Bob Bettinson's **March 2008**

"The Circle of Safety"

Consumer Awareness Advisor

News and Tips to Make Your Life Easier, Safer and Happier!
For Friends and Clients of The Bettinson Agency

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Is Your Identity Safe?
It is estimated that 1 in 6 people will be victims of identity theft this year. If you've ever paid a bill, made a purchase, or done any banking online you could be at risk for identity theft.

Even if you think you've taken the necessary precautions to safeguard your identity and personal information you could be at risk! Identity theft is when someone obtains personal or financial information about you with the intent to commit fraud. The scariest part is that everyone is at risk. Don't be lulled into a false sense of security just because you think no one would want your personal information or that you are not in a high risk group.

How can you protect yourself from identity theft?
The good news is that protecting yourself from identity theft is simple and there are many effective ways to protect your financial and personal information from falling into the wrong hands.

- Keep your vital records like bank statements, birth certificates, social security numbers and other personal information in a safe place. Using a locking file cabinet or fire safe is one way to protect your records at home. Either of these solutions is economical when you consider the cost and inconvenience of losing your identity.

- Consider leasing a safe deposit box at your bank. The fees are usually low and if you have an account already some of the fees might be waived. A safe deposit box is the place to keep your will, or power of attorney, or other important records.

- Be sure that your mailbox is lockable. Statistics show that having your mail delivered to a locked mail box discourages thieves. If you can't have your mail delivered to a locked box at your home consider using a post office box. The cost is small and you'll feel more secure knowing that your mail and your personal information are not at risk.

Managed Competition Update

As I put this issue into the hands of the printer the MA auto insurance market is slowly creeping up on the April Fools Day start of "managed competition". I am challenged by the changes but I will handle them with professional care. Many will be very disappointed that the cost of their auto insurance does not magically drop 20%! The reality of the situation is that for the last 30 years the state of MA has shifted some of the costs that should be charged to the least experienced drivers (under 6 years), the urban drivers, and worst of all the drivers with the terrible driving records in order to keep the number of uninsured drivers down. Those costs have been added to those of you who don't fall into any of those categories but that is changing. The term "managed" is used because the state is not going to a completely open competition. In 1977 the state tried to go to a fully open competition without limits and it was a disaster so they want to control the process to get it to work this time. What they are doing this time is to limit the increases on the least desirable drivers to a maximum of 10% each year. They are continuing the 25% discount for everyone over the age of 65. They are letting the companies give discounts for being loyal clients or because you have a property insurance policy with them too. They are also allowing for improvements in the coverage for a fee or in some cases for free.

Managed Competition also refers to the factors that the insurance companies can use to determine your premium. No companies are allowed to use your credit history, income level, education level, etc… to give you a higher OR lower rate. This is one of the reasons why no new companies have entered the MA auto insurance market so far. All those commercials for national insurance companies like Progessive, Farmers, State Farm, etc are for the people in NH and RI who happen to watch the Boston based television stations. In time some of these companies will probably enter the MA market to great fanfare but it will be unfortunate to lose the connection between the insurance consumers who live in MA and the insurance company employees who know how to pronounce Worcester. It is not the most important thing in the world but it is nice to keep the premium $$$ in Massachusetts so that it can return back to the state government in the form of income taxes and unemployment taxes. As I write this I have just seen two more commercials for GEICO and Nationwide (two more companies that don't do business here). When these companies decide to do business here I will explore the opportunity to sell their products but for now I am concentrating on Commerce, Travelers of MA and I am trying to decide between Encompass (Allstate's independent agent option), Hanover, Peerless (Liberty Mutual's independent agent option coming late this summer if all goes well) and Plymouth Rock. All of the companies understand where the opportunities are so they are all doing very similar things with similar pricing. They are all keeping a keen eye on what the competition is offering too so that is helping the consumer get a better value for their money.

In summary, I am working very hard to find the best protection, pricing and service to meet your needs. Some of the companies are concentrating on keeping their existing clients with loyalty discounts and bonus coverage (Commerce) while others are looking for new clients with rates that use other factors to justify a lower price (Hanover and Encompass) and still others are trying to offer a better claims experience (Travelers concierge claim center in Woburn) I will review every policy as it renews and help you find the right combination of protection, pricing and service. Some things don't change even when everything seems to be changing.

Please sign up for my VIP email update service (zipdrip!) by sending me an email to Bettinson@rcn.com . I plan on sending many short updates that explain the specific products that are becoming available and other items of importance as they come up. I promise to try to make this as simple as possible for everyone. Thank you for your continued business.

