



NYSHIP
New York State
Health Insurance Program

News

Information for NYSHIP Participating Employers

First Quarter Report 2015

Federal Health Care Reform

Urgent PPACA Reporting Deadlines

Effective January 1, 2015, large employers (50 or more employees) are responsible for providing health insurance coverage to at least 70 percent of full-time employees. This requirement increases to 95 percent beginning in 2016. Failure to comply with these requirements could result in penalties of up to \$2,000 multiplied by an employer's total number of employees.

In addition, all NYSHIP participating agencies and participating employers must send an individualized form to each enrollee that provides details regarding their coverage. These forms must be provided to enrollees no later than January 31, 2016. Participating agencies and participating employers must also transmit this information to the Internal Revenue Service (IRS) by the end of February or March (smaller employers must file by the end of February; larger employers have until the end of March).

These requirements are the responsibility of each participating agency and participating employer. Although the Employee Benefits Division will support participating agencies and participating employers in this process by providing enrollment data upon request, the State of New York will not produce or send these forms to enrollees or the IRS.

The Employee Benefits Division recommends employers subject to these provisions begin to act now, as producing these forms will likely require significant preparation. Based upon on IRS guidance, most employers will use Form 1095-C to report coverage information to their employees. To complete this form accurately, employers should use the NYSHIP Reconciliation, which includes enrollee and dependent names, social security numbers and periods of coverage.

For additional information and resources, refer to NYSHIP memo PE 15-05, Patient Protection and Affordability Act (PPACA) Employer Shared Responsibility and Reporting Requirements dated April 9, 2015. Employers may also refer to the following resources published by the federal government:

- Form 1095-C: <http://www.irs.gov/pub/irs-pdf/f1095c.pdf>
- Instructions for Completing Form 1094-C and 1095-C: <http://www.irs.gov/instructions/i109495c/ar01.html>
- Federal Regulations: <https://www.federalregister.gov/articles/2014/02/12/2014-03082/shared-responsibility-for-employers-regarding-health-coverage#h-149>

Patient-Centered Outcomes Research Institute (PCORI) Fee

As part of the Patient Protection and Affordable Care Act (PPACA), health insurers and plan sponsors of self-insured health plans are required to finance the Patient-Centered Outcomes Research Institute (PCORI) Trust Fund. PCORI fees fund the Institute's research into the comparative effectiveness of medical treatments. The fee, which applies to policy or plan years ending on or after October 1, 2012, and before October 1, 2019, is based on the average number of covered lives under the policy and is due by July 31 of the calendar year following the last day of the plan year.

Internal Revenue Service (IRS) rules and regulations prohibit plan sponsors from billing enrollees for PCORI fees associated with self-funded plans through established premium rates charged to plan participants. Therefore, the Employee Benefits Division is billing each NYSHIP Participating Agency/Employer for their allocated portion of the 2014 PCORI fee related to The Empire Plan, which fully converted to a self-funded plan effective January 1, 2014.

The fee for the 2014 plan year is \$2.08 per covered life. For plan years ending on or after October 1, 2014, the fee increases are based on a formula that includes increases in the projected per capita amount of National Health Expenditures provided by the Department of Health and Human Services (HHS). In calculating the 2014 PCORI fee, IRS rules and regulations require plan sponsors to use one of three counting methods for determining the average number of lives covered during the plan year. Plans may select the counting method that is most favorable to the plan. For the 2014 plan year, the "Snapshot Factor" method produced the most favorable average enrollment count and lowest PCORI fee for the NYSHIP. The calculated fee was then allocated to each NYSHIP agency based on average enrollment using the "Snapshot Factor" counting method. If an agency did not participate in the NYSHIP for the entire 2014 plan year, the assessment was prorated accordingly.

PCORI fee assessments for the plan year ended December 31, 2014, will be included on the July 2015 NYSHIP Participating Agency/Employer monthly billing statement. The charge, labeled "ACA PCORI FEE 2014", will be included in the total amount due July 25, 2015. The Employee Benefits Division will remit payment to the Internal Revenue Service on behalf of the entire plan by July 31, 2015.

