

0 (0s):

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1 (34s):

<inaudible>

2 (40s):

Welcome to the Clark. Howard show our mission to serve you and empower you so you can make better financial decisions in your life. And today's episode, a promising new way is on the way for you to get your prescription drugs. And also scams are booming around vaccines. I'm going to tell you what to look out for. You know, Mark Cuban the guy who owns the Dallas Mavericks made became a billionaire like 20 years ago with some kind of early technology broadcast platform, just real visionary.

2 (1m 24s):

And I've had the privilege of doing a profile on Mark Cuban on TV. It was fun being with him. Although he and I shot baskets together on the floor to the Dallas Mavericks arena. And I wasn't very good on the basketball court. That's a surprise, isn't it? But he has a lot of different interests and he's a man who really speaks his mind and something that's really bothered him is what's been going on with generic drugs and the United States where there's a generic drug that is used by a relatively small number of people.

2 (2m 7s):

And over time, the number of drug manufacturers that make that drug will go down and down and down there may only, and truly be one or two. And then the wall street crowd, private equity sleazeballs will come in and they'll buy the one or two remaining manufacturers of generic. And then they'll raise the price a thousand percent or 2000% or whatever, and take a drug that has no R and D costs attached to it. It's, what's known as an orphan drug and they'll run that cost up and it may be a life saving one. And they'll put people in a position of either going broke themselves or die.

2 (2m 49s):

And the guy who is where they call him the pharmacy pro LT who's in prison for, I forgot what he's in prison for now, but a talk about sleazeballs anyway, this problem with what wall street has done to cost people, their health, their lives, or their money is a national scandal. And so moving into this space, Mark Cuban is building a pharmaceutical manufacturing plant in Dallas and is going to make drugs at cost plus 15% that are drugs that are being used as a pathway to gouge people and destroy their finances.

2 (3m 48s):

And the first Drug they are making. Okay, so this is terrible. I can never pronounce anything past it to sellable word. It's just the way it is. But the first drug they are making is called Al Bendis. Does all, I wonder how close that is. Probably not anywhere close at all to how you say it, but it's a medicine according to the Drug site, which is Cost Plus drugs.com Al benzol is the medicine that treats parasitic infections such as, Oh man. Now I'm going to mess these up. Chris, are you looking at this?

2 (4m 28s):

I would just, you know, they treat parasitic infections. Okay. You don't want me to try to name the disease. I need to do that. Okay. So anyway, they are going to break these cartels that have been established by wall street to take advantage of people. And he's going to be able to cut the price of these meds 90 plus percent. And so they have, by the end of this year, the plan is to have a hundred plus drugs that right now people are getting gouged on that are generics and make them available ultra cheap.

2 (5m 14s):

And so if you are somebody who is getting ripped off by, by this scenario, I've just painted. You can learn more about it at Cost Plus drugs.com and then they also have a link where you can find a pharmacy near you that is selling the drugs that they're going to manufacture. And I think about how weird it is. I don't know if you've ever experienced this, but except for maintenance drugs, I fill prescriptions at Costco and their prices have been found to be the lowest consistently in the prescription drug business.

2 (5m 58s):

I mean a fraction of what you pay at those big chain drug stores. And so when I get to the register, I never know what they're going to tell me. The cost of that drug is because they're all over the place. I filled a prescription in the last time I was at Costco, I filled a prescription and it was a dollar and change. I was like, wait a minute. The whole cost is a dollar and something. And she said, yeah, I was like, you should just tell me you didn't have it in stock. Cause it cost you more than that just to fill this med for me. But that's the thing with prescription drugs is you have no clue what they're going to cost by the way, day in and day out for routine stuff.

2 (6m 48s):

Take the good RX app with you on your phone. And when your, with the doctor or a physician assistant or nurse practitioner who is writing a prescription for you for a condition ask, right at that time to look up the prescription, they're writing, see what it costs. And if it's too expensive, ask them if there's another, they can write, they would be less expensive because the third of prescriptions are abandoned at the pharmacy counter because they're too expensive and substituting a different drug. In many cases, we'll treat your condition just fine, and it will treat your wallet a whole lot better.

