All Articles

What is Medicare? A Foundational Guide for First-Time Enrollees

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KEY POINTS

- Medicare has four parts: Part A covers hospital care, Part B covers doctor visits and outpatient care, Part C (Medicare Advantage) is a private-insurer alternative to A and B, and Part D covers prescription drugs.
- Most people qualify at 65. People under 65 can qualify through a disability — generally after 24 months of SSDI benefits, and immediately with ALS.
- Part A is premium-free for most people. The standard Part B

What Happens After You Tap "See If You Qualify"

premium is $202.90 a month in 2026, with a $283 annual deductible.

- Your Initial Enrollment Period is a 7-month window around your 65th birthday. Miss it, and Part B and Part D penalties can follow you for as long as you have Medicare.
- Original Medicare offers a wider nationwide provider choice; Medicare Advantage caps your annual out-of-pocket costs. The right choice for you depends on your doctors, medications, and budget.
- A Solace advocate, covered by Medicare, can walk through eligibility, deadlines, and plan comparisons with you.

Medicare can feel abstract until it's time to enroll. Then the questions become immediate: What do I qualify for? When do I need to sign up? What will it cost? Which type of coverage is right for me? This guide covers the fundamentals, like Medicare's four parts, enrollment deadlines, and factors that influence your coverage decisions.

Have questions about Medicare? A Solace advocate can help you understand your coverage options and enrollment timeline. See if you qualify →

A, B, C, and D: The Four Parts of Medicare

Medicare is run by the Centers for Medicare & Medicaid Services (CMS) and is often confused with Medicaid, a separate, state-run program based on income rather than age, with entirely different rules and eligibility tests. Medicare is divided into four parts, and most people end up using more than one:

- **Part A (Hospital Insurance)** covers inpatient hospital stays, skilled nursing facility care, hospice, and some home health care. It's premium-free if you or a spouse paid Medicare taxes for at least 10 years (40 work quarters). Without that work history, you can buy in at $311 or $565 a month in 2026, depending on how many quarters you have.
- **Part B (Medical Insurance)** covers doctor visits, outpatient care, preventive services, and durable medical equipment. It carries a monthly premium and an annual deductible, after which you typically pay 20% of the Medicare-approved cost of each covered service — with no annual cap on how high that 20% can climb.
- **Part C (Medicare Advantage)** is an alternative way to receive your Part A and B benefits through a private, Medicare-approved insurer, usually with

drug coverage bundled in and often extras like dental, vision, and hearing. It's different enough from Original Medicare that we have a full comparison below.

- **Part D (Prescription Drug Coverage)** covers medications through private insurers. Every plan sets its own formulary — the list of drugs it covers and the cost tier each one lands in — so two plans can price the same prescription very differently. Check your medication list against a plan's formulary before you enroll.

> **$2,100**
>
> The most you'll pay out of pocket for covered prescriptions under any Part D plan in 2026, thanks to a federal cap.

It's also worth knowing about **Medigap**, supplemental insurance sold by private companies that helps pay Original Medicare's out-of-pocket costs, like that 20% Part B coinsurance. Medigap only works alongside Original Medicare; it can't be paired with a Medicare Advantage plan.

Who's Eligible for Medicare?

Most people qualify for Medicare at the age of 65. You generally need to be a U.S.

citizen or a lawful permanent resident who has lived in the U.S. for at least five continuous years.

As of July 4, 2025, new Medicare enrollment is limited to citizens, green card holders, certain Cuban and Haitian entrants, and people residing in the U.S. under the Compact of Free Association. Refugees, asylees, and TPS holders who don't already have Medicare generally can no longer newly enroll, so anyone unsure where they stand should confirm their status directly with the Social Security Administration.

Age isn't the only path, and enrollment isn't always automatic:

- If you're already receiving Social Security benefits when you turn 65, you're enrolled in Parts A and B automatically.
- If you're not, you have to sign up yourself through Social Security; coverage does not start on its own.
- Under 65, most people qualify after receiving Social Security Disability Insurance (SSDI) for 24 months, with Medicare beginning in month 25.
- With ALS, Medicare starts the same month SSDI benefits begin; with end-stage renal disease, coverage typically starts around the third month of regular dialysis.

