

"In the overall scheme of success, being self-disciplined is the most important trait you must possess." – Robert Stevenson



## IN THIS ISSUE

PPACA COMPLIANCE	PG. 1
WELLNESS INFORMATION	PG. 2
MARKETPLACE UPDATES	PG. 3
401(k) INFORMATION	PG. 4

## CHILDHOOD OBESITY RATES SEE FIRST DECLINE IN YEARS

A recent study of 40 U.S. states illustrated a decline in childhood obesity. States such as Florida, Georgia, Missouri, New Jersey, and South Dakota showed a decrease of over 1% in children aged 2 to 4. At least 13 other states also showed improvement in this age group.

The Centers for Disease Control and Prevention (CDC) produced the report, indicating this is the first good news in decades. CDC director Thomas Frieden states, "Now, for the first time, we are seeing a significant decrease in childhood obesity."

Despite these encouraging improvements, childhood obesity still affects 1 in 8 preschool-age children with higher rates among Hispanic and African-American children. Obese children are five times more likely to remain overweight as adults. They may also be at greater risk of high cholesterol, high blood pressure, and mental illness.



Taking practical steps to incorporate healthy eating and active living in the lives of children can help curb the risk of childhood obesity. These would include things like limiting sugary snacks and time watching television. Parents are encouraged to take an active role in helping their children develop healthy habits now that will remain with them into adulthood.

## WHAT IF SOMEONE DOESN'T HAVE COVERAGE?

### What happens if someone doesn't have medical coverage as of January 1, 2014?

If you don't have minimum essential health coverage, you may have to pay a fee starting at the greater of 1% of your annual income or \$95. In 2016, it increases to 2.5% or \$695 per uncovered adult. For children, it's \$47.50 per child. That's \$285 for a family of four.

### How does someone know if they have minimum essential coverage?

If you are enrolled in:

- Any Health Insurance Marketplace Plan
- Any Individual Health Plan
- Any Employer Plan (including COBRA and Retiree Plans)
- Medicare/Medicaid
- The Children's Health Insurance Program (CHIP)
- TRICARE (for veterans and veteran families)
- Any other qualifying plan

### How does someone pay this fee?

When you file your federal income tax in 2015, there's a section to include the fee payment.

### Is anyone exempt from this requirement?

If you have very low income, you may qualify for a waiver.

### Why is this fee in place?

If you receive expensive medical care, but don't pay for it, everyone else ends up covering the bill. With the new laws in place, it will allow everyone to take responsibility for their own health care.

### Does paying the fee entitle someone to health insurance?

No, you will still be responsible for 100% of your health care needs.

### How can someone avoid this fee?

You have until March 31, 2014 to enroll under the Health Insurance Marketplace, unless you have a qualifying event like marriage or childbirth. Otherwise, you will have to pay the fee and wait until the next Open Enrollment period. If you were only uninsured for under 3 months during the year, not required to file taxes, a member of a federally recognized Indian tribe or a recognized religious sect, you can apply for an exemption for any of these and possible more situations.

## WELLNESS

### BLOODLESS SURGERY

Bloodless surgery, or blood conservation, is a practice that uses no blood products during surgery. Techniques are used before, during, and after surgery to reduce the loss of blood and eliminate transfusions. While this is a new concept to many patients, more facilities and physicians are embracing it. In addition to being an option for patients who object to transfusions on religious grounds, bloodless surgery has many benefits.

Blood transfusions require hospitals to buy, store, process, and test blood. This is expensive and the price has risen in recent years due to stricter screening procedures. Doctors have estimated that the cost is reduced by almost 25% when bloodless surgery is utilized.

Bloodless surgery reduces the patient's risk of post-transfusion infections. It also avoids the risks of allergic reactions, contaminations or receiving the wrong blood type. These types of complications arising from transfusions can keep patients in the hospital longer than what would otherwise have been necessary. Research has also shown that patients who receive bloodless surgery have fewer heart attacks or strokes in later years.



While bloodless medicine can be more challenging than other methods, it has been successfully utilized even in emergencies and major procedures such as open-heart surgery or liver transplants. Modern medicine continues to strive to meet the growing demand for this type of care.

Blood conservation can be a safe and smart way to cover all your bases should you need medical care. Keep informed on all of your options and discuss them with your physician.

### FOOD SAFETY AND PREVENTING FOOD BORNE ILLNESS

The CDC estimates that approximately 1 in 6 Americans are affected by food borne illnesses each year. Hospitalization was required for 128,000 of these cases. Is this preventable? How can you be sure that your food is safe? By following the practical suggestions below, you can minimize the risk for you and your family:

#### When at home:

- Always wash your hands, utensils, and surfaces thoroughly before and after handling food.
- Wash fruits and vegetables, even if you peel them as bacteria can spread from the outside.
- Keep raw meat, poultry, seafood, and eggs separate from other foods.
- Cook food to the proper temperature using a meat thermometer.
- Refrigerate food promptly from the grocery store or when storing leftover food.
- Thaw or marinate foods in the refrigerator, *never* on the counter or in the kitchen sink.
- Do not eat any food that has been dropped on the floor or other dirty surface.

#### When at the store:

- Bag raw meats, poultry, seafood, and eggs separately from other items.
- Don't buy expired, ripped, or leaking items.
- Pick up cold foods last to minimize the length of time they are out of the refrigerator or freezer.

