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MONEY AT WORK



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Now That You've Built Your Estate Planning Playbook, It's Time to Put It to Work



Now the real work begins, because families evolve, laws change and your wishes might shift over time. A healthy estate plan keeps pace with those changes.

Hold a family meeting

A family meeting can be one of the most effective steps you take after your documents are in place. It doesn't need to feel formal, but it should be intentional. This is your opportunity to outline your wishes, explain the structure of your plan and help your beneficiaries understand the purpose behind your choices. These meetings matter because misunderstandings often lead to conflict. When heirs never hear directly from you, they might interpret unequal distributions or complex structures through their own assumptions. Addressing those decisions now can prevent unnecessary tension later.

What to cover during a family meeting:

- Provide each beneficiary with a copy of your revocable living trust
- Explain who is serving in key roles, such as a successor trustee or executor
- Clarify any unequal inheritances and the reasoning behind them
- Discuss your general intentions for your wealth, values or charitable goals
- Some families prefer to hold this meeting with their financial adviser or attorney present. Others handle it privately.

The right format is whichever one makes the conversation productive and clear.

Use your playbook to fill the gaps

Your revocable living trust outlines who receives the assets within the trust. It doesn't tell your family where the accounts are held, how much they contain or who the beneficiaries are on assets that pass outside the trust.

Retirement accounts and certain insurance policies often fall into that category.

This is where the playbook becomes essential. A complete playbook gives your loved ones a clear path during what is often a stressful time.

Your playbook should include:

- Recent statements for investment, bank and credit union accounts
- Copies of life insurance policies
- Grant deeds for real estate
- Funeral instructions or preferences
- A current list of your CPA, financial adviser, attorney and insurance agents
- Contact numbers and policy or account identifiers

When you walk your family through these items, they know whom to call and where to find everything. Without this information, assets can be overlooked or lost.

Prevent common oversights

Many families run into practical obstacles that are surprisingly easy to avoid. Documents might be locked in a safe deposit box without a shared key.

Passwords might be stored on a home computer that no one can access.

Beneficiaries might not know which accounts trigger tax liabilities.

A bit of preparation now can make things significantly easier later.

Ways to avoid common mistakes:

- Tell your heirs how to access your computer and secure files
- Ensure someone knows where the safe deposit box key is kept
- Confirm that each beneficiary understands which accounts pass through the trust and which do not
- Review your assets that carry tax considerations, such as retirement accounts and non-IRA annuities

Bring your plan to life

A thoughtful estate plan does more than distribute assets. It reduces stress, minimizes taxes and gives your family clarity during an emotional time.

When you combine open communication with a well-organized playbook, you create a legacy built on confidence rather than confusion. That level of preparation often becomes one of the most meaningful gifts you can leave for your loved ones.

6 Overlooked Areas That Can Make or Break Your Retirement



If you're heading into retirement with scattered and uncertain plans, distilling them into six areas — Taxes, Health care, Risk, Income, Vitality, Estate and Legacy — can ensure you thrive in later life.

Many people spend decades saving and investing, only to discover that their well-funded portfolio doesn't necessarily equal a well-planned retirement.

To build lasting security, it's important to create a plan that can help you realize your goals while also protecting your income and independence. In the run-up to retirement, or when newly retired, you should therefore focus on these six key areas:

1. Taxes: Avoid the stealthy erosion of wealth

People are often surprised to learn they could end up in a higher tax bracket in retirement than while working. Income-based taxes on Social Security and Medicare and required minimum distributions (RMDs) that start in your 70s can push tax bills higher than you might expect.

The good news is that you may have more control over the taxes you pay in retirement than at any other time in your life.

If you've stashed a chunk of your money in tax-deferred accounts (a 401(k), 403(b) or traditional IRA, for example), you may want to look at the benefits of doing a Roth conversion now to minimize your tax burden later. You might also consider:

- Placing your investments in account types based on how they're taxed (called asset location)
- Using qualified charitable distributions to optimize the tax benefits of gifting and reduce your RMDs
- Applying income-timing techniques that can help smooth out taxable income over time

You may not be able to avoid taxes altogether, but with the right strategies, you can make them more predictable and ensure that more of your money continues to work for you.