Enrollment Deadlines (and the Penalties for Missing Them)

Medicare has late-enrollment penalties, which makes enrollment timing very consequential. Your Initial Enrollment Period (IEP) is a 7-month window that covers 3 months before the month you turn 65 and the 3 months after. If you enroll in the first three months, coverage will start on time, but if you wait until later in the window, your start date can be delayed.

If you miss the window entirely, you'll have to wait for the General Enrollment Period while penalties accrue. There is an exception, called a **Special Enrollment Period**, most commonly for people who kept working past 65 with employer coverage.

> **10% permanent increase** to your Part B premium for every full 12-month period you were eligible but not enrolled. At 2026 rates, a two-year delay adds about $40.58 a month, for as long as you have the coverage.

Enrollment Periods Breakdown

- **Initial Enrollment Period:** the 7 months surrounding your 65th birthday month, 3

months before and 3 months after.

- **General Enrollment Period:** January 1 through March 31 each year, for those who missed their IEP. Coverage begins the month after you enroll.
- **Annual Enrollment Period (Parts C and D):** October 15 through December 7, when anyone with Medicare can join, switch, or drop Medicare Advantage and Part D plans.
- **Medicare Advantage Open Enrollment:** January 1 through March 31, when current Medicare Advantage enrollees can switch plans once or return to Original Medicare.
- **The Part D penalty:** If you go 63 or more days without creditable drug coverage after becoming eligible, you'll owe an extra 1% of the national base premium ($38.99 in 2026) for every month you delayed. This is a permanent consequence.

(QUICK CHECK QUESTION)

When do you need to enroll in Medicare?

- **I'm turning 65 within the next 3 months:** You're in, or about to enter, your Initial Enrollment Period. This is the time to understand your coverage options and make sure you don't miss important enrollment deadlines.

- **I turned 65 more than 3 months ago:** You can likely still enroll in the General or Annual Enrollment Periods, but may be subject to late fees that manifest as a permanent monthly surcharge.
- **I have a qualifying disability:** Medicare enrollment follows different timelines for people receiving SSDI or managing certain qualifying conditions. A Solace advocate can help you figure out the specifics of your personal qualifications and enrollment.

What Medicare Costs in 2026

Medicare costs depend on which parts you enroll in and, for Part B, how much you earn. The 2026 baseline looks like this:

- **Part A:** $0 monthly premium for most people, with a $1,736 deductible per hospital benefit period.
- **Part B:** $202.90 a month standard premium plus a $283 annual deductible. Higher earners pay an income-adjusted premium (IRMAA) that tops out at $689.90 a month — a surcharge that applies to roughly 8% of beneficiaries.

- **Part D:** premiums vary by plan and location, but out-of-pocket spending on covered drugs is capped at $2,100 for the year.
- **Medicare Advantage:** three-quarters of enrollees pay no premium beyond the Part B amount, but every plan sets its own deductibles and copays.

Because Part C and Part D pricing is local, realistic budgeting requires you to research your zip code's plan pricing, rather than working from national averages.

Choosing Between Original Medicare and Medicare Advantage

- **Original Medicare (Parts A and B)** gives you broad provider choice nationwide: any doctor or hospital that accepts Medicare, generally without referrals. It also pairs with a Medigap policy to cover its gaps. The trade-off is that it has no annual cap on out-of-pocket costs and no drug coverage without a separate Part D plan.
- **Medicare Advantage (Part C)** caps what you pay out of pocket each year. Federal rules set the 2026 in-network limit at $9,250, though the average plan cap is lower, around $5,421. Plans commonly bundle drug, dental, vision, and hearing benefits, and about three-quarters of

enrollees pay no premium beyond Part B. The trade-off is the network: Medicare Advantage enrollees have access to about half the physicians available to Original Medicare beneficiaries in their area.