2 (7m 30s):

Krista,

3 (7m 31s):

Josh and Missouri says, what's the deal with streaming services canceling regional sports networks. I just dumped who live because they dropped my local. Sports my only option for MLB and NHL seems to be cable, which I'm not going to subscribe to. I would think sports are a huge draw for these services, but they keep raising the prices on consumers and offering Less content help. How can I get my local Sports

2 (7m 56s):

Okay. So there's rights fee fights. Like you can not believe going on in the sports content space. And so you and I are just pawns and this as channels go dark, they change providers. And all of that, the good news with streaming is that you can continually change who you get your streaming services from without any penalty. So you might find that you repeatedly in order to get you set MLB and what's the other one. Krista, the NHL NHL, you may find you repeatedly have to change streaming services that will then give you the ability to have the sports you love on MLB.

2 (8m 41s):

You can subscribe to MLB as a standalone. And if you sign up for T-Mobile Tuesdays for the last several seasons, they have made MLB free for T-Mobile users, or find a friend who doesn't care about baseball, but is on T-Mobile get them to sign up for T-Mobile Tuesday. And then they, if they do it again, the spring, I can give you the MLB package for free for the year and you can stream it right on your smart TV,

3 (9m 17s):

Rohit and California says, I have come up with a weird idea. I want to write to run by you. I would transfer money from my traditional 401k to a Roth IRA at the end of every year and pay tax during the transfer at the end of the year and not every month. The benefit that I see is that I we'll get to hold onto the tax money for the complete year and I can invest in other things.

2 (9m 38s):

So if you move money from a 401k, traditional 401k to a Roth IRA, you have to no longer be employed by that employer. It has to be a dormant 401k because money and a 401k cannot be withdrawn while you remain an employee of that firm. If it is a dormant, 401k, meaning at a place you don't work anymore, you can do a strategy like you're talking about moving money at the end of each year, but the tax bill is one that in the event, you're moving it to an IRA. You have 60 days to move that money and the way you Avoid.

2 (10m 25s):

Okay. So I've got this the way you avoid the tax issue is you move the money trustee to trustee. You move it directly from the 401k plan to the IRA that you're going to have. And then once it's there, you do the double transfer where it moves into a Roth, then that will generate a tax bill. When you file your taxes the following year. And if your eyes didn't glaze over, mine were half glazing over giving that explanation.

3 (10m 54s):

Okay. And one more idea from Elliot in Florida years ago, I set up a fidelity Roth IRA. However, since then my income has exceeded the maximum annual income allowed to qualify for contributions to the account, rather than going through the backdoor method you've described, could I apply for a fidelity rewards card and automatically deposit the 2% cash back into the Roth account as a way to continue to distribute contributing despite the limitations for having a high annual income, just to thought PS, you're the man,

2 (11m 24s):

Thank you for that. I love the way you're thinking, but what I would say once you've run out of the ability to contribute to a Roth, you don't want to do the backdoor Roth, which is, gosh, that involves setting up a non-deductible IRA. You contribute to that. You reclassify as the Roth and you've got around the income limitations. Why does the Congress write crazy rules like that? What you can do instead as an alternative is set up your at fidelity, do the fidelity zero index funds, the tax treatments, very favorable. You're not going to be tax-free, but your money will not likely suffer any tax consequences each year.

2 (12m 7s):

And at the time you spend the money, which doesn't have to be in retirement, your subject to long-term capital gains only on your gain, which is a relatively low tax rate. And so once you run out of easy advantage things like a Roth IRA or Roth, 401k doing a straight out investment account in index funds is a viable next step. The other thing is if you have access to an HSA and HSA comes before all those things, because it is the best tax advantaged account that exists coming up next, there is scams targeting Americans who are trying to find the COVID 19 Vaccine.

0 (12m 58s):

You decided to upgrade your outdoor deck. So you ordered the essentials, a power washer, a set of patio chairs, and a shiny new grill. And you used your bank of America, cashew awards, credit card, choosing to earn 3% cash back on online shopping, or up to 5.2, 5% as a preferred rewards member, which you put towards the cost of your most essential deck. Addition, a bird feeder apply for yours@bankofamerica.com slash More rewarding copyright 2020 bank of America corporation.

