

Health Alliance Plans Ending Dec 2025

>>> *UI Retiree Options for 2026* <<<

Senior Health Insurance Information Program-SHIIP/SMP

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SHIIP
IOWA'S MEDICARE
RESOURCE



800-351-4664

www.shiip.iowa.gov

SHIIP (Senior Health Insurance Information Program)

SMP (Senior Medicare Patrol)

Medicare counseling, education, and outreach

Iowa Insurance Division

staff members in Des Moines

~400 trained & certified volunteer counselors across Iowa

SHIIP/SMP services are

free

confidential

objective



Today's Conversation

- What we know and what we don't know about your choices for health care coverage for 2026
- When you will have opportunities to enroll/change coverage for 2026
- Review your health insurance options and the potential considerations
- What you can do now to prepare for a change
- I will pause periodically during this presentation to answer ***general questions***, either from the individuals in attendance or submitted through the "Chat" function on Zoom, as time allows



What do we know now for 2026?



- **All Health Alliance Medicare Advantage plans will be ending Dec 31, 2025**
- **All 899 UI Retirees/spouses enrolled in Health Alliance plans will need to enroll in different insurance plans for coverage effective January 1, 2026**
- Individuals who do not elect new coverage for January 2026 will only have partial coverage for health care expenses provided by Medicare Parts A (inpatient) and B (outpatient)
- Failure to maintain prescription drug coverage can result in future penalties, in addition to the cost of medications required.



2026 Options for UI Retirees

1. Replace current Health Alliance HMO/PPO Plan With A Different Medicare Advantage plan

- All inclusive plans for healthcare, prescriptions and other benefits
- Multiple plans available, both HMO and PPO, with drug coverage

2. Move to Traditional Medigap plan (also called a Medicare Supplement) and Prescription Drug Plan

- Ten standard plans regulated by Medicare
- Part D – prescription drug supplement

3. Return to UI Retiree Health Plan/Medicare Carve-Out

- UIChoice
- UISelect



What don't we know for 2026?

- **Rate/cost information** for most of your potential options, including UIChoice/UISelect and Medicare Prescription Drug plans
- **Any plan changes** to be implemented in 2026, to include the drug and Medicare Advantage plans offered in this area for 2026, or changes in existing plans, e.g. deductibles, co-insurances, formularies, provider networks, etc..
- Only Medigap (Medicare supplement) insurance plan benefits will carry forward unchanged, and their premiums are less likely to change in relation to open enrollment
- **Additional information to be available for open enrollment beginning October 15**



Your Enrollment Change Opportunities for Coverage Effective January 1, 2026

- **Medicare Open Enrollment: Oct. 15 - Dec. 7** for coverage effective January 1, 2026
 - Annual opportunity to enroll/change a **Medicare Advantage** plan; or
 - Annual opportunity to enroll/change a **Medicare Prescription drug plan AND**
 - **Special open enrollment** to enroll in a **Medigap (Medicare Supplement) plan**
 - **Guaranteed ability to purchase** at lowest premium rates
 - **Plan benefits set by Medicare**
 - **Includes coverage for pre-existing conditions**
 - **Guaranteed renewable** with payment of premium
 - **UI open enrollment** to enroll in **UIChoice or UISelect**



Guaranteed Issue Right Due to End of Health Alliance Plans

- Special open enrollment to purchase a Medigap (Medicare supplement) plan without medical underwriting and Medicare drug plan, or another Medicare Advantage plan extends until February 28, 2026, however, enrollment January 1 or later will not be effective until the first of the month following.
- Medigap policies must be purchased through the insurance company of your choice or their agent
- Enrollment in a Medigap (Medicare supplement) will require a separate enrollment in a Medicare drug plan
- Medicare prescription drug plan enrollment can be completed through Medicare.gov; same for Medicare Advantage plan enrollment



Things to think about now...

- **What has worked well with your current plan, or what would you like to be different?**
- **What factors are most important for you in considering other health insurance options?**
- **What ability will you have to change your decision(s) for 2026 at some point in the future?**
- **What coverage do you prefer based upon your current needs and interests, and what coverage would you want to have in place when dealing with a serious health condition?**



Ability to Make Future Changes

- Once you leave the UI plans (UIChoice/UISelect), are not eligible to return to those plans
- Outside of upcoming Special Enrollment Period for Medigap (Medicare supplement) plans, you are not guaranteed the ability to purchase a policy; subject to medical underwriting and can be rejected or charged a higher premium
- Future enrollment in Medicare Advantage available during annual fall open enrollment (October 15-December 7) each year
- Future enrollment in Medicare Prescription drug plans also available during annual fall open enrollment



Common Considerations for Health Care and Prescription Drug Coverage

- Premium costs, regardless of services used (fixed costs)
- Maximum additional out of pocket cost per year (variable)
 - Deductibles and co-pays
 - Anticipated costs based upon current usage
- Differences in what services are covered
 - Benefits provided, prior approval requirements and/or limitations on coverage
- Limitations on your choice of providers
 - Physicians, pharmacies, and other providers under the plan



2025 Medicare Advantage Plan Options with Rx Coverage (Iowa City)

- **7 HMO Medicare Advantage Plans** (in-network only)
 - AARP/United Healthcare, Aetna, Blue Medicare Advantage (Wellmark), Wellcare
 - Current premiums of \$0-49.50/mo
- **10 PPO Medicare Advantage Plans**
 - AARP/United Healthcare, Aetna, Blue Medicare Advantage (Wellmark)
 - Current premiums of \$0-63.00/mo
- Plans all include some level of vision, dental and hearing benefits, in addition to prescription drug coverage and other benefits
- Plans vary with respect to health care and prescription drug deductibles, co-pays, out of pocket maximums, drug formularies, etc.