There isn't one right choice for everyone. Original Medicare may make more sense if keeping broad access to doctors and hospitals is your priority. Medicare Advantage may be a better fit if you prefer a plan with an annual out-of-pocket limit and additional benefits. The best choice depends on your doctors, prescriptions, healthcare needs, and budget.

Torn between coverage options? A Solace advocate can compare them against your current doctors, prescriptions, and budgets to help you make an informed decision.

See If You Qualify →

What Original Medicare Doesn't Cover

Even with Parts A and B in place, gaps remain that may generate some surprise bills.
Original Medicare generally does not cover:

- Routine dental care, including cleanings and dentures

- Routine vision exams and eyeglasses
- Hearing aids and the exams to fit them
- Long-term custodial care, meaning ongoing help with bathing, dressing, and daily living
- Cosmetic surgery
- Most care received outside the United States

These exclusions are why most people have additional coverage. People commonly pair Original Medicare with a Part D plan and often a Medigap policy, or choose a Medicare Advantage plan that builds some of these benefits in.

> **Did you know?**
> **80%** of Medicare Advantage prior authorization appeals are overturned, yet only about **10%** of denials are ever appealed. An advocate can file and track appeals on your behalf, so you get the answer you need to keep care moving.

How a Solace Advocate Helps You Make the Right Choice

Medicare comes with important decisions, deadlines, and coverage rules. A Solace advocate can provide one-on-one support as

you navigate them.

For a first-time enrollee, an advocate can help by:

- Confirming your eligibility and mapping your exact enrollment windows so no deadline slips by.
- Comparing Original Medicare and Medicare Advantage against your current doctors, care centers, and needs.
- Checking Part D formularies against your medication list before you commit to a plan.
- Handling prior authorizations, denials, and appeals if coverage is ever challenged.

What Happens After You Tap "See If You Qualify"

1. **Answer a few questions** about your coverage, your health history, and what you need help with.
2. **Get matched with an advocate,** an experienced healthcare professional who knows the system, and Medicare, inside and out.
3. **Stay supported.** Your advocate stays with you as long as you need them, ****handling the calls, paperwork, and research on your behalf.

Make sense of Medicare from the start.

A Solace advocate can confirm your eligibility, compare your plan options, and keep every deadline on track.

See If You Qualify →

FAQs

1. **How do I check if I'm eligible for Medicare or Medicare Advantage benefits?** Most people qualify for Medicare at 65 if they're a U.S. citizen or have been a legal resident for at least 5 continuous years. People under 65 can qualify through a qualifying disability. With ALS, Medicare starts the same month SSDI benefits begin; with end-stage renal disease, coverage typically starts around the third month of regular dialysis.
2. **Where can seniors get help understanding their Medicare options?** Seniors can get free, unbiased help from their State Health Insurance Assistance Program (SHIP), directly from Medicare.gov or 1-800-MEDICARE, or from a patient advocate who can walk through plan options against their specific providers and health needs.
3. **What are the 6 things Medicare doesn't cover?** Original Medicare generally doesn't cover routine dental care, routine vision and eye exams for glasses, hearing aids, long-term custodial care, cosmetic surgery, or care received outside the United States (with limited exceptions).

Some of these gaps are commonly covered through a Medicare Advantage plan or supplemental coverage instead.

4. **Is Medicare Part A and B enough coverage?** For many people, Original Medicare (Parts A and B) is not enough, as it doesn't cap annual out-of-pocket costs and doesn't include prescription drug coverage. It is recommended to pair it with a Part D plan and a Medigap policy, or choose Medicare Advantage, to close those gaps.
5. **How much does Medicare cost?** Part A is usually premium-free for people with a sufficient work history; Part B has a monthly premium that's income-adjusted, plus an annual deductible. Part C and Part D costs vary by plan and location, so there's no single national price. Medicare.gov's plan finder can pull exact numbers for a specific ZIP code.
6. **What is Medicare Part D formulary?** A formulary is the list of prescription drugs a specific Medicare Part D plan covers, organized into cost tiers. Formularies vary by plan and insurer, which is why it's worth checking that a specific medication is covered before enrolling in a Part D plan.

REFERENCES