



ANDREW M. CUOMO
GOVERNOR

STATE OF NEW YORK
DEPARTMENT OF CIVIL SERVICE
ALBANY, NEW YORK 12239
www.cs.ny.gov

JERRY BOONE
COMMISSIONER

NY13-12

TO: New York State Health Benefits Administrators of Employees represented by United University Professions (UUP)

FROM: Employee Benefits Division

SUBJECT: NYSHIP Contribution Rate Changes Effective September 1, 2013 and Special Option Transfer Period for Employees represented by UUP

DATE: July 3, 2013

The collective bargaining agreement between New York State and UUP ratified on June 4, 2013 will result in New York State Health Insurance Program (NYSHIP) rate and premium contribution changes effective September 1, 2013. A Special Option Transfer Period for UUP employees will be held from August 1 through August 30, 2013.

For affected employees earning less than \$40,137 annually, the State's contribution is 88% of the cost of enrollee coverage and 73% of the cost of dependent coverage. For affected employees earning \$40,137 or more annually, the State's contribution is 84% of the cost of enrollee coverage and 69% of the cost of dependent coverage. The State's contribution to the cost of HMO coverage continues to be capped based on the dollar amount of its contribution to the cost of Empire Plan coverage.

In addition to the change in an employee's premium contribution due to the impact of benefit changes and the new premium contribution rate, there is an adjustment to the biweekly health insurance contribution as a result of the collective bargaining agreement. The adjustment will be included in affected employees' health insurance deductions for 35 pay periods from September 2013 through December 2014, beginning with the paycheck dated August 28, 2013 for Administration Lag and September 5, 2013 for Institution Lag. The adjustment amount will depend on the plan the enrollee is in and the coverage type (Individual or Family).

For further information on the adjustment please visit **HBA Online** under **Health Plan Choices > Rates and Option Transfer Information>Choices/Rates for UUP Employees** and select **Health Insurance Adjustments**.

The attached rate charts reflect NYSHIP rates for the affected employees for the remainder of 2013 and are categorized as follows:

- Employees represented by UUP earning less than \$40,137 annually
 - Active Employee Share for Individual and Family Coverage
 - Full Share (Net Leave Without Pay) for Individual and Family Coverage

Employees represented by UUP earning \$40,137 or more annually

- Active Employee Share for Individual and Family Coverage
- Full Share (Net Leave Without Pay) for Individual and Family Coverage

Special Option Transfer Period (August 1 – August 30)

As a result of these changes, there will be a Special Option Transfer Period from August 1, 2013 through August 30, 2013 for employees represented by UUP, regardless of their participation in the Pre-Tax Contribution Program (PTCP), as permitted under PTCP rules. To assist affected employees in making a decision about changing options, please refer to *NYSHIP Rate Changes Effective September 1, 2013* for employees represented by UUP, which shows the enrollee contribution rates that will be in effect September 1, 2013. This chart is available on **HBA Online** under **Health Plan Choices > Rates and Option Transfer Information Choices/Rates for UUP Employees**.

Please contact the HBA Help Line 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 plans should be encouraged to carefully review the 2013 NYSHIP *Choices* booklet, the June 2013 *Empire Plan Special Report* and *HMO Special Report* that describe benefit changes, and the *NYSHIP Rate Changes Effective September 1, 2013* flyer. The latter three publications will be mailed to enrollee homes in June. Enrollees may request 2013 *Choices* booklets from you to assist 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 August 30, 2013. **Online option changes using MyNYSHIP will NOT be available to enrollees during the Special Option Transfer Period.**

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

Updated Life Expectancy Table

As part of these changes, effective September 1, 2013, the Actuarial Table of Life Expectancy for employees represented by UUP has been updated to reflect the fact that Americans are living longer. The Actuarial Table of Life Expectancy is used to calculate the value of unused sick leave credits that can be applied to health insurance premiums in retirement.

Opt-out Program for 2013

The Opt-out Program will be available to employees represented by UUP during the Special Option Transfer Period. Please refer to memo NY13-14 for clarification on how to process these transactions.

The Opt-out incentive amount will be credited to employees' biweekly paychecks and will be treated as taxable income. The biweekly amounts will be \$38.47 for opting out of Individual coverage or \$115.39 for opting out of Family coverage.

For employees on the Administration Lag payroll, Opt-out payments will begin with the paycheck dated August 28. For employees on the Institution Lag payroll, Opt-out payments will begin with the paycheck dated September 5. There are 9 payroll periods remaining in plan year 2013 for the Administration payroll and 8 payroll periods remaining in plan year 2013 for the Institution payroll.

