SONORAN RETIREMENT ADVISOR

January 2026

It is literally true that you can succeed best and quickest by helping others to succeed (this has been our philosphy from the beginning).

IN THIS ISSUE

From Medicare to Retirement Planning. We provide the tools, and expertise to protect your retirement and lifestyle.

Hi,

The Medicare Open Enrollment Period (MA OEP) has just started and runs from 1/1/26 to 3/31/26. My first article will focus on the changes that can still be made to your Medicare Advantage plans. Unfortunately, this means that you will still be getting a lot of mail and phone calls about Medicare for a while longer.

My feature article will focus on the 2026 economic forecast.

We would love it if you would leave us a google review: https://linktr.ee/futurityfirsttucson?utm_source=linktree_profile_share&ltsid=dd96f394-c4cf-4a92-a912-076175d8ff17

Stay safe and healthy.

Your Tucson Team

FEATURE STORY

Medicare Open Enrollment 2026 Guide

Everything you need to know about the open enrollment period, including opportunities to change coverage, eligibility details and enrollment deadlines

The period from January 1 to March 31, 2026, encompasses two distinct Medicare enrollment windows. While many refer to this generally as "open enrollment," the specific rules depend on your current coverage status.

1. Medicare Advantage Open Enrollment Period (MA OEP)

This period is exclusively for individuals who are already enrolled in a Medicare Advantage (Part C) plan as of January 1, 2026.

What you can do:

1. Switch to a different Medicare Advantage plan.
2. Drop your Medicare Advantage plan and return to Original Medicare (Parts A and B).
3. If you return to Original Medicare, you may also join a separate Part D prescription drug plan.

Limitations: You can only make one change during this three-month window.

Effective Date: Changes take effect the first day of the month after the plan receives your request.

2. General Enrollment Period (GEP)

The General Enrollment Period also runs from January 1 to March 31 and is for people who missed their initial chance to sign up for Medicare Part B (medical insurance) or premium-based Part A when they first became eligible.

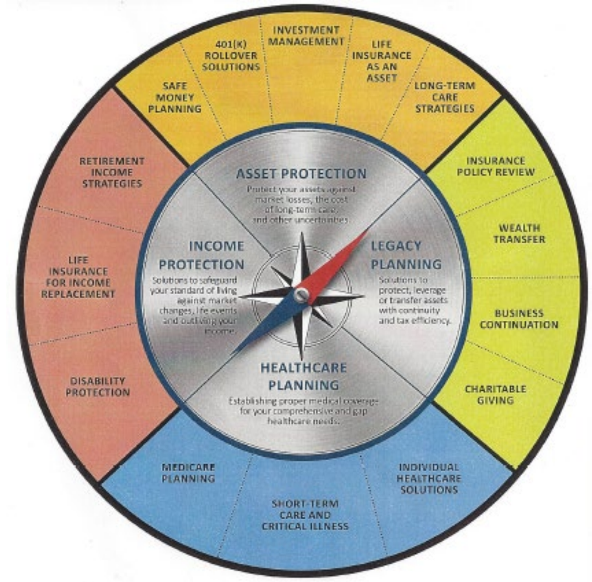
- **Coverage Start:** If you sign up during this period, your coverage begins the first day of the month after you enroll.
- **Potential Penalties:** You may have to pay a lifelong late enrollment penalty for Part B if you did not sign up when first eligible.

Key 2026 Changes to Consider

If you are using these enrollment periods to adjust your 2026 coverage, be aware of the following updates:

1. **Part D Out-of-Pocket Cap:** For 2026, the annual cap on out-of-pocket prescription drug costs is set at $2,100, up from $2,000 in 2025.
2. **Negotiated Drug Prices:** The first round of lower drug prices negotiated by the government for certain high-cost drugs takes effect in January 2026.
3. **Provider Directory SEP:** A new, temporary Special Enrollment Period (SEP) exists in 2026 for those who chose a Medicare Advantage plan based on inaccurate provider directory information in the Medicare Plan Finder.

The Retirement Planning Compass



Clients of the Month

We appreciate your referrals so much ….

We are happy and grateful for each referral. The only things your friends have to lose are high premiums and that sinking feeling that they just lost money when the market dips again. I'm happy to offer a gift card for every referral that leads to an appointment.

Julie R. referred her friend **Shelia H.** Thank you so much!

Daniel F. referred his friend **Michael M.** Thank you so much!

Is our Economy Picking up?

When it comes to interpreting the economy, we put a premium on sobriety. One good piece of economic data doesn't mean a boom, nor does one bad report mean a bust. Sometimes a report with a good headline has details that aren't as strong; sometimes a report with bad headlines includes a silver lining that investors and other analysts overlook. Keeping that in mind, the most recent GDP report, combined with the fact that the stock market is on a tear, is causing a surge in optimism about underlying economic growth.

The economy grew at a 4.3% annual rate in the third quarter, the fastest growth for any quarter in the past two years. Moreover, given a continued decline in inventories in the third quarter, it looks like the fourth quarter will be solid, as well. In spite of the longest government shutdown on record, the Atlanta Fed's GDPNow model is tracking 3.0% real GDP growth for Q4.

