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**August 2018  
Edition**

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**Living Trust  
Seminar**

**For the public and also  
for our existing clients  
who want to bring  
family or friends!**

**Tuesday,  
August 7**  
Torrance Main Office  
9:30 - 11:30 am  
990 W. 190th Street  
Suite 500



**Saturday,  
August 11**  
Torrance Marriott Hotel  
9:00 - 11:30 am  
3635 Fashion Way



**Medi-Cal Asset  
Protection  
Seminar**

**For the public and also  
for our existing clients  
who want to bring  
family or friends!**

**Tuesday,  
August 14**  
Torrance Main Office  
9:30 - 11:00 am  
990 W. 190th Street

# If You Haven't Received Your New Medicare Card Yet, You Better Read This...

By  
**Philip Kavesh**

In previous articles, I addressed how seniors are needlessly exposed to financial scams because their Social Security number is on their Medicare Card and how the Social Security Administration is working to avoid this by issuing new cards containing random identification numbers. I thought the problem was about taken care of, but now the saga continues... with yet a new debacle I call "Medicare Card Limbo"! (To see the previous articles, click the following links [1st Medicare Card article](#) and [2nd Medicare Card article](#))

## Here's How My "Odyssey" (or should I say "run around") Began

I had recently scheduled an appointment with a doctor and, as is routine procedure with most medical offices, his staff called me in advance to confirm my insurance coverage information. I had not received my new Medicare card, so I gave them my old card number as well as my secondary insurance information. Everything seemed business as usual.

Then, a few days before my appointment, I received a frantic voicemail, saying my Medicare card was rejected by their system and I needed to call back and re-verify it. After several futile calls by me (each time being placed on hold for over 20 minutes, after which I was so frustrated that I just hung up), I finally spoke with a lady in the doctor's office. I gave her my Medicare card number again, only to find out it was again rejected by her system (which she said was directly linked to the Social Security Administration database)! She then went on to explain this completely crazy...

## "Catch 22"

She said I wouldn't be able to see the doctor - - and here's the nutty reason why. Without Medicare coverage, they would have to directly bill my secondary insurance

Suite 500



## Office Locations

For your convenience, we have multiple office locations throughout Southern California.

### Main Office:

#### Torrance Office

990 W. 190th St.  
Suite 500  
Torrance, CA 90502

### Other Local Offices:

#### Pasadena Office

790 E. Colorado Blvd.  
9th Floor  
Pasadena, CA 91101

#### Woodland Hills Office

5850 Canoga Ave.  
4th Floor  
Woodland Hills, CA 91367

#### Orange Office

333 City Drive West  
17th Floor  
Orange, CA 92868

#### Newport Beach Office

5000 Birch St.  
Suite 8000  
Newport Beach, CA 92660

## Contact Us

You may contact us to make an appointment for your initial consultation, to schedule a review of your current estate plan, or to make a referral.



1-800-756-5596  
[www.kaveshlaw.com](http://www.kaveshlaw.com)  
[info@kaveshlaw.com](mailto:info@kaveshlaw.com)

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Also, visit our blog to keep up on the latest developments in estate planning.

company. But they were sure the claim would be denied because the secondary carrier only covers whatever portion of the doctor cost that Medicare refuses to pay, and if the secondary insurer didn't see a written rejection from Medicare, they wouldn't cover anything! Since the doctor's office wouldn't be able to submit a billing to Medicare without my correct member, no rejection would occur and the secondary coverage wouldn't kick in. Instead they would require I pay the entire fee at my doctor visits! When I responded, "Can I pay for it, and if you later get paid by Medicare or my secondary carrier, you will reimburse me?" she said "Sorry, we don't have a system for doing that!"

So she told me I would have to cancel my appointment unless I could resolve all this with Medicare. I was not happy, as I had already waited several months to see this doctor!

At least, she did give me a "special" Medicare customer service number to call but here's where...

## The Plot "Sickens"

I repeatedly tried to contact Medicare by phone, but every time was placed on hold for over 45 minutes, to the point I just about gave up. Between the calls to my doctor's office and Medicare, I had already wasted multiple hours!

So I got back to the lady at the doctor's office and her next suggestion was to go to the ssa.gov website and pull up my Medicare account. I had to enter a lot of personal, identifying information. I did not recall ever opening an account on that site, so I endeavored to create a new one. Each time I did, it rejected me, indicating I already had an account. Then, I tried to access my existing account, using every user name and password I could think of. No luck! Finally, it wouldn't even let me in to try again!

So I waited til the next day. This time, instead of testing more user names and passwords, I straight away requested my "forgotten" user name, then my password (which I wound up "resetting"). Apparently, I had in fact opened an account a few years before reaching Medicare qualification age (65), just to check that my Social Security earnings had been reported correctly for purposes of my Social Security retirement income (not Medicare). I finally accessed my account, only to then realize I had to search the seemingly endless and confusing ssa.gov account site to find out...

## Where's My Medicare Number?

I probably searched for over an hour on that site, until I came across a tab called "Certification Letter" where, almost invisibly buried in the text of the letter, I located my Medicare number - - a different, new one not on my existing card! (Apparently the Social Security Administration had already issued and implemented my new number in their system, the same one the doctor's office checked, before they had even sent me my new card!).

