

Patrick Chamberlin Earns a Management Liability Insurance Specialist Designation



Allen Insurance and Financial is pleased to announce that Patrick Chamberlin has earned a Management Liability Insurance Specialist designation from the International Risk Management Institute.

Chamberlin is a business insurance producer in the company's Camden office.

This insurance certification recognizes specialized expertise in the fundamentals of professional liability insurance and the more specific nuances of directors and officers liability, employment practices liability and fiduciary liability exposures and insurance.

Tips for Avoiding Common

Holiday Cyberscams

For many of us, the holiday season is a wonderful time of year. Unfortunately, it can be especially profitable for cybercriminals. Because of the prevalence of online shopping, we almost always see a significant increase in cyberscams during November and December. To help you avoid becoming a victim of holiday cybercrime, here are some of the top scams to watch out for—and tips for avoiding them.

Shady Shipping Notices

During the holiday season, it's very likely that you will ship at least a couple of packages directly to your loved ones or have online purchases sent to your home. This makes the shipping notice scam a popular one for cyberscrooges. Here's how it works: The scammer crafts an email, purportedly coming from UPS or FedEx, notifying you of a problem delivering your package. To resolve the issue, you need only click on a link in the email message or open an attached invoice. Of course, doing so will install malware or ransomware on your computer or device.

Don't fall for it. Be particularly wary of emails claiming to come from any courier service. If you do receive a message like the one described above—whether you believe it to be legitimate or not—go to the website of the company you may have ordered from. You should be able to track your package from the retailer's site. Use the tracking number for the courier service that the retailer provides. You can also go directly to [UPS.com](https://www.ups.com) or [FedEx.com](https://www.fedex.com) and obtain the delivery status there. Whatever you do, don't click on any links or download any attachments in the original message.

Eyebrow-Raising Refunds

This phishing scam is designed to steal your personal and financial information. Typically, an email claiming to be from

an e-commerce company like Amazon, eBay, or Overstock will say that something has gone wrong with your recent order. You will be prompted to click on a link in the message to obtain your refund. Unfortunately, if you do, you will be taken to a dummy website set up to look like a legitimate sender. There, you will be asked to fill out a form with your financial information to let the sender know where it can issue your refund.

Don't fall for it. Again, to check the status of any order you may have placed, go to the company's website directly (e.g., Amazon.com, eBay.com). If the company doesn't offer the ability to check an order's status, verify the transaction by calling the firm at a phone number that you know is legitimate.

Giveaways Galore

The gift card scam is seen year-round but more often during the holidays. These bogus offers are most commonly delivered by cybercriminals through social media, usually through a friend's hacked account or a fake company page set up to look as if it's legitimate. Appearing to originate from an entity like Best Buy, Ikea, or Whole Foods, the offer claims that the company is giving away hundreds or thousands of dollars in gift cards. But if you follow the instructions provided to obtain your gift card, you will likely be led to a phishing form that asks for your personal information.

Don't fall for it. Remember, if something seems too good to be true, it probably is! If the post appears to come from a friend, call or text him or her to ask if it's legitimate. In addition, be wary if the "official company page" looks a little off. Check how many followers the website has. The retailer's authentic website may have hundreds of thousands or millions of followers. Further, a huge promotion such as the one described in the offer you received would also be listed on the retailer's website, so check there directly or call the company's customer service

number.

Website Vendors That Don't Deliver

Many popular and novelty items may be sold out and on backorder until after the holidays. Or they may be hard to find from mainstream merchants altogether. So it's not uncommon for consumers to search online for a less well-known vendor that may have the items. But beware! Another favorite holiday scam is staged through sketchy websites claiming to have hard-to-find items in stock. These sites trick you into paying for the items with no intention of delivering them. Often, these entities are based overseas.

