

4 Tips to Make the Most of Your Retirement Budget

Here it is, the moment you've been saving for, right? Despite years of planning, many people aren't entirely prepared for the fixed income living that often accompanies retirement.

Careful budgeting is crucial to making your retirement fund last as long as it needs to, but there's always more to do! We've compiled four things to keep in mind and consider, whether you're currently budgeting for retirement or already enjoying it.

Medicare

The cost of health insurance can be a big chunk of change earlier in life, and while medical costs for most will likely increase with age, Medicare can greatly reduce costs for older adults. The Federal Health Insurance program is an entitlement plan which all payrolled employees pay into over their lives. There are four parts to the Medicare program, below is a general recap of each, more information can be found here, <http://www.medicare.gov/>.

Medicare Part A: This includes hospital care coverage, home health care benefits, nursing home coverage, and hospice coverage. There's a general enrollment period occurring from January 1 to March 31 and a special enrollment period that allows applicants to enroll immediately after the loss of group hospital insurance.

Medicare Part B: This includes medically necessary services that treat a medical condition within the patient. These services range from the use of hospital equipment, surgeries or supplies needed to treat an illness. Also included in this plan is preventative treatment, to prevent an illness or disease.

Medicare Part C: This plan is used by private health insurance companies to provide Medicare benefits. This is filed under the Medicare Advantage Plans.

Medicare Part D: This plan is set to provide outpatient drug prescription coverage to clients. Part D is provided to patients through private insurance companies, if you're interested in this plan, check companies that have contracts with the government.

VA Eligibility

For those who have served our country, VA Benefits will play a major role in your care programs and can reduce your out-of-pocket costs for you and your spouse. If you are 65+ years and served during combat, you become eligible for financial assistance. There are many great options for our veterans, search until you find the compatible one for your family.

Reverse Mortgages

If you are 62 years of age and a homeowner with low mortgage balances, you can benefit from a Reverse Mortgage. This will allow you to get a lump sum out of your home without enduring tax penalties. Doing so will aid in surprise hospital expenses, drug prescriptions and taxes. The first step is to get an appraisal of your home and check your current interest rates; all play a significant role in how much money you will receive.

Life Settlements

If you have a life insurance policy, then life settlements can offer you a significant amount of cash to put towards senior living. Seniors can sell a life insurance policy to a third party, where they receive finances and avoid paying insurance premiums on the policy. It's important to find the right settlement company when taking this route; it's ok to shop around before accepting a purchase offer.

There are many different tips to budgeting for retirement and using your resources to create income once you're there. While we know that not everyone in an Active Colorado Living community is retired, we know it's an important issue for all of them. Check back with us often; we'll be adding to our Bulletin Board and Resources sections regularly with valuable information for all our residents whether they're working or retired (or running, hiking, biking and all the other activities our active adults enjoy!).