

## **Perspectives - On Business**

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### Prescription Card Tidal Wave

Today our seniors are being flooded with increasing prescription costs and a tidal wave of Medicare discount card information. There are dozens of different cards available. Each covers prescriptions differently, and may or may not be accepted by the stores near you. Make sure the seniors you love are not drowning in information.

Popular advice is to contact their pharmacies to help them decide which card to sign up for. The pharmacists may be kind and helpful to a point, but their information seems to be limited to the 1 or 2 cards that a particular pharmacy promotes. ("Pushes" in the words of one of the pharmacists). Be aware that the cards they provide may not cover some of the prescriptions an individual takes.

It behooves you to do some research. Medicare's website ([www.medicare.gov](http://www.medicare.gov)) can help you choose the best one. There you can input the prescriptions currently taken, required dosage, current costs and be given a list of cards to compare. You can also obtain information on qualifying for a \$600 annual credit, based on income of less than \$12,569/single or \$16,862/married.

The site is helpful, but time consuming and involved. If the senior is Internet savvy enough to navigate it, they should successfully obtain the information needed. They also may call Medicare direct to ask questions. The usefulness of their answers will depend on a combination of the skill of the person answering the phone and the knowledge of the person asking the question. At best, it varies.

This serves as a reminder that it is imperative that we open and keep flowing a channel of communication between ourselves and our senior loved ones, on that socially taboo and delicate subject (no, it's not sex anymore - it's money). Today's cost of prescriptions is so high it is helping many to overcome their reluctance to discuss their finances.

Medicare discount cards, are just the tip of the iceberg today. Social Security, Medicare, interest rates, life insurance needs, reverse mortgages ... the list goes on. Their mailboxes are flooded every day. Be sure they can keep their heads afloat - if not, throw them a lifeline! Don't be deceived into thinking they're all right, until you at least broach the subject.

We wish you fair sailing!

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## **Future Finances' Market Update**

By Max Larsen

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Monday, October 4, 2004

We're back from our investment conference in Atlanta. The conference was good with a guest appearance on Friday by Neil Cavuto, the managing editor of business news for the Fox News Channel and anchor of the daily *Your World with Neil Cavuto*. He was very humorous and made the remark that several of his Wall Street contacts were nervous about a major drop in the stock market after the perceived mediocre performance by President Bush in the debates. We all got a laugh when it was announced that the market was up 100 points - so much for the experts' opinions.

It was a strong week for the market with the major indices up nicely with the Dow, NASDAQ and S&P 500 up 1.4%, 3.3% and 1.9%. Unfortunately, in spite of last week's strength it was easy to forget that the third quarter, which came to an end on Thursday, was weak with the indices down 3.4%, 7.4% and 2.3%, respectively.

In spite of good news on the manufacturing sector (the ISM Index pointed to continued growth) there was a general malaise with many of the fellow money managers at the conference. Few have definitive ideas on the direction of the stock market, and some were predicting a flat 2004 and maybe brighter forecasts for 2005. I now understand what Warren Buffet meant when he said, "During this period I have felt like the bird that inadvertently flew into the middle of a badminton game."

Fortunately, being somewhat of a contrarian I really try to analyze markets based upon supply and demand or factors that could influence that balance, like Fed policy and inflation, rather than the media's "excuse du jour" to explain market behavior. We still have extremely low interest rates and inflation, a strong GDP, strong new home starts, robust factory orders and the Christmas season is on the horizon. Many of these pessimists may be in for a surprise yet this year.

So, I will stay with my prediction of a strong 2004 ending. 2005 may be another story. I'm in the process of researching and writing our *2005 Stock Market Outlook* and see business spending slowing drastically after the expiration of accelerated business depreciation (12/31/04). Its consumer spending, which makes up two-thirds of our economy, which will be key to sustaining economic growth. I'm hoping more of our leaders will adopt Governor Arnold Schwarzenegger's optimistic vision of the U.S Economy. It's crucial they start espousing positive opinions about the prospects for the economy. This would serve to enhance investor confidence and foster consumer spending. Still, in

spite of my optimistic nature I do worry about the high consumer debt level and the tough decisions that our politicians will need to make next year.

We have less than one month left before the elections. I for one will be glad when it's over. I am so tired of hearing the negative ads and mud slinging. I hope whoever wins will have the gumption to make the hard decisions, but I suspect that like the vast majority of politicians they will lean to the "girlie men" camp that Arnold so aptly described.

That is all for today my friends. Have a wonderful week!

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