Don't fall for it. Search the Better Business Bureau website for customer reviews and the accreditations of merchants that are unfamiliar to you. In addition, because not all businesses are listed with the BBB, you might want to hunt elsewhere on the web for reviews posted by other consumers. If you can't find much information on the vendor, stay away!

Still nervous? Below are additional tips to protect yourself from holiday scams:

- If possible, use credit cards for online transactions. If you fall for one of these scams and unknowingly hand over your debit card information, it's easy for the cybercriminal to drain your bank account quickly. Purchases made with credit cards typically offer more consumer protections.
- If you're uncertain about the legitimacy of a website, check its safety rating on Scamadviser.com or URLVoid.com.
- If searching for an item on a lesser-known merchant's website, check for spelling and grammatical errors. If found, these mistakes are a red flag that the site is most likely based overseas—indicating a possible scam.
- Avoid online shopping or conducting any financial transactions

over an unsecure Wi-Fi network.

'Tis the Season

With all the merriment and shopping during the holidays, the risk of inadvertently exposing your credit card or bank account details is very real. It's important to take a step back and pay attention to the emails you're receiving and the websites you're using. By following the suggestions discussed here, you can help protect yourself against cyberscams so you can fully enjoy the holiday season.

A Year-End Financial Planning Checklist

As 2019 draws to a close, it's time to begin organizing your finances for the new year. To help you get started, we've put together a list of key planning topics to consider.

Savings and Investments

Revisit your retirement contributions. Review how much you're contributing to your workplace retirement account. If you're not taking full advantage of your employer's match, it's a great time to consider increasing your contribution. If you've already maxed out your match or your employer doesn't offer one, boosting your contribution could still offer tax advantages. Now is also a good time to ensure that your portfolio allocation remains in line with your objectives.

Take stock of your goals. Did you set savings goals for 2019? Realistically evaluate how you did, and think about your goals

for next year. If you determine that you are off track, we'd be happy to help you develop and monitor a financial plan.

Health and Wellness

Spend your flexible spending account (FSA) dollars. If you have an FSA, those funds may be forfeited if you don't use them by year-end. (Some FSAs offer a 2.5-month grace period or the ability to carry over up to \$500 into the next year; check with your employer to see if those options are available.) It's also a good time to calculate your FSA allotment for next year, based on your current account excess or deficit.

If you're not using an FSA, evaluate your qualifying health care costs to see if establishing one for 2020 would make sense.

Taxes, Taxes, Taxes

Manage your marginal tax rate. If you're on the threshold of a tax bracket, deferring income or accelerating deductions may help you reduce your tax exposure. It might make sense to defer some of your income to 2020 if doing so will put you in a lower tax bracket. Accelerating deductions, such as medical expenses or charitable contributions, into the current tax year (rather than paying for deductible items in 2020) may have the same effect. In addition, reviewing your capital gains and losses may reveal tax planning opportunities—for instance, harvesting losses to offset capital gains.

Here are a few key 2020 tax thresholds to keep in mind:

- The 37 percent marginal tax rate affects those with taxable incomes in excess of \$518,400 (individual), \$622,050 (married filing jointly), \$518,400 (head of household), and \$311,025 (married filing separately).
- The 20 percent capital gains tax rate applies to those with a taxable income in excess of \$441,450 (individual), \$496,600 (married filing jointly), \$469,050 (head of household), and

\$248,300 (married filing separately).

- The 3.8 percent surtax on investment income applies to the lesser of net investment income or the excess of modified adjusted gross income over \$200,000 (individual), \$250,000 (married filing jointly), \$200,000 (head of household), and \$125,000 (married filing separately).

Consider the benefits of charitable giving. Donating to charity is another good strategy for reducing taxable income. If you'd like to help a worthy cause while trimming your taxes, it's worth exploring your charitable goals and various gifting alternatives.