Is Your Identity Safe? (continued)

- And while we're talking about mail; be sure to shred any mail that has your name, address, account numbers, or other personal information on it. Especially if it's an offer for credit, home loans, or bank services. These documents are gold to a thief and need to be shredded immediately if you aren't going to if you aren't going to take advantage of the offer. A shredder for your home or office is an inexpensive alternative to hiring a document shredding company for your business.

- Use common sense when you shop or bank on line. Never shop with a vendor that doesn't offer a secure payment method. Never respond to emails that ask for personal information, even if they appear to be from your bank or financial institution. And never give out your passwords or log in information.

There are many resources available to you. Check with your bank or financial institution on their policies regarding identity theft. Visit the bookstore or library for information on what steps you can take at home. Contact the Better Business Bureau or your local Chamber of Commerce to see what information they might have on how you can fight identity theft and of course you can visit the many sites online. One good website is; www.ftc.gov/privacy.

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Thank You! Thank You!
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Thanks to all our clients who graciously referred their family, friends and associates to our agency. We build our agency on your positive comments. We couldn't do it without your help!

Thank you to Lauren Gianniny for recommending me to Jarred McAtee
Thank you Diane Perry for recommending us to Brittany.
Thank you Rodrigo Zuloaga for recommending Alejandro Izquierdo
Thank you to Sue Burke for recommending us to Nick M. While we are at it thank you to Sue again for recommending her sister too!

Thank you to all of you that have called to express your desire to review your policy and coverage. I really enjoy improving your protection and tailoring the policy to your current needs instead of your needs 5 years ago. Try to remember that an accident today might not end up in court for 5 years into the future so try to think ahead about what assets you are trying to protect with insurance.

Is Your Prescription Medication Safe?

Almost everyone has taken prescription medication at some point. Your doctor gives you a brief explanation and the pharmacist tells you a little more, but do you know what you're taking? What kind of side effects might it have? Will it interfere with other medications you're taking? These are important questions for you and your loved ones. Any danger can be avoided easily by taking a few simple steps and asking some basic questions. You can greatly reduce the chance of harm that may be caused by drug interactions, allergies, or other potential problems.

The U.S. Pharmacopeia (USP) -- an official public standards-setting body for prescription and over-the-counter medications in the United States -- recommends the following "things to know" about any prescription medications you are taking:

Know Why You Are Taking a Medication -- Although it sounds obvious, many people do not fully understand their diagnosis or condition -- the reason they're taking the medication in the first place. Ask your doctor to explain your condition in detail to you, and how he or she expects the medication to improve the course of your illness or its symptoms.

Know What to Expect -- Ask when you should expect to start feeling better or see an improvement, as well as potential side effects that may occur. Find out what you should do if you are not seeing the expected results within a certain timeframe or are experiencing side effects.

Know How to Take the Medication -- Your doctor or pharmacist should give you instructions for taking your medication. These are also listed on the bottle. However, it may require some extra vigilance to ensure you're getting the most out of your medication. You should also ask whether you should get a refill; whether you can stop taking the medication once you start to feel better; what to do if you miss a dose; how to minimize any side effects; and whether there are any special blood or other tests required while you are taking the medication, e.g., a liver test if you are on a "statin" drug.

Know About the Medication -- Patients should know the category of drugs the medicine belongs to, the brand and generic name, the active ingredients it contains (some people are allergic to certain ones), and any potential complications it may cause if you are pregnant. Detailed information about a medication is available in the information packet/insert stapled to the prescription bag. Patients should read this to get a good idea of what the medication is and understand important precautions to take.

Know Your Pharmacist -- Your pharmacist is a key part of your treatment team -- and the expert on topics such as how the medication prescribed will treat your condition, possible side effects, drug interactions and allergic reactions. Ask to speak to your pharmacist when getting a prescription filled. He or she is a wealth of information and often your most valuable resource.

One other important point is to keep an up-to-date list of all medications you are on and their dosages. This should be shared with your doctors, pharmacist and a family member or trusted friend. This can help prevent dangerous drug interactions and may be critical should a medical emergency occur. For brochures on patient safety and more information about prescription medications, visit www.usp.org and select "I am a Consumer."
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SPRING INTO A NEW CAREER

The time when a person stayed at the same company for 20 years is over. More and more people are job hopping after 3 or 4 years with the same company. The reasons for job hopping are different for everyone, but most people give more money as their primary reason for changing jobs. Another trend is the career change after 40. Baby boomers are the biggest leaders in this trend. Most have worked for the same firm and are near or at retirement age and ready to fulfill their dream of doing what they love versus doing what they have to provide for their loved ones.

So what should you do if you are considering making a change in your career?

