2027 Medicare Update–UI Choice/Select

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1-800-351-4664

www.shiip.iowa.gov

SHIP
State Health Insurance Assistance Program

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Medicare Update Agenda:

-What to expect in 2027
-Health Care Options
-Opportunities to make changes
-Q & A
-Financial assistance
-Preventing Fraud and Abuse
- SHIIP Resources

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Medicare Part B

Cost	2026	2027
Premium	$202.90	**TBD** - *[$209.50]*
IRMA: increased Part B and D (drug plan) premiums above higher income gradients	$109,000 Single/ $218,000 Joint	**TBD** – *[$111,000 Single/ $222,000 Joint]*
Deductible	$283	**TBD** – *[$292.00]*



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2027 Medicare Options

- Original Medicare (Parts A & B) with Medigap Supplement and Prescription Drug Plan (Part D)
- Medicare Advantage (Part C), all inclusive HMO/PPO options
- UI Choice or UI Select as Medicare “Carve Outs” (only if continuously enrolled). However, employee plans do not have to offer Medicare specific benefits, e.g. insulin, Medicare drug caps, GLP-1 “Bridge” program, etc.

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Continuing Medicare benefits: Insulin cap



Insulin still no more than $35/month

(& no deductible)

- **Must be on your drug plan's formulary** (list of covered drugs)
  - Formulary can change each year
- **Cap applies to insulin that is covered by Medicare Part B (insulin pumps) or Part D (injectables)**
  - Does NOT apply to *non*-insulin injectables (i.e., Bydureon, Ozempic, Trulicity)

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Expanding: Drug Price Negotiation Program

2026

Eliquis, Enbrel, Entresto, Farxiga, Imbruvica, Januvia, Jardiance, NovoLog/Fiasp, Stelara, Xarelto

2027

Austedo/Austedo XR, Breo Ellipta, Calquence, Ibrance, Janumet/Janumet XR, Linzess, Ofev, Otezla, Ozempic, Pomalyst, Rybelsus, Tradjenta, Trelegy Ellipta, Vraylar, Wegovy, Xifaxan, Xtandi

reduced costs automatically apply within drug plan (PDP or MA-PD)

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New: GLP-1 "Bridge" Program (July 1, 2026 to December 31, 2027)

- **Foundayo** (tablet), **Wegovy** (injection or tablet), or **Zepbound** (KwikPen only)
- **Requirements:**
  - Enrolled in Medicare drug coverage (PDP or MA-PD)
  - Medicare drug plan is ***not*** currently covering GLP-1
  - You do not have Type 1 diabetes, moderate-to-severe sleep apnea, or fatty liver disease
  - You meet **prior authorization criteria with BMI** (body mass index):
    BMI 35+; or BMI 30-34 with heart failure, hypertension, or chronic kidney disease; or BMI 27-29 with prediabetes, previous heart attack or stroke, or blocked arteries in legs or arms
- If approved, GLP-1 would be $50/month copay
- Q's? Talk to your doctor

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Medigap Supplements

- **No change in plans or benefits in 2027**
- Medical care only
- **Accepted nationwide** if participate in Medicare
- Premium rates set by individual insurance companies
- **Guaranteed renewable** upon payment of premium

- **No annual open enrollment**
  - After first 6 mos. on Part B, may be required to complete health screening and may be denied due to medical history
- **Guaranteed enrollment if:**
  - ***Decrease in employer benefits (e.g. UI Choice/Select)***

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“Guaranteed Issue” for Medigap Supplements

- Applies to those enrolled in UI Choice/UI Select in 2026
  - Special opportunity created by “reduction in benefits” in UI health plans (higher out of pocket pharmacy maximums)
  - Those **eligible for Medicare prior to 2020**, eligible for supplement plans A,B,C,F,K or L (**Plan F** offers the most benefit with full coverage for covered health expenses)
  - Those **eligible for Medicare 2020 or after**, eligible for supplement plans A, B, D, G, K or L (**Plan G** offers the most benefit, but requires payment of annual Part B deductible)
- Guaranteed ability to purchase a supplement of your choice at lowest premium rate offered without medical underwriting.

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What is a Plan F supplement?

