

Participating Agency Webinar Q & A

October 22 & 25, 2019

Retirement Eligibility - Minimum Service Requirement

Q. How long does an employee need to be on the insurance to retire with benefits?

A. To meet the eligibility requirements to continue Retiree NYSHIP coverage, employees must:

- be in a class or category of employee that is eligible for coverage in retirement,
- complete their employer's minimum service requirement,
- satisfy requirements for retiring as a member of a retirement system, and
- be enrolled in coverage through an employer that participates in NYSHIP.

The requirements do not mandate that employees maintain benefits for a specified period, but they do need to be enrolled in NYSHIP at the time of retirement. (Enrollment in an alternate sponsored plan or buyout offered by the employer is considered NYSHIP).

Q. Can an employer increase the minimum service years required for NYSHIP in retirement? Is there a maximum?

A. Yes, an employer may increase the minimum number of service years required to qualify for retiree coverage, and there is no maximum set by NYSHIP.

Retirement Eligibility - Satisfying the requirements for retiring as a member of a New York State retirement system

Q. If i have an employee under 65 retiring not eligible for their pension, would i move them from active employee to "retiree" or "vestee"?

A. Retirees must be eligible to collect their pension. However, if they are not a member of a retirement system they must either be at least age 55, which is the age requirement for retirement from the New York State and Local Employees Retirement System or be qualified to receive Social Security disability payments.

Q. I was told years back that the employee does not have to be in the Retirement system in order to retire with health insurance. Is this still in place?

A. That is correct; Employees who meet their employer's service requirement for retirement benefits but are not a member of a retirement system may be eligible to continue NYSHIP coverage in retirement in one of two ways;

1. Be at least age 55, which is the age requirement for retirement from the New York State and Local Employees Retirement System, or
2. Be qualified to receive Social Security disability payments.

Q. If an Empire enrollee did not join a retirement system, but meets all the other requirements to continue health insurance into retirement, can they continue as a retiree?

A. Employees who meet their employer's service requirement for retirement benefits, and who are enrolled in NYSHIP at the time of separation, but who are not members of a retirement system may be eligible to continue NYSHIP coverage in retirement in one of two ways;

1. Be at least age 55, which is the age requirement for retirement from the New York State and Local Employees Retirement System, or
2. Be qualified to receive Social Security disability payments.

Q. What is the definition of Vestee?

A. A Vestee is an employee who stops working and meets the agency's minimum service requirement to retire with benefits before reaching pension eligibility. Such an employee is eligible to "vest" by remaining enrolled in NYSHIP until becoming eligible to collect his or her pension. Upon reaching age 55, vestees are eligible to receive retiree health insurance benefits. Participating agencies may require vestees to pay the full share of their premium while a vestee. NYSHIP employers may adopt a policy that requires employees to be within 5 years of retirement eligibility to become a vestee.

Q. Could an employee be a NYSHIP Vestee if they meet the minimum service requirement to continue NYSHIP health insurance coverage in retirement, is enrolled in NYSHIP at the time they separate from service, but is not yet eligible for retirement?

A. A Vestee is an employee who stops working and meets the agency's minimum service requirement to retire with benefits before reaching pension eligibility. Such an employee is eligible to "vest" by remaining enrolled in NYSHIP until becoming eligible to collect his or her pension. Upon reaching age 55, vestees are eligible to receive retiree health insurance benefits. Participating agencies may require vestees to pay the full share of their premium while a vestee. NYSHIP employers may adopt a policy that requires employees to be within 5 years of retirement eligibility to become a vestee.

Q. Is a retiree or vestee required to collect pension to keep NYSHIP?

A. To receive NYSHIP retiree health insurance benefits, enrollees must be eligible to collect a pension, but do not have to actually collect their pension to continue coverage in retirement.

NYSHIP refers to a person as a "Constructive Retiree" when the employee meets the service and pension eligibility requirements to continue coverage in retirement but chooses to defer their pension (not collect it).

Q. If a vestee does not continue coverage, but in the future retires, can you confirm there is no way for that person to get NYSHIP in retirement?