So, finally, I was able to handle everything successfully with my doctor's office, keep my appointment and (thankfully) get a "clean bill" - - of health!

## Lessons from this Cautionary Tale

If you haven't received your new Medicare card yet, I highly recommend that you go to [www.ssa.gov](http://www.ssa.gov) and open an account (if you don't already have one) or check your existing account. Grab your new Medicare number now, so you have it until your new card arrives. Don't place yourself in a position where you may need immediate medical care and can't get the cost covered by your available Medicare (and secondary insurance) - - and wind up having to pay for it yourself!

## Second Article

# The Little-Known Tax on Roth 401(k) Distributions

Employee retirement savings plans come in two main flavors: the traditional 401(k) and the Roth 401(k). The benefit of a Roth 401(k) over a traditional 401(k) after retirement is that distributions from a Roth 401(k) are tax-free, but there is a little-known situation where distributions can be taxed.

Contributions to a traditional 401(k) are made pre-tax, so while it reduces your taxable income in the year you contribute to it, you have to pay taxes on the money you withdraw during retirement. On the other hand, contributions to the Roth 401(k) are made after taxes. This means you won't have to pay any taxes when you withdraw the money. Some employers offer to match any contributions you make to your 401(k) as an employee benefit. If your employer matches your Roth 401(k) contribution, the contributions will be made before the employer pays taxes on it. This means you will have to pay income taxes on the match and any growth associated with the match when you take distributions. In other words, the employer match is treated like a traditional 401(k).

The maximum amount you can contribute to a Roth 401(k) (in 2018) if you are younger than age 50 is \$18,500 per year. If you are older than 50, you can contribute \$24,500 (in 2018). Your employer can match as much of your contribution as it wants, but the total contribution to a Roth 401(k) (in 2018) cannot exceed \$55,000 or 100 percent of your salary, whichever is less.

You may also convert an existing 401(K) to a Roth 401(K) - - or an existing traditional IRA to a Roth IRA - - which may be a good way to create a tax-free stream of future retirement income. But there are other details that should be considered before you convert. If you would like to arrange a free consultation with our affiliated advisors at Pence Wealth Management to discuss the Roth Conversion or other financial matters, just give us a call.

Article from [elderlawanswers.com](http://elderlawanswers.com)

## Recipes of the Month

# German Chocolate Cake

*Prep Time: 30m - Cook Time: 30m - Ready In: 1h  
Servings: 12 - Calories: 735*



## Ingredients

- 1/2 cup water
- 4 (1 ounce) squares German sweet chocolate
- 1 cup butter, softened
- 2 cups white sugar
- 4 egg yolks
- 1 teaspoon vanilla extract
- 1 cup buttermilk
- 2 1/2 cups cake flour
- 1 teaspoon baking soda
- 1/2 teaspoon salt
- 4 egg whites
- 1 cup white sugar
- 1 cup evaporated milk
- 1/2 cup butter
- 3 egg yolks, beaten
- 1 1/3 cups flaked coconut
- 1 cup chopped pecans
- 1 teaspoon vanilla extract
- 1/2 teaspoon shortening
- 1 (1 ounce) square semisweet chocolate

## Directions

1. Preheat oven to 350 degrees F (175 degrees C). Grease and flour 3 - 9 inch round pans. Sift together the flour, baking soda and salt. Set aside. In a small saucepan, heat water and 4 ounces chocolate until melted. Remove from heat and allow to cool.
2. In a large bowl, cream 1 cup butter and 2 cups sugar until light and fluffy. Beat in 4 egg yolks one at a time. Blend in the melted chocolate mixture and vanilla. Beat in the flour mixture alternately with the buttermilk, mixing just until incorporated.
3. In a large glass or metal mixing bowl, beat egg whites until stiff peaks form. Fold 1/3 of the whites into the batter, then quickly fold in remaining whites until no streaks remain.
4. Pour into 3 - 9 inch pans Bake in the preheated oven for 30 minutes, or until a toothpick inserted into the center of the cake comes out clean. Allow to cool for 10 minutes in the pan, then turn out onto wire rack.
5. To make the Filling: In a saucepan combine 1 cup sugar, evaporated milk, 1/2 cup butter, and 3 egg yolks. Cook over low heat, stirring constantly until thickened. Remove from heat. Stir in coconut, pecans and vanilla. Cool until thick enough to spread.
6. Spread filling between layers and on top of cake. In a small saucepan, melt shortening and 1 ounce of chocolate. Stir until smooth and drizzle down the sides

of the cake.

Recipe from [allrecipes.com](http://allrecipes.com)

## Thank You



Here is a very special to all of our clients who have referred family and friends, or forwarded our newsletter to them! If you are part of a group or club and you would be interested in having us speak to the members on important estate planning topics of interest, please contact us at [info@kaveshlaw.com](mailto:info@kaveshlaw.com).

## Quote of the Month

***“ Hold fast to dreams, for if dreams die, life is a broken-winged bird that cannot fly. ”***

***- Langston Hughes***

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