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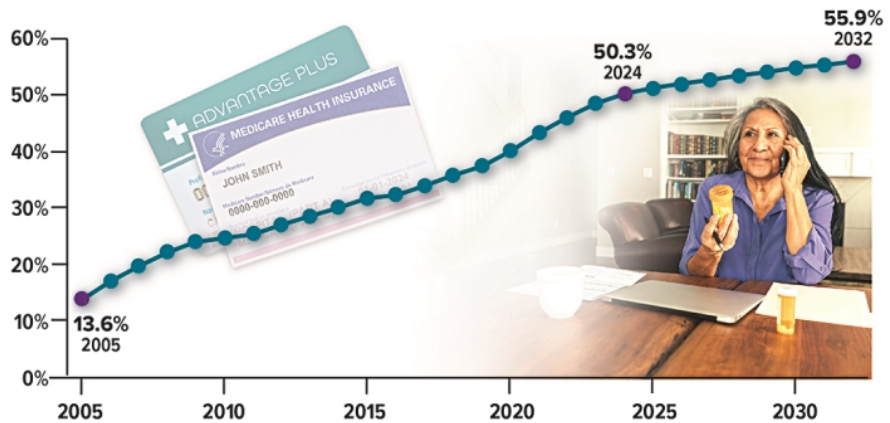
Estimated amount that a couple who retired at age 65 in 2022 might need to save to pay for retirement health-care expenses, assuming they have Original Medicare with a comprehensive Medigap policy and median prescription drug expenses. The same couple might only have to save \$184,000 with a Medicare Advantage (MA) plan, assuming average usage, or \$256,000 with high usage. However, MA plans typically have more restrictions than Original Medicare.

Source: Employee Benefit Research Institute, 2023

Rising Enrollment in Medicare Advantage Plans

The percentage of Medicare beneficiaries enrolled in private Medicare Advantage (MA) plans has risen steadily since 2005, when higher payments from Medicare to private health insurers enabled them to offer more attractive plans to consumers. About half of Medicare beneficiaries are projected to be enrolled in private plans in 2024, with growth slowing in succeeding years. MA plans can help reduce out-of-pocket expenses and might cover services not covered by Medicare, but they often have limited networks and may require approval to cover certain medications and services.

Percentage of Medicare beneficiaries enrolled in private health plans



Sources: 2023 Medicare Trustees Report (data projected for 2023 to 2032); 2013 Medicare Trustees Report

Due Date Approaches for 2023 Federal Income Tax Returns

Tax filing season is here again. If you haven't done so already, you'll want to start pulling things together — that includes getting your hands on a copy of your 2022 tax return and gathering W-2s, 1099s, and deduction records. You'll need these records whether you're preparing your own return or paying someone else to prepare your tax return for you.

Don't procrastinate. The filing deadline for individuals is generally Monday, April 15, 2024.

Filing for an extension

If you don't think you're going to be able to file your federal income tax return by the due date, you can file for and obtain an extension using IRS Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return. Filing this extension gives you an additional six months (to October 15, 2024) to file your federal income tax return. You can also file for an extension electronically — instructions on how to do so can be found in the Form 4868 instructions.

Due Dates for 2023 Tax Returns

Tax to do:

April 15, 2024

- Most taxpayers must file tax return and pay tax or file for 6-month extension and pay estimated tax

June 17, 2024*

- Taxpayers living (or serving in the military) outside the U.S. on April 15, 2024, must file tax return and pay tax or file for 6-month extension and pay estimated tax

*Interest is due on taxes paid after the April filing date

October 15, 2024

- Taxpayers who filed for an extension must file tax return and pay any additional tax

Filing for an automatic extension does not provide any additional time to pay your tax. When you file for an extension, you have to estimate the amount of tax you will owe and pay this amount by the April filing due date. If you don't pay the amount you've estimated, you may owe interest and penalties. In fact, if the IRS believes that your estimate was not reasonable, it may void your extension.