Make a strategy for stock options. If you hold stock options, now is a good time to make a strategy for managing current and future income. Consider the timing of a nonqualified stock option exercise. In light of your estimated tax picture, would it make sense to avoid accelerating income into the current tax year or to defer income to future years? And don't forget about the alternative minimum tax (AMT). If you're considering exercising incentive stock options before year-end, have your tax advisor prepare an AMT projection to see if there's any tax benefit to waiting until January of the following year.

Plan for estimated taxes and required minimum distributions (RMDs). When considering your taxes for 2019, be sure to take any potentially large bonuses or a prosperous business year into account. You may have to file estimated taxes or increase the upcoming January payment. If you're turning 70½, you'll need a strategy for taking RMDs from your traditional IRA and 401(k) plans.

Adjust your withholding. If you think you may be subject to an estimated tax penalty, consider asking your employer (via Form W-4) to increase your withholding for the remainder of the year

to cover the shortfall. The biggest advantage of this is that withholding is considered as having been paid evenly throughout the year instead of when the dollars are actually taken from your paycheck. You can also use this strategy to make up for low or missing quarterly estimated tax payments.

Proactive Planning

Review your estate documents. To help ensure that your estate plan stays in tune with your goals and needs, you should review and update it on an ongoing basis to account for any life changes or other circumstances. If you haven't done so during 2019, take time to:

- Check trust funding
- Update beneficiary designations
- Take a fresh look at trustee and agent appointments
- Review provisions of powers of attorney and health care directives
- Ensure that you fully understand all of your documents

Check your credit report. It's important to monitor your credit report regularly for suspicious activity that could indicate identity theft. Federal law requires that each of the nationwide credit reporting companies (Equifax, Experian, and TransUnion) provide you with a free copy of your report every 12 months, at your request.

Get professional advice. Of course, this list is far from exhaustive, and you may have unique planning concerns not covered here. As you prepare for the coming year, please feel free to reach out to us to discuss the financial issues and deadlines that are most relevant to you.

Whatever your planning may entail, we wish you a happy, healthy, and prosperous 2020!

Accepting Internship Applications for Summer 2020

3/26/2020: We are pausing the application process for this program.

Allen Insurance and Financial is accepting applications for its 2020 summer internship program, which offers a 12-week immersion into the company's three insurance divisions (personal, business and health) and its financial planning/investment management group.

Applications from college juniors and seniors will receive priority review; all applicants will be considered. This is a paid position, based in Camden.

To receive a copy of the job description and start the application process, please email Jill Lang at jlang@allenif.com. Deadline for applications will be set in early 2020. Interns should expect to start work in late May or early June 2020 and work through mid- to late August.

Chemo Caps for Kids Program

Receives Strong Support from Midcoast Community



Kim Edgar

Allen Insurance and Financial is pleased to announce its continued support for the Chemo Caps for Kids initiative sponsored by Commonwealth Cares Fund Inc., the 501(c)(3) charity founded by Allen's Registered Investment Adviser-broker/dealer, Commonwealth Financial Network®. Chemo Caps for Kids provides hand-knit and crocheted hats to children undergoing cancer treatment.

"We've donated more than 5,000 hats to hospitals across the United States through our Chemo Caps for Kids program," said Commonwealth CEO Wayne Bloom. "What started as a homegrown effort to help bring smiles to a few kids' faces has grown into a community-wide project that is making an even greater impact. Our knitters and crocheters now include employees, advisors, family of staff and advisors, and friends of friends who are all using their talents to help kids who are in treatment."

For five years, Allen Insurance and Financial has been participating in the creation of these caps and invites the community to join the effort. Kimberly Edgar of Allen's Camden office is coordinating the program locally.

"We are grateful to Cashmere Goat in Camden, Maine Alpaca Experience in Northport, Unity and Ellsworth and Heavenly Socks Yarns in Belfast for their help with publicity to their customers," said Edgar, noting that a large of Midcoast knitters, all pretty much anonymous, have dedicated serious

time and creativity to this cause.

Anyone interested in donating yarn or knitting time to this project can call Edgar at 230-5831.

