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NY10-20

TO: New York State Health Benefit Administrators
FROM: Employee Benefits Division
SUBJECT: Pre-Retirement Resources
DATE: June 29, 2010

The 2010-2011 Retirement Incentive Program (Chapter 105 of the Laws of 2010) has been signed into law. Because some of your employees may be considering their retirement options, we wanted to help you with a current list of pre-retirement resources.

As you know, the Employee Benefits Division (EBD) participates in the Governor's Office of Employee Relations (GOER)'s Pre-Retirement Seminars. These day-long meetings, which are funded by labor-management contracts, are designed to address the major areas an employee who is planning to retire should be thinking about: health insurance, pension benefits, social security and deferred compensation. Because demand outstrips supply of these meetings, EBD provides other resources to you and your employees.

NYSHIP Online, <https://www.cs.state.ny.us>, is an excellent resource for both you and your prospective retiree, but we also have videos and publications that can be used in group settings or in the enrollee's own home. This memo is designed to tell you about those resources.

In this memo:

- The 2010-2011 Retirement Incentive Program Flyer
- What you should give to a NYSHIP enrollee who is *Planning for Retirement*
- How to use the *Planning for Retirement* DVD/VHS in a group setting
- What EBD automatically sends to new retirees and retirees turning 65
- What every retiree should know

The 2010-2011 Retirement Incentive Program Flyer

We are happy to announce, *2010-2011 Retirement Incentive Program and Your Health Insurance* (AL0979), a new publication that will answer many questions about how to continue health insurance in retirement if an enrollee retires under Part A or B of the incentive program. It also addresses options, such as COBRA or conversion contracts, if an enrollee does not meet the requirements for health insurance.

We will be sending you a small supply equal to 2% of your enrollment. Please give this publication to anyone interested in the 2010-2011 Retirement Incentive Program. You may order additional copies on HBA Online. Please do not order until you have received your initial supply.

What you should give to a NYSHIP enrollee who is *Planning for Retirement*

Planning for Retirement (NY0831) is an excellent publication that can help an enrollee work through the question of how to qualify for health insurance in retirement and how to be sure they follow the steps that will keep them up-to-date on benefits and when it is time to enroll in Medicare. Additionally, we have a popular companion video, *Planning for Retirement* (AL0794 DVD, AL0793 VHS) that is available to watch at home or for you to use in a group setting. (See instructions below.) A companion print package (AL0797) can be ordered that includes the booklet, a benefits checklist and certain forms: PS-404, PS483.2, PS-405 and PS406.2 that the enrollee can fill out and return to you for processing and a signature. The materials are available on HBA Online for you to order or your enrollee can find these materials on NYSHIP Online.

Also available are Quick Order (QO) packages for retirees. You may order an Empire Plan or HMO QO package on HBA Online that will be sent directly to the retiree's home. The Planning for Retirement materials mentioned in the paragraph above are **not** in the retiree QO packages, but can be ordered separately, along with *On The Road With The Empire Plan for Retirees* (AL0945).

If you would like to supplement this package, lists of what are included in the Empire Plan and HMO QO packages are attached to this memo. In addition to what is listed and enclosed in the packages, the Empire Plan retiree is offered the opportunity to order the *Reporting Ons*, a series of publications on special programs such as Home Care Advocacy Program (HCAP), Diabetes, and Asthma. *Reporting On Centers of Excellence* and *Reporting On Prescription Drugs* are enclosed in the Empire Plan package. The packages you order will be sent directly to the retiree's home at no cost to them. The online NY/PE Retiree Empire Plan Publications and Supply Order form lists everything that is current for a complete retiree benefits information package. To find Planning for Retirement materials, be sure to pick an active group form. The forms are updated regularly.

How to use the *Planning for Retirement* DVD/VHS in a group setting

When using the Pre-Retirement Video presentation in a group setting, there are some areas in each chapter that are good topics for you to use for an expanded discussion. We suggest that the video be paused at the end of each chapter to allow for expanded discussion and/or questions from the audience.

