

# FIRST QUARTER 2011 CLIENT NEWSLETTER

## LETTER FROM THE PRESIDENT



Dear Clients,

I hope this New Year is proving to be the beginning to a wonderful 2011. May God bless each of you and also your businesses.

You will be happy to know that February was National Children's Dental Health Month. At MSA we have several dental coverage options; please review the article on [page 5](#) of this newsletter for more information.

It is also "Tax Season" again—can you believe it?! You will find an article on [page 4](#) regarding what's new in 2011, but also the tables needed for tax year 2010.

Here at the "new" MSA home office, we've been very busy adjusting to the many industry changes due to "Obama Care" and the required changes as a result of its passage. Already we have watched carriers eliminate the entire wholesale side of the industry and going forward, the agent's administrative support. Effective 1/1/2011, our commission schedules were cut to as much as 1/5th of the industry standards from last year, and unfortunately will put many selling & recruiting agents & MGAs out of business. The PPACA has proven to be the beginning of the "Obamanation" of the entire private insurance industry. Fortunately, Judge Vinson in Florida ruled the PPACA unconstitutional on 1/31/2011 and Floridians won't be required to participate in the individual mandate, if upheld. The issues of rhetoric that come with the PPACA can be reviewed in the "Legislative Report" of this newsletter on [page 6](#).

With all of these crazy changes, MSA along with many of you, has had to address the increased tax expense and income losses and we will, consequently, be moving our newsletter to a semi-annual publication. We will also be launching an E-newsletter (by request) by the end of this year. [See page 3](#) and please make sure you are on the e-mail distribution list.

As you know, we moved the MSA offices last year to the new location. I am very pleased with the new location and building. I have also spoken with several of you to find many of you have had to move back to your home offices to cut expenses and stay in business. If you are in need of a professional Executive Center presence, consider [Bradenton Executive Center](#). I've decided to leverage my staff at this new location and diversify by adding the Executive Center to create small business solutions on the west side of Bradenton. See the article on [page 8](#) of this newsletter for more information.



Finally, I, as well as my staff wish each and every one of you a very happy Easter next month, as well as many other holidays to come. Until the October newsletter, may God grant you peace and prosperity.

Respectfully submitted,

*Michele*

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Get to know the MSA staff and how they can assist you with all of your needs.

Click here for access to "FREE" financial calculators & Resources. These include:  
 Retirement  
 Investment  
 Education  
 Health care  
 and **SO MUCH MORE!**

View our monthly client newsletters & Legislative updates here. They are filled with a wealth of information!

Do you need Individual Short Term Health, Dental Insurance or Non-Insurance Solutions? such as a Manatee County Discount Card?



Sorry; for agents and staff only

MSA's Corporate office address  
 Phone, fax and e-mails.  
 There is also a map to help you find us wherever you are coming from!



Do you have travel Insurance for your next trip out of the country or are your kids going on a mission trip this summer?  
 It's inexpensive and super easy to get.  
 Click here for an instant quote and online application. Takes only minutes to complete with a copy of your policy sent to your e-mail immediately.



Watch the "What We Do" video. It will help you to understand the "strategies" we use to mentor you with your financial portfolio.



***Download or view the FULL MSA 1st Quarter Newsletter @***

***WWW.MSAMENTORING.COM***



# E-



# Coming Soon



MSA will be moving its Newsletter to "E-News" by the end of 2011.

If you would like to receive the entire newsletter **NOW** via email, call the office at 941-753-0031 to update your e-mail information

OR

Send the updates to [Charma@msamarketing.com](mailto:Charma@msamarketing.com)

*Otherwise, just visit our website and follow the navigation.*

*(Instructions on page 2 of this newsletter)*



## Michele and the MSA Staff are celebrating the following CALENDAR OF EVENTS with you

### Easter, April 24th

The Easter Story is located in Luke in the Holy Bible

**Jesus is risen, He is risen indeed!**



### Mother's Day , May 8th



### Memorial Day, May 30th (MSA Offices will be closed)

### Father's Day, June 16th



### Independence Day, July 4th (MSA Offices will be closed)



### Labor Day September 5th (MSA Offices will be closed)

# IRS 590

## What's New for 2011

(Source: irs.gov)



