



McAllen Insurance Group

2027 Edition

Medicare 101

How Medicare works, when to sign up, and how to choose, in plain English.

What Medicare is.

Medicare is federal health insurance for people 65 and older, and for some younger people with certain disabilities or conditions.

Who qualifies

- People 65 and older
- People under 65 who have received Social Security disability benefits for 24 months
- People with End-Stage Renal Disease or ALS

Who runs it

The federal government runs Original Medicare. Social Security handles most sign-ups. Private insurance companies approved by Medicare offer Medicare Advantage, drug plans, and Medigap.

THE FOUR PARTS

A

Hospital insurance

Inpatient hospital stays, skilled nursing care after a qualifying hospital stay, hospice, and some home health care.

Most people do not pay a monthly premium for Part A if they or their spouse worked and paid Medicare taxes for about 10 years.

B

Medical insurance

Doctor visits, outpatient care, lab work, preventive care, and medical equipment.

Part B has a monthly premium. Higher incomes pay more. After the yearly deductible, you usually pay 20% of the cost.

C

Medicare Advantage

Private plans approved by Medicare that cover everything Parts A and B cover. Most include drug coverage, and many add dental, vision, or hearing benefits.

Plans use provider networks and have a yearly limit on what you pay out of pocket.

D

Prescription drugs

Drug coverage from private plans, either as a standalone plan or built into a Medicare Advantage plan.

There is a yearly cap on what you pay out of pocket for covered drugs.

Two ways to get your coverage.

Everyone starts with Parts A and B. Then you choose one of two paths.

Path 1: Original Medicare

Part A + Part B, run by the government.

- Add a **Part D** plan for drugs
- Add a **Medigap** (Medicare Supplement) policy to help pay the 20% and other costs Original Medicare leaves to you
- See any doctor in the country who accepts Medicare

Path 2: Medicare Advantage

Part C, one private plan that replaces how you use A and B.

- Usually includes drug coverage
- Often adds dental, vision, or hearing
- Uses a network of doctors and hospitals
- Has a yearly out-of-pocket limit

Things to compare

	ORIGINAL MEDICARE + MEDIGAP + PART D	MEDICARE ADVANTAGE
Doctors	Any provider that accepts Medicare	Plan network; some plans cover out-of-network care at a higher cost
Monthly cost	Part B premium plus Medigap and Part D premiums	Part B premium, plus the plan premium if it has one
Cost when you get care	Low and predictable with most Medigap plans	Copays and coinsurance up to the yearly limit
Extra benefits	Usually not included	Often dental, vision, hearing
Travel	Works nationwide	Mostly local, except emergencies

Medigap rules: your best time to buy a Medigap policy is your 6-month Medigap Open Enrollment Period, which starts the month you are 65 or older and enrolled in Part B. After that, companies can ask health questions and may turn you down.

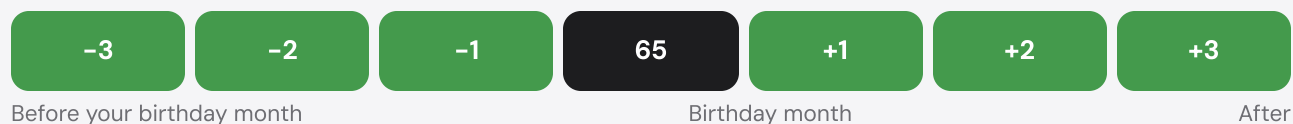
TIMING

When to sign up.

Signing up on time protects you from late penalties that can last as long as you have Medicare.

Your Initial Enrollment Period: 7 months

It starts 3 months before the month you turn 65 and ends 3 months after.



If you already get Social Security benefits before 65, you are usually enrolled in Parts A and B automatically, and your card comes in the mail.

Other enrollment periods

PERIOD	DATES	WHAT YOU CAN DO
Annual Enrollment Period	October 15 to December 7	Join, switch, or drop a Medicare Advantage or Part D plan. Changes start January 1.
Medicare Advantage Open Enrollment	January 1 to March 31	If you have Medicare Advantage, switch to another one or go back to Original Medicare, one time.
General Enrollment Period	January 1 to March 31	Sign up for Part A or B if you missed your first chance. Coverage starts the month after you sign up, and penalties may apply.
Special Enrollment Periods	Depends on the event	Moving, losing employer coverage, qualifying for Medicaid or Extra Help, and other life changes.

Late penalty: Part B

10% added to your Part B premium for each full 12 months you could have had Part B but did not, unless you had qualifying coverage from current work.

Late penalty: Part D

Added to your drug plan premium for each month you went without Part D or other creditable drug coverage after your first chance to enroll.

Still working at 65?

You may be able to wait on Part B without a penalty. It depends on the job.

Employer with 20 or more employees

Your job's plan usually pays first. Many people take Part A and delay Part B until they stop working.

Employer with fewer than 20 employees

Medicare usually pays first, so you will likely need Parts A and B at 65.

When your job or your job's coverage ends, you get an 8-month Special Enrollment Period to sign up for Part B. COBRA and retiree coverage do not count as coverage from current work. Ask us before you decide.

Help paying for Medicare.

If your income and resources are limited, these programs may lower your costs.

Extra Help

A federal program that helps pay Part D premiums, deductibles, and copays.

Medicare Savings Programs

State programs that can help pay Part B premiums and other Medicare costs.

Medicare and Medicaid

People who qualify for both may be able to join a Dual Special Needs Plan (D-SNP) built for them.

Not sure if you qualify?

Bring your questions to your Medicare 101. We will walk through the options with you.

NEXT STEPS

Your Medicare checklist.

Use this before your visit, or on your own.

Bring to your visit

- ☐ Medicare card or your Social Security letter
- ☐ A list of your medications and doses
- ☐ Names of the doctors and hospitals you use
- ☐ Your current insurance card or employer plan details
- ☐ A photo ID

Questions to ask

- ☐ When should I sign up for Part B?
- ☐ Are my doctors in this plan's network?
- ☐ Are my drugs covered, and at what cost?
- ☐ What is the most I could pay in a year?
- ☐ Do I qualify for help paying my costs?

Book your Medicare 101.

Sit down with a licensed agent in our McAllen office, or set it up as a phone call.

mybenefitsmcallen.com · (956) 687-3334

504 N 10th St, Suite B7, McAllen, TX 78501 · Monday to Friday, 9 AM to 6 PM

We do not offer every plan available in your area. Currently we represent 8 organizations which offer 50 products in your area. Please contact Medicare.gov, 1-800-MEDICARE (TTY users call 1-877-486-2048) 24 hours a day / 7 days a week, or your local State Health Insurance Program (SHIP) to get information on all of your options.

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