Some of hats from Maine have been distributed to hospitals in New England as well as to places such as Phoenix Children's Hospital and the Ann & Robert H. Lurie Children's Hospital of Chicago.

Commonwealth Cares provides contributions of time, talent, and financial support to a wide range of philanthropic efforts aimed at relieving human suffering, promoting social and economic growth, and sustaining and protecting our planet's resources. All operating and administrative expenses for Commonwealth Cares are borne by Commonwealth. One hundred percent of every dollar contributed goes directly to those in need.

2020 Medicare Parts A & B Premiums and Deductibles

On November 8, 2019, the Centers for Medicare & Medicaid Services (CMS) released the 2020 premiums, deductibles, and coinsurance amounts for the Medicare Part A and Part B programs.

Medicare Part B Premiums/Deductibles

Medicare Part B covers physician services, outpatient hospital services, certain home health services, durable medical equipment, and certain other medical and health services not covered by Medicare Part A.

Each year the Medicare premiums, deductibles, and copayment rates are adjusted according to the Social Security Act. For 2020, the Medicare Part B monthly premiums and the annual deductible are higher than the 2019 amounts. The standard monthly premium for Medicare Part B enrollees will be \$144.60 for 2020, an increase of \$9.10 from \$135.50 in 2019. The annual deductible for all Medicare Part B beneficiaries is \$198 in 2020, an increase of \$13 from the annual deductible of \$185 in 2019.

The increase in the Part B premiums and deductible is largely due to rising spending on physician-administered drugs. These higher costs have a ripple effect and result in higher Part B premiums and deductible.

From day one, President Trump has made it a top priority to lower drug prices. Currently, for Part B, the law requires CMS to pay the average sales price for a drug and also pays physicians a percentage of a drug's sale price. This incentivizes drug companies to set prices higher and for physicians to prescribe more expensive drugs – because that leads to a higher Medicare payment. Through the President's drug pricing blueprint, the Trump Administration is working to lower drug prices in Medicare Part B drugs.

CMS is committed to empowering beneficiaries with the information they need to make informed decisions about their Medicare coverage options, including providing new tools to help them make those decisions through the eMedicare initiative. In addition to the recently released premiums and cost sharing information for 2020 Medicare Advantage and Part D plans, we are releasing the premiums and cost sharing information for Fee-for-Service Medicare, so beneficiaries understand their options for receiving Medicare benefits. As previously [announced](#), as a result of CMS actions to drive competition, on average for 2020,

Medicare Advantage premiums are expected to decline by 23 percent from 2018, and will be the lowest in the last thirteen years while plan choices, benefits and enrollment continue to increase. Premiums and deductibles for Medicare Advantage and Medicare Part D Prescription Drug plans are already finalized and are unaffected by this announcement.

Medicare Part B Income-Related Monthly Adjustment Amounts

Since 2007, a beneficiary's Part B monthly premium is based on his or her income. These income-related monthly adjustment amounts (IRMAA) affect roughly 7 percent of people with Medicare Part B. The 2020 Part B total premiums for high income beneficiaries are shown in the following table:

Beneficiaries who file individual tax returns with income:	Beneficiaries who file joint tax returns with income:	Income-related monthly adjustment amount	Total monthly premium amount
Less than or equal to \$87,000	Less than or equal to \$174,000	\$0.00	\$144.60
Greater than \$87,000 and less than or equal to \$109,000	Greater than \$174,000 and less than or equal to \$218,000	57.80	202.40
Greater than \$109,000 and less than or equal to \$136,000	Greater than \$218,000 and less than or equal to \$272,000	144.60	289.20
Greater than \$136,000 and less than or equal to \$163,000	Greater than \$272,000 and less than or equal to \$326,000	231.40	376.00

Greater than \$163,000 and less than \$500,000	Greater than \$326,000 and less than \$750,000	318.10	462.70
Greater than or equal to \$500,000	Greater than or equal to \$750,000	347.00	491.60

