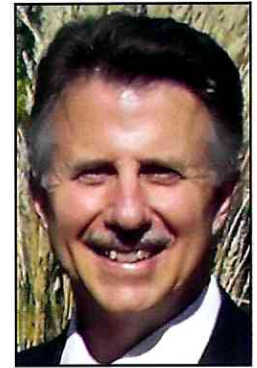


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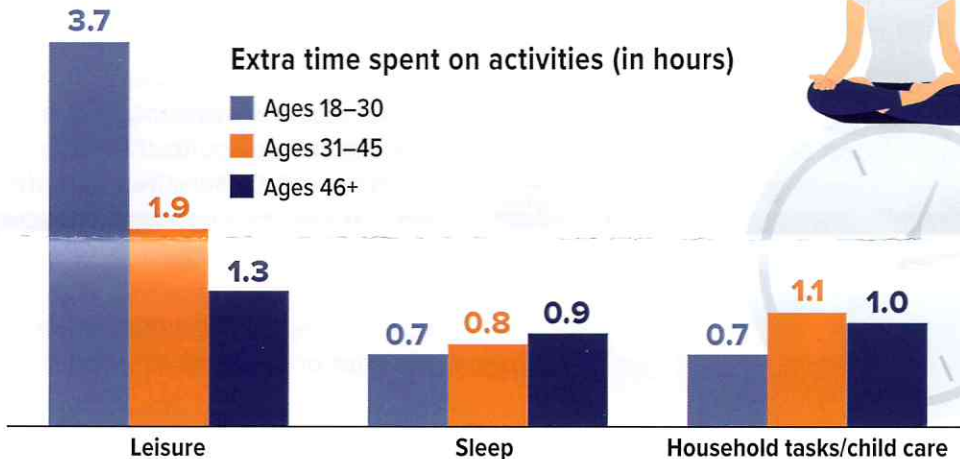
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**Bob Scott**  
Broker

## Remote Workers Trade Commutes for Much-Needed Rest

According to a detailed analysis of the American Time Use Survey, individuals who worked at home in 2020 instead of commuting to an office collectively saved 60 million daily hours that could be spent doing other things. Employees reported spending 35% of their saved commute time working, but overall paid work hours fell, because activities such as child care, housework, and exercise were squeezed in throughout the day. There were differences among age groups, but they all spent more leisure time with family and friends — and got nearly an additional hour of sleep.



Source: Federal Reserve, 2022



## Bringing Up Baby May Cost More Than You Thought

By one estimate, it will now cost \$310,605 for a middle-class family to raise a child born in 2015 through age 17. This figure is based on the U.S. Department of Agriculture's 2017 projection of \$284,594, which was adjusted upward to account for unexpectedly high inflation in 2022.

Source: The Brookings Institute, 2022

# Child Care Is a Budget Buster: Take Advantage of These Tax Breaks

The U.S. Department of Health and Human Services considers child-care costs to be affordable when they are at or below 7% of annual household income — but many families face costs that are far above that threshold. In fact, about half of families surveyed by Care.com reported spending 20% or more of their household income on child care in 2021, while 72% of families spent at least 10%.<sup>1</sup>

The typical fees charged for child care vary widely by state, as do other living costs. But in all regions, the average annual cost of center-based care for two children exceeds the average amount of money families spend on food and transportation combined, and in most areas of the country, it is more expensive than housing.<sup>2</sup>

The following tax benefits can help parents offset some of the costs paid for a nanny, babysitter, day care,

preschool, or day camp, but only if the services are used so the parents can work.

## Child-Care Tax Credit

Families with one qualifying child (typically age 12 or younger) can claim up to \$3,000 per year in child-care expenses; those with two or more qualifying children have a \$6,000 annual limit.

The nonrefundable credit is worth 20% to 35% of eligible child-care expenses, depending on income. As income rises, the credit amount drops until it hits a minimum of 20% for households with \$43,000 or more in adjusted gross income. For example, families with one qualifying child can receive a credit of \$600 to \$1,050; those with two or more children can receive a credit of \$1,200 to \$2,100. A tax credit lowers a family's tax liability dollar for dollar.

## Dependent-Care Flexible Spending Account

Higher-income families may realize a bigger tax benefit from a dependent-care flexible spending account (FSA) if one is offered by an employer, because up to \$5,000 a year (per family) can be set aside on a pre-tax basis through regular payroll deductions. FSA distributions are free of federal income tax if the money in the account is used for eligible child-care costs for qualifying children. (Dependent-care FSA funds can also be used to cover care for children over age 13 with special needs and elderly parents or relatives that are claimed as dependents.)

