EMPIRE PLAN REPORT

APRIL 2010

NEW YORK STATE HEALTH INSURANCE PROGRAM (NYSHIP)
FOR EMPLOYEES OF THE STATE OF NEW YORK REPRESENTED BY COUNCIL 82
(except Employees in the Agency Law Enforcement Services Unit (ALESU))
And Contract Affected Employees, enrolled Dependents, COBRA Enrollees with their benefits and Young Adult Option Enrollees

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Young Adult Option Coverage

As the result of a change in NYS Insurance Law, effective January 1, 2010, unmarried young adults through age 29 are eligible for NYSHIP health insurance coverage under the "Young Adult Option."

The Young Adult Option does not change NYSHIP's maximum age criteria for dependent coverage available to enrollees, but allows the adult child of an enrollee who meets the established criteria to purchase individual health insurance coverage through NYSHIP when the young adult does not otherwise qualify as a NYSHIP dependent. Either the young adult or his/her parent may enroll the young adult in the Young Adult Option, and either may elect to be billed for the NYSHIP premium. The cost of the Young Adult Option is the full share individual premium. Refer to the Amendment on page 227 for eligibility criteria and other additional details.

A young adult is entitled to the same health insurance coverage as his/her parent provided the young adult lives, works or resides in New York State or the insurer's service area. Additionally, NYSHIP will permit a young adult to enroll in any other NYSHIP option for which the young adult otherwise qualifies under NYSHIP rules. This means that a young adult may:

- Enroll in The Empire Plan regardless of the parent's option;
- Enroll in the same HMO as the parent if the young adult lives, works or resides in the HMO's service area or in New York State; or
- Enroll in a NYSHIP HMO that the parent is not enrolled in if the young adult lives, works or resides within the HMO service area.

There is an initial open enrollment period for the Young Adult Option throughout 2010. Beginning in 2011 there will be a 30-day annual open enrollment period. Additionally, a young adult may enroll when NYSHIP eligibility is lost due to age or when a young adult is newly eligible because of a change in circumstances, such as loss of employer-sponsored health benefits.

The Young Adult Option application, rates and FAQs are available on the Department's web site at: https://www.cs.state.ny.us/youngadultoptionnype/index.cfm. Or you may contact the Employee Benefits Division at 518-457-5754 (Albany area) or 1-800-833-4344 for additional information and to enroll.

Copayments

See pages 287 and 288 of your *Empire Plan Certificate Amendments* for a complete list of your 2010 copayments.

Changes to NYSHIP eligibility for adult children resulting from the recently enacted Federal Health Care Reform will take effect January 1, 2011. Details regarding eligibility criteria and the cost of this coverage are subject to federal regulations, which have not yet been issued. Information will be mailed to enrollees and posted to our web site when it becomes available.

New York State: Supplemental Continuation of Coverage

Effective January 1, 2010, The Empire Plan adopted New York State legislation to allow enrollees who have exhausted their federal Consolidated Omnibus Budget Reconciliation Act (COBRA) coverage to extend NYSHIP coverage for an additional 18 months under the State's continuation of coverage law.

Under the new legislation, if you lose COBRA coverage because you have reached the end of your 18- or 29-month continuation period, you may request additional coverage under the New York State Insurance Law that will extend coverage until the earlier of:

- 36 months (combined length of COBRA and New York State coverage);
- The end of the period in which premiums were last paid;
- The date the enrollee becomes entitled to Medicare benefits; or
- The date New York State no longer provides group health care coverage to any of its enrollees.

Enrollees will have 60 days from the later of the end of their COBRA continuation period or receipt of notice of eligibility to apply in writing for the New York State Continuation of Coverage. The cost of coverage continuation will be the full premium cost for individual coverage plus a two percent administrative fee.

