retirement Plans...continued from page 1

These pooled retirement plans can offer retirement benefits with lower costs and fewer burdens than if employers had to offer separate plans.

Another proposal is to open retirement plan access to long-time part-time workers. The White House also proposed to offer tax cuts to employers that offer more generous plans or that provide automatic enrollment for their employees. In addition, the White House would like to increase the portability of retirement benefits so that employees can more easily move plan accounts and benefit as they shift jobs, and can consolidate workplace benefits with private IRA accounts.

Open MEPS would be particularly useful for smaller employers. These plans could offer automatic enrollment of employees with employee contributions, ease of movement between employers without having to move funds out of the MEP, and distribution options that include lifetime annuities. Participation could be limited to small employers (100-500 employees), who have the greatest coverage gap.

### Greater participation

The White House has indicated that half of workers at firms with fewer than 50 people, and more than  $\frac{3}{4}$  of part-time workers, have no access to retirement plans, compared to 89 percent of workers at larger firms that do provide retirement plans. The administration estimates that its proposals would provide an additional 30 million people with access to workplace plans. †



You can e-mail us at  
[Kathleen@MCampbellCPA.com](mailto:Kathleen@MCampbellCPA.com)  
 to receive your newsletter by  
 e-mail!