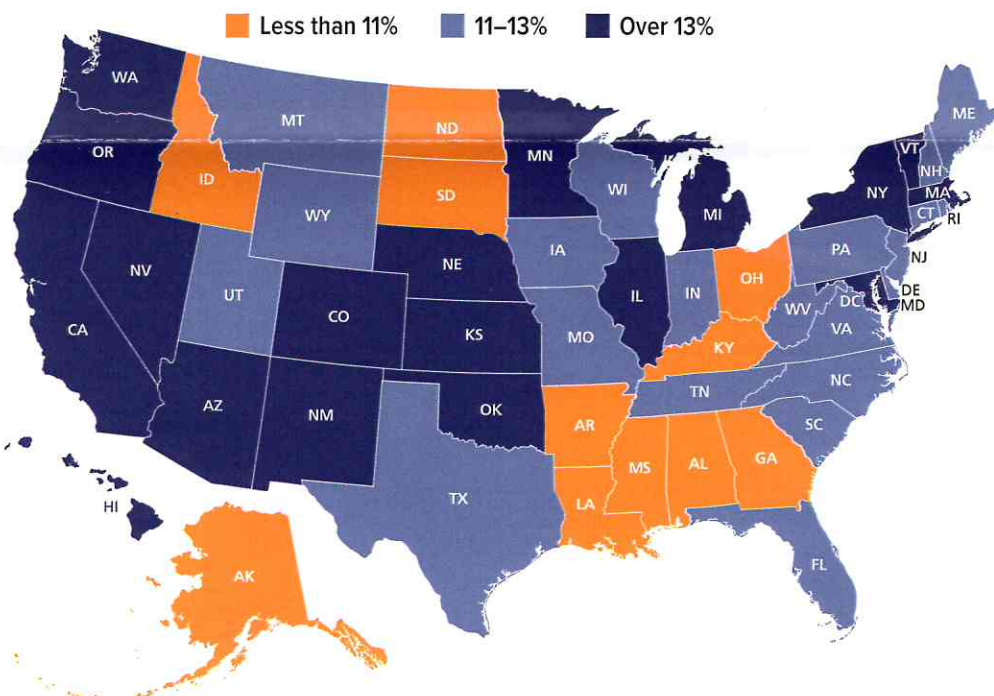
Employees with access to an FSA as a workplace benefit generally have an opportunity to enroll in an account and elect contribution amounts during their annual open enrollment period. FSA funds that are not spent by the end of the calendar year could be lost, so it's important to consider carefully — and at times reconsider — how much to put into the account. FSA owners are typically permitted to adjust their contributions when they experience certain events, such as a change in marital or employment status, a change in the number or eligibility of dependents, or a change in care provider or the rates charged for care.

Taxpayers are not allowed to use pre-tax money from an FSA and take a credit for the same expenses. However, after spending \$5,000 from an FSA, families with more than one qualifying dependent could take a tax credit for up to \$1,000 in additional care expenses.

1) Care.com 2022 Cost of Care survey  
2) Child Care Aware® of America, 2022 (data for 2021)

## Child-Care Affordability Is All Over the Map

The annual price of center-based care as a percentage of median income, by state



# What Doctors Have to Say About Screen Time

Many parents worry that it may not be healthy for their children to spend too much time watching shows or playing video games on a television, smartphone, or computer. But as a parent or a grandparent, you may wonder how much is too much, especially when work demands, child-care gaps, and other pressures make it all but necessary to rely on screens to keep children entertained.

Although some programs or apps might be educational, studies have linked excessive amounts of media use to obesity, sleep irregularities, and behavioral issues. For older children, heavy social media use or exposure to cyberbullying may cause anxiety or could be detrimental to their mental health in general, as the impact on self-esteem and body image is not well understood.

At the very least, sitting still and staring at a screen for hours upon hours leaves less time for more beneficial activities such as creative play, homework, exercise, face-to-face

## How parents limit their kids' screen time

Screens can only be used on weekends	12%
Screens can be used during the week but only for education	17%
Screens are limited by amount of time each day	27%
No screen time is allowed	4%
Screen time is not limited	40%

Source: CivicScience, 2022



social interaction, and sleep. For this reason, the American Academy of Pediatrics (AAP) has published age-based guidelines that may help you set appropriate limits for your own children.

The brains of young children are developing rapidly, so the AAP recommends the use of media devices be avoided altogether for infants younger than 18-months old, except for video chats, which facilitate social connection. For toddlers 18- to 24-months old, parents can introduce high-quality shows or apps to watch or use together. For children between the ages of two and five, the guidelines

suggest that screen time should be limited to no more than one hour of age-appropriate, nonviolent programming — also with parent engagement, and not within an hour of bedtime.

For older children and teens, the AAP has developed a Family Media Plan, which is available online at AAP.org. This resource is designed to help parents and kids forge an agreement together that takes the needs, personality, and entertainment preferences of each family member into account while setting clear limits and boundaries for device use.

