



ANDREW M. CUOMO
GOVERNOR

STATE OF NEW YORK
DEPARTMENT OF CIVIL SERVICE
ALFRED E. SMITH STATE OFFICE BUILDING
ALBANY, NEW YORK 12239
www.cs.ny.gov

NY 11-35

TO: New York State Health Benefits Administrators

FROM: Employee Benefits Division

SUBJECT: NYSHIP Rate Changes Effective October 1, 2011 and Special Option Transfer Period for Public Employee Federation (PEF) represented employees and employees of the Unified Court System (UCS) represented by unions other than Civil Service Employees Association (CSEA)

DATE: November 4, 2011

Effective October 1, 2011, the New York State Health Insurance Program (NYSHIP) premium contribution sharing arrangement is changing for PEF represented employees and employees of the UCS represented by unions other than CSEA. A Special Option Transfer Period is being made available to these employees as a result of the premium contribution changes.

Effective October 1, 2011, for affected employees in positions SG-9 or lower, the State will contribute 88% of the cost of the enrollee's coverage and 73% of the cost for dependent coverage. For those employees in positions SG-10 or higher, the State will contribute 84% of the cost of the enrollee's coverage and 69% of the cost for dependent coverage. The State's contribution to the cost of HMO coverage will continue to be capped based on the dollar amount of its contribution to the cost of Empire Plan coverage.

Since premium deductions for October coverage and November have already been taken, the increase in the cost of NYSHIP coverage for October and November will be deferred and included in premium contributions for six bi-weekly pay periods beginning with the check dated December 29, 2011 for the Institutional payroll and the check date January 4, 2012 for the Administrative payroll. Once these adjustments are taken, the premium deduction amount will return to the 2012 premium contribution rate. Attached are rate charts, which reflect the NYSHIP rates for the affected employees for the December coverage period. Note that the rate schedules have been separated to reflect the rate differential for employees in positions SG-9 or lower and those employees in positions SG-10 or higher. You can also find the rates on **HBA Online**, under **Health Plan Choices > Rates and Option Transfer Information**. The attached NYSHIP rates are categorized as follows:

- PEF represented employees and employees of the UCS represented by unions other than CSEA in positions Salary Grade 9 or Lower (or employees equated to a position Salary Grade 9 or lower)
 - Active Employee Share for Individual and Family Coverage
 - Full Share (Net Leave Without Pay) for Individual and Family Coverage
- PEF represented employees and employees of the UCS represented by unions other than CSEA in positions Salary Grade 10 or Above (or an employee equated to a position Salary Grade 10 or above)
 - Active Employee Share for Individual and Family Coverage
 - Full Share (Net Leave Without Pay) for Individual and Family Coverage

Special Option Transfer Period (November 4 – December 5)

As a result of these changes, there will be a Special Option Transfer Period during the month of October. The annual rate change and Option Transfer Period for plan year 2012 will occur later this year, as usual.

The Special Option Transfer Period will be November 4 through December 5, 2011 and is available to PEF represented employees and the affected UCS employees enrolled in NYSHIP, regardless of their participation in the Pre-Tax Contribution Program (PTCP), as permitted under PTCP rules. To assist enrollees while making a decision about changing options, please refer to their group specific NYSHIP rate flyer which shows the enrollee contribution rates that will be in effect December 1. This chart is available on **HBA Online** under **Health Plan Choices > Rates and Option Transfer Information**.

Please contact your processor if you have any questions about whether an enrollee's requested option change is permissible, or if an enrollee has requested to make a change to individual coverage or cancel coverage due to an increase in premium.

Enrollees who are considering changing their health insurance plan should be encouraged to carefully review the 2011 NYSHIP *Choices* booklet, the November 2011 *Empire Plan Special Report* that describes benefit changes, and the *NYSHIP Rate Changes Effective December 1, 2011* flyer. The latter two publications were mailed to enrollee homes in late September. Enrollees may request 2011 *Choices* booklets from you to assist them in the decision-making process.

Please provide the Health Insurance Transaction Form PS-404 to those enrollees requesting an option change. Forms must be completed and returned to you by December 5, 2011. **Online option changes using MyNYSHIP will NOT be available to enrollees during this Special Option Transfer Period.**

No action is required for enrollees who wish to keep their current health insurance option.

REMINDER: The regular Annual Option Transfer Period, normally held at the end of the calendar year, will still occur and enrollees will have the opportunity to review health insurance plan options for 2012 as usual. Due to the timing, the Annual Option Transfer Period and this

Special Option Transfer period may run concurrently. Please ensure that enrollees requesting option changes during one or both of the option transfer periods are aware of the effective date(s) of those changes.

NYBEAS Processing and Important Dates for Benefit Plan Changes

To process a Benefit Plan Change during this Special Option Transfer period, the PLN/CHG transaction should be used. The effective dates for Benefit Plan changes during this Special Option Transfer period are as follows:

- November 24, 2011 for Administrative payroll employees
- December 1, 2011 for Institutional payroll employees

The PLN/CHG transaction will be available on NYBEAS between November 4 and December 12. Please see the charts below for more details, and for the dates that transactions must be processed in order to avoid retroactivity in health insurance deductions.

Payroll	(Paycheck #1)	Transaction Effective Date	Keying Window	To avoid retroactivity key by
Admin Lag	11/23/2011	11/24/2011	11/4/2011 – 12/12/2011	11/8/2011
Inst Lag	12/1/2011	12/1/2011	11/4/2011 – 12/12/2011	11/15/2011
Admin Extra Lag	12/1/2011	11/24/2011	11/4/2011 – 12/12/2011	11/15/2011

Please contact your processor if you have any questions.

Attachment