2. Health care: Preparing for retirement's most underestimated expense

According to Fidelity Investments' most recent Retiree Health Care Cost Estimate, a 65-year-old retiring in 2025 can expect to spend an average of \$172,500 on health care and medical expenses throughout their retirement — and those costs can rise sharply if long-term care is required.

Building health care into your financial plan, rather than treating it as an afterthought, can make a dramatic difference in how much you'll spend.

That means reviewing your Medicare options annually to make sure you still have the best plan for your needs. (If you're still working, you may want to consider investing in a health savings account.)

The sooner you explore the options for long-term care coverage, the more confident you can be that you'll be protected from what could be one of the largest expenses you'll encounter in retirement.

3. Risk in the market: Safeguarding what you've built

The stock market doesn't care that you've just retired and that you're depending on your nest egg to last for decades.

Experiencing a downturn early in retirement, while you're taking money out of your accounts but no longer putting money in, can drain your portfolio much faster than you expected.

One way to guard against this phenomenon, known as sequence of returns risk, is to separate your assets into three separate "buckets":

- Safe reserves for near-term income
- Balanced holdings for the next phase
- Growth assets for later years

The goal of a bucket strategy isn't to completely eliminate risk but to position it so that it serves you, and not the other way around.

4. Income: turning savings and benefits into a reliable paycheck

After years of diligently accumulating money, many retirees struggle to come up with a withdrawal strategy that works for their needs. Withdraw too much, and you risk running short in the future. Take too little, and you may not enjoy the lifestyle you worked so hard to earn.

A plan that thoughtfully blends multiple income sources — Social Security, pensions, dividend and annuity payments, and systematic withdrawals — can create a steady paycheck that remains reliable even when markets fluctuate.

5. Vitality: Extending your health span, not just your lifespan

Money is a means to sustain your active and fulfilling retirement, not a scoreboard to measure it against.

Studies consistently show that physical activity, purpose and social connection can improve quality of life and extend longevity.

Your financial plan should support the habits and hobbies that keep you energized, including travel, time with family and friends, continued learning and/or volunteering and giving back to your community.

6. Estate and legacy: Living fully and making your wishes known

A legacy plan is about more than the distribution of your assets when you're gone. It's about ensuring your loved ones know and understand your wishes, have access to up-to-date and professionally prepared legal documents, and can navigate decisions without confusion or conflict.

Don't delay. It's important to keep your beneficiary designations current, establish powers of attorney and communicate your wishes to your financial adviser and those you care about.

Coordination is key

It's often the blind spots that cause the most problems — and the most regret — for retirees.

In truth, many hard-working retirees don't have a money problem; they have a coordination problem. They've accumulated various assets over the years, but they have no idea how, or if, those investments will work together.

It's like trying to assemble a 1,000-piece jigsaw puzzle without looking at the picture on the front of the box.

That's how retirement feels for many people — scattered, uncertain and more complex than it needs to be.

When you have a plan in place to cover the six foundational areas — taxes, health care, risk, income, vitality, and estate and legacy (or THRIVE) — your wealth can transform from a collection of accounts into a framework for living well.



Retirement should be a time we look forward to — those hard-earned years when we can relax after decades of dedicated work and enjoy life with minimal stress.

Yet, many people worry about retirement well before then for a variety of financially related reasons.

The 2025 Protected Retirement Income and Planning Study revealed that 30% of non-retired consumers ages of 61 to 65 consider delaying retirement, and 54% are fearful they'll outlive their savings.

These statistics reflect the importance of income planning for retirement. Here are some reasons it's essential, as well as steps for how to address the key pieces of planning:

Building consistent cash flow

Many people in retirement are uncomfortable about spending, because for so long, they've had a steady paycheck and been in a save/accumulate phase. Switching to a distribution phase can be an unsettling mindset challenge, especially if you're worried about outliving your money.

However, a clear income plan helps you structure a reliable monthly or yearly cash flow so you can maintain your lifestyle without worrying that your savings won't last.

