



Department of Civil Service

ANDREW M. CUOMO
Governor
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Acting Commissioner

PE20-14

TO: Participating Employer Health Benefits Administrators
FROM: Employee Benefits Division
SUBJECT: Medicare and HBA Responsibility
DATE: July 15, 2020

The New York State Health Insurance Program (NYSHIP) requires that Medicare eligible individuals enroll in Medicare when it becomes the primary coverage and NYSHIP pays claims as the secondary insurer. As a Participating Employer in the NYSHIP, you are responsible for ensuring that all eligible employees and retirees are properly informed of plan requirements including those regarding Medicare enrollment. The *General Information Book for Participating Employers*, found on NYSHIP Online, provides an explanation of when Medicare is primary to NYSHIP.

VOLUNTARY DATA SHARING AGREEMENT (VDSA)

The Department of Civil Service (DCS) has a Voluntary Data Sharing Agreement (VDSA) with the Centers for Medicare and Medicaid Services (CMS) to receive Medicare information for NYSHIP enrollees and dependents who meet at least one of the following circumstances:

- are 45 years of age or older
- are updated in NYBEAS as Medicare-primary regardless of age
- have a disability retirement
- disabled dependent children

VDSA is used as a tool to ensure NYSHIP enrollees and dependents are properly enrolled in a Medicare Parts A and B. This will ensure that they are also enrolled in the correct prescription drug plan, such as Empire Plan Medicare Rx, and that their NYSHIP benefits are properly coordinated with Medicare. Please review the attached VDSA Instructions for further information on how to review VDSA.

YOUR RESPONSIBILITY

At the time a NYSHIP enrollee retires or otherwise terminates employment and Medicare becomes primary to NYSHIP, it is your responsibility as the Health Benefits Administrator (HBA) to verify Medicare enrollment for the enrollee and any dependents who may be Medicare eligible. You should use the VDSA page in NYBEAS to confirm Medicare in lieu of requesting a copy of the Medicare card.

Note: Medicare information for enrollees and/or dependents that receive retirement benefits through the Railroad Retirement Board (RRB) will not be visible on VDSA. Please request a copy of the Medicare card for anyone that receives benefits through the RRB.

Upon reviewing Medicare information, you may come across different scenarios and the action you need to take will vary based on the circumstances. Please see the attached chart for how you should handle these scenarios at the time of retirement.

SYSTEMATIC UPDATES

After retirement, when an enrollee or dependent enrolls in Medicare Parts A and B, either due to age or disability, EBD will automatically update NYBEAS to show Medicare primacy.

If under age 65 and not enrolled in Medicare Part B, EBD will update NYBEAS to show Medicare primacy only. A letter will be sent to the enrollee and/or dependent informing them to enroll in Medicare Part B as soon as possible. This letter will advise that they will be held harmless, meaning that the NYSHIP carriers will remain the primary insurer, for their Part B claims until the effective date of Medicare enrollment or the next July 1, whichever comes first, and that they will not receive Medicare Part B premium reimbursement until they enroll in Part B.

For enrollees over age 65 and not enrolled in Medicare Part B:

- In The Empire Plan, EBD will update NYBEAS to show Medicare primacy and reimbursement effective the date Medicare is considered primary. The enrollee will be responsible for the portion of their claims that would have been paid by Medicare.
- In a NYSHIP HMO, EBD will cancel coverage effective as of the date Medicare is considered primary.

Please refer to Policy Memo 70r3 for more information on how claims will be handled if someone does not enroll in Medicare timely.

If you have any questions regarding Medicare and NYSHIP, please refer to the NYSHIP *General Information Book for Participating Employers*.

If you have any questions regarding VDSA after reviewing the attachment, please contact the Employee Benefits Division's HBA Help Line at 518-474-2780. Representatives are available Monday through Friday between 9 a.m. and 4 p.m. Eastern time.

Attachments:

Medicare Enrollment Scenarios When Participating Employer Enrollees Are Retiring
VDSA Instructions