3 (13m 32s):

This episode is brought to you by progressive saving money on your car. Insurance is easy with progressive. It's an average savings of over \$750 for customers who switch. And Save in fact, customers can qualify for an average of six discounts on their auto policy with progressive including discounts, just for starting a quote online, or having multiple vehicles on their policy. Get your quote online@progressive.com and see how much you could be saving national annual average auto insurance savings. Buy new customers surveyed in 2019 potential savings will vary discounts, vary and are not available in all States and situations.

2 (14m 13s):

People have been so desperate for the Corona virus. Vaccine it's crazy. When you think about there's a percent of people in the United States and around the world who say, they're not going to get the vaccine. And then the overwhelming number of people want it yesterday. That frustration, that desperation has led to a lot of strange things from news of the weird, I wonder if you heard, but there was a junket being offered at very high cost to the United Arab Emirates that people were flying to the Emirates and having to stay three to four weeks, depending on what Vaccine they were getting.

2 (14m 55s):

And they were able to jump the line to get the vaccine. They then I had to stay in the Emirates for the three to four weeks where they were getting Pfizer Madonna or some other Vaccine. And then they would go back home at a cost, the tens of thousands of dollars. Now there's very few people that are going to do something like that, but there are a lot of people who want the Vaccine so badly. They are responding to scams that are proliferating with people being told that this is the place you can register for the Vaccine whatever. And then they're being told they have to pay typically by linking their checking account or debit card or the credit card.

2 (15m 44s):

And then no, this nobody is requiring checking account information, debit card information, or credit card information for you to get an appointment for Avoid Vaccine don't give anybody your social security number. It's not working that way. And one bit of hope, I know the Vaccine rollout has been botched, but it is getting better not necessarily day by day, but definitely week by week, the availability of vaccine has improved and the ability to get it administered has improved as well.

2 (16m 31s):

And the, the terrible, terrible failures of Walgreens and CVS that were being so relied upon has put so much pressure on them that I think we'll see these two companies that have failed America so badly, get it together, move on forward. And that they'll become a routine place to get to the Vaccine moving forward. But where things are we're really starting to happen for the Vaccine is from the supermarket chains, supermarkets have the temperature controlled environments. They need to properly store the vaccines.

2 (17m 12s):

I think in particular to the Pfizer required fires, special temperatures that are extreme to store the vaccines. Hmm. And supermarkets have such close contact with so many of them Ericsson's and have a heightened desire to get the shots and their employees arm's and their customers arms that you will see a big, big improvement continually in the rollout of the vaccine's and getting them in people's arms. But right now don't give in to any of these. I know it's been frustrating trying to get the appointments in so many places in the country, but anybody who starts wanting key personal information from you beyond your birth date, you know, to click out and run away, it's time for your questions.

2 (18m 9s):

I should point out that I bashed Walgreens and CVS now three times for their failure to the American people, in my opinion. And if representatives of either Company wish to go on the podcast and rebut what I've said, I am happy to have you, but it is my opinion that have the organizations that have failed the American people through Corona virus. You're at the top of the list.

3 (18m 43s):

John and Alabama says, I live in a very rural town and there was no ambulance service in the County every month or so a medical helicopter flies here to transport an accident or injury victim to a hospital on one of the major cities, about a hundred miles away. I'm hearing horror stories about the bills for this. My medical insurer only lists coverage for ground ambulance service. I've asked them to clarify this, but they keep referring me to the bed, to bed, air, ambulance, Claus of my policy. Do you have any advice about this issue or advice regarding the purchase of coverage, if this is not covered by my injury,

2 (19m 18s):

For sure. Thank you for bringing light to somebody who has been a real mess. The air ambulance, even regular ambulance bills have been a terrible problem for consumers who are insured, that the pricing of the industry is generally not controlled in any way. And the insurers have had difficulty in a lot of States, having the ability to negotiate, what they feel are reasonable reimbursements what's happened is that you, as someone who may end up in an air ambulance face, unbelievable, Bill's in the tens of thousands of dollars potentially for that air ambulance.