## 2010/2011 Traditional and Roth IRA Contribution Limits

### 2010 vs. 2011

The 2010 IRA contribution limits remained unchanged. The limit you may contribute to a Traditional IRA is \$5,000. However, if you will be 50 or older by the end of the year, you can contribute an extra \$1,000, for a \$6,000 total contribution limit. These limits apply to both Traditional and ROTH IRA's. Although you may be eligible to contribute to both plans, your combined contribution to both accounts cannot exceed your above limit (\$5,000 or \$6,000).

In 2010 the modified AGI (Adjusted Gross Income) limit for traditional IRA contributions increased. If you were then covered by a retirement plan at work, your deduction for any contribution to a Traditional IRA was reduced if your modified AGI was:

- ◆ More than \$89,000 but less than \$109,000 for a married couple filing jointly or a qualifying widow(er)
- ◆ More than \$56,000 but less than \$66,000 for a single individual or head of household
- ◆ Less than \$140,000 for a married individual filing separate return.

In 2011 the modified AGI (Adjusted Gross Income) limit increased as well. If you are covered by a retirement plan at work, your deduction for contributions to a Tradition IRA is reduced if your modified AGI is :

- ◆ More than \$90,000 but less than \$110,000 for a married couple filing a joint return or a qualifying widow(er)
- ◆ More than \$56,000 but less than \$66,000 for a single individual or head of household
- ◆ Less than \$10,000 for a married individual filing a separate return

Year	Under Age 50	Age 50+
2002-2004	\$3,000/year	\$3,500/year
2005	\$4,000/year	\$4,500/year
2006-2007	\$4,000/year	\$5,000/year
2008	\$5,000/year	\$6,000/year
2009	\$5,000/year	\$6,000/year
2010	\$5,000/year	\$6,000/year
2011	\$5,000/year	\$6,000/year



### 2011 H.S.A. Contributions stay the same as 2010

The maximum contributions that can be made to a Health Savings Account in 2011 will remain the same as 2010. The current contributions will be **\$3050 for single only** and **\$6150 for a Family**. (Workforce.com)

**In 2011, the tax on non-qualified payments from an individual's H.S.A will increase. If disbursements are not used for qualified expenses, the non-qualified amount will be taxed as normal income and be assessed an extra 20% tax.**

**NOTE: This is an increase from the 10% additional tax levied in 2010.**

### W-2 Changes Coming in 2011

In 2011, your W-2 will have new instructions and reporting requirements. Each employee's W-2 must include the total cost of employer-provided health insurance. This means, it is your responsibility to contact your payroll company to ensure they have all the information needed for this new W-2 obligation. They will need the employer paid portion of the health insurance coverage to complete the W-2 correctly. The good news is, this reporting will not increase employees' taxable income. (yet)

## February is National Children's Dental Health Month



Did you know that by the age of three your child has a beautiful smile. You want to make sure they keep that smile for life. Going to the dentist can often be the most dreaded thing in the world for some people. But in order to have and keep a beautiful smile everyone needs regular dental care. When is the best time to start taking your child to the dentist for dental care so they will develop a comfort zone with their dentist?

Around the age of three or four is a good time to start taking your child to the dentist, although some recommend children see the dentist as early as a year old. Of course they won't actually need much dental care then; it's more to get them comfortable with the environment. At that age, your child won't have their permanent teeth in yet, so they won't need the routine dental care as an adult or an older child would need. They do need to have an examination to see how their permanent teeth are growing in. You want them to start going to the dentist at a young age to get them used to the process, since they will go in for their six month check-ups twice a year as they get older. Most of the time the fear of going to the dentist comes from people waiting to go until they are in pain and then are forced to see the dentist. You want to start taking your child before that happens for several reasons. First, if they go at an early age, they will be used to going to the dentist and will know what to expect. Also, if you start taking them in at an early age, it will prevent dental anxieties in the future. Your dentist will then be able to monitor your child's teeth as they grow in. (Source: [www.whitemarshpediatricdentistry.net](http://www.whitemarshpediatricdentistry.net))