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:

- August 29, 2013 for Administration Lag payroll employees
- September 5, 2013 for Institution Lag payroll employees

The PLN/CHG transaction will be available on NYBEAS between August 30 and October 5. Please see the charts below for more details, and for the dates that transactions must be processed by in order to avoid retroactivity in health insurance deductions.

| Payroll | Paycheck | Transaction Effective Date | Keying Window | To avoid retroactivity key by* |
|----------------|-----------------|-----------------------------------|----------------------|---------------------------------------|
| Admin Lag | 8/28/2013 | 8/29/2013 | 8/1/2013 – 9/13/2013 | 8/13/2013 |
| Inst Lag | 9/5/2013 | 9/5/2013 | 8/1/2013 – 9/13/2013 | 8/20/2013 |

*Please note that any option change transactions processed by health benefits administrators after the retroactivity cutoff dates will NOT be reflected in the August 28, 2013 or September 5, 2013 paychecks for Administration or Institution payroll employees, respectively.

Attachment

**September 1, 2013 Premium Rate Change
NYS Health Insurance Program Biweekly Rates**

Administration Paycheck August 28, 2013 - Employees subject to Lag Payroll
Institution Paycheck September 5, 2013 - Employees subject to Lag Payroll

***Medicare : 48.28**

| | | | | Schedule I UUP Represented Employees Benefit Programs: A03, A53, A63, A65 | | |
|---|----------------------|----------------------|----------------------|---|-----------------------------|--------------------|
| | O P T | C O V | M E D | Employee < \$40,137 | Employee > or = \$40,137 | Full Share LWOP |
| <u>Empire Plan</u> | | | | | | |
| Individual | 001 | 1 | 0 | 36.43 | 53.19 | 280.58 |
| Medicare | 001 | 1 | 1 | (11.85) | 4.91 | 232.30 |
| Family | 001 | 4 | 0 | 147.34 | 187.76 | 676.89 |
| 1 Medicare | 001 | 4 | 1 | 99.06 | 139.48 | 628.61 |
| 2 Medicares | 001 | 4 | 2 | 50.78 | 91.20 | 580.33 |
| <u>HIP (050)</u> | | | | | | |
| Individual | 050 | 1 | 0 | 75.39 | 91.73 | 314.04 |
| Medicare | 050 | 1 | 1 | 27.11 | 43.45 | 265.76 |
| Family | 050 | 4 | 0 | 223.15 | 264.02 | 758.23 |
| 1 Medicare | 050 | 4 | 1 | 174.87 | 215.74 | 709.95 |
| 2 Medicares | 050 | 4 | 2 | 126.59 | 167.46 | 661.67 |
| <u>MVP Health Care, Inc. -Rochester (058)</u> | | | | | | |
| Individual | 058 | 1 | 0 | 30.05 | 43.82 | 231.66 |
| Medicare | 058 | 1 | 1 | (18.23) | (4.46) | 183.38 |
| Family | 058 | 4 | 0 | 123.95 | 157.68 | 567.36 |
| 1 Medicare | 058 | 4 | 1 | 75.67 | 109.40 | 519.08 |
| 2 Medicares | 058 | 4 | 2 | 27.39 | 61.12 | 470.80 |