Here are some possible topics for additional discussion:

Chapter 2 - Eligibility for Retiree Coverage

- Exclusion of "Incentives" to meet ten year service requirement (e.g.; **The additional service credit provided by a retirement incentive does not count towards the minimum service requirement for continuing NYSHIP coverage in retirement. This time cannot be used to reach the 10 years of benefits eligible service required for retiree health benefits. Also, purchased military service cannot be used for this purpose.**)
- Criteria for getting credit for service with other public employers (service must have been with employer prior to or during NYSHIP participation. NO credit for service after employer withdraws from NYSHIP)
- Disability retirements – service requirement waived for work-related disability retirement; service requirement still applies for non-work-related disability retirement.
- Criteria for non-members of pension systems. Must meet age and service requirements of tier in effect at time of hire.
- Constructive retirement for pension plan members. Enrollees do NOT need to actually collect pension, just be eligible to collect a pension.
- Vesting details -
 - Enrollees must be a member of pension system to be a vestee for health insurance.
 - Enrollees must keep coverage in effect continuously from the end of employment to retiree eligibility.
 - Enrollees may keep coverage in effect as a dependent of another NYSHIP enrollee or as an employee of another NYSHIP Participating Employer or Participating Agency.
 - Enrollees cannot use their sick leave credit for health insurance following vested coverage.

Chapter 3 - Premiums

- Stress that NYSHIP enrollees must pay any health insurance premium bills they get prior to the start of their pension deduction.
- Discuss what to do if an enrollee does not want premiums deducted from pension, or will not be getting a pension.

Chapter 4 - Sick Leave Credit

- Stress that dual annuitant can be selected even by enrollees with individual coverage.
- Stress that the dual annuitant selection is irrevocable once made, and must be made prior to leaving employment. If not selected, single annuitant option is the default and selected for the enrollee.
- For deferred coverage, proof of other coverage is needed. This must be made prior to leaving employment. Deferred coverage is automatic if enrollee is covered as a dependent of another enrollee at time of retirement.

Chapter 5 - Dependent Survivor Coverage

- Stress that a dual annuitant choice is not required for dependent survivor coverage eligibility.
- NO dependent survivor coverage if enrollee has individual coverage at time of death. An enrollee MUST have family coverage in effect (or have deferred family coverage) at time of death for survivors to be eligible for dependent survivor coverage.
- Only dependents covered on plan at time of death can have survivor coverage. Exceptions: enrollee's child born after death of enrollee; adoption in progress at time of death; dependent child was not a full time student at time of enrollee death but returns to full time student status subsequent to death.
- Surviving spouses lose eligibility if remarried, but dependent children can continue. Domestic partner loses eligibility if re-partnered.

Chapter 6 - Medicare

- Compare/contrast to rules for Medicare-eligible active employees.
- Stress requirements to join Parts A&B but probably NOT Part D for most enrollees.
- Stress need to take Medicare if disability entitlement prior to age 65, and to notify EBD of eligibility.
- Remind enrollees of Medicare Crossover for Empire Plan: Dependents must enroll.

Chapter 7 - Other Benefits

- Explain COBRA application process and time limits. (Remember: up to 36 months in most cases)
- Discuss conversion offer for dental plan.

Chapter 8 - Staying in Touch

- Remind enrollees to send address and other changes to EBD in writing. Can also register for MyNYSHIP and make address changes online.
- Stress HIPAA privacy restrictions and need for releases.
- Remind enrollees to make sure to review Benefit Statements.

If you don't feel it is necessary to provide any of the suggested additional information, be sure, at a minimum, to solicit questions from the audience after each chapter, to make sure everyone has understood the information in that section.

And, if you don't feel confident enough to discuss each of the points mentioned above, please call your EBD processor for clarification to make sure you don't provide incorrect information.

What EBD automatically sends to new retirees and retirees turning 65

Mandated Packages: *Mandated Packages* are sent to new retirees, and contain certain notices, such as COBRA, HIPAA, Empire Plan Carrier Privacy Notices and the NYSHIP Privacy notice. Please see HBA Memo NY07-26 for details.