2 (20m 10s):

It is a problem that is a known problem. It is one that has not been adequately addressed at the federal level or by the state's. And your insurer is not going to give you any peace of mind about this as for buying and alternative policy. The irony is that people who travel overseas can buy an air evacuation policy, but I'm not aware of any equivalent in the United States or what that would cost. If there's anyone listening to our podcast who sells various forms of health coverage is aware of this.

2 (20m 51s):

I hope you'll post information for us about how someone would insure against the possibility of having an air evacuation by it. And they are ambulance and how you would deal with that cost up front with some ability to insure against that. Cost

3 (21m 11s):

Evan and the Idaho says our electric bills are insane. And I have no idea exactly what's driving it. I called our utility company to see if there was any way to do an audit. And they said, no, we live in a small house in the woods. We do, we do have a hot tub. And I know that adds to it. We also have a garage that is partially heated, but we use propane and wood to heat the house. And we have a tankless propane water heater.

Our bill last month was over \$350. How do I figure out what is sucking all the energy and dollars out of our life,

2 (21m 43s):

But the fact that you don't get your heat from electricity and your bill is over \$300 a month means you may have what they call a Dracula. There may be some appliance you have at your property that is eating your electric bill alive. And now there's a very, very inexpensive device. I've recommended over the years called the kilowatt. I know what a bad pun and play on words. It's K I L L dash a dash. What w a T T for what they cost 20 bucks typically. And what you do is you appliance by appliance.

2 (22m 25s):

You plug it in to the kilowatt device and then plug from the kilowatt end of the wall. And you're able to see the energy consumption item by item in your house to see if there is something that is a big drain is eating up those kilowatts, costing you all of that money in, and you should be able to figure it out. All of the things I would normally talk about, aren't going to apply because you're not getting your heating from electricity. One other thing you may have already done, and that's changed every Lite you have to led, then you have on the property that might make some dent in your bill.

2 (23m 9s):

But I think getting a kilowatt would be key. They sell it at all. The appliance stores typically, and 20 bucks is worth it. People tend to buy their, trying to get to the bottom of it. They might buy several of them at once and plug multiple appliances in so they can get the reading on each of them quickly.

3 (23m 28s):

Jordan in Utah wants to know to cover LASIK. Can I make a change to my HSA and basically make my entire paycheck or two or three go into the HSA to lower my taxable income for the next year.

2 (23m 41s):

Interesting. You can put in the HSA up to the each year for contributions and you want to use it for LASIK. You would be doing it with pre-tax dollars and why not? That seems like a really good way to get the LASIK done and on LASIK prices, not the only thing that matters the reputation of the, of the doctor. The ophthalmologist is very important. How many procedures they've done very important as well.

3 (24m 15s):

And I use my flexible spending account for my LASIK, which is, you know, I wasn't sure what they're talking about. HSA and HSA plan they can contribute to. But if you have flexible spending account at work, you can put aside \$2,750 a year. And I use that for my LASIK this year, actually,

2 (24m 33s):

But that you can only set typically in a normal year, once a year with an HSA, you can boost your contributions to it during the year.

3 (24m 43s):

Got it. Okay. One last one Clarkdale and Minnesota says, enjoy the show and advice. I've never heard you talk about Able Accounts achieve a better life experience for moms and dads that have children or adults not going to college, special needs, children or adults. Please get the word out as possible on this valuable savings plan for millions, you can save a hundred thousand dollars without risking special needs benefits for each child.

2 (25m 8s):

Thank you so much for mentioning it does come up from time to time. It's it's the five 29 a it's like the five 29 college savings plan, except for people with a youth with disabilities and the Able Accounts you're allowed to contribute up to \$15,000 each year, and it will not affect eligibility for public benefits for someone it's especially important. If you're worried that your special needs child is going to outlive you, that there's money there to take care of for them when you were gone. And Able, Accounts just like five 29 plans for college vary and quality based on the expenses you want to pay very close attention to the expense ratios, the expense all, and on a five 29 Able Accounts should be less than one half of 1%.

2 (26m 1s):

And there's not as much information out there about the various offerings, but as you find enable account, you can read in the legal filings, what the expenses are, four, the able account bags for listening to this podcast. I hope that you'll share something you learned or heard today with someone you care about and your life. My goal is to reach as many people as I can and help you be empowered in your life.