A. Correct. NYSHIP coverage must be maintained continuously as a Vestee, either in the employee's own right or as a dependent under another NYSHIP enrollee's plan. When an employee stops working and meets the agency's minimum service requirement to retire with benefits before reaching pension eligibility, the enrollee (at any age) will be eligible to vest until pension eligible. **Vested enrollees must maintain NYSHIP with no lapse until reaching pension eligibility to be enrolled as a retiree.**

Retirement Eligibility - Enrolled in NYHSIP

Q. Slide 47 indicates a retiree must be enrolled in NYSHIP at the time of separation. According to the 2019 General Information Book (pg. 20) the retiree can be enrolled as an enrollee or dependent in NYSHIP or be enrolled in an alternative health benefit option (including the buyout program). Has this provision changed?

A. No, this provision has not changed. Employees must be enrolled in NYSHIP at the time of retirement. As the GIB states; Enrollment in an alternate sponsored plan or buyout offered by the employer is considered NYSHIP.

Q. We offer NYSHIP as well as MVP. Can those employees retire with NYSHIP if they meet other criteria?

A. Yes. Enrollment in an agency's alternate sponsored plan, including buyout, is considered NYSHIP.

Q. If an employee has worked for 20 years, is vested and eligible to retire but has declined insurance the entire time, and is not a dependent on another NYSHIP plan, can they get health insurance at any time in the future after retirement?

A. No, because that employee would not meet the NYSHIP enrollment requirement needed at the time of retirement in order to continue NYSHIP coverage as a Retiree.

Q. In years past, the enrollee could be enrolled in another "qualified" employer plan, including opt-out to maintain benefits in retirement. That was not depicted here. Has a change been made?

A. No, there have not been any changes. Enrollment in an alternate sponsored plan such as a non-NYSHIP HMO that the Participating Agency offers, or a buyout incentive offered by the Participating Agency is considered as enrollment in NYSHIP for our purposes.

Q. If a person is eligible for NYSHIP but has coverage through their spouse's health insurance coverage and is receiving a "buyout" upon retirement, can they join NYSHIP?

A. Yes, if they meet the other requirements to continue NYSHIP coverage in retirement, as well. Enrollment in their employer's buy-out program is considered enrollment in NYSHIP for our purposes. The employee would also have to meet the service requirement and satisfy requirements to retire as a member of New York State retirement system to be eligible for NYSHIP retiree coverage.

Q. I want to make sure I understand this correctly. If an employee is going to retire and has HIP (or other plan offered) or the buyout/waiver, they will be eligible to come on to NYSHIP at any time during retirement?

A. That is correct; provided the employee has also met the agency's minimum service requirement.

Q. If an employee is receiving health insurance buy-out instead of being enrolled at the time of retirement can they enroll after retirement?

A. Yes, if they meet the other requirements to be eligible for NYSHIP retiree coverage. If the employee is enrolled in a Participating Agency's buy-out program, that is considered enrollment in NYSHIP for our purposes. If they meet the minimum service requirement and satisfy the requirements for retiring as a member of a New York State retirement system, then they would be eligible to defer their NYSHIP retiree coverage at the time of retirement and may enroll later.

Retirement

Q. If an employee has single coverage prior to retirement, but wants to cover their spouse from the first day of retirement, is that allowed?

A. Changes to family coverage can be made by active and retired enrollees and are subject to the normal waiting period rules. Retirement does not waive late enrollment (unless the spouse experiences a qualifying event, such the loss of other coverage). See the General Information Book on when coverage begins when changing to family coverage.

Q. If an employee enrolls in NYSHIP coverage on 6/1 and retires 6/30, can they cancel their coverage as of 7/1?

A. Yes. An eligible NYSHIP retiree can cancel coverage at any time

Q. Isn't retirement considered a PTCP qualifying event so the employee can enroll for the 1st day of retirement, and not experience a three-month enrollment waiting period?

A. No, retirement is not considered a PTCP Qualifying Event in itself and does not waive the late enrollment rules (unless it's a retirement incentive or the employee's other coverage is ending). See the General Information Book for when coverage begins.

