



## Health Insurance Reform

by Jim Toth

The Affordable Care Act of March 2010 puts in place comprehensive health insurance reforms that will hold insurance companies more accountable, lower health care costs, guarantee more health care choices, and enhance the quality of health care for all Americans.

Part of the benefits of this health care reform act will help make your Medicare prescription drug coverage (Part D) more affordable. It does this by gradually reducing the gap in drug coverage known as the "Doughnut Hole." This legislation will be fully implemented in 2020 when the proposed discounts in the "Doughnut Hole" are fully realized. In the meantime, the enrollee's contributions will be as follows:

Brand Name Drugs and cost sharing in the Doughnut Hole:  
Enrollee: 25% cost  
Medicare: 25% cost  
Drug Manufacturer: 50% cost

Generic Drugs and cost sharing in the Doughnut Hole:  
Enrollee: 25% cost  
Medicare: 75% cost



Jim Toth

Between 2011 and moving toward the 2020 deadline, the current annual discount to the enrollee will accumulate at the rate of 7% annually until the allotment of Medicare contribution reaches the 75% discount in 2020. For example, the discount in 2011 for enrollees while in the Doughnut Hole for Generic Drugs is 7% meaning the enrollee pays 93% of Generic medication while in the Doughnut Hole.

### 2012 Medicare Part D Benefits

The general outline as defined by CMS (Centers for Medicare and Medicaid Services) for 2012 are as follows:

Annual Deductible: \$320  
Annual Drug Benefit: \$2930  
Doughnut Hole: \$4700 less the sum of the co-pays in the Annual Drug Benefit.

For example, let us assume an individual has co-pays adding up to \$1200. The true Doughnut Hole in this example will be \$3500. The following co-pays will apply Name Brand 50% of cost and Generic 86% of cost until the sum of \$3500 is reached by the enrollee.

Catastrophic Coverage: If the enrollee satisfies the Doughnut Hole the following co-pays will apply for the remainder of the calendar year:  
Generic Medication: \$2.60 or 5% whichever is greater  
Name Brand: \$6.00 or 5% whichever is greater

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## SIGMA TRANSITION TO NATIONAL FINANCIAL SERVICES

In our ongoing effort to provide you with a high-quality client experience we are pleased to announce that our securities broker dealer, Sigma Financial Corporation has entered into a relationship with National Financial Services LLC (NFS) for custody, clearing and brokerage services. NFS is a Fidelity Investments company and one of the nation's largest securities custody and clearing firms and a member of the NYSE and SIPC.

The transition to NFS as our new clearing provider will enhance our ability to provide you with the products and services necessary to continue to deliver upon our commitment to providing an excellent investment and planning experience for our Sigma clients.

We will be providing you with additional information as this transition progresses.

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## LETTER FROM THE PRESIDENT

by *Jim Lineweaver, President and Founder*



Although we call ourselves the “Financial Quarterback,” enabling us to coordinate your financial, tax, legal and insurance affairs, one thing I am not is a financial “doctor.” However, from time to time I come across people who have some unique experiences--and if I think they can be of value to our clients, I like to pass them on. I recently came in touch with a client as well as a physician on the Golden Opportunities show; and they had such interesting information, I thought some of our clients might be able to benefit from their advice.

Recently I spoke with a client who has had severe arthritis and joint pain almost all of her adult life to the point where it was becoming debilitating. She recently ran into a 93-year-old lady who shared a recipe with her called “Drunken Raisins,” that might be considered an “old wife’s tale.” The recipe is a one-pound box of golden raisins and one-fifth of gin (not necessarily top shelf). She pours the raisins into a glass container, pours the gin over the raisins, and lets them soak for three days. Starting on the fourth day, she eats a teaspoon of raisins every day at lunchtime and refrigerates the rest. Within about a week, my client noticed that a lot of her pain was alleviated. Could it be from the gin? Who knows--but she has no knee pain, her arthritis pain is down by about 90%; and although she previously had walked with a cane, now her mobility

has dramatically improved. She links it all to this magical potion. Although she said “the raisins taste terrible,” she continues to take the potion every day and reaps the benefits.

