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NY 12-06

**TO:** New York State Health Benefits Administrators of APSU employees represented by PBANYS

**FROM:** Employee Benefits Division

**SUBJECT:** NYSHIP Changes and Special Option Transfer Period for Agency Police Services Unit (APSU) employees represented by the New York State Police Benevolent Association (PBANYS)

**DATE:** February 29, 2012

As the result of the recently ratified agreement between the State and PBANYS there are NYSHIP changes including the contribution rates for the State and employees, Empire Plan benefits, NYSHIP premiums and the availability of the Opt-out Program. A Special Option Transfer Period is being made available to these employees as a result of these changes.

The New York State Health Insurance Program (NYSHIP) premium contribution sharing arrangement is changing for APSU employees represented by PBANYS retroactive to October 1, 2011.

Effective October 1, 2011, 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. (Note: Since there are no APSU positions below SG 10 there is a single contribution rate for this group.)

Since premium deductions for coverage beginning with the period including October 1, 2011 have already been taken, the increase in the cost of NYSHIP coverage will be calculated, and this differential will be applied to the paycheck dated March 28, 2012. This retroactive health insurance special adjustment for NYSHIP premiums will be coordinated to impact the same paycheck in which retroactive payments will be disbursed in accordance with the 2011 – 2016 agreement between the State and PBANYS for APSU employees. In addition to this special adjustment, the health insurance regular premium deduction amount taken from this check will reflect the 2012 NYSHIP premium in effect beginning April 1. To assist enrollees in calculating the biweekly retroactive health insurance adjustments please visit **HBA Online under Health Plan Choices > Rates and Option Transfer Information > Special Option Transfer for APSU** and select **Retroactive Health Insurance Special Adjustments**.

Attached are the April 1, 2012 rate charts, which reflect the NYSHIP rates for the affected employees. To calculate the impact of the differential on the paycheck dated March 28, 2012 please locate the APSU retroactive special adjustment differential amounts posted on HBA

Online. The APSU retroactive special adjustment differential amounts are calculated on a pay period basis, with adjustments made for 7 pay periods in 2011 and 6 pay periods in 2012.

The attached NYSHIP rates are categorized as follows:

- APSU employees represented by PBANYS
  - Active Employee Share for Individual and Family Coverage
  - Full Share (Net Leave Without Pay) for Individual and Family Coverage

### **Special Option Transfer Period (March 1 – March 30)**

As a result of these changes, there will be a Special Option Transfer Period during the month of March. The Special Option Transfer Period will be March 1 through March 30, 2012 and is available to APSU employees represented by PBANYS 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 April 1. This chart is available on **HBA Online under Health Plan Choices > Special Option Transfer for APSU > 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 *NYSHIP Health Insurance Choices booklet for 2012*, the *April 1, 2012 Empire Plan Report* and the *April 1, 2012 NYSHIP HMO Report* that describes benefit changes, and the *NYSHIP Rate Changes Effective April 1, 2012* flyer. The latter three publications were mailed to enrollee homes in late February. Enrollees may request 2012 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 March 30, 2012. **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.**

### **Opt-out Program for 2012**

Enrollment in the Opt-out Program will be available to APSU employees represented by PBANYS during the Special Option Transfer Period. Please refer to HBA memo NY11-46 for clarification on how to process these transactions.

The Opt-out Program will be an available option for APSU employees to elect during the Special Option Transfer Period. The incentive payments will be reimbursed through the employee's biweekly paychecks through the end of the year.

The incentive amount will be credited to the employee's biweekly paycheck and will be treated as taxable income. The biweekly incentive amounts will be \$38.47 for opting out of Individual Coverage or \$115.39 for opting out of Family coverage.

Beginning with the benefit effective date of March 29, 2012 there are 19 pay periods remaining in plan year 2012 which would be eligible for an APSU employee to receive a biweekly Opt-out incentive payment.

#### **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:

- March 29, 2012 for Administrative payroll employees

The PLN/CHG transaction will be available on NYBEAS between March 1 and April 6. 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.

<b>Payroll</b>	<b>Paycheck</b>	<b>Transaction Effective Date</b>	<b>Keying Window</b>	<b>To avoid retroactivity key by</b>
Admin Lag	3/28/2012	3/29/2012	3/1/2012 – 4/6/2012	3/13/2012

Please note that any option change transactions processed by health benefits administrators after March 13, 2012 will not be reflected in the March 28, 2012 paycheck.

#### **Attachment**