COBRA

Q. Does a COBRA enrollee have to pay back to the last day of employment or does the COBRA begin at the end of the 60-day period?

A. COBRA is a continuation of health insurance coverage. When an employee is terminated, COBRA begins on the first date following the date the employer sponsored health coverage ends due to the termination. The COBRA enrollee would have to pay COBRA premium starting from the date the employer-sponsored health insurance coverage ends, not as of the end of the 60-day period that the enrollee must enroll in COBRA. That 60-day period is just a timeframe in which the employee must decide if they want to enroll in COBRA.

Q. Regarding COBRA 36 months, are employees eligible for 18 months or 36?

A. PA employees enrolled at the time of a COBRA qualifying event are eligible for a maximum of 36 months of COBRA coverage. There is not an 18-month limit.

In 2009 New York State passed a Law known as the "mini-COBRA" law that requires most New York State Employers to offer COBRA for a maximum of 36 months for all COBRA qualified beneficiaries (those who were enrolled in the employer-sponsored health plan at the time of the COBRA qualifying event). The mini-COBRA law extends the 18-month Federal COBRA law to 36 months.

Medicare

Q. Do we contact the person who is turning 65 to enroll in Medicare?

A: There is not a legal requirement for participating agencies to notify its members that they must enroll in Medicare. However, outreach is strongly encouraged to ensure that enrollees do not experience a disruption of their coverage.

Q. Is there going to be an increase in the Med Part B premium?

A. The standard amount for 2020 is \$144.60 according to Medicare.gov. For additional information on Medicare costs; go to <https://www.medicare.gov/your-medicare-costs/part-b-costs>

Q. What if the Medicare-primary individual does not get the standard Medicare Part B \$135.50 a month. Do you still need to reimburse that full amount?

A. The Participating Agency must reimburse for the total amount in which the Medicare-primary enrollee or dependent paid for Medicare Part B premium. This includes any Income-Related Monthly Adjustment Amounts (IRMAA) for Medicare Part B. If a Medicare-primary individual pays less than \$135.50 per month, the participating agency may limit its reimbursement to the amount actually paid by the enrollee.

Q. Do we need to reimburse Medicare-primary dependents (ex: domestic partner age 65) if the enrollee is still working?

A. Yes, the employer is required to reimburse Medicare Part B premiums for anyone enrolled in NYSHIP who is Medicare-primary. This would include an active enrollee's domestic partner who is 65 or older. Also, note that members who become eligible for Medicare due to End Stage Renal Disease prior to turning 65 may be Medicare-primary in certain circumstances.

Q. If the employee is still working and their spouse has turned 65, do they need to sign up for Medicare Part B or can they sign up once the employee retires?

A. In this specific case, the spouse can wait to enroll in Medicare Part B until the employee retires since enrollment in Medicare Parts A and B is only required when Medicare becomes primary, which occurs at retirement. Additionally, in this case, EBD

recommends the spouse to enroll in Medicare Part A at age 65 because enrolling in Medicare Part A as soon as eligible can prevent any issues in the future if they chose to enroll in COBRA dental and/or vision plans at the time of the employee's retirement.

Q. If all dependents are Plan-primary does this mean that they are not entitled to reimbursement of Medicare premiums?

A. Correct. The employer is only required to reimburse Medicare Part B premiums for enrollees and dependents who are Medicare-primary. If the dependents are Plan-primary, then the employer does not need to reimburse for any Medicare Part B premiums the enrollee or dependent pays.

Q. For Medicare Part B reimbursement, do we need to acquire the enrollee's or dependents statement from the Social Security Administration to verify what amount was taken from their Social Security, or is there a set amount?

A. Participating Agencies must ensure that Medicare primary enrollees and dependents are reimbursed the standard Medicare premium plus any IRMAA Medicare B premiums. It is at the Agency's discretion to determine the process by which they confirm the payment amounts made by the Medicare-primary members. The State of New York has chosen to reimburse \$144.60 per month for all Medicare-primary enrollees and dependents in 2020.