Empire Plan Adopts Flexible Formulary for 2010

Effective April 1, 2010, your benefits under The Empire Plan Prescription Drug Program are based on a flexible formulary. The 2010 Empire Plan Flexible Formulary drug list provides enrollees and the Plan with the best value in prescription drug spending. This is accomplished by:

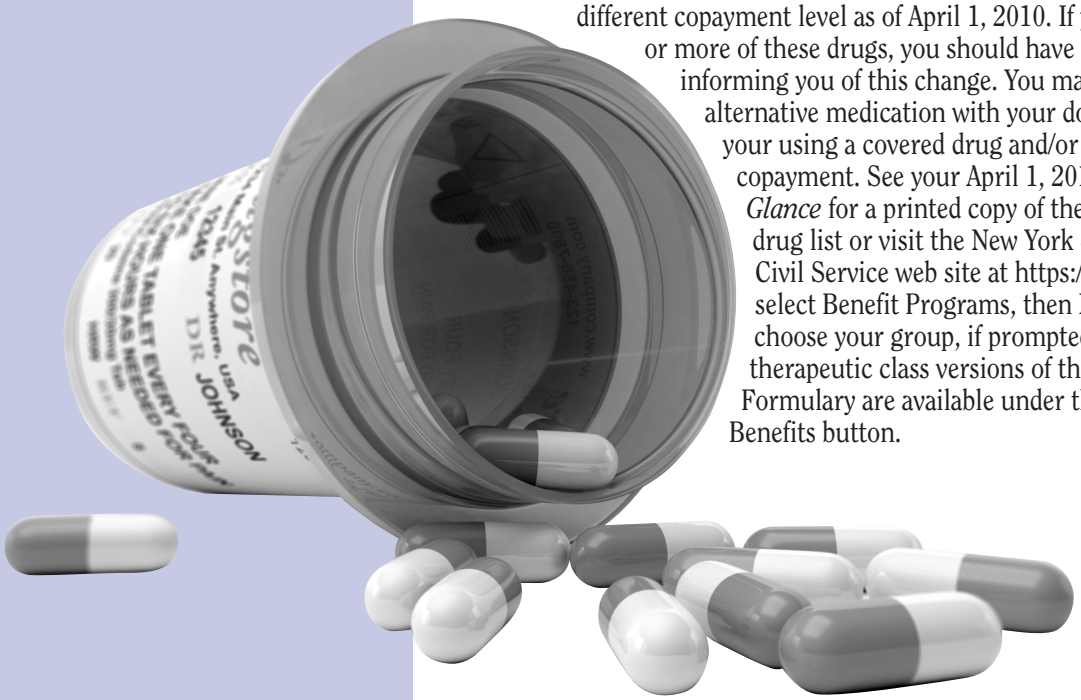
- excluding coverage for a small number of drugs if a therapeutic equivalent or over-the-counter drug is available
- assigning a slightly higher copayment, than generic drugs, for preferred brand-name drugs that provide the best value to The Empire Plan and
- allocating the highest copayment to non-preferred brand-name drugs that provide little, if any, clinical advantage over existing generic or preferred brand-name drugs.

The main features of The Empire Plan 2010 Flexible Formulary are:

- ***Copayment levels for generic or Level 1 drugs:*** Generic drugs are placed at the lowest copayment level (for example, $5 for a 30-day supply at a participating retail pharmacy).
- ***Certain drugs will be excluded from coverage***. If a drug is excluded, therapeutic brand-name and/or generic equivalents will be covered.
- ***Copayment levels for brand-name drugs***: Certain covered brand-name drugs are classified as preferred or non-preferred and are available at either the Level 2 or Level 3 copayments (for example, preferred brand-name drugs or Level 2 drugs have a $15 copayment and non-preferred drugs or Level 3 drugs have a $40 copayment for a 30-day supply at a participating retail pharmacy).

The following drugs will be excluded from coverage under the 2010 Empire Plan Flexible Formulary drug list: Adoxa, Amrix, Asacol HD, Caduet, Clobex Shampoo, Coreg CR, Detrol LA, Doryx, Flector, Genotropin (except for the treatment of growth failure due to Prader-Willi syndrome or Small for Gestational Age), Humatrope (except for the treatment of growth failure due to SHOX deficiency or Small for Gestational Age), Kapidex, lansoprazole, Nexium, Norditropin (except for the treatment of short stature associated with Noonan syndrome or Small for Gestational Age), Olux/Olux-E Complete Pack, Omnitrope, Prevacid Capsules, Requip XL, Soma 250, Testim, Treximet, Veramyst and Xopenex Inhalation Solution.