Premiums for high-income beneficiaries who are married and lived with their spouse at any time during the taxable year, but file a separate return, are as follows:

Beneficiaries who are married and lived with their spouses at any time during the year, but who file separate tax returns from their spouses:	Income-related monthly adjustment amount	Total monthly premium amount
Less than or equal to \$87,000	\$0.00	\$144.60
Greater than \$87,000 and less than \$413,000	318.10	462.70
Greater than or equal to \$413,000	347.00	491.60

Medicare Part A Premiums/Deductibles

Medicare Part A covers inpatient hospital, skilled nursing facility, and some home health care services. About 99 percent of Medicare beneficiaries do not have a Part A premium since they have at least 40 quarters of Medicare-covered employment.

The Medicare Part A inpatient hospital deductible that beneficiaries will pay when admitted to the hospital will be \$1,408 in 2020, an increase of \$44 from \$1,364 in 2019. The Part A inpatient hospital deductible covers beneficiaries' share of costs for the first 60 days of Medicare-covered inpatient hospital care in a benefit period. In 2020, beneficiaries must pay a coinsurance amount of \$352 per day for the 61st through 90th

day of a hospitalization (\$341 in 2019) in a benefit period and \$704 per day for lifetime reserve days (\$682 in 2019). For beneficiaries in skilled nursing facilities, the daily coinsurance for days 21 through 100 of extended care services in a benefit period will be \$176.00 in 2020 (\$170.50 in 2019).

Part A Deductible and Coinsurance Amounts for Calendar Years 2019 and 2020 by Type of Cost Sharing		
	2019	2020
Inpatient hospital deductible	\$1,364	\$1,408
Daily coinsurance for 61 st -90 th Day	\$341	\$352
Daily coinsurance for lifetime reserve days	\$682	\$704
Skilled Nursing Facility coinsurance	\$170.50	\$176

Enrollees age 65 and over who have fewer than 40 quarters of coverage and certain persons with disabilities pay a monthly premium in order to voluntarily enroll in Medicare Part A. Individuals who had at least 30 quarters of coverage or were married to someone with at least 30 quarters of coverage may buy into Part A at a reduced monthly premium rate, which will be \$252 in 2020, a \$12 increase from 2019. Certain uninsured aged individuals who have less than 30 quarters of coverage and certain individuals with disabilities who have exhausted other entitlement will pay the full premium, which will be \$458 a month in 2020, a \$21 increase from 2019.

For more information on the 2020 Medicare Parts A and B premiums and deductibles (CMS-8071-N, CMS-8072-N, CMS-8073-N), please visit:

CMS-8071-N:

<https://www.federalregister.gov/documents/2019/11/13/2019-24441/>

[medicare-program-cy-2020-inpatient-hospital-deductible-and-hospital-and-extended-care-services](#)

CMS - 8072 - N :

[https://www.federalregister.gov/documents/2019/11/13/2019-24439/medicare-program-cy-2020-part-a-premiums-for-the-uninsured-aged-and-for-certain-disabled-individuals](#)

CMS - 8073 - N :

[https://www.federalregister.gov/documents/2019/11/13/2019-24440/medicare-program-medicare-part-b-monthly-actuarial-rates-premium-rates-and-annual-deductible](#)

Divorce: Managing Details in the Midst of Devastation Can Make a Big Difference Long Term



**Sarah Ruef -
Lindquist**

By Sarah Ruef-Lindquist, JD, CTFA

Divorce rates exceed 50% for first marriages in many parts of the U.S., and 67% for second marriages. Yes, it happens often, but it is rarely easy, no matter how amicable.