Q. If a surviving spouse of a retiree is not 65, can they enroll in Medicare parts A and B?

A. If a dependent survivor is not age 65, they are not eligible to enroll in Medicare unless they are eligible to do so as a result of a disability. At age 65, dependent survivors not previously eligible to do so should enroll in Medicare Parts A and B.

Q. How often does New York State reimburse Medicare Part B premium?

A. For retirees who pay their NYSHIP through pension deduction, New York State reimburses Medicare Part B premium on a monthly basis. For retirees who pay their NYSHIP premium directly, New York State reimburses Medicare Part B premium on a quarterly basis.

Q. Is there more info regarding Medicare on HBA website?

A. Yes. On HBA online you will find Medicare information in the General Information Book and in our Medicare and NYSHIP publication on HBA Online. Go to <https://www.cs.ny.gov/employee-benefits/hba/index.cfm> and select 'Publications and Forms'.

Q. If an individual who is retired from the agency has Medicare Part A and does not file for Part B when they should after the three attempts that the State makes do you terminate their coverage?

A. If a Medicare-primary individual enrolls in Medicare Part A, but not in Medicare Part B, their NYSHIP coverage will remain in effect. However, the Empire Plan will not assume responsibility for claims that Medicare would have paid had the individual enrolled.

Q. Are Participating Agencies required to reimburse Medicare Part B for persons/employees, or dependents that have served in the military, the Medicare rate?

A. Yes, Medicare enrollment and reimbursement for retired employees is required without regard to military service.

Q. Is a domestic partner of an active (not retired) employee required to enroll in Medicare Part A and/or B? If so, who notifies them?

A. Yes. Domestic partners of active employees who are age 65 are Medicare-primary and required to enroll in Medicare. Medicare is also primary on an active employee's policy when Medicare eligibility is due to End stage renal disease or domestic partner age 65. The NYSHIP general information book provides this information to enrollees.

Q. Is everyone 65 or older required to enroll in Medicare?

A. Under NYSHIP, Medicare enrollment is only required when Medicare would be considered primary. Except in limited circumstances, active employees and their dependents are not required to enroll in Medicare at age 65. They are, however, required to enroll in Medicare when retiree health insurance coverage takes effect. See

General Information book for information on when Medicare is primary for active enrollees and retired enrollees.

Q. How many years are we required to go back to reimburse IRMAA if a retiree only notifies us that they were paying it?

A. Three years, according to New York State Finance Law.

Q. Do the PA agencies have to reimburse retirees if they have not provided us with the amount they are paying for Part B? We have a copy of their Medicare card showing Part A & B.

A. Participating Agencies must ensure that Medicare primary enrollees and dependents are reimbursed the standard Medicare premium plus any IRMAA Medicare B premiums as well. The process an employer uses to confirm this information is correct is at the agency's discretion.

Q. Do we have to give the dependents a 1095B or 1095C if the employee is Medicare-primary, but the family or spouse is Empire Plan-primary?

A. Yes. Employers are required to send out a 1095-B or 1095-C to any enrollee who have an individual enrolled as Empire-Plan primary on their plan. So, the employer must send out a 1095-B or 1095-C to the enrollee if the enrollee is Medicare-primary, but one or more of their dependents are Empire Plan-primary.

Empire Plan

Q. Is the Advanced Flexible Formulary for 2020 available online currently?

A. Yes, you can locate the 2020 Advanced Flexible Formulary on NYSHIP Online. It is in the "Using Your Benefits" section, after you choose your type of employment and your plan.

Q. What is considered a specialty pharmacy?

A. The Empire Plan Specialty Pharmacy Program offers enhanced services to individuals using Specialty Drugs. Specialty Drugs are used to treat complex conditions and usually require special handling, special administration or intensive patient monitoring. The major drug categories include but are not limited to: drugs for anemia; cancer; multiple sclerosis; Hepatitis C; human growth hormone deficiency and rheumatoid arthritis.