| <u>Independent Health - Western NY (059)</u> | | | | | | |
| Individual | 059 | 1 | 0 | 39.23 | 55.45 | 276.12 |
| Medicare | 059 | 1 | 1 | (9.05) | 7.17 | 227.84 |
| Family | 059 | 4 | 0 | 148.59 | 188.27 | 679.30 |
| 1 Medicare | 059 | 4 | 1 | 100.31 | 139.99 | 631.02 |
| 2 Medicares | 059 | 4 | 2 | 52.03 | 91.71 | 582.74 |
| <u>MVP Health Care, Inc. - East Region (060)</u> | | | | | | |
| Individual | 060 | 1 | 0 | 32.72 | 47.71 | 252.26 |
| Medicare | 060 | 1 | 1 | (15.56) | (0.57) | 203.98 |
| Family | 060 | 4 | 0 | 135.33 | 172.13 | 619.13 |
| 1 Medicare | 060 | 4 | 1 | 87.05 | 123.85 | 570.85 |
| 2 Medicares | 060 | 4 | 2 | 38.77 | 75.57 | 522.57 |
| <u>Capital District PHP - Capital (063)</u> | | | | | | |
| Individual | 063 | 1 | 0 | 33.25 | 48.48 | 256.34 |
| Medicare | 063 | 1 | 1 | (15.03) | 0.20 | 208.06 |
| Family | 063 | 4 | 0 | 137.54 | 174.94 | 629.21 |
| 1 Medicare | 063 | 4 | 1 | 89.26 | 126.66 | 580.93 |
| 2 Medicares | 063 | 4 | 2 | 40.98 | 78.38 | 532.65 |
| <u>Blue Choice (066)</u> | | | | | | |
| Individual | 066 | 1 | 0 | 27.43 | 40.00 | 211.53 |
| Medicare | 066 | 1 | 1 | (20.85) | (8.28) | 163.25 |
| Family | 066 | 4 | 0 | 114.31 | 145.35 | 522.13 |
| 1 Medicare | 066 | 4 | 1 | 66.03 | 97.07 | 473.85 |
| 2 Medicares | 066 | 4 | 2 | 17.75 | 48.79 | 425.57 |
| <u>BlueCross BlueShield of WNY (067)</u> | | | | | | |
| Individual | 067 | 1 | 0 | 36.95 | 53.15 | 273.74 |
| Medicare | 067 | 1 | 1 | (11.33) | 4.87 | 225.46 |
| Family | 067 | 4 | 0 | 172.70 | 214.08 | 713.65 |
| 1 Medicare | 067 | 4 | 1 | 124.42 | 165.80 | 665.37 |
| 2 Medicares | 067 | 4 | 2 | 76.14 | 117.52 | 617.09 |
| <u>HMO Blue - CNY (072)</u> | | | | | | |
| Individual | 072 | 1 | 0 | 118.05 | 134.42 | 357.16 |
| Medicare | 072 | 1 | 1 | 69.77 | 86.14 | 308.88 |
| Family | 072 | 4 | 0 | 336.16 | 376.85 | 869.25 |
| 1 Medicare | 072 | 4 | 1 | 287.88 | 328.57 | 820.97 |
| 2 Medicares | 072 | 4 | 2 | 239.60 | 280.29 | 772.69 |
| <u>HMO Blue - Utica/Watertown (160)</u> | | | | | | |
| Individual | 160 | 1 | 0 | 125.69 | 141.78 | 360.73 |
| Medicare | 160 | 1 | 1 | 77.41 | 93.50 | 312.45 |
| Family | 160 | 4 | 0 | 388.84 | 429.24 | 917.58 |
| 1 Medicare | 160 | 4 | 1 | 340.56 | 380.96 | 869.30 |
| 2 Medicares | 160 | 4 | 2 | 292.28 | 332.68 | 821.02 |
| <u>Aetna (210)</u> | | | | | | |
| Individual | 210 | 1 | 0 | 119.73 | 136.99 | 371.90 |
| Medicare | 210 | 1 | 1 | 71.45 | 88.71 | 323.62 |
| Family | 210 | 4 | 0 | 491.94 | 534.07 | 1,044.74 |
| 1 Medicare | 210 | 4 | 1 | 443.66 | 485.79 | 996.46 |
| 2 Medicares | 210 | 4 | 2 | 395.38 | 437.51 | 948.18 |