**MSA offers Argus Dental as an alternative for dental coverage for individuals as well as families. Argus Dental is Florida based and operates with a network of over 3000 dentists in the state of Florida.**



### Individuals & Families have 2 plans to choose from:

- ◆ Smile Card: This is a discount card that offers 25-70% savings on dental, vision and hearing care as well as prescription savings.
- ◆ Master Plan: This plan offers no waiting period, no pre-existing exclusions and offers preventive services at no cost to you. You also have access to specialists, and receive 25% discounts on services provided by participating specialists.

**For more information about Argus Dental**

**please call the MSA office at 941-753-0031 or visit our website at**

**[www.msamentoring.com](http://www.msamentoring.com)**

# Legislative Corner



Florida State Capital  
Tallahassee, Florida

Michele will be going to Tallahassee to speak with our Florida Legislators on March 28-30, 2011. Florida has taken some very serious positions where the Federal “**Patient Protection and Affordable Care Act**” (PPACA) is concerned. As many of you know, Judge Roger Vinson, on January 31, 2011, found the entire law unconstitutional.

The Judge’s opinion, all 78 pages, was well worth reading as a lesson in Constitutional Law. It ruled that Congress could not regulate “inactivity” under the Commerce Clause of the U.S. Constitution and that there is only court precedent for regulating economic activity. He also reminded everyone that the Constitution gave limited power to the Federal Government and more to the States by design and Congress over-stepped its limited powers by calling for an individual mandate to buy health insurance. So, “Florida is no longer enforcing or implementing the PPACA law,” according to the Office of Insurance Regulation, Deputy Insurance Commissioner Mary Beth Senkewicz, who is second in command to Deputy McCarty. Also, regarding the \$1,000,000 it had accepted from the Feds to develop an Exchange for 2014, Florida is truly the pioneer and yet other states are debating as to what they should do. In the meantime, Florida has been a “**BOLD and BEAUTIFUL** ray of sunshine” in this dark situation.  
**GO FLORIDA!!!!!!!**

In Washington, however, there is much to be done. There are suggestions of diminishing the “PPACA” as well as developing even more laws to clarify the areas that are sure to continue to receive further scrutiny. American tax dollars at work at its best. It’s actually quite comical. The “**MLR**” (Minimum Loss Ratio) is the largest issue inside the “PPACA” that has had serious pull back. This issue required cutting the carriers spendable dollars 15-20% with the first 80% of revenue in small groups and 85% in large groups going back out the door in paying claims. This forces each carrier to cut 20% off of their previous spendable dollars which is suggested should be wrapped up in Administration. That unfortunately means many Americans will lose their jobs and agents have the potential of being eliminated as well, resulting in consumers being forced to purchase their healthcare from government websites. The first attempt at this is found at [www.healthcare.gov](http://www.healthcare.gov). The information regarding this website is found on page 5 of this newsletter. **Watch out America!** This is just the beginning.

After Washington is done regulating this industry which one is next? We are seeing Free Enterprise auto industries being taken over, community banks are closing across the country and now, the Free Enterprise insurance industry regulated almost out of business. Can you imagine the Feds regulating the entire Free Enterprise industry in our country?

