

Health Alliance Medical Plans Cancellation

What is happening?

Health Alliance Medical Plans (the company providing Medicare Advantage plans for some University of Iowa retirees) will no longer offer Medicare Advantage plan coverage effective January 1, 2026. Those who will be affected were sent initial notification letters in May 2025 about this upcoming change; an additional letter will be issued by the plan to explain the rights of those currently enrolled (i.e. your right to purchase other coverage and your protection against waiting periods or pre-existing conditions).

What is the impact?

Any individuals (plan members) enrolled in a Health Alliance Medicare Advantage Plan will need to choose new health insurance coverage for 2026. This applies to both the Health Alliance HMO and PPO plans. If plan members do not enroll in new coverage, they will automatically revert to Original Medicare A & B only once the plans terminate at the end of 2025, which will leave them with gaps in coverage starting January 1st, 2026.

What are my options?

Because of Health Alliance plan cancellation, current plan members have a few options available for their healthcare coverage in 2026:

1. **Enroll in a different Medicare Advantage Plan:** You can select and enroll in a different Medicare Advantage Plan available in your county of residence.
2. **Enroll in a Medicare Supplement (also called Medigap) with Original Medicare:** If you decide you want coverage through Original Medicare, you will want to enroll in a Medicare Supplement and prescription drug plan to have full health insurance coverage.
 - Because your current plan is being terminated, you have a guaranteed right to purchase a Medicare Supplement insurance policy to help pay health care costs that Medicare does not cover. “Guaranteed right” means the insurance company must sell you a policy, must cover pre-existing conditions, and cannot charge a higher premium because of past or present health problems. When you are shopping for a Supplement, you will need the letter sent to you by your plan that lays out your rights for a guaranteed issue. This letter will be your proof to the plan. Supplement options include:
 - **Age 65, disabled or ESRD Medicare before January 1, 2020:** You have the guaranteed right to buy Medicare supplement plans A, B, C, F, (including high-deductible plan F), K or L from any company selling these policies in Iowa.
 - **Age 65, disabled or ESRD Medicare on or after January 1, 2020:** You have a guaranteed right to buy Medicare supplement plans A, B, D, G (including high-deductible plan G), K or L from any company selling these plans in Iowa.
 - **Individuals under age 65** must buy from companies selling to people on Medicare due to disability.

- **Medicare Prescription Drug Plan:** If you select coverage through Original Medicare and a Supplement, you will also need to consider prescription coverage through a separate drug plan. Please note that if you fail to maintain drug coverage, you may be subject to future lifelong penalties.

3. **Enroll in one of the University of Iowa group plan options:** UI Choice or UI Select

When do I need to take action?

Your current coverage will end on Dec. 31st.

If you choose to enroll in a Medicare plan (a Medicare Advantage Plan or Original Medicare with a Supplement and drug plan), you will have from Oct. 15th, 2025, to Feb. 28th, 2026 to enroll. If you are enrolling in one of the University of Iowa group plan options (UI Choice or UI Select), you will have from Oct. 15th to Dec. 7th to enroll.

If you do not make a selection by the end of 2025, you will automatically revert to Original Medicare starting January 1, 2026, and you will not have full health insurance coverage. After February 28th, 2026, you will lose your “guarantee issue right” for a Medicare Supplement, and you will be unable to enroll in a Prescription Drug or Medicare Advantage Plan until the next enrollment period (which for most people is October of 2026).

Information on Medicare Advantage and Prescription Drug Plans for 2026 will not be available until early October 2025. Because of this, it is recommended that you review updated plan information in the fall before completing your enrollment for 2026 coverage. However, you can start educating yourself on your different options so you will be able to make the best decision in October.

What other resources are available to assist me?

Iowa SHIIP has a website with extensive resources to help you understand Medicare and how it functions at www.shiip.iowa.gov, or you can find resources on the federal Medicare website at www.medicare.gov/

You can also contact local SHIIP/SMP sites to set up a personal counseling appointment. SHIIP/SMP Sites available in Iowa City are:

1. University of Iowa- Health Care Medicare Center Downtown 319-339-3658
2. Iowa City Senior Center 319-356-5220. You can also schedule appointments at the Iowa City Senior Center Schedule at <https://www.icgov.org/city-government/departments-and-divisions/senior-center> Click on “Appointments for Services,” then SHIIP/UI Retiree and preferred location



About SHIIP and SMP

The purpose of the Iowa SHIIP (Senior Health Insurance & Information) and SMP (Senior Medicare Patrol) Program is provide Medicare beneficiaries the information and resources they need in order to make informed decisions about their Medicare coverage. SHIIP/SMP has trained counselors throughout the state at locations near