- Medicare Part A (inpatient care) and Medicare Part B (outpatient services, providers, durable medical, etc.) pays 80% of cost
- Medigap supplements (Plan F) fill in the “gaps”:
  - All Part A deductibles
  - All Part A co-insurance (including hospice and skilled nursing)
  - All Part B deductibles (Plan G deductible $283 in 2026)
  - All Part B co-insurance and excess charges
  - Plus international travel emergency benefit

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Medigap Supplements -Observations

- Companies must charge enough premium to cover their cost of claims, and vary between companies
- Increases in 2026 were often +/-20%
- Plans G and F are most generous and therefore, most expensive
- Plan N ($20 office visit/$50 ER) slightly less expensive
- Plans G and F High Deductible options ($2,875/yr) are significantly less expensive

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2027 Medicare Drug Plans –Johnson Co. IA

- **Nine prescription drug plan options**
- **Premiums:** Five plans $5-33 per month; Four plans $117-222 per month
- **Benefit tiers:**
  - Preferred Generics, Generics, Preferred Brands, Non-Preferred Brands, Specialty Drugs
  - Zero to 50% Co-pays
- **Deductibles**
  - $700/yr maximum, up from $615/yr (individual plans may vary)
- **Out of Pocket Maximum (OPM)**
  - $2,400/yr, up from $2,200 for formulary drugs
  - Higher premium plans may have lower OPM

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Medicare Drug Plan Observations

- **Compare your Medicare drug plan every year**
  - **Premium rates:** Lowest premium is not necessarily the least expensive
  - **Drugs covered** (formulary)can change
  - **Co-pay costs and application of deductibles**
  - **Pharmacy networks**
  - **Quantity limits, prior approval requirements, etc.**
  - *All can impact your actual costs!*

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2027 Medicare Advantage –Johnson Co. IA

- **All inclusive options for 2027 – Medicare Part C**
  - 12 plans in Johnson county
  - 7-Aetna, 2-Humana, 1-Wellcare*, 2-AARP/United Healthcare
  - 5 HMO – 7 PPO
    - *Wellcare Simple “suppressed”; no enrollment through agents
    - Only Aetna adding plan options in 2027
  - 7 “Free” with zero premium, others $45-75/month premiums
- **Review and compare:**
  - **Providers:** primary care, specialists, other providers of policy benefits
  - **Medications:** coverage and costs (like comparing drug plans)
  - **Deductibles and out of pocket maximums**: medical and drug

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Medicare Advantage Observations

- **Know what you are buying and how to utilize the benefits**
  - **OTC supplies, hearing aids, dental care, fitness, etc.**
  - **Lowest premium may not be best buy**
- **Confirm ALL your providers are in network or will accept coverage; doctors, dentists, as well as hospitals**
- **Medicare Advantage plans out of network are not accepted by Mayo Clinic/Rochester (or Arizona or Florida)**

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Traditional Medicare vs Medicare Advantage

Traditional with supplements

- Higher fixed cost (premium), little financial risk for covered medical expenses
- Does not include dental
- Benefits set by Medicare
- Ability to choose any provider nationwide participating in Medicare
- Prior approval not generally required

Medicare Advantage all inclusive

- Costs dependent upon your utilization; share medical risk up to annual Out of Pocket Maximum
- Costs and benefits are subject to change from year to year
- Limited to network providers for non-emergency services/benefits under the plan
- Prior approvals required to control costs

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2027 Options for UI Retirees

Options->	*Traditional Medicare*	*Medicare Advantage*	*UI Choice*
Type of Plan	Traditional Medigap Plan F and Rx Supplement	Medicare Advantage	Ee plan/Medicare Carve out
Premium per month **(Does not include cost of drugs used)**	+/- $371/mo (80 yr old male; AARP/UHC) Plus +/- $33.30/mo Rx plan (Humana Value Rx)	$0 (Aetna Medicare Signature Classic PPO, includes drug coverage)	$743 or $1,031/mo (with or without UI contribution; includes drug coverage)
Combined Premium per year (fixed cost)	$4,852	$0	$8,916 or $12,372/yr
Medical Out of Pocket Maximum/yr	$283 deductible (2026)	$7,150 In-network only $10,750 All providers	$2,300 Level 1&2 $3,000/All providers (***note this is a separate OPM from the Level 1 & 2***)
Rx Out of Pocket Maximum/yr	$2,400	$2,400	$2,150/yr

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Options->	*Traditional Medicare*	*Medicare Advantage*	*UI Choice*
Benefits/Coverage	Does not include care not covered by Medicare, e.g. vision, hearing and dental	May include vision dental hearing, fitness and OTC allowance and other benefits	Includes some coverage not provided by Medicare, e.g. drugs, but no dental
Access to Medical Providers	Accepted nationwide by any provider who accepts Medicare	HMO – In-network only PPO – Access to out-of-network providers with higher co-pay and OPM **Prior approval may be required to see specialist or for medical procedures	Accepted by providers who accept Medicare and/or those in the BC/BS network
Prescription Drugs and Pharmacies	All plans must meet minimum standards set by Medicare, but specific drug and pharmacy coverage will vary	All plans must meet minimum standards set by Medicare, but specific drug and pharmacy coverage will vary	Most expansive drug coverage with all generics free; no limitation on pharmacies used

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How to Enroll?