Traditional Medicare Parts A/B with Medigap (Medicare Supplement)

- Plan G pays Medicare Part A deductible and co-insurance, as well as Part B co-insurance after \$257 annual deductible (2025)
 - Benefits set by Medicare, but sold by private insurance companies who set their own premium rates
 - Accepted by any provider that accepts Medicare nationwide; no referral or pre-approval required
 - No benefit for services not covered by Medicare A & B, e.g. vision, dental, hearing
- *UI Retirees and spouse/partner can continue Delta Dental through UI for \$50/mo./pp (2025) regardless of whether you continue UI Retiree group health care coverage*



Traditional Medicare Parts A/B with Medigap and Prescription Drug Plan

- **Medigap (Medicare supplement)**

- Sold by a number of insurance companies, e.g. Wellmark, AARP/United Healthcare, Aetna, Mutual of Omaha
- Premium rates vary across insurance companies, yet all provide the same benefits. For example, Plan G rates for 75 year-old female currently range from \$115-395 per month
- Other plans available with lower rates and modified benefits (e.g. Plan N or High Deductible Plan G)

- **Medicare Prescription Drug Plans**

- Change from year to year with annual open enrollment to change plans for coming year.
- Currently premium rates range from \$0-117 plus co-pays for medications used (*Medicare caps your RX cost at \$2000*)



Traditional Medigap (Medicare Supplement) vs. Medicare Advantage

<u>Traditional-Medigap</u>	<u>Medicare Advantage(HMO)</u>
Pay regular premium to avoid costs when services used	Low/zero premium with co-pays due as services are needed
Low deductible (\$257/plan G)	Co-pays limited by maximum out of pocket per year; +/- \$4000
Choice of any Medicare providers; no referral required	Care limited to network providers; prior approval by insurance company required for some providers and services
Consistent benefits; changing insurance companies may require medical underwriting	Plan benefits, networks and formularies are subject to change; annual open enrollment to change without medical underwriting
Separate insurance plans for prescription drugs and any other coverages, e.g. dental	One all inclusive plan with additional benefits, e.g. dental, vision, hearing, fitness, etc.



UIChoice–Medicare “Carve-out”

- Highest premium (fixed) cost option
- UIChoice covers any Medicare provider in US and any BC/BS providers not in Medicare.
- Benefits equivalent to that provided to current university employees
- May include some services not provided by traditional Medicare
- Most expansive drug plan; potential to increase
- OPM for Rx set by University and not subject to Medicare limitations (e.g. UI Select)



How to Prepare?

- Use the time leading up to open enrollment to learn about the coverage options currently available, with particular attention to your individual circumstances and health care needs
- **Learn as much as you can to avoid the potential for future surprises!**
- Consider scheduling a meeting with a SHIIP counselor
- Update your cost analysis once 2026 rate information becomes available in October
- Make plans to complete your enrollment(s) well before the end of open enrollment on December 7 to avoid any potential gaps/lapse in coverage



Your Resources

- Medicare.gov website:
 - Research current cost and coverage information for traditional Medigap (Medicare supplement) and prescription drug supplements, including drug co-pays, as well as Medicare Advantage Plans
 - Watch “How to use Medicare plan finder” (CMS) on YouTube: Log in and use “Find Health and Drug Plans” function
- Iowa SHIP: <https://ship.iowa.gov/>
 - Iowa Medicare Supplement & Premium Comparison Guide: <https://ship.iowa.gov/media/76/download?inline=>
 - Medicare Advantage and Other Health Plans in Iowa: <https://ship.iowa.gov/media/91/download?inline>
 - “Steer your own SHIP”: <https://ship.iowa.gov/media/87/download?inline>
- Insurance plan websites for plan details, provider directories, etc.
- Contact insurance companies or their agents directly for information about options available



Schedule a SHIP appointment

- Individual SHIP counseling available locally through the Iowa City Senior Center at multiple locations in Iowa City and North Liberty.
- Schedule an appointment on line:
<https://www.icgov.org/city-government/departments-and-divisions/senior-center>
 - Click on “Appointments for Services”, then SHIP/UI Retiree and preferred location

or call the Center at 319-356-5220



Thank you



Senior Medicare Patrol

Guard your Medicare card/number; no one should ask you for a Medicare number over the phone

Screen your calls; make unknown callers leave a message; ask who is calling before giving your name; hang up if unsure

Check your Medicare benefit statements for any duplication or services not received

Pay attention to unexpected healthcare packages, e.g. glucose monitors, catheters, etc.

Contact your provider, SHIP or 1-800-Medicare to report potential fraud/abuse