Carolinas HealthCare System Contract Settled

UnitedHealthcare (UHC) and the Carolinas HealthCare System (CHS) have reached a contractual agreement, resulting in the return of all CHS physicians to The Empire Plan network. The effective date will be retroactive to March 1, 2015, ensuring that Empire Plan enrollees and dependents do not experience any interruption in their network benefits for services received from CHS providers. Any questions regarding CHS providers or claims should be directed to UHC by calling The Empire Plan at 1-877-7-NYSHIP (1-877-769-7447); press or say 1 for the Medical Program.

Agency Experience Reports

The Empire Plan financial experience reports are available from the Employee Benefits Division upon request. The reports provide aggregate premium and claim summary data consistent with New York State legislation enacted in 2014 concerning the information reported to NYSHIP participating employers. To obtain a financial experience report, PEs may submit an official written request on agency letterhead indicating the calendar years for which reports are desired. The request may be directed to the Employee Benefits Division - Director's Office.

GASB 45 Assumptions Report and Census Data

The 2012 Buck Consultants report is available online, at:
<http://www.cs.ny.gov/GASB/2012PEReport.pdf>. We anticipate the 2014 Report will be released this summer. Agencies will be notified when the report becomes available.

NYSHIP will provide agency census reports upon request, for use in complying with the provisions of GASB 45. Since the data included in this report will be current at the time it is provided, it is important that an agency's NYBEAS file is up-to-date, including correctly identifying and coding retirees before requesting census data.

To request a copy of your agency's census information, please send an e-mail to:
GASB45@cs.ny.gov. (Please note this is a new email address) and include your name, agency name and code number, mailing address, phone number and e-mail address. For additional information about GASB 45, please refer to Memos PE06-11 and PE06-18.

Prompt Payment of NYSHIP Premium

The Employee Benefits Division continues to aggressively monitor agencies that fail to submit premium payments in a timely manner. To meet its contracted financial responsibilities, premium payments from Participating Employers must be received by the Department by the due date. The due date is the 25th day of the month preceding the month of coverage. Failure to pay timely will also result in the unpaid amount to be included in the following month's bill; however, that amount is considered past due. Beginning this month, the due date for each month's payment is more clearly shown on the remittance page of each employer's invoice. If an agency fails to make payment when required, its enrollees' NYSHIP benefits may be suspended.

Mailing of HBA Memos

As a reminder, all new HBA Memos are posted to HBA Online, with a notification sent through NYBEAS. Hard copy mailing of memos are provided to CEO's and CFO's. As a result, it is very important that agencies notify the Employee Benefits Division of any changes in the names and/or addresses (including e-mail addresses) of agency CEOs, CFOs and/or HBAs to ensure that our mailing and contact lists are up-to-date. Any updates should be e-mailed to:
Deborah.D'Orazio@cs.ny.gov.

Those without access to NYBEAS and HBA online; please see below for information on how to sign up for an E-mail notification when a new memo becomes available. If your agency needs to request new permissions or needs to update its current permissions, please email the AGS-ITS Service Desk at: its.sm.esd.ags@its.ny.gov or call (518) 473-2433 to request a copy of the Information Resource Management Form IRM-302. IRM-302 Form can also be found online at: <https://www.cs.ny.gov/forms/irm302.pdf>.

NYSHIP e-News for Participating Employers

The Department of Civil Service maintains a list for anyone who wishes to be notified via e-mail of information regarding the New York State Health Insurance Program (NYSHIP). To sign-up for this service, go to; the Department's website at: <https://www.cs.ny.gov/nyship/nyshipnews/> When you subscribe, you will receive a confirmation e-mail, as well as future alerts, from nyshipnews-pe@cs6.state.ny.us which will include: NYBEAS broadcast messages, memos to Participating Employer HBAs, and notices of new NYSHIP publications that have been posted to NYBEAS. Since undeliverable e-mail addresses will be deleted, please make certain that you enter your correct address.

Availability of The Empire Plan Experience Reports

The Empire Plan Experience Reports memos are available on HBA Online through the following DCS website at: <https://www.cs.ny.gov/employee-benefits/hba/index.cfm>