The second health tip I wanted to pass along to you was from Dr. Philippa J. Cheetham, M.D. She had mentioned some amazing results from some foods that might be linked to preventing, and possibly even curing, prostate cancer. The magical ingredients include green tea, pinot noir, and pomegranate juice, while avoiding cooked red meat. She said the combination of pinot noir and pomegranate juice have some substances that can actually help cleanse the prostate and try to eradicate the cancer. Although I’m not a physician, as I previously stated, she said her clients have had tremendous results, including her patient who has been three years cancer-free and did not need any surgery for his prostate. More information about her remedies can be found at [www.drcheetham.com](http://www.drcheetham.com).

I hope this information is helpful; and if you or any of your friends have any unique remedies or “old wife’s tales” which you think will be of benefit to our clients, please do not hesitate to pass them along to Karen in my office at [Karen@Lineweaver.net](mailto:Karen@Lineweaver.net)

*“Believe that life is worth living and your belief will help create the fact.”*

*- William James*

## Client Appreciation Chili Cook Off

by *Karen Roman*

While the weather was a bit cool and breezy for the LFG Client Appreciation Chili Cook Off, it was a great night for a bowl of chili! After tasting all three flavors, clients chose the beef chili as their favorite over the chicken or vegetable choices. Everyone in attendance had a chance to spin the prize wheel. Lineweaver treats, lottery tickets, gift cards and even iPods were among the treasured prizes. We conducted the Lineweaver version of Minute-to-Win-It games. The good nature and fun loving spirit of our clients was evident as many took the challenge and completed some unusual tasks in under a minute! Jim entertained us with some Lineweaver trivia, and a good time was had by all. We graciously thank everyone for braving the elements that night and joining us. We are also grateful for your generosity in helping us support Rainbow Babies & Children’s Hospital. Including the amount of Jim’s matching donation, over \$1,000 will be donated to RBCH. We are humbled by your kindness. Jim and the staff look forward to seeing you at next year’s event!



## ECONOMIC COMMENTARY

by Mark Niederhelman

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If you have any questions or concerns regarding Medicare coverage, please contact Jim Toth. He and his wife Ronda head The Legacy Group. While they offer many insurance services they specialize in health insurance. They will help you find and design an individual plan to fit your budget and needs. Plans include nationally recognized insurance carriers to offer both traditional health plans as well as Health Savings Accounts (HSA). So whether you are a student looking for affordable coverage or an individual who has retired early and is looking for comprehensive coverage, The Legacy Group will provide you with all the information you need to make the right decision for you and your family. Jim Toth can be reached thru the WealthWATCH Center at 216.867.3770.

## MONEYWATCH

**DJIA: 10,913.38**

3Q: -12%

**10 Year Treasury Note Yield: 1.92%**

9/30/10: 2.52%, 6/30/11: 3.16%

**30 Year Mortgage Rate: 4.03%**

9/30/10: 4.50%, 6/30/11: 4.55%

Source: Yahoo Finance

Past market performance is no guarantee of future investment performance or success.

It is not possible to invest directly in an index. Close of Market 9/30/11

## GOLDEN OPPORTUNITIES SHOW

Tune in to WKYC Channel 3 at 11:30 am every other Sunday to see Jim Lineweaver on the Golden Opportunities Show with Armond Budish. Jim and Armond discuss current financial topics in an easy to understand format.