65th Birthday Letters: Retirees who are close to their 65th birthday are sent a letter to remind them that they must enroll in Medicare three months before their 65th birthday. Currently, a Medicare Part B reimbursement letter is enclosed.

What Every Retiree Should Know

It is the retiree's responsibility to keep the Employee Benefits Division informed about any change of address – particularly snowbirds! *Welcome to EBD* (AL0858) is an excellent resource that helps with this process.

- Retirees may make one Option change any time during a 12-month period, with no qualifying event.
- NYS Online at <https://www.cs.state.ny.us> is an excellent resource for retirees. It is a one-stop to find out about regional retiree meetings, see rates before they are delivered to retiree homes in the late fall, search for an Empire Plan provider, and find out What's New!
- Enrolling in Medicare is a NYSHIP requirement. *Medicare & NYSHIP* (AL0941), a booklet and companion DVD can be ordered by the enrollee on the Department of Civil Service web site, <https://www.cs.state.ny.us>, or is available on HBA Online for you to order.

We hope this memo is helpful. If you have questions about the publications mentioned or topics included in this memo, please call EBD Communications at 518-457-7577. If you have questions about NYSHIP benefits or transactions, or to check something on NYBEAS, please call your EBD processor.

Attachments:

NY/PE Retiree Empire Plan Quick Order Package Contents

NY/PE Retiree HMO Quick Order Package Contents

NY/PE Retiree Empire Plan Quick Order Package Contents

June 22, 2010

RETIREE WELCOME LETTER

EP PROVIDER DIRECTORY 2009 CARD

EMPIRE PLAN GENERAL INFORMATION BOOK / EMPIRE PLAN REPORTS / CERTIFICATE AMENDMENTS

AL0193	GIB-EP/RETIREES/1-00
AL0213	EPR-RETIREE 00-2
AL0262	EPR-RETIREE-01-1
AL0323	EPR-RETIREE-01-2 REV
AL0342	EPR-RETIREES-02-1 REV
AL0407	EPR-RETIREE-03-1
AL0416	EP DISCLOSURE AMEND 4/03
AL0478	EPR-RETIREE-03-2
AL0569	GIB-EP/RETIREE/05-1
AL0713	EPR-RETIREE-07-1
AL0736	EPR-RETIREE-08-01
AL0857	EPR-RETIREE-08-02
AL0868	EPR-RETIREE-09-01
AL0946	EPR-RETIREE-10-1

EMPIRE PLAN ADDITIONAL MATERIALS

AL0785	RO HCAP REV SEPT 07
AL0791	Medco by Mail Order Form and Envelope
AL0792	EP RX ENROLLEE CLAIM FORM
AL0858	Welcome to EBD/REV/January 09
AL0859	RO Prescription Drugs (July 2009)
AL0877	RO Network Benefits/July 09
AL0927	NYSHIP Nav. Flyer NY/PE RET. 7/09
AL0941	Medicare & NYSHIP for NY/PE Retirees
AL0942	EP-CoPay Code A-10
AL0945	EP Road Retiree/October 09
AL0947	AAG - Retiree - 1/10
AL0949	2010 Empire Plan Flexible Formulary Drug List
AL0954	RO COE/May 2010

NY/PE Retiree HMO Quick Order Package Contents

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Retiree HMO Welcome Letter

HMO GENERAL INFORMATION BOOK / HMO REPORTS

AL0491 GIB-HMO/RETIREES/5-04

AL0570 GIB-HMO/RETIREE/05-1

AL0714 HMO-RETIREE-07-1

AL0870 HMO-RETIREE-08-1

AL0952 HMO-RET-10-1

HMO ADDITIONAL MATERIALS

AL0493 Q & A LETTER, REV. 5/04

AL0858 Welcome to EBD/REV/January 09

AL0927 NYSHIP Nav. Flyer NY/PE RET. 7/09