First do your research. There are many ways to find out what careers are up and coming and many of them can be found on the web. Getting you're the facts before you make a change will save you time and money.

Get your finances in order. Can you afford to make a change right now? Do you have adequate savings to see you through the lean times? Do you have a second income you can count on? Don't take any chances when it comes to your income; make sure you have at least 3 months of household expenses on hand before you quit your day job!

Do you need more training? Your skills may need to be updated especially if you've been in the same position for some time. Fortunately many community colleges offer continuing education or community learning classes in computer technology and other business applications and the cost is usually low.

Update your resume. When was the last time you revised your resume? Make sure the dates are correct, add on any new skills or classes you've taken and be sure to update your references too.

Changing careers or starting a new career doesn't have to be scary. It can be invigorating and exciting! With some planning you could soon be doing what you love instead of what you have to do!

For information of career trends check out: http://www.bls.gov/emp/

Mortgage Update

WITH THE NEW YEAR COMES CHANGE

BY DARREN FRANCO

Many homeowners who are interested in refinancing or financing a new home in 2008 will be surprised that the changes in the mortgage industry have affected more than just the sub prime market. However, while loan options have changed, there are still many available programs, great rates and the benefit of financing in a buyers' market.

On January 2nd, 2008 new Massachusetts mortgage broker and banker regulations came into affect. These, coupled with the ongoing 2007 tightening of the lending guidelines and the controversial federal bill H.R. 3915, aka "The Mortgage Reform and Anti-Predatory Lending Act of 2007", have created a very different playing field from 3 – 5 years ago. While the majority of these regulations will prove to be beneficial for the industry in the long term, they are potentially creating real time issues.

Example: Joe & Lucy Client bought a home in May 2003. Financing 100%, they applied for a 5/1 adjustable rate mortgage (ARM) for 80% and a Home Equity Line of Credit (HELOC) for the remaining 20%. Fast forward – their ARM is going to adjust in the spring and with the combination of a slightest depreciation in their home, minimal drop in their credit scores and the elimination of the program they applied for when they bought their house, the Clients many not have many appropriate lending options available to them.

While this illustration is fictitious, the issues presented are real. These changes affect not only my business, but most importantly, the lives and businesses of my clients.

As a mortgage broker, my goal is always to give my clients the best counsel and options based on the market. With the current situation, clients are faced with the following:

- **Fewer financing options** – Less lenders leads to less financing options for clients
- **Fewer individualized programs** – Many programs have been eliminated or extreme changes in their guidelines have prevented a large subset of borrowers from qualifying
- **Relearning about mortgages** – Coupled with the housing slump, borrowers now need to learn about the new market rules to better understand financing options. For example, many are finding out that the program they were sold two years ago does not exist anymore

The mortgage industry is in a state of redefinition. However, a variety of programs are available and interest rates continue to be extremely competitive. Should you want to discuss your current financial situation or our contemplating a new purchase in this buyer's market, contact me for a consultation.

Darren Franco is co-owner and a principal of Boston Mortgage Solutions, LLC, a Needham mortgage brokerage firm specializing in residential and commercial real estate financing. Darren can be reached at dfranco@bostonmortgagesolutions.com or 781.453.2900 x104.

A quick piece of unsolicited advice from me is to contact your mortgage professional and let them know what it would take to get you to refinance your mortgage. The mortgage rates can be very volatile and for a few precious hours in February you could have "locked in" an awesome rate. After a few hours that great rate was gone but thousands of people were very happy that their broker knew to call them because they planned ahead. Don't miss the next opportunity to improve your mortgage terms. Call someone like Darren today!

The Bettinson Agency
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"As a young family, we moved to Arlington 17 years ago. As our family and insurance needs changed, our insurance agency has stayed the same. Thank you for so many years of service. We will continue recommending you to our friends and family."

Janice & Mahmoud Ghabbour,
Arlington MA

The greatest achievements were at first and for a time dreams. The oak sleeps in the acorn.
James Allen

THE TO DO LIST THAT SAVES YOU $$$

The end of the winter is the time to make a plan to improve your insulation to reduce next year's home heating bill.

- **Search out the trouble spots now while it is still cold and make a note of it so you can fix the problems over the summer.**
- **Feel the walls and put your hand over all the outlets and switches to check for drafts. Check under doors and around the windows too.**
- **Next time it snows see if your roof melts the snow immediately or does it stay around for a while. If it melts immediately (especially compared to your neighbors) you could probably save some real $$$ by adding insulation to the attic.**
- **If you plan on being in your house for more than a couple years it could be the best $$ you ever spent.**
- **Lastly, when you sell your home the buyers will be keenly aware of how much it costs to heat it!**