Note: *Special rules apply if you're living outside the country or serving in the military and on duty outside the United States. In these circumstances, you are generally allowed an automatic two-month extension (to June 17, 2024) without filing Form 4868, though interest will be owed on any taxes due that are paid after the April filing due date. If you served in a combat zone or qualified hazardous duty area, you may be eligible for a longer extension of time to file.*

What if you owe?

One of the biggest mistakes you can make is not filing your return because you owe money. If your return shows a balance due, file and pay the amount due in full by the due date if possible.

If there's no way that you can pay what you owe, file the return and pay as much as you can afford. You'll owe interest and possibly penalties on the unpaid tax, but you'll limit the penalties assessed by filing your return on time, and you may be able to work with the IRS to pay the remaining balance (options can include paying the unpaid balance in installments).

Expecting a refund?

The IRS has stepped up efforts to combat identity theft and tax refund fraud. More aggressive filters that are intended to curtail fraudulent refunds may inadvertently delay some legitimate refund requests. In fact, the IRS is required to hold refunds on all tax returns claiming the earned income tax credit or the additional child tax credit until at least February 15.

Most filers, though, can expect a refund check to be issued within 21 days of the IRS receiving a tax return. However, note that in recent years the IRS has experienced delays in processing paper tax returns.

So if you are expecting a refund on your 2023 tax return, consider filing as soon as possible and filing electronically.

Extreme Weather and Your Home Insurance: How to Navigate the Financial Storm

With wildfires in Maui, Hurricane Idalia in Florida, and the heat wave that blanketed the South, Midwest, and Great Plains, 2023 was a record-setting year for extreme weather in the United States. In fact, last year the U.S. saw more weather and climate-related disasters that cost over \$1 billion than ever before.¹

As a result of these extreme weather events, many insurance companies have begun to raise rates, restrict coverage, or stop selling policies in high-risk areas. This has left homeowners in a precarious situation when it comes to home insurance, as many are now faced with higher premiums, lower home values, and the possibility of the nonrenewal of their policies.

If you live in an area that is susceptible to extreme weather events, you'll want to be prepared for the possible disruption of your home insurance coverage. The key is to act quickly so that you can manage your financial risk and help make sure that your home is protected.

Handling a nonrenewal

Depending on the state you live in, if your insurer chooses not to renew your coverage, they generally have 30 to 60 days to send you a notice of nonrenewal. Your first step should be to contact your insurer and ask why your policy wasn't renewed. They may reverse their decision and renew your policy if the reason for nonrenewal can be fixed, such as by installing a fire alarm system or fortifying a roof.

If that doesn't work, you should begin shopping for new coverage as soon as possible. Start by contacting your insurance agent or broker or your state's insurance department to find out which licensed insurance companies are still selling policies in your area. You can also try using the various online comparison tools that will allow you to compare rates and coverage amongst different insurers. Finally, ask for recommendations for insurers from friends, neighbors, and coworkers who live nearby.

Consider high-risk home insurance

If your home is deemed to be at high risk due to its geographic area, you may want to look for an insurance company that specializes in high-risk home insurance.

High-risk policies often have significant exclusions and policy limits and are more expensive than traditional home insurance policies. However, they can provide coverage to a home that might otherwise be uninsurable.

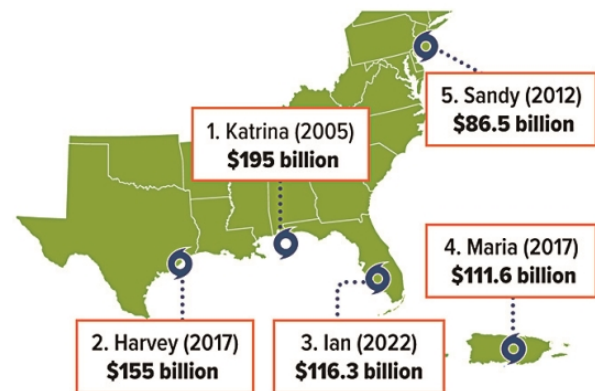
Use a FAIR plan as a last resort

If you have trouble obtaining standard home insurance coverage, you may be eligible to obtain coverage under your state's Fair Access to Insurance

