



Department of Civil Service

ANDREW M. CUOMO
Governor
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Acting Commissioner

PA 19-15
PAEX 19-14

TO: Participating Agency Chief Executive Officers and Health Benefits Administrators
FROM: Employee Benefits Division
SUBJECT: 2020 New York State Health Insurance Program (NYSHIP) Rates
DATE: December 4, 2019

Attached are the 2020 NYSHIP Participating Agency health benefit rates that become effective January 1, 2020. The NYSHIP rates are presented in the following groupings:

- Schedule I – Full share rates, no-drug rates for Medicare Part D Low Income Subsidy (LIS), COBRA rates and NYS Continuity of Coverage rates
- Schedule II & III – Employee/Employer variable contribution rates with drug coverage and without drug coverage, respectively.

The five tier premium rates chargeable to Participating Agencies will decrease, in the aggregate, 1.6% for The Empire Plan and decrease 3.0% for The Excelsior Plan. The percentage increase for each type of coverage does vary; see the attached schedules for rate details. Your bill for January 2020 coverage will reflect the new rates. Additionally, while PAs are responsible for administering COBRA, note that the 2% administrative fee has been eliminated for NYSHIP COBRA rates.

Other Important Information:

NYSHIP Medicare Part B Premium Reimbursement

The standard 2020 Medicare Part B monthly rate will increase 6.7% from the current 2019 monthly standard rate of \$135.50 to \$144.60 per month. In addition, beginning January 1, 2020, the Income Related Monthly Adjustment Amount (IRMAA) brackets used to determine high-income surcharges for individuals and married couples will be indexed to the consumer price index (CPI) based on the 12-month CPI change from September 2018 through August 2019. In August, inflation increased 1.7% over the previous 12 months. As result, the income brackets used to determine Medicare surcharges in 2020 will increase by 1.7%, rounded to the nearest \$1,000.

Retiree Deductions

Retiree pension deductions for health insurance will change in the checks issued by the retirement systems at the end of December 2019. The December 31, 2019 deduction represents payment for January 2020 NYSHIP coverage.

If you have questions about this rate change, please contact the PA/PE Unit in the Employee Benefits Division at (518) 474-2780.

Administrative Charge

Commencing with the 2020 plan year, there is a change to the billing of the Administrative charge on your Agency invoice. There will no longer be a monthly administrative fee, instead, Participating Agencies will receive an annual bill that will be submitted every fall. The first bill for the April 2019 through March 2020 period will be submitted to PAs in October 2020.

If you have questions about this change, please contact the Department's Office of Financial Administration at (518) 473-3356.

Attachment