Keys to building cash flow:

-Organize your budget

Investigate how much you spend on a monthly basis, and organize your expenses into two categories: necessary vs discretionary. Factor in that some retirement years will require more spending than others.

Early in retirement, for example, you might spend more on traveling or hobbies. There could also be big expenses, such as your children's weddings, new vehicles and, at some point, you might face large, unexpected expenses, including home or auto repairs. Keep building that emergency fund.

-Analyze guaranteed income sources and assets

When laying out your income plan and focusing on cash flow, you should start by totaling your guaranteed income sources, such as Social Security, pensions, annuities, laddered government bonds and rental properties.

You can then determine how much you need to supplement your income with the assets you have saved.

-Anticipate health care costs

Plan for potentially high health care costs in retirement, including insurance premiums, deductibles and long-term care. Since Medicare doesn't cover all medical expenses, you need to explore additional options.

Purchasing long-term care insurance can protect your savings, although it's best to buy it well before retirement, when premiums are lower.

Some hybrid policies combine life insurance or annuities with a long-term care rider. Health savings accounts offer tax advantages: Contributions are tax-deductible, funds grow tax-free, and withdrawals for qualified medical expenses are tax-free.

-Pay down debt

Reduce or eliminate high-interest debt, such as credit card balances and mortgages, before retirement to free up more of your cash flow.

Managing longevity risk

People are living longer, and without an income plan, there's a real risk of outliving savings. Solid income planning accounts for different life spans and creates strategies to stretch assets.

Keys to managing longevity risk:

-Delay Social Security benefits

Your monthly payout increases every year you wait past your full retirement age, up to age 70. That approach allows you a larger, inflation-adjusted income stream throughout retirement.

-Leverage your pension plan

It's advisable in the longevity context to take the payout in guaranteed monthly payments rather than in a lump sum.

-Consider annuities

These are insurance contracts that provide a guaranteed income stream for either a set period or for life.

Two examples are a deferred income annuity and a guaranteed minimum withdrawal benefit (GMWB). With the former, you pay a lump sum up front for income that starts at a future date. The GMWB provides a lifetime income floor, protected if the underlying investments perform poorly.

-Diversify your portfolio

Doing so across asset classes such as stocks, bonds and real estate can help your money grow to keep pace with inflation while mitigating market volatility.

Income planning with a diversified portfolio balances growth and security, ensuring you're not overly conservative (risking inflation eating away at your purchasing power) or overly aggressive (risking big market losses).

Creating an income plan with long-term projections allows you to diversify your portfolio appropriately and ensures that you're allocated correctly, providing the income you need while in retirement. It also still allows you to grow your assets to meet the goals that you have set for yourself.

Creating tax efficiency

Retirement income often comes from multiple sources (Social Security, pensions, IRAs, investments, etc.). Coordinating withdrawals in a tax-efficient way can reduce tax costs in retirement and preserve wealth.

Required minimum distributions (RMDs), which for most people begin at age 73, can push you into a higher tax bracket, increase your Medicare premiums and lead to as much as 85% of your Social Security being taxed.

Keys to creating tax efficiency in retirement:

-Roth conversions

While it's nice to build a large nest egg with a traditional, employer-sponsored 401(k), having a tax-deferred account can be costly in terms of taxes when you withdraw those funds in retirement.

However, consistently converting assets from a traditional 401(k) or other tax-deferred accounts to a Roth IRA or a Roth 401(k) — and, ideally, doing so during a series of years well before retirement — can save you a significant amount in taxes.

Though you must pay income tax on the conversions, withdrawals are tax-free if you're at least 59½ years old and have had the account for at least five years. Roth IRAs are not subject to RMDs.

-Conventional withdrawal strategy

This approach involves withdrawing money in retirement first from your taxable accounts — brokerage accounts, CDs, bonds, savings accounts — while allowing your tax-free and tax-deferred accounts time to grow.

When you withdraw from taxable accounts, the growth in them is subject to capital gains, which are taxed at a lower rate than ordinary income. You only pay tax on the gains, not the principal.