As a reminder, the Plan reviews the drug list once a year so in addition to these exclusions, enrollees may notice other brand-name drugs that have a different copayment level as of April 1, 2010. If you have been taking one or more of these drugs, you should have already received a letter informing you of this change. You may want to discuss an alternative medication with your doctor that will result in your using a covered drug and/or paying a lower copayment. See your April 1, 2010 *Empire Plan At A Glance* for a printed copy of the Flexible Formulary drug list or visit the New York State Department of Civil Service web site at https://www.cs.state.ny.us, select Benefit Programs, then NYSHIP Online and choose your group, if prompted. Alphabetic and therapeutic class versions of the 2010 Flexible Formulary are available under the Using Your Benefits button.



Questions & Answers About The Empire Plan Flexible Formulary

Q. Why are some medications being excluded?

A. Certain drugs are being excluded under The Empire Plan Prescription Drug Program so that we can continue to provide the best value in prescription drug coverage to all enrollees under the Plan. Whenever a prescription drug is excluded, therapeutic brand and/or generic equivalents will be covered.

Q. Why is Nexium excluded from the 2010 Empire Plan Flexible Formulary?

A. Independent studies conducted by Consumer Reports, the Oregon Health Resources Commission, and AARP, to name a few, have found that there is little clinical difference in efficacy or adverse effects in the class of prescription drugs that Nexium belongs to - proton pump inhibitors (PPIs). There is, however, a significant difference in the cost. The 2010 Empire Plan Flexible Formulary continues to cover generic and other preferred brand-name PPIs that provide the best value to the Plan.

Q. How will my local pharmacist know my drug is excluded?

A. Your local participating pharmacist will receive a message when your claim is processed which will advise that the drug is not covered under The Empire Plan. If you choose to fill the prescription, you will be responsible for paying the full cost of the drug; The Empire Plan will not reimburse you for any portion of the cost.

Q. What will happen if I send a new prescription or request a refill from Medco Pharmacy for an excluded drug?

A. If you call in a refill of an excluded drug through a mail service pharmacy, the customer service representative or interactive voice response system will advise you that the drug is excluded, and your order will be canceled. If you mail in a refill order, you will receive a letter indicating your drug is no longer covered under the Plan. If you mail in a new prescription for an excluded drug, the mail service pharmacy will return the prescription along with a letter advising that the drug is excluded from Empire Plan coverage and can no longer be dispensed.

Q. How will my physician know that my drug is excluded?

A. The 2010 Flexible Formulary drug list was sent to all participating physicians in The Empire Plan Network. Additionally, if your physician utilizes an online method of prescribing known as E-Prescribing, a message will be displayed indicating that the drug is not covered.

Q. Where can I find lower cost alternatives to the drug I am taking?

A. Suggested generic and/or preferred brand-name drug equivalents are listed on the last page of the Flexible Formulary drug list. We recommend that you talk with your physician to identify which medication is appropriate to treat your condition.

Q. How do I change to one of the preferred medications on The Empire Plan Flexible Formulary? Will I need a new prescription?

A. Yes, you will need a new prescription. If you are almost out of medication, you can request that your retail pharmacist call your physician for a new prescription of a generic or preferred brand-name drug.

If you use a mail service pharmacy, the mail service pharmacy will assist you with obtaining a new prescription. Please call customer service at 1-877-7-NYSHIP (1-877-769-7447) and choose The Empire Plan Prescription Drug Program for assistance.

Q. Can I appeal a drug exclusion or tier placement?

A. No. Drug exclusions and level placements are a component of your benefit plan design and cannot be appealed.

Instant Rebate for Omeprazole (Generic Prilosec)

For a limited time only, The Empire Plan Prescription Drug Program will offer an instant rebate of your full copayment for omeprazole, the generic version of Prilosec (the original "purple pill"). This medication is a proton pump inhibitor used in the treatment of peptic ulcers, gastroesophageal reflux disease (GERD) and other gastrointestinal symptoms.

The instant rebate will apply to all omeprazole prescriptions filled at participating retail pharmacies or at a mail service pharmacy between April 1, 2010 and July 31, 2010. To receive your rebate (zero copayment), simply present your prescription to your retail pharmacy or send it to the mail service pharmacy. After July 31, 2010, you will pay the applicable generic copayment ($5 or $10) for subsequent refills. If you have questions about this rebate or your drug benefit, call 1-877-7-NYSHIP (1-877-769-7447) and choose The Empire Plan Prescription Drug Program.

