

Employee Benefits Division Policy Memo

Number: Policy Memo 3r1

Date Issued: January 23, 2017

Subject: Retiree and Survivor Eligibility for Part-time Employees

PURPOSE

Determine if part-time employees enrolled in NYSHIP through special plan provisions are eligible to continue health insurance in retirement and determine if their dependents can continue coverage as dependent survivors.

BACKGROUND

As a result of negotiated agreements between the State and employee unions effective January 3, 1983, State employees must work at least half-time to be eligible to participate in the New York State Health Insurance Program (NYSHIP). An Employee Benefits Division memo, dated January 3, 1983, advised part-time employees of the new requirement and gave them the opportunity to remain enrolled in NYSHIP by paying full cost for their coverage.

In addition, United University Professions (UUP) negotiated an agreement to permit part-time employees who perform less than half a professional obligation to participate in NYSHIP on a full premium cost basis. Nelson Carpenter of GOER advised EBD Director, Charlie Barnes, in an October 23, 1986 letter that the negotiated intent was to only provide coverage to such individuals while they were actively employed. Therefore, while the agreement permits these employees to enroll in NYSHIP coverage during their employment by paying full share premium, these enrollees cannot accrue qualifying service time toward retirement for the purpose of establishing eligibility for retirement or dependent survivor coverage.

POLICY

Employees who do not meet the usual eligibility requirements, but are enrolled through a special plan provision, are ineligible to continue health insurance in retirement. Additionally, their dependents are ineligible for dependent survivor coverage in the event of the enrollee's passing. The only exception to this rule would be an enrollee who met the necessary service requirement during a previous employment period and maintained continuous coverage as a vestee or under such special plan provision.