- Traditional:
  - Medigap Supplements must be purchased directly from the insurance company of your choice (phone/online), or their agent
  - Prescription Drug Plans, enroll online in Medicare.gov using your username and password.

- Medicare Advantage
  - Enroll online in Medicare.gov

- UI Choice/Select:
  - Communicate with University Benefits

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Medicare Enrollment Periods

Open Enrollment
Oct 15th – Dec 7th

Review Part D and MA plan plans (especially covered drugs, pharmacies, provider networks, copays, and restrictions). **Your current plan may not be the best or lowest cost plan for you next year.**

Medicare Advantage Open Enrollment
Jan 1st – Mar 31st

If already enrolled in MA plan: Can switch MA plans or return to Original Medicare. One change allowed. **Note: Does not guarantee a Medicare Supplement policy.**

Continuous Enrollment
Available any month

Skilled care or nursing home residents (not assisted living) can switch plans anytime. **Extra Help recipients can switch *drug* plans (not MA plans) any month.**

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Iowa's Medicare Resource

SHIIP (Senior Health Insurance Information Program)

SMP (Senior Medicare Patrol)

Federally-funded program

- Iowa Insurance Division

Statewide network of trained counselors at sites across Iowa

We provide free, confidential & unbiased Medicare information

- Answer Medicare questions
- Compare plans & submit enrollments for Part D or MA plans
- Provide education on how to prevent Medicare fraud
- Check to see if people are eligible for Medicare assistance programs

We do not sell anything. Or recommend/endorse any companies, policies, agents, or products.

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Individual Appointments

Iowa City Senior Center: 319-356-5220

UIHC/Downtown: 319-339-3658

Website: “Appointments for Services” at https://www.icgov.org/government/departments-and-divisions/senior-center

Counseling appointments available at the downtown Senior Center, Mercer Recreation Center, North Liberty Library/Ranshaw House, over Zoom or by phone

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Online Resources: shiip.iowa.gov

>Find a counselor if local appointments are full

>Open Enrollment Resources

New 'How to…' videos:

-Creating an account on Medicare.gov

-Comparing Medicare Drug Plans (Part D)

-Comparing Medicare Advantage Plans (Part C)

>Guides: Tips to run your own Medicare plan comparison

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Questions? Reach out to SHIIP/SMP!

Statewide Hotline: 1-800-351-4664

(TTY 1-800-735-2942)

Medicare Helpline: 1-800-MEDICARE

Websites: shiip.iowa.gov

Medicare.gov

Email: shiip@iid.iowa.gov

Facebook: Search *"Iowa SHIIP"* and follow us

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Programs that assist with Medicare costs

Low-income Subsidy (aka “Extra Help”) – prescription assistance

Medicare Savings Programs – Medicare premiums & deductibles

Eligibility depends on income and resources (2026 Amounts)

- Income – below **$24,180/year** (single) or **$32,700/year** (married)
- Resources – below **$18,090** (single) or **$36,100** (married)

SHIIP-SMP counselors can help you apply if you are eligible.

Resource and income limits change each year.

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Always open all your mail

This is how agencies will contact you with important details & notices about your coverage:

- Medicare (Centers for Medicare and Medicaid Services)
- Social Security
- State of Iowa, Health & Human Services (Medicaid)
- Your insurance plans (Medigap, drug supplements or Medicare Advantage plan)
  - **Annual Notice of Change – required for any plan changes, including if your plan is being canceled**

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Do you already have an online Medicare.gov account?

- Review Medicare claims & Medicare Summary Notices
- Check your Part B deductible status
- Manage your drug & pharmacy lists
- Compare Medicare Advantage or drug plans
- Track preventive services



Note: You need an email address & 2-factor authentication to create a new Medicare.gov account

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How to avoid Medicare Fraud

Protect Yourself

Prevent

- **Guard your card:** Treat your Medicare number like a Social Security number. Don't give it out!
- **Screen calls:** Make unknown numbers leave you a message, even if it looks like a local number.
- **Be skeptical:** Watch out for offers of "free" medical services.

Detect

- **Review** Medicare claim statements (MSN or EOB) for unfamiliar services.
- **Let someone know if you receive unexpected healthcare packages** (glucose monitors, catheters, or braces, etc.).

Report

- **Check with your doctor's office** about any suspicious charges or packages. (It may have been a billing issue.)
- If that doesn't resolve it, **contact SHIIP/SMP or 1-800-MEDICARE**.

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Medicare Advantage plans are regulated by CMS. People selling these plans cannot:

- X Show up at your home uninvited
- X Call you if they do not have a prior relationship with you
- X Represent themselves as Medicare, Social Security, etc.
- X Talk to you about their plan in places where you get health care
- X Intentionally give incorrect information about the plan
- X Ask you for payment over the phone (must send a bill)

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