Requirements (FAIR) plan. Many states offer homeowners access to some type of FAIR plan.²

FAIR plans are often referred to as "last resort" plans, since homeowners who obtain insurance through a FAIR plan are usually not eligible for standard home insurance coverage due to their home being located in a high-risk area. Coverage under a FAIR plan is more expensive than standard home insurance and is fairly limited — it usually only provides basic dwelling coverage, although some states may offer other coverage options for things like personal belongings or additional structures. In addition, most states require you to show proof that you have been denied coverage before you can apply for a FAIR plan.

Five Costliest Natural Disasters in U.S. History



Source: NOAA National Centers for Environmental Information (NCEI) U.S. Billion-Dollar Weather and Climate Disasters, 2023

Avoid expensive force-placed insurance

If you have a mortgage, your lender will require your home to be properly insured. If you lose your home insurance coverage or your coverage is deemed insufficient, your lender will purchase home insurance for you and charge you for it. These types of policies are referred to as "force-placed insurance" and are designed to protect lenders, not homeowners. They usually only provide limited coverage, such as coverage for the amount due on the loan or replacement coverage if the structure is lost.

Force-placed insurance policies are typically much more expensive than traditional home insurance, with the premiums being paid upfront by your lender and added on to your monthly mortgage payment. Your lender is required to give you notice before it charges you for force-placed insurance. In addition, you have the right to have the force-placed insurance removed once you obtain proper home insurance coverage on your own.

1) NOAA National Centers for Environmental Information (NCEI) U.S. Billion-Dollar Weather and Climate Disasters, 2023

2) National Association of Insurance Commissioners, 2023

The Federal Reserve's Key Meeting Dates in 2024

The Federal Reserve's rapid series of interest rate hikes throughout 2022 and 2023 — initiated in an effort to bring down red-hot inflation — rippled throughout financial markets and the broader economy.

People pay attention to the "Fed" to see where interest rates are headed, but also for its economic analysis and forecasting. Members of the Federal Reserve regularly conduct economic research, give speeches, and testify about inflation and unemployment, which can provide clues about where the economy is going. This information can be useful for consumers when making borrowing and investing decisions.

Eight meeting dates in 2024

The Federal Open Market Committee, or FOMC, is the arm of the Federal Reserve responsible for setting monetary policy. It typically meets eight times per year.

Month	Dates	Month	Dates
January	30–31	July	30–31
March	19–20*	September	17–18*
April/May	30–1	November	6–7
June	11–12*	December	17–18*

*Meeting includes a Summary of Economic Projections

Because financial markets often react to FOMC meeting decisions, knowing the scheduled meeting dates ahead of time might be helpful when digesting economic news. The minutes of regularly scheduled FOMC meetings are released three weeks after the meeting date on [federalreserve.gov](https://www.federalreserve.gov).

The Fed's key objectives

The Federal Reserve System was created by the Federal Reserve Act of 1913. The Fed is charged with three main objectives: maximum employment, stable prices, and moderate long-term interest rates. The first two objectives are often referred to as the Fed's "dual mandate." Over the years, the Federal Reserve's duties have expanded and evolved to include maintaining stability of the entire U.S. financial system.

After its brisk series of rate increases in 2022 and 2023, the Fed has held the federal funds rate mostly steady. Going forward, it will continue to monitor economic data — including inflation, employment growth, bank sector stress, and credit conditions — as it determines future moves.

The federal funds rate is a benchmark rate that influences other interest rates throughout the economy, such as for mortgages, credit cards, and business loans. A higher federal funds rate typically drives up the cost of borrowing.

Source: Federal Reserve, 2023

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