Enrollees are allowed one Grace Fill for Specialty Drugs/Medications, which allows them to fill their medication at their usual Retail Pharmacy. The enrollee is then informed how to transfer their prescription to the Specialty Pharmacy for future fills. Once the prescription is moved to the Specialty Pharmacy, the applicable mail service copayment is charged.

The complete list of Specialty Drugs included in the Specialty Pharmacy Program is available on the New York State Department of Civil Service website at www.cs.ny.gov. Click on State Employees / Health Benefits / Using Your Benefits and then select Specialty Pharmacy Drug List.

Q. Will there be increases in deductibles in 2020?

A. No. There was no increase in Empire Plan out-of-network deductibles from 2019 to 2020. Please refer to [2020 Empire Plan At-A-Glance](#) for a list of 2020 deductibles.

Q. Why would the increase in prescription drug program trend be 8.9% when the actual cost for 2019 is about 8% less than projected?

A. The 8.9% referenced during the financial update is the projected Prescription Drug Program claim trend for the 2020 plan year, not the actual 2020 plan year rate change for the Program. After factoring in the Program's projected dividend for the 2019 plan year of \$154.1 million (per CVS Caremark's 2020 rate renewal report) with the 8.9% projected 2020 plan year claim trend in developing the 2020 plan rates, the final 2020 rates for the Prescription Drug Program are 2.9% lower, in the aggregate, than the current 2019 rates.

A. Will new advance flexible formulary be mail to participants home address?

The January 2020 Advanced Flexible Formulary Drug List was included with the [At A Glance publications](#), which were mailed to enrollees in early- to mid-December. The formularies were posted online on November 19, 2019.

Q. For a 90-day supply of Level 2 drugs the one-time copay will be \$60 for network retail?

A. Correct; effective January 1, 2020, a 90-day supply of Level 2 drugs has a copay of \$60 at a Network Retail Pharmacy.

Q. Will there be any reimbursement for gym memberships? Many insurance companies offer this as a preventive maintenance benefit.

A. The current Empire Plan benefit design does not offer a gym membership reimbursement program.

Q. What are the requirements for Waiver of Premium on leave? Does this include maternity?

A. For a complete summary of Waiver of Premium eligibility rules and requirements, please refer to refer to pg. 15 of the *NYSHIP GIB for PAs*:

<https://www.cs.ny.gov/employee-benefits/nyship/shared/publications/general-information-book/2019/pa-gib-2019.pdf>

NYBEAS

Q. How can I add an additional NYBEAS user?

A. The Data Access Officer (DAO) of your agency can add an additional NYBEAS user. If you do not know who your DAO is, contact the HBA help line at 518-474-2780.

Q. How can a Participating Agency add a new rate qualifier?

A. Currently we are unable to include additional rate qualifiers to our data base. If the situation changes, agencies will be notified.

Q. Can you schedule to run the reconciliation report automatically each month?

A. No. There is not an option for scheduling a reconciliation to run automatically.

Q. How does one enter a retiree's rate in NYBEAS if it changes at retirement?

A. To set the contribution rate for pension deduction retirees, HBA's will process a 'preferred payment method' transaction which allows you to set the appropriate rate qualifier.

Publications and Mailings

Q. What publications should I send to new enrollees and how do I order them?

A. Agency HBAs should be ordering new enrollees in NYSHIP a "Quick Order" packet. Go to publications and forms on HBA online at <https://www.cs.ny.gov/employee-benefits/hba/shared/publications-and-order-forms/> and choose PA. Under NYSHIP Publication Order Forms, choose the appropriate group, enter the enrollees information, and hit submit. A complete package of materials will be mailed directly to the enrollee's home. After an employee has been enrolled, they will receive mailings when there are updates to booklets and NYSHIP publications.

Q. How can I run the summary of benefits report from HBA online? I have employees asking for it but cannot find where to print it.

A. HBA Memo PA 18-12 and PAEX 18-12 explains where you can find a copy of the Summary of Benefits and Coverage.

Q. Creditable Coverage and CHIP notices are mailed by NYSHIP directly to our enrollees. If Buyout is considered a plan, do we have to provide Buyout employees with copies of these notices as well?