But before we get into the reasons for optimism, let's start with the sobriety. Yes, a 4.3% growth headline is great, but there were plenty of caveats for the third quarter. We like to follow Core Real GDP, which includes consumer spending, business fixed investment, and home building, and excludes more volatile categories like government purchases, inventories, and international trade. Core Real GDP grew at a 3.0% annual rate in the third quarter and was up 2.6% versus a year ago. That's solid growth, not a boom.

Moreover, Real Gross Domestic Income (Real GDI), an alternative measure of the economy that is just as accurate as Real GDP, grew at a moderate 2.4% annual rate in Q3. An economic boom, that is not.

But here's why this report bolsters the case for optimism. If real GDP grows at a 3.0% pace in Q4, then it will be up 2.6% in 2025 (Q4/Q4) even though immigration policy has gone from de facto open borders in the prior four years to the strictest immigration enforcement since at least the early 1960s. In turn, if real GDP growth is solid even though it is no longer being artificially inflated by a surge in foreign-born workers, that suggests productivity growth (output per hour) is picking up. And that's important because productivity growth is the key to raising living standards over the long run.

From the economic peak in late 2007 before the Financial Panic of 2008-09 until the end of 2016, the economy grew at a pathetic 1.5% annual rate while productivity grew at a mediocre 1.4% annual rate. Since then, real GDP has grown at a 2.5% annual rate while productivity has grown at a 1.9% rate.

Many economists, investors, and pundits look at this improvement in economic growth, and the recent consensus-beating reports on the economy and see reasons to be bullish on the economy and stock market. It may be that the benefits of Artificial Intelligence are starting to take hold. In the meantime, the Trump Administration is cutting regulations, holding tax rates down, and canceling significant government-sponsored investment into alternative energy. For the first time in a long time, the federal government cut discretionary spending this past fiscal year. A smaller, less intrusive government is good for growth.

But all of this potential good news can't be viewed in a vacuum. Maybe, just maybe, technology is improving things faster than the government can mess them up. And maybe, just maybe, a shift toward better government policy is pushing things along. But there are also many reasons to be skeptical of recent economic data. COVID era lockdowns, Quantitative Easing, and huge deficits have impacted the economy in ways few understand. And by every traditional measure the stock market is overvalued. In other words, while the underlying economy appears to be getting stronger, maybe it's just a mirage.

To put all this succinctly, while recent news seems very optimistic this doesn't guarantee we are on the cusp of an economic boom like that of the 1980s and 1990s. That boom coincided with significantly lower marginal tax rates, a tight money Fed and the end of the 1970s inflation, welfare reform, Medicare reforms, and a reduction in government spending as a share of GDP. And this happened while the demographic impact from Baby Boomers was at its peak.

At present, many Boomers are riding off into the economic sunset, and the government is much bigger than it was in the 1990s, both in terms of spending and regulation. So, while many can view recent years, or even recent quarters, as evidence that the underlying economy is improving, we believe much more work is needed for a return to 1990s-like growth.

UPCOMING MEDICARE WORKSHOPS

For all workshops please email Marilyn at: marilyndeluca@ffig.com or call her at 520-668-9662 to Reserve your free seat.

Tuesday January 13th - 11:00 AM
FUTURITY FIRST - TUCSON OFFICE:
4400 E Broadway Blvd, Suite 712, Tucson, AZ 85711

Tuesday January 13th - 6:00 PM
FUTURITY FIRST - TUCSON OFFICE:
4400 E Broadway Blvd, Suite 712, Tucson, AZ 85711

Tuesday January 27th - 11:00 AM
MARRIOTT COURTYARD TUCSON AIRPORT:
2505 E Executive Dr, Tucson, AZ 85756

Tuesday January 27th - 6:00 PM
MARRIOTT COURTYARD TUCSON AIRPORT:
2505 E Executive Dr, Tucson, AZ 85756

Tuesday February 10th - 11:00 AM
FUTURITY FIRST - TUCSON OFFICE:
4400 E Broadway Blvd, Suite 712, Tucson, AZ 85711

Tuesday February 10th - 6:00 PM
FUTURITY FIRST - TUCSON OFFICE:
4400 E Broadway Blvd, Suite 712, Tucson, AZ 85711

Tuesday February 24th - 11:00 AM
HILTON EL CONQUISTADOR:
10000 N Oracle Rd, Tucson, AZ 85704

Tuesday February 24th - 6:00 PM
HILTON EL CONQUISTADOR:
10000 N Oracle Rd, Tucson, AZ 85704

Tuesday March 10th - 11:00 AM
FUTURITY FIRST - TUCSON OFFICE:
4400 E Broadway Blvd, Suite 712, Tucson, AZ 85711

Tuesday March 10th - 6:00 PM
FUTURITY FIRST - TUCSON OFFICE:
4400 E Broadway Blvd, Suite 712, Tucson, AZ 85711

RETIRMENT PLANNING WORKSHOPS

FUTURITY FIRST - TUCSON OFFICE:
4400 E Broadway Blvd, Suite 712, Tucson, AZ 85711

Monday January 19th at 11:00 am or 6:00 pm

Tuesday March 17th at 11:00 am or 6:00 pm