

## **Income-Related Medicare Part B Premium Adjustment for 2007**

A new Federal law has changed the amount charged for Medicare Part B coverage for some higher income beneficiaries. Effective January 1, 2007, some individuals are being charged an income-related adjustment in addition to the standard premium which is \$93.50 for 2007. Based on NYSHIP rules, we previously indicated that if a Medicare primary enrollee or dependent is required to pay more than the standard Medicare Part B premium PAs are not required to reimburse any amount in excess of the standard premium. However, our determination is being challenged and we have asked our Department Counsel for an opinion. We will inform you if there is a change in our determination as soon as we receive that opinion.

## **Timothy's Law**

A new State law known as "Timothy's Law" was effective January 1, 2007. It changes the coverage requirements for the diagnosis and treatment of mental, nervous or emotional disorders under most group health plans, including the Empire Plan. This law essentially requires parity between the coverage provided for mental health conditions and that provided for medical conditions. While the Empire Plan's Mental Health and Substance Abuse Program for the most part meets or exceeds the requirements of this law, to fully comply the Plan will be required to make some changes in the out-of-network benefits provided for mental health conditions. We are working with the NYS Insurance Department to clarify what changes will be necessary. Certificate amendments and informational materials will be issued with a retroactive date of January 1, 2007, as soon as possible after the analysis of the requirements is completed. In the meantime, if enrollees have questions about their mental health benefits under Timothy's Law they should be advised to call ValueOptions, the administrator for the Empire Plan Managed Mental Health and Substance Abuse Program at 1-877-769-7447 and to select Option 3.

## **Medicare Part D Employer Subsidy Update**

To date, NYSHIP applied for and received estimated Employer Subsidies covering January through November 2006. Consistent with our commitment to distribute the subsidy to each Participating Agency as soon as possible after receiving it, we have continued to credit the monthly bills for those PAs that have executed the Medicare Part D Retiree Drug Subsidy Agreements. Most PAs have executed these agreements; however, there are still a few outstanding agencies; EBD staff has continued to follow up with these agencies. Please note that your agency **must** execute and return this agreement to EBD to begin receiving the subsidy credit. The Employer Subsidy for July and August 2006 was credited to the January 2007 bill; the Subsidy for September 2006 was credited to the February 2007 bill and the Subsidy for October and November 2006 was credited to the March 2007 bill.

We will continue to distribute subsidy payments as soon as possible following receipt from CMS. We will keep you informed.

## **GASB 45 Update**

In addition to the information previously provided to your agency regarding GASB 45 ([PA Memo 06-11](#) and [PA Memo 06-18](#)), NYSHIP will also provide agency census reports upon request. Since the data included in these reports will be current at the time they are provided, it is important that your agency NYBEAS file is up-to-date, including correctly identifying and coding retirees before requesting census reports. To request a copy of your agency's census information, please send an e-mail to: [Melinda.Beyer@cs.state.ny.us](mailto:Melinda.Beyer@cs.state.ny.us) and include your name, agency name & code number, mailing address, phone number and e-mail address.

## **NYSHIP Representation at Municipal Events**

TDuring the next quarter, NYSHIP's Empire Plan will be represented at the following events:

- The *2007 Annual Conference* sponsored by the *NYS Government Finance Officers' Association* on March 28–30, 2007, in Albany, New York.
- The *2007 Local Government Conference* sponsored by the *NYS Tug Hill Commission* on March 29, 2007, in Watertown.

If you are planning to attend an event, please stop by the NYSHIP exhibit.

## **Transmission of Reports Electronically**

Many agencies receive the Empire Plan Experience Report via *E-mail*. If you would like to be added to our distribution list, you may contact us at the address or *E-mail* below.

## ***CEO & HBA Name and Address Changes***

Please be sure to notify EBD of any changes in the names and/or addresses (including *E-mail* address) of your agency's CEO or HBA, so that we may keep our mailing lists up-to-date. This updated information should be sent to:

**Debbie D'Orazio**  
**Employee Benefits Division**  
**NYS Department of Civil Service**  
**Alfred E. Smith State Office Building**  
**Albany, NY 12239**  
**or E-mail: [Deborah.Dorazio@cs.state.ny.us](mailto:Deborah.Dorazio@cs.state.ny.us)**