A. No, you do not need to send a letter of Creditable Coverage to employees enrolled in a Buy Out program. NYSHIP sends Creditable Coverage and Chip notices to those enrolled in a NYSHIP health plan. Being enrolled in Buy-out is considered enrollment for the purposes of eligibility to continue NYSHIP coverage in retirement, but it is not enrollment in a health plan.

Other

Q. When will we know the actual 2020 cost of healthcare?

A. You may find the 2020 Participating Agency Monthly Empire Plan Premium Rates for Employers on the Civil Service website at <https://www.cs.ny.gov/employee-benefits/pa-market/rates.cfm>. These are the premium rates that the New York State Health Insurance Program (NYSHIP) charges to all Participating Agencies. Employers are required to contribute a minimum of 50% of the cost for individual coverage and 35% of the cost for dependent coverage (The dependent coverage cost is the difference between the family premium and the individual premium). However, specific employee contributions are subject to collective bargaining agreements between the agencies and their employees.

Q. Can someone please send me a link to the Enrollment form? I am all over the Civil Service website and cannot find the form for PAs

A. You can access the PS-503 Health Insurance Transaction Form by going to NYSHIP Online. Choose your employer, your plan, and then click on Forms. The PS-503 Form is also available from HBA Online: <https://www.cs.ny.gov/employee-benefits/hba/shared/publications-and-order-forms/pa/>

Q. Is a person on workers' compensation who is no longer on the district payroll eligible for waiver of premium?

A. No. Enrollees are not eligible for a waiver if they are receiving income through salary, leave accruals, Workers' Compensation or retirement allowance.

Q. HIPAA Training? When is that and can I attend?

A. Participating Agencies are required to be HIPAA compliant and it is their responsibility to administer HIPAA training for their employees.

Q. Where do we mail a change to our agency policy?

A. Changes to an employer's NYSHIP policies can be sent by letter to the following address:

Department of Civil Service
Employee Benefits Division
Public Employer Liaison Unit
Empire State Plaza - Swan Street Building, Core 1, Floor 1
Albany, NY 12239

The letter can also be emailed to PELU@cs.ny.gov

Q. I always thought we had to ask three times a year for missing Social Security Numbers (SSNs). I only have one employee who has not turned in her dependents' SSNs and for the past three years I have sent her a request letter three time a year. Does this mean I no longer need to contact her since I've tried more than three times?

A. Correct, if you have made a reasonable effort to solicit the missing SSNs by requesting the SSNs at the time of hire or when enrollment takes place, by December 31st of the year in which the employee was first hired, by January 31st of the following year, and then again by the next December 31st, then you have made a reasonable effort and do not need to continue to solicit the missing SSNs.

Q. Are employers still required to notify all new employees (who are not eligible for health insurance) of the availability of the Marketplace Exchange for coverage options?

A. Yes. Employers are still required to provide a Notice of Coverage Options to all new employees at the time of hire (whether they are eligible for health benefits or not) that explains the availability of Marketplace Exchange plans.

Q. Can you comment on Empire Blue Cross Blue Shield HMO being dropped as an option?

A. Effective January 1, 2020 Empire BlueCross is discontinuing its Large Group HMO product. This impacts all employers in New York, not just New York State and NYSHIP Participating Employers.

Q. Please summarize the Child Health Insurance Program. How do we get more information?

A. The Children's Health Insurance Program (CHIP) is a federal program that provides health coverage to eligible children, through both Medicaid and separate CHIP programs. CHIP is administered by states, according to federal requirements. To learn more about the federal program go to www.Medicaid.gov/CHIP/index.html. To learn more about New York State's Child Health Plus go to www.health.ny.gov/health_care/child_health_plus

Q. Domestic partner coverage is optional for the agency to offer correct?

A. Yes, domestic partner coverage is not required under NYSHIP for Participating Agencies. It is at the PA's discretion whether to offer. Agencies should have a documented policy on whether the Domestic Partner benefit is available.