**Upcoming shows and topics:**

**Sunday, October 9, 2011**

*Double Whammy! Low Interest Rates & Inflation*

**Sunday, October 23, 2011**

*Planning for your Retirement Income*

**Sunday, November 6, 2011**

*Muni Bonds*

**Sunday, November 27, 2011**

*Are you Taking Full Advantage of New Tax Laws?*

**December 11, 2011**

*Making Sense of Today's Economy*



The market has been volatile and we do not see any clear sign that will diminish in the months ahead. The four of the worst days on a total return basis for the S&P 500 during calendar year 2011 occurred in two weeks in August. The S&P 500 lost 2.6% on 8/02/11, dropped 4.8% on 8/04/11, fell 6.6% on 8/08/11 and then tumbled 4.4% on 8/10/11. Ironically, the two best days for the stock index in 2011 also took place in the same two week period. The 11th hour passage of a new debt ceiling on August 2nd, and the subsequent downgrading of the Treasury's debt rating by S&P on August 5th certainly haven't lessen uncertainty, if anything these events put a spotlight on the debt problems our nation faces moving forward.

For there to be much growth in the economy the employment picture, which impacts both consumer spending and confidence, needs greater improvement. Over the last four months jobs growth has been below 100,000 and the unemployment rate remains unchanged at 9.1%. The degree to which the labor market improves will be a key factor in the direction for financial markets. Corporate sales and earnings continue to grow; when coupled with high corporate cash balances future jobs growth looks positive. The catalyst will be confidence.

The U.S. is in a very slow recovery; U.S. GDP grew at .4% and 1% for the 1st and 2nd quarters this year, respectively. Our view of the economy is that the United States will grow but growth will remain weak until real estate prices nationwide rebound and greater job growth stimulates consumer spending. In any case, however, we do not think the recent volatility signals a period of economic weakness anything like what we saw in 2007 and 2008.

However, unlike the '07-'08 downturn, fiscal and monetary policies both lack growth stimulus. Rates cannot be cut further, and budget constraints limit spending to fuel growth. Recognizing spending needs to be curtailed long term, aggressive cuts could have a negative impact on our weak growth. Outside of the United States, European debt problems pose a significant risk to their growth. Coupled with weak growth domestically this could ripple through developing countries economies. This will all lead to continued volatility for the foreseeable future.

Sources: Dept. of Commerce Bureau of Economic Analysis, Dept. of Labor Bureau of Labor Statistics, Standard & Poors

## CLIENT THOUGHTS

*"The Golden Opportunities TV Shows are very informative and reinforce my belief that Lineweaver Financial Group is a great firm to manage our investments. I love the personal attention and time that is given to us."*

-Chris J.



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## TRIVIA

*Do you know the answer?*

We have all heard the saying “that’s a ton of money” How much is a ton of money worth:

Quarters: \$40,000

\$1 Bills: \$908,000

\$100 Bills: \$90.8 million

Source: MRN Calculations & U.S. Department of the Treasury Bureau of Engraving and Printing

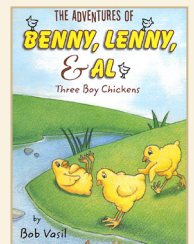


“Darling, who shall we leave our debts to?”

## CLIENT SPOTLIGHT

*Bob Vasil*

Many of us dream of someday writing a book. LFG client Bob Vasil had that dream come true! The Adventures of Benny, Lenny & Al has been delighting both children and adults the past few years. It is an amusing story of the adventures of three baby chicks in the farmyard. Family values and life lessons are woven in the story lines along with humor and suspense.



While participating in a course called “Writing from the Heart,” he decided to write a book stressing family values. He cherished the memories he had as a child from his grandparent’s farm and thus came the idea of the story with the baby chicks. Their behavior of taking care of their families is in fact similar to how people take care of their families. It was a good fit to relay the messages he wanted to share.

Having the book published was more difficult than he anticipated; but with some due diligence, it came to fruition. Bob wanted it to be a story read and shared with a child, but he has found that many children enjoy reading the book on their own. Copies are available for \$8.00, and he would be happy to send you an autographed copy. Feel free to contact him at 440.884.6632 or email him at [vasilmanbob@aol.com](mailto:vasilmanbob@aol.com)

As my first book review, I give it the thumbs up. I truly enjoyed reading it and think you will too! If you have an interesting hobby or adventure to share, call or email Karen at [Karen@Lineweaver.net](mailto:Karen@Lineweaver.net). We would love to hear from you!