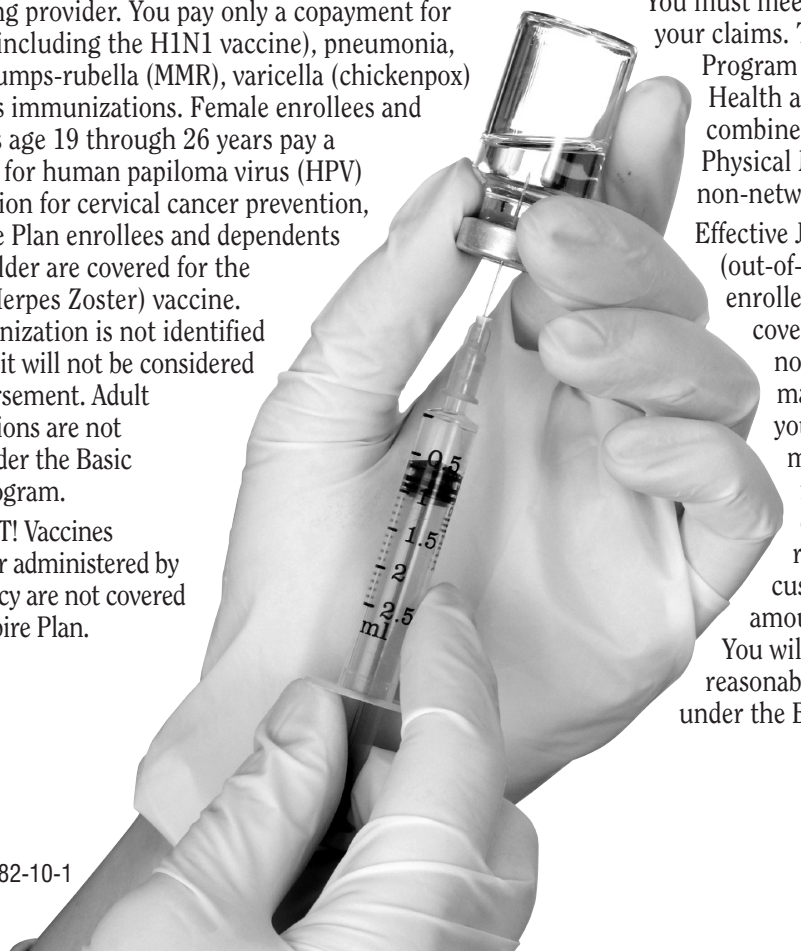
Immunization Coverage

Immunizations have become a topic of interest because of the Novel H1N1 (swine flu) virus. As a result, it is very important that Empire Plan enrollees understand their coverage for immunizations.

There is no copayment under the Participating Provider Program for routine well-child care for children up to age 19 including pediatric examinations, immunizations and the cost of oral and injectable substances when administered according to pediatric care guidelines. The H1N1 vaccine is included in the vaccines offered to children under pediatric care guidelines. Coverage is also available under the Basic Medical Program subject to deductible and coinsurance.

Adult immunizations are covered when provided by a participating provider. You pay only a copayment for influenza (including the H1N1 vaccine), pneumonia, measles-mumps-rubella (MMR), varicella (chickenpox) and tetanus immunizations. Female enrollees and dependents age 19 through 26 years pay a copayment for human papiloma virus (HPV) immunization for cervical cancer prevention, and Empire Plan enrollees and dependents age 55 or older are covered for the shingles (Herpes Zoster) vaccine. If an immunization is not identified as covered, it will not be considered for reimbursement. Adult immunizations are not covered under the Basic Medical Program.

IMPORTANT! Vaccines dispensed or administered by the pharmacy are not covered by The Empire Plan.



Mental Health/Substance Abuse Insurer and Administrator

Effective January 1, 2009, UnitedHealthcare Insurance Company of New York (UHICNY) insures and OptumHealth Behavioral Solutions (OptumHealth) administers The Empire Plan Mental Health and Substance Abuse (MHSA) Program.