Source: American Academy of Pediatrics, 2022

# Most Grocery Shoppers Aren't Fooled by Shrinkflation

Have you noticed that packages are smaller at the grocery store? If so, you're not alone. A survey of consumers taken in 2022 found that a majority of U.S. adults have noticed shrinkflation — products shrinking in size while prices stay the same or increase. This is a common strategy among manufacturers, but it accelerates in periods of high inflation, when companies are under more pressure to control their costs.

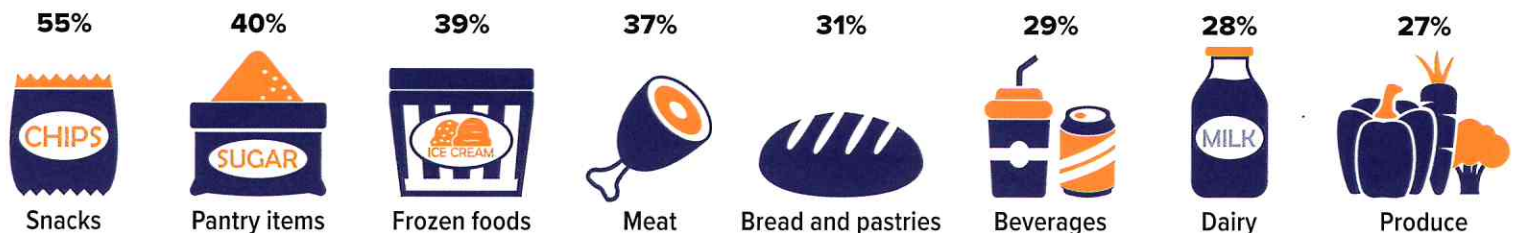
About two out of three shoppers who noticed shrinkflation were concerned about the trend. Many of them reacted by purchasing a different brand or a

generic product instead, or by buying in bulk, which may also be good ways for you to stretch your own grocery budget.

Spotting shrinkflation is the first step in reducing its impact. To do so, it helps to take your time and pay closer attention to the size or net weight printed on the package, as well as the unit price (the price per ounce, pound, or sheet) of the products you are comparing. This information can usually be found in small print on the shelf tag.

1) Morning Consult, August 29, 2022

## Where U.S. Shoppers Have Spotted Shrinkflation



Source: Morning Consult, August 29, 2022 (multiple responses allowed)

# Cheaper Hearing Aids Are Coming to a Store Near You

More than 37 million U.S. adults are living with some hearing loss, but only about one-fourth of those who might benefit from a hearing aid have used one.<sup>1</sup> One big obstacle is cost: The average price of a pair of prescription hearing aids runs about \$4,600. Traditional Medicare and most health insurers cover routine hearing tests but not the cost of hearing aids, although some private Medicare Advantage plans will help cover them. But thanks to a recent regulatory shift, it's now possible to buy an effective hearing aid without a medical exam or a prescription, potentially for a lot less money.<sup>2</sup>

In an effort to spur competition and lower prices, the Food and Drug Administration (FDA) released final rules for a new category of over-the-counter (OTC) hearing aids specifically for adults with mild to moderate hearing loss. These OTC hearing aids are designed to be self-fitting, and they cost less, partly because they don't require the services of an audiologist to evaluate the person's hearing and fit or tune the device. Consumers who purchase OTC hearing aids should be able to set them up by themselves or with technical support provided by manufacturers through apps or over the phone.

Well-known manufacturers are rolling out an assortment of OTC hearing aids, many of them costing as little as \$200 to \$500 per ear. Some wrap around the ear like traditional hearing aids, but others look more like ear buds or are nearly invisible. They are already available at many stores where health-care devices are sold, or online, but this brand-new market should continue to expand over time. Hearing loss is often progressive, and research shows that people wait an average of 10 years before buying a hearing aid.<sup>3</sup> Thus, there is some hope that easy access to more affordable — and less

## Percentage of Americans with hearing loss serious enough to affect their daily life, by age



Source: National Institutes of Health, 2022; National Council on Aging, 2022

conspicuous — options could encourage more people who have trouble hearing to seek help sooner.

OTC hearing aids must be clearly labeled as FDA approved, which should help shoppers distinguish them from unregulated personal devices that may amplify sound but don't correct other issues, such as distortion. Consumers are advised to ask about the retailer's return policy in case they are disappointed with the performance of their new hearing aid.

Individuals with severe or sudden hearing loss, as well as those who experience ear pain, vertigo, or tinnitus, should consult an audiologist for testing and treatment. Some people with mild to moderate hearing loss may still want to have their hearing tested by an audiologist, who might be able to help identify OTC hearing aids that may work well for their specific condition.

1) National Institutes of Health, 2022

2-3) National Council on Aging, 2022

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