Unlike tax-deferred accounts, which have RMDs, withdrawals from taxable accounts are voluntary, and you can choose when to sell assets, giving you control of your taxable income.

By withdrawing from taxable accounts first, you can delay taking from tax-deferred accounts and keep your ordinary income lower in the early years of retirement.

Your second group of withdrawals would come from tax-deferred accounts (traditional IRAs and 401(k) accounts). With Roth 401(k) and Roth IRA accounts being tax-free, save those last.

-Proportional withdrawal strategy

Review your balances in different accounts, and take withdrawals from them each year in proportion to those balances. This is a way to balance your tax liability.

Conversely, if in one year you withdrew money solely from tax-deferred accounts, your taxable income could increase significantly.

-Qualified charitable distribution (QCD)

If you are age 70½ or older, you can donate up to \$108,000 (for 2025) directly from your IRA to a qualified charity.

9 Medicare Changes to Watch in 2026



Knowing how Medicare is evolving and which benefits you can rely on will help you focus on whether original Medicare or a particular Medicare Advantage plan will serve you best. Medical costs are increasing each year, driven by factors such as inflation and advancements in medical technology, including biosimilars.

According to Fidelity, a 65-year-old retiring in 2025 can expect to spend an average of \$172,500 on health care and medical expenses throughout retirement. That's an increase of 4% or \$7,500 over the 2024 estimate.

Are rising costs and evolving program coverage rules frustrating? Absolutely — that's why we've waded through this year's Medicare changes to help keep you informed and hopefully save you money.

1. Prescription payment plan updates

2025 was the first year that the Medicare Prescription Payment Plan (MPPP) enabled those with Medicare prescription drug coverage to spread the costs of their prescription drugs over the calendar year rather than paying in full at the pharmacy counter each time they fill a prescription. Keeping this arrangement just got easier.

Automatic renewal of plan participation. Beginning in 2026, if you participate in the MPPP, you will be automatically re-enrolled the following year, 2027, unless you opt out. Additionally, a separate renewal notice must be sent after the end of the annual election period, which should include the upcoming terms and conditions of the payment plan.

If you decide to opt out, CMS will require plan sponsors to process opt-out requests within three calendar days, rather than the initially proposed 24-hour timeframe, to reduce administrative burden.

2. Cap on Part D prescription drug expenses indexed for inflation

Many of us are familiar with inflation indexing from our tax returns; every year, certain limits, such as how much you can contribute to an IRA, are adjusted for inflation. However, that doesn't mean it will necessarily change every year; the formula that is applied could result in no change in a given year.

In 2026, the cap on out-of-pocket prescription drug costs is \$2,100, a \$100 increase over the 2025 limit of \$2,000. That means you'll be liable for an additional \$100 in drug costs over the year in 2026.

3. Medicare Part D deductible is going up

Far more attention is paid to the Part A (\$1,736 in 2026) and Part B (\$283 in 2026) deductibles. That is probably because those amounts are set in stone and everyone must pay them, unlike a Part D. Your deductible for your Medicare Part D insurance will depend on the plan you choose. Moreover, the deductible can vary, and you may not have to pay one at all. However, if you are subject to a Part D deductible, there is a maximum that no policy may exceed.

Annual deductible. If your plan has a deductible, you pay 100% of your gross covered prescription drug costs (GCPDC) until the deductible is met. For 2026, that maximum increased to \$615, \$25 more than the 2025 amount of \$590.

You pay all out-of-pocket costs until you meet your plan's full deductible. After that, you'll pay 25% coinsurance for both generic and brand-name drugs. This continues until your total out-of-pocket spending on covered Part D drugs reaches \$2,100 for 2026.

4. Limit on special supplemental benefits for the chronically ill (SSBCI) on Medicare Advantage

Medicare Advantage (MA) plans are known for the extra benefits they provide to their subscribers. Some MA plans offer special benefits tailored to the enrollee's medical condition. The CMS finalized and codified a non-exhaustive list of non-allowable supplemental benefits that are on offer under the Special Supplemental Benefits for the Chronically Ill (SSBCI) category.