OptumHealth has a large national provider network and also actively recruited additional providers who treat a high volume of Empire Plan enrollees. To check if your provider is in the OptumHealth network, you can call 1-877-7-NYSHIP (1-877-769-7447) and select OptumHealth. You may also visit https://www.cs.state.ny.us to search the OptumHealth provider network online. At the home page click on Benefit Programs and follow the instructions to access NYSHIP Online. Select Find a Provider and scroll down to OptumHealth. The network lists are updated regularly as providers change. If your provider is not currently in the OptumHealth network, you may nominate your provider by calling the NYSHIP toll-free number and selecting OptumHealth for the MHSA Program.

2010 Annual Deductible and Coinsurance Maximum for Basic Medical and Non-Network Mental Health and Substance Abuse Practitioner Services

Annual Deductible: $375
Coinsurance Maximum: $800

For calendar year 2010, The Empire Plan annual deductible for services performed and supplies prescribed by non-participating or non-network providers is $375 for you, $375 for your enrolled spouse/domestic partner and $375 for all covered dependent children combined.

You must meet the deductible before benefits are paid for your claims. The annual deductible for the Basic Medical Program and the non-network portion of the Mental Health and Substance Abuse Program cannot be combined with each other or with the Managed Physical Medicine Program annual deductible for non-network services.

Effective January 1, 2010, the coinsurance maximum (out-of-pocket expense) is $800 for you, $800 for your enrolled spouse/domestic partner and $800 for all covered dependent children combined if you have not met the combined annual coinsurance maximum of $1,389 prior to April 1, 2010. If you have met the combined annual coinsurance maximum of $1,389 prior to April 1, 2010, no retroactive corrections will be made. After each coinsurance maximum is reached, you will be reimbursed 100 percent of the reasonable and customary amount, or 100 percent of the billed amount, whichever is less, for covered services. You will still be responsible for any charges above the reasonable and customary amount and for any penalties under the Benefits Management Program.

Enhanced Hearing Aid Benefits through EPIC Hearing Service Plan

The Empire Plan has enhanced its hearing aid benefit for enrollees and eligible dependents with the addition of the Hearing Service Plan (HSP), provided by EPIC Hearing Healthcare. The EPIC HSP is a voluntary program that offers nationwide access to hearing aids and services. The Program's review process assures you are receiving all appropriate tests and services as well as the most appropriate technology for the best price.

Although your hearing aid benefit maximum remains unchanged, the EPIC HSP offers you and your eligible dependents an additional option in utilizing your hearing aid benefit. The EPIC HSP coordinates access to quality hearing care professionals throughout the State of New York and the nation and allows for direct billing to the Plan, up to the maximum benefit, so enrollees do not have to pay any upfront costs for hearing aids. Any amount over the maximum benefit is your responsibility.

The EPIC HSP provides the following:

- Hearing aid professionals available in all 50 states
- Access to all major hearing aid manufacturers
- Prices are never marked up from wholesale
- Hearing aid price lists are provided to enrollees and dependents upon request
- All hearing aids carry an extended three-year warranty, include the first year's supply of batteries and have a 45-day, no risk trial period in New York State

If you would like to learn more about the EPIC HSP, or if you need assistance in locating an HSP provider, please call toll free 1-866-956-5400.

The Empire Plan Medical/Surgical Benefits Program

$30 Copayment for Participating Non-Hospital Outpatient Surgical Locations

Beginning April 1, 2010, you pay the first $30 in charges (copayment) for each visit to an outpatient surgical location that has an Empire Plan agreement in effect with UnitedHealthcare.

The $30 copayment covers your elective surgery and anesthesiology, radiology and laboratory tests performed on the day of the surgery at the same outpatient surgical location.

Herpes Zoster Vaccine for Shingles

Effective April 1, 2010, the Herpes Zoster vaccine used to prevent shingles is covered as an adult immunization under the Participating Provider Program for individuals age 55 or over. Since shingles usually occurs in the senior population, this coverage is consistent with established clinical guidelines. You pay only the office visit copayment when the Herpes Zoster vaccination is dispensed and administered by a Participating Provider. There is no non-network benefit and there is no benefit available under the Prescription Drug Program. Please note that if you purchase the Herpes Zoster vaccine at the pharmacy, The Empire Plan will not reimburse you for the cost.