**September 1, 2013 Premium Rate Change
NYS Health Insurance Program Biweekly Rates**

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| | | | | Schedule I UUP Represented Employees <u>Benefit Programs:</u> A03, A53, A63, A65 | | |
|--|----------------------|----------------------|----------------------|--|-----------------------------|--------------------|
| | O P T | C O V | M E D | Employee < \$40,137 | Employee > or = \$40,137 | Full Share LWOP |
| <u>GHI HMO Albany Region (220)</u> | | | | | | |
| Individual | 220 | 1 | 0 | 48.14 | 64.40 | 285.69 |
| Medicare | 220 | 1 | 1 | (0.14) | 16.12 | 237.41 |
| Family | 220 | 4 | 0 | 200.93 | 241.95 | 737.74 |
| 1 Medicare | 220 | 4 | 1 | 152.65 | 193.67 | 689.46 |
| 2 Medicares | 220 | 4 | 2 | 104.37 | 145.39 | 641.18 |
| <u>Empire BlueCross BlueShield HMO - Upstate (280)</u> | | | | | | |
| Individual | 280 | 1 | 0 | 58.27 | 72.82 | 270.58 |
| Medicare | 280 | 1 | 1 | 9.99 | 24.54 | 222.30 |
| Family | 280 | 4 | 0 | 213.11 | 249.84 | 693.38 |
| 1 Medicare | 280 | 4 | 1 | 164.83 | 201.56 | 645.10 |
| 2 Medicares | 280 | 4 | 2 | 116.55 | 153.28 | 596.82 |
| <u>Empire BlueCross BlueShield HMO - Downstate (290)</u> | | | | | | |
| Individual | 290 | 1 | 0 | 132.34 | 147.01 | 346.37 |
| Medicare | 290 | 1 | 1 | 84.06 | 98.73 | 298.09 |
| Family | 290 | 4 | 0 | 407.17 | 444.19 | 891.41 |
| 1 Medicare | 290 | 4 | 1 | 358.89 | 395.91 | 843.13 |
| 2 Medicares | 290 | 4 | 2 | 310.61 | 347.63 | 794.85 |
| <u>Capital District PHP - Central (300)</u> | | | | | | |
| Individual | 300 | 1 | 0 | 64.58 | 80.43 | 295.95 |
| Medicare | 300 | 1 | 1 | 16.30 | 32.15 | 247.67 |
| Family | 300 | 4 | 0 | 207.18 | 246.99 | 728.07 |
| 1 Medicare | 300 | 4 | 1 | 158.90 | 198.71 | 679.79 |
| 2 Medicares | 300 | 4 | 2 | 110.62 | 150.43 | 631.51 |
| <u>Capital District PHP - W. Hudson Valley (310)</u> | | | | | | |
| Individual | 310 | 1 | 0 | 59.42 | 75.07 | 287.68 |
| Medicare | 310 | 1 | 1 | 11.14 | 26.79 | 239.40 |
| Family | 310 | 4 | 0 | 193.50 | 232.79 | 707.41 |
| 1 Medicare | 310 | 4 | 1 | 145.22 | 184.51 | 659.13 |
| 2 Medicares | 310 | 4 | 2 | 96.94 | 136.23 | 610.85 |
| <u>Empire BlueCross BlueShield HMO - Mid-Hudson (320)</u> | | | | | | |
| Individual | 320 | 1 | 0 | 133.72 | 148.43 | 348.29 |
| Medicare | 320 | 1 | 1 | 85.44 | 100.15 | 300.01 |
| Family | 320 | 4 | 0 | 410.88 | 448.03 | 896.41 |
| 1 Medicare | 320 | 4 | 1 | 362.60 | 399.75 | 848.13 |
| 2 Medicares | 320 | 4 | 2 | 314.32 | 351.47 | 799.85 |
| <u>MVP Health Care, Inc. - Central Region (330)</u> | | | | | | |
| Individual | 330 | 1 | 0 | 55.63 | 71.14 | 282.17 |
| Medicare | 330 | 1 | 1 | 7.35 | 22.86 | 233.89 |
| Family | 330 | 4 | 0 | 182.24 | 221.22 | 692.29 |
| 1 Medicare | 330 | 4 | 1 | 133.96 | 172.94 | 644.01 |
| 2 Medicares | 330 | 4 | 2 | 85.68 | 124.66 | 595.73 |
| <u>MVP Health Care, Inc. - Mid-Hudson (340)</u> | | | | | | |
| Individual | 340 | 1 | 0 | 55.05 | 70.45 | 279.87 |
| Medicare | 340 | 1 | 1 | 6.77 | 22.17 | 231.59 |
| Family | 340 | 4 | 0 | 180.22 | 218.91 | 686.43 |
| 1 Medicare | 340 | 4 | 1 | 131.94 | 170.63 | 638.15 |
| 2 Medicares | 340 | 4 | 2 | 83.66 | 122.35 | 589.87 |
| <u>GHI HMO - HV & Ulster Regions (350)</u> | | | | | | |
| Individual | 350 | 1 | 0 | 60.01 | 76.10 | 294.85 |
| Medicare | 350 | 1 | 1 | 11.73 | 27.82 | 246.57 |
| Family | 350 | 4 | 0 | 223.23 | 263.79 | 753.86 |
| 1 Medicare | 350 | 4 | 1 | 174.95 | 215.51 | 705.58 |
| 2 Medicares | 350 | 4 | 2 | 126.67 | 167.23 | 657.30 |
| <u>MVP HMO - North Region (360)</u> | | | | | | |
| Individual | 350 | 1 | 0 | 101.40 | 117.23 | 332.47 |
| Medicare | 350 | 1 | 1 | 53.12 | 68.95 | 284.19 |
| Family | 350 | 4 | 0 | 299.15 | 338.91 | 819.36 |
| 1 Medicare | 350 | 4 | 1 | 250.87 | 290.63 | 771.08 |
| 2 Medicares | 350 | 4 | 2 | 202.59 | 242.35 | 722.80 |