Stay tuned and if you get a chance, read Judge Vinson's 78 page report. It can be found at <http://documents.nytimes.com/judge-vinsons-ruling?ref=us>  
(copy and paste into your browser)



Respectfully submitted,

*Michele*





# Health care Reform: **IN ACTION**

Did anything good come out of the Affordable Healthcare Act signed by the President in March of 2010? If we all dig real deep and look hard at [www.healthcare.gov](http://www.healthcare.gov) we can see that it has helped a few members who can afford to participate in it. Unfortunately, agents can't help the consumers enroll or choose a plan since agents were supposed to be eliminated as part of the "MLR" in January of 2011 (see article on page 6). However, if you know anyone who needs coverage for pre-existing conditions, here is how it works:

Go to [www.\*\*HealthCare.gov\*\*](http://www.HealthCare.gov)

"Effective March 10, 2010, eligible residents of Florida can apply for coverage through the Pre-Existing Condition Insurance Plan program run by the U.S. Department of Health and Human Services. To qualify for coverage:

- ◆ You must be a citizen or national of the United States or lawfully reside in the United States.
- ◆ You must have been uninsured for at least the last six months before you apply.
- ◆ You must have a pre-existing condition or have been denied coverage because of your health condition.

PCIP covers a broad range of health benefits, including primary and specialty care, hospital care, and prescription drugs. All covered benefits are available for you, even if it's to treat a preexisting condition. Below are the **monthly** PCIP premium rates for Florida by the age of an enrollee.

<u>Age</u>	<u>Standard Option</u>	<u>Extended Option</u>	<u>H.S.A. Option</u>
0-18	\$196	\$263	\$203
19-34	\$294	\$395	\$305
35-44	\$352	\$374	\$366
45-54	\$450	\$605	\$46
55+	\$626	\$842	\$650

**IN ADDITION** to your monthly premium, you will pay other costs. In 2011, you will pay a \$1,000 to \$3,000 deductible, which varies by your plan option, for covered medical benefits (except for preventive services) before the plan starts to pay. A plan option may have a separate drug deductible. After you pay the deductible, you will pay a \$25 copayment for doctor visits, \$4 to \$40 for most prescription drugs, and 20% of the costs of any other covered benefits you get. Your out-of-pocket costs cannot be more than \$5,950 per year. These costs may be higher, if you go outside the plan's network." (Source: [www.healthcare.gov](http://www.healthcare.gov))



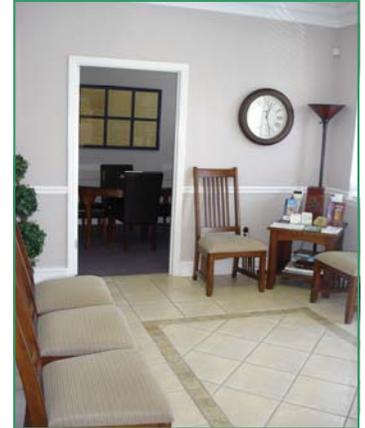


Michele is excited to announce she is launching, in the 1st half of this year, the “**Bradenton Executive Center.**” It will be facilitated out of her new building using the current MSA staff. Bradenton Executive Center is a parallel company to MSA Mentoring and compliments Michele's desire to create and implement business solutions for small businesses and self-employed Floridians. With more taxes than ever, inflated expenses everywhere and yet lower incomes to the small business owners than we’ve seen in the last 20 years, small business owners, like Michele, are being forced to look at expenses and cut them in several areas. “**Bradenton Executive Center**” is a wonderful solution to those business owners forced to move back into a home office to lower their expenses. With phantom offices and both a large and small conference room that can be rented by the hour or day, this is a wonderful & professional solution. The business staff at MSA mans the front receptionist desk. The center will be offering the following services and more on a fee-based schedule:



- ◆ Secretarial Services (which includes but is not limited to, general word processing, mailing labels, resumes, business letters, etc.)
- ◆ Mail handling (which includes light packet receiving)
- ◆ Telephone Answering/phone system set up
- ◆ Copy services
- ◆ Fax services
- ◆ Notary Services
- ◆ Business consulting

The BEC small board room will be the perfect setting for your “one-on-one” client appointments.



Our lobby with a staffed reception desk will ensure your clients receive exceptional service in plush, comfortable surroundings.

**The website will be launched soon. For a visit or more information, please call the Bradenton Executive Center office at 941-752-2000.**



Adjoining the Lobby is the fully equipped large conference room. The perfect setting for your professional image and presentations.



Private offices & phantom office space is available on a 1st come, 1st served basis