Prosthetic Wig Benefit

Effective January 1, 2010, wigs will be covered under the Basic Medical Program when hair loss is due to an acute or chronic condition that leads to hair loss including, but not limited to:

- Disease of endocrine glands such as Addison's disease and ovarian genesis
- Generalized disease affecting hair follicles such as systemic lupus and myotonic dystrophy
- Systemic poisons such as Thallium, Methotrexate and prolonged use of anticoagulants
- Local injury to scalp such as burns, radiation therapy, chemotherapy treatment and neurosurgery

Excluded from coverage is male and female pattern baldness.

There is a lifetime maximum benefit of $1,500 per individual regardless of the number of wigs purchased. Benefits are not subject to the Basic Medical deductible or coinsurance. Claims submitted for the prosthetic wig benefit must include documentation from the treating physician that states that the individual has a diagnosis for a covered condition.

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Participating Diabetes Education Centers

Diabetes education can be an important part of a treatment plan for diabetes. Diabetes educators provide information on nutrition and lifestyle improvement that can help diabetics better manage their disease. Effective April 1, 2010, The Empire Plan network includes Diabetes Education Centers that are accredited by the American Diabetes Association Education Recognition Program. If you have a diagnosis of diabetes, your visits to a network center for self-management counseling are covered and you pay only an office visit copayment for each covered visit. Covered services at a non-network diabetes education center are considered under the Basic Medical Program subject to deductible and coinsurance.

To find an Empire Plan participating Diabetes Education Center, call The Empire Plan toll free at 1-877-7-NYSHIP (1-877-769-7447) and choose UnitedHealthcare. Or, go to the New York State Department of Civil Service web site (https://www.cs.state.ny.us), click on Benefit Programs and then NYSHIP Online. Select your group if prompted, click on Find a Provider and then Medical and Surgical Providers under UnitedHealthcare.

Diabetic Shoes

Effective January 1, 2010, one pair of custom molded or depth shoes per calendar year is a covered expense under The Empire Plan if:

- You have a diagnosis of diabetes and diabetic foot disease;
- Diabetic shoes have been prescribed by your provider; and
- The shoes are fitted and furnished by a qualified pedorthist, orthotist, prosthetist or podiatrist. Shoes ordered by mail or from the internet are not eligible for benefits.

When you use an HCAP-approved provider for medically necessary diabetic shoes, you receive a paid-in-full benefit up to an annual maximum benefit of $500. To ensure that you receive the maximum benefit, you must make a prenotification call to the Home Care Advocacy Program (HCAP). You must call The Empire Plan toll free at 1-877-7-NYSHIP (1-877-769-7447), choose UnitedHealthcare and then the Benefits Management Program. HCAP will assist you in making arrangements to receive network benefits for diabetic shoes.

If you do not use an HCAP-approved provider for medically necessary diabetic shoes, benefits will be considered under the Basic Medical Program subject to the annual deductible with any remaining covered charges paid at 75 percent of the network allowance with a maximum annual benefit of $500.

Centers of Excellence Programs Travel Benefits

Effective April 1, 2010, when you use a Center of Excellence for Transplants that has been preauthorized by Empire BlueCross BlueShield or a Center of Excellence for Cancer that has been preauthorized by UnitedHealthcare and the Center of Excellence is more than 100 miles from the enrollee's residence (200 miles for airfare), The Empire Plan provides reimbursement for travel, meals and one lodging per day for the patient and one travel companion.

The Centers of Excellence Programs for Transplants, Cancer and Infertility will reimburse for meals and lodging based on the United States General Services Administration (GSA) per diem rate and automobile mileage (personal or rental car) based on the Internal Revenue Service medical rate. The following are the only additional travel expenses that are reimbursable: economy class airfare, train fare, taxi fare, parking, tolls and shuttle or bus fare from your lodging to the Center of Excellence. To find the current per diem rates for lodging and meals, visit the United States General Services Administration web site at www.gsa.gov and look under Travel Resources. Travel and lodging benefits are available as long as the patient remains enrolled and is receiving benefits under the Centers of Excellence program.