The emotional turmoil of the process can be overwhelming. Many people liken it to the grief of losing a parent or child. At least in theory, it is the death of a marriage. It is also a time of financial turmoil. Debts and assets can become weaponized to gain advantage. Decisions that are incorporated into a court decree can have lasting – if not permanent – effects. Having legal representation to advance a client's interests is important, as is having a financial advisor who can help them be informed about decisions involving debt allocation, property division, including assets like retirement plans and social security options. These choices can have lasting, long-term value for a person going through divorce.

For instance, a party divorcing may want to not only change their will, but change their beneficiary designations on things

like bank accounts, life insurance contracts or other accounts. In Maine, a new Probate Code effective Sep. 1, 2019 has changed the way beneficiary designations naming a spouse are treated if a divorce occurs after the designation was created, but before the death of now former spouse who did not change that designation. Maine law now treats those designations as revoked by virtue of the divorce. In the past, designations of spouses who became ex-spouses were still honored. It is still prudent to make these changes to reflect the intent of the account holder. A financial advisor can facilitate the necessary paperwork.

Divorced spouses also have choices about future Social Security elections. If a marriage lasted 10 years, and the parties have been divorced for two, the unmarried former spouse can claim a benefit that is 50% of their former spouse's benefit if it is higher than their own benefit. This does not impact the former spouse's benefit (even if they have remarried), and they won't even necessarily know that it has been elected by the former spouse claiming it. A financial advisor can assist with navigating decisions like this.

These are just a few of the ways financial advisors can help with the financial decisions that need to be made in the course of a divorce and following. Consider adding a financial advisor to your team if you are facing divorce to help navigating the many decisions to be made for your immediate needs and the future. A financial advisor can work with your attorney to help you make the best decisions for your particular situation.

Cameron Gartley Earns AAI Designation



Cameron Gartley

Allen Insurance and Financial is pleased to announce that Cameron Gartley has earned an Accredited Adviser in Insurance designation from the American Institute for Chartered Property Casualty Underwriters.

Gartley is a personal insurance account executive in the company's Camden office.

Designations such as AAI demonstrate an insurance broker's tested knowledge in their field. Allen Insurance and Financial supports all its employees in their efforts to continue their education.

The AAI program requires nine separate exams; the course outlines risk analysis techniques and tools, while providing an in-depth understanding of commercial insurance products and services.

Amanda Corson Earns CIC Designation

Amanda Corson, a personal insurance account executive with LS. Robinson Co.



Amanda Corson

insurance, has earned the designation of Certified Insurance Counselor.

The professional dedication and commitment represented by this achievement sets the standard within the insurance industry. Corson earned the designation through a series of rigorous written exams focusing on all major fields of insurance, agency operations and insurance management.

“Amanda’s emphasis on professional development continues to set a great example for her colleagues and shows her deep commitment to making sure they receive her best possible insurance counseling,” said Michael Pierce, company president.

A Bar Harbor native, Corson is a graduate of MDI High School and the University of Maine in Orono. She also holds the ACSR (Accredited Customer Service Representative) and AAI (Accredited Advisor in Insurance) designations.

Fact vs. Fiction: 529 Savings Plans and Coverdell Education Savings Accounts



Sarah Ruef-Lindquist, JD,
CTFA

Fiction: The money I put into a college savings account will hurt my child's chances of receiving financial aid.

Fact: Funds that a parent puts into a 529 savings plan or Coverdell Education Savings Account that are owned by the parent have a low impact on a student's financial aid package. When these types of accounts are owned by the parent, only a portion of the balance—up to 5.64 percent—is factored into the student's Expected Family Contribution on the Free Application for Federal Student Aid (FAFSA). This is a much lower rate than the 20% that is assessed on student-owned assets.

You should be aware, however, that distributions from a grandparent-owned 529 plan will be considered untaxed income to the student, with 50 percent of the distribution included in the

FAFSA. So, if grandparents do own a 529 plan for the benefit of the child, they may want to consider reserving those funds for the last two years of college, as the FAFSA uses the prior-prior year's tax return to complete the income questions.