In the Final Rule, the CMS adopted the non-exhaustive list of non-primarily health-related items or services that do not meet the standard of having a reasonable expectation of improving or maintaining the health or overall function of the enrollee.

Here is a list of examples of items or services that may not be offered as SSBCI, including all of the following:

- Alcohol
- Tobacco
- Cannabis products
- Non-healthy food
- Life insurance
- Hospital indemnity insurance
- Funeral planning and expenses
- Procedures that are solely cosmetic in nature and do not extend upon Traditional Medicare coverage
- Broad membership programs inclusive of multiple unrelated services and discounts

5. Insulin costs capped

Insulin costs for Medicare beneficiaries were capped at \$35 per month or less in 2023, depending on negotiated or maximum fair prices. This cap will now apply annually, beginning in 2026. And watch your benefit statements, as no deductible should be applied to insulin.

For 2026 and each subsequent year, the applicable cost-sharing amount is the lesser of:

- \$35
- 25% of the maximum fair price established for the covered insulin product under the Medicare Drug Price Negotiation Program
- 25% of the negotiated price of the covered insulin product under the stand-alone Medicare prescription drug plan (PDP) or MA plan with prescription drug coverage (MA-PD plan)

6. Zero cost-sharing for adult vaccines

Medicare beneficiaries have had access to a limited number of free vaccines since 2023. However, free vaccines are now a permanent feature of Medicare Part D plans. Part D insurers must continue to waive deductibles and cost-sharing for adult vaccines recommended by the Advisory Committee on Immunization Practices (ACIP).

The list of free vaccines is updated every year, so just because a vaccine is on the list this year doesn't mean it will be on the list next year.

If you are traveling outside of the country, you may want to consult the CDC's list of recommended vaccinations depending on your destination. We are in the midst of a global Measles outbreak. The CDC suggests that you ensure you are up to date with all your routine vaccines, as "the majority of measles cases imported into the United States occur in unvaccinated U.S. residents who become infected during international travel."

As an extra measure of caution, you can see which countries in the world have reported measles outbreaks before you travel.

7. Prior authorizations for original Medicare for six states in 2026

Original Medicare, also known as traditional Medicare, has historically required little in the way of pre-authorization for beneficiaries seeking services; pre-authorization was typically the domain of Medicare Advantage. This change is effective as of January 1, 2026.

CMS is using AI to "test ways to provide an improved and expedited prior authorization process relative to original Medicare's existing processes, helping patients and providers avoid unnecessary or inappropriate care and safeguarding federal taxpayer dollars," per a CMS press release.

Six states — New Jersey, Ohio, Oklahoma, Texas, Arizona, and Washington — will begin using the Wasteful and Inappropriate Service Reduction (WISeR) Model to perform prior authorization evaluations.

Medicare beneficiaries can be assured that AI will not be determining whether a procedure is approved or denied; a human being will be reviewing the information. "... while technology will support the review process, final decisions that a request for one of the selected services does not meet Medicare coverage requirements will be made by licensed clinicians, not machines," CMS explained.

8. Maximum out-of-pocket costs for Medicare Advantage plans decrease

It's unusual to see limits decrease from one year to the next, as most limits usually tick up in the new year. This is the case for Medicare Advantage participants. Unlike tax brackets, a lower number in this case is welcome. In 2026, the annual out-of-pocket limit for in-network services decreased by \$100 from \$9,350 in 2025 to \$9,250.

9. Medicare to cover weight loss drugs

Initially, the Trump administration decided not to cover GLP-1 weight loss medications prescribed only to treat weight loss in 2026. Cost was a big factor. Medicare currently covers drugs that are used for weight loss, like Mounjaro and Ozempic, but only when they are prescribed by doctors for other reasons, like managing diabetes.

After negotiations with many major drug companies, the Trump administration struck a deal to lower the costs of GLP-1 medications and Medicare to begin covering the weight-loss drugs in 2026. Medicare will pay \$245 per month, down from list prices ranging from \$1,000 to \$1,350.