#### When eating at a restaurant:

- Only eat foods that are served hot. If not, it may have been sitting out, which can lead to growth of bacteria.
- Do not eat meat, poultry, seafood, or eggs that are undercooked.
- Make sure neither the cook nor the wait staff is touching cooked food with bare hands.

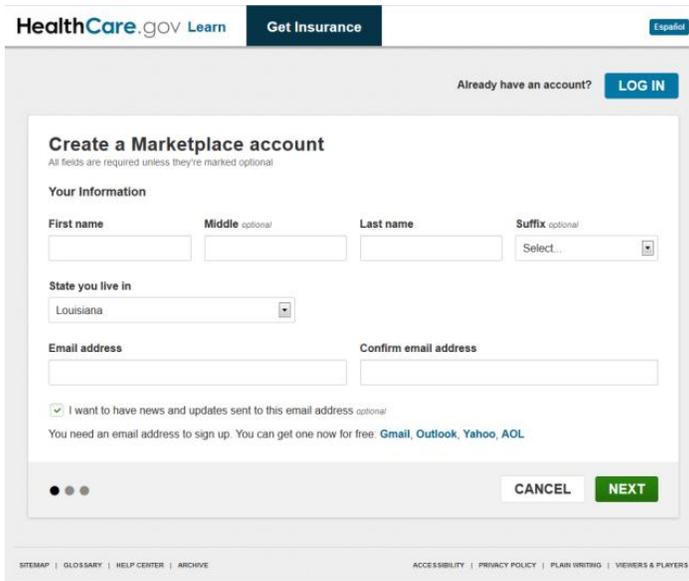


## MARKETPLACE UPDATES

### HEALTH INSURANCE MARKETPLACE: PERSONAL ACCOUNTS DEBUT

Health and Human Services Secretary Kathleen Sebelius says, "We are on target and ready to flip the switch on October 1."

As of Monday, August 5, 2013, consumers in most states can open a personal account which will be used for choosing a health insurance plan under the Affordable Care Act. This can be done by going online to [www.healthcare.gov](http://www.healthcare.gov) and creating a user name and password. Users are required to enter some basic information such as state of residence, age, and whether or not they are eligible for coverage through their employer. For the time being, this is all that can be done with the new account, but in September, details on insurance plans and premiums offered in local areas will become available. This is in preparation for the launch of the 6 month Open Enrollment period from October 1, 2013 through March 31, 2014.



The new online marketplaces will be geared towards individuals who do not currently have insurance coverage through their places of employment. Many of them will be eligible for tax credits to assist in paying premiums. Insurance benefits go into effect January 1, 2014 to coincide with the law which will require most Americans to have health coverage or be penalized.

This new online account feature is available in English and Spanish. You can access the Spanish version of the form to create your personal Marketplace account at [www.cuidadodesalud.gov](http://www.cuidadodesalud.gov) or by clicking on the "Español" button in the top left corner of the [healthcare.gov](http://healthcare.gov) website.

In addition to these new personal account features online, a telephone hotline has also been set up (1-800-706-7893) for small businesses seeking coverage under the law.

The Obama administration has set a goal of signing up at least 7 million uninsured people next year. The administration hopes to draw more interest to the new options for health coverage by allowing people to begin the enrollment process early.

### HEALTH INSURANCE MARKETPLACES BY STATE

To find out more information about the Marketplaces in your state, you can visit [www.healthcare.gov/what-is-the-marketplace-in-my-state/](http://www.healthcare.gov/what-is-the-marketplace-in-my-state/). Once you select your state by the drop down, it will tell you if you are to use Healthcare.gov or if the state runs their own marketplace.



## ROTH 401(K)

### GROWING POPULARITY WITH THE YOUNGER WORKFORCE

Roth 401(k) Plans are becoming more popular amongst younger workers as more and more employers are offering this option within their defined contribution arena. When given a choice between employer sponsored Traditional 401(k) or Roth 401(k) plans, about 17% of employees under age 30 are choosing the Roth 401(k) option. The participation of this group is up about 2% from last year.

The drawing point to the younger workforce is the tax treatment of the Roth 401(k) upon withdrawal. With traditional 401(k) plans, federal and state income taxes withheld from a plan are based on the current taxation rates at the time of distribution. Alternatively, Roth 401(k) contributions are taxed based on rates in effect at the time of contribution to the plan. Therefore, the contributions grow on a tax free basis. Additionally, if the participant is a minimum of 59 ½ years old at time of distribution, the withdrawal of funds from their Roth 401(k) are tax free.



Younger workers are seeing this as an advantage and look toward the tax treatment of their Roth 401(k) withdrawals at retirement as a way of adding even more "growth" to their savings. Surely, someone beginning their career today will be taxed based on a much lower bracket than they will be subject to in 30 years at the end of their careers.

Additionally, the American Taxpayer Relief Act of 2012 allowed employers the opportunity to amend plans to execute a conversion of traditional deferred accounts into Roth accounts within the plan. This conversion option has not been as popular. Since the majority of participants are in an age bracket over age 30 the tax advantage upon distribution may not be as appealing, not to mention the taxes that are due upon completion of the conversion. Also, employers are wary of amending plans to allow this option since the instructions for this type of conversion are vague and unclear. Employers may just hold off until clearer guidance is issued by the Internal Revenue Service.