

Employee Benefits Division Policy Memorandum

Number: Policy Memo # 140

Date Issued: June 29, 2010

Subject: Retroactive Premium Refunds for Participating Agencies

PURPOSE

Retroactive premium refunds for Participating Agencies.

POLICY

Retroactive premium refunds to Participating Agencies will be limited to a maximum period of 6 months, consistent with the NYBEAS transaction processing limit.

Refunds for periods greater than 6 months, up to a maximum period of 3 years, will be permitted only in the following situations:

1. There is a documented retroactive determination of eligibility by a state or federal entity and such determination is reported to the Employee Benefits Division within 60 days of such determination;
2. Death of an enrollee or dependent.

Requests for consideration of premium refunds in excess of 6 months must be made in writing to the Employee Benefits Division:

NYS Department of Civil Service
Employee Benefits Division
Alfred E. Smith State Office Building
Albany, NY 12239

RATIONALE

Employers that participate in the New York State Health Insurance Program (NYSHIP) have an obligation under Civil Service Law and the President's Regulations to maintain up-to-date eligibility records for employees, retirees and dependents. See Civil Service Law Section 163 (4) and 4NYCRR Section 73.4. Section 73.4(a)(3) of the Regulations of the President of the Civil Service Commission requires that NYSHIP employers are responsible for "maintenance of enrollment and up-to-date eligibility records for covered employees and retired employees," and "prompt certification to the insurers of eligibility or non-eligibility for benefits for the employees and retired employees, and their dependents, claiming benefits and prompt notification to the carriers, as necessary, of the enrollment, change in status and termination of coverage of its covered employees."

Additionally, Section 1.7 of the Manual for Participating Agencies requires that agencies are responsible to "verify the accuracy of the Health Insurance Transaction Listing and Monthly Billing Statement," and "maintain up-to-date files of health insurance records by verifying the reconciliation listing received quarterly."

The Employee Benefits Division will continue to provide each agency with a quarterly reconciliation listing of covered employees and dependents so that they can review their records and process necessary transactions and corrections in a timely manner.