As of January 1, 2010, the $10,000 lifetime maximum for travel, meals and lodging for the Centers of Excellence for Cancer Program has been eliminated.

Kidney Resource Services Program

Effective April 1, 2010, The Empire Plan will offer a Kidney Resource Services Program to its enrollees when The Empire Plan provides primary health insurance coverage. If you or your dependents have been diagnosed with Chronic Kidney Disease (CKD), you may be invited to participate in this Program. Participation is voluntary, free of charge and confidential.

If you agree to participate, you will receive information to help you better understand your condition. You will be offered educational materials and other services that may help to improve the management of your kidney disease. You may also be contacted by a registered nurse in conjunction with this Program.

This Program works in partnership with your physician to achieve the best possible health outcomes.

If you have questions or would like more information, call The Empire Plan toll free at 1-877-7-NYSHIP (1-877-769-7447) and choose The Empire Plan NurseLine$_{SM}$.

The Empire Plan Future Moms Program

This voluntary program is offered to Empire Plan enrollees at no additional cost and provides support and information designed to help you have a smooth pregnancy, a safe delivery and a healthy child. If you're pregnant, or hope to be in the near future, you know there's nothing more important than safeguarding your health and the health of your baby.

When you enroll in Future Moms, you'll be contacted by a Nurse Coach, a registered nurse, who will walk you through a health assessment over the phone. If you're not currently experiencing any health concerns, your Nurse Coach will simply arrange to check back with you periodically. But, if you need assistance in dealing with health issues, your Nurse Coach will schedule more frequent calls to check on your progress. Your Nurse Coach can also arrange for a free phone consultation with a specialist to answer your questions. Registered nurses are available 24 hours a day 7 days a week to answer your questions.

If you are interested in the Future Moms Program, call The Empire Plan toll free at 1-877-7-NYSHIP (1-877-769-7447) and choose Empire BlueCross BlueShield to enroll in the Program.

Specialty Pharmacy Program

Effective April 1, 2010, The Empire Plan will add a Specialty Pharmacy Program to your prescription drug coverage. The Specialty Pharmacy Program will offer enhanced services to individuals using specialty drugs and change how you obtain those drugs under the Prescription Drug Program. Most specialty drugs will only be covered when dispensed by The Empire Plan's designated specialty pharmacy, Accredo, a subsidiary of Medco.

Accredo was selected to administer this Program because of its proven experience with providing services that help promote superior clinical outcomes. Accredo will ensure that specialty medications are utilized based on U.S. Food and Drug Administration (FDA) and best practice guidelines.

Specialty drugs are used to treat complex conditions and usually require special handling, special administration, or intensive patient monitoring. The major drug categories covered under the Program include, but are not limited to, drugs for the treatment of Rheumatoid Arthritis, Cancer, Multiple Sclerosis, Human Growth Hormone Deficiency, Deep Vein Thrombosis and Anemia (medications used to treat diabetes are not considered specialty medications). When Accredo dispenses a specialty medication, the applicable mail service copayment will be charged.

The Program will provide enrollees with enhanced services that include disease and drug education, compliance management, side-effect management, safety management, expedited, scheduled delivery of your medications at no additional charge, refill reminder calls and all necessary supplies such as needles and syringes applicable to the medication.

Enrollees currently taking drugs included in this Program received a letter, prior to April 1, 2010, describing the Program in more detail. When enrollees begin therapy on one of the drugs included in the Program, a letter will be sent describing the Program and any action necessary to participate in it.

The complete list of specialty drugs included in the Specialty Pharmacy Program is available on the New York State Department of Civil Service web site at https://www.cs.state.ny.us. Each of these drugs can be ordered through the Specialty Pharmacy Program using the Medco mail order form sent to the following address:

Medco Pharmacy
P.O. Box 6500
Cincinnati, OH 45201-6500

To request mail service envelopes, refills or to speak to a specialty-trained pharmacist or nurse regarding the Specialty Pharmacy Program, call The Empire Plan toll free at 1-877-7-NYSHIP (1-877-769-7447), choose The Empire Plan Prescription Drug Program, and ask to speak with Accredo, 24 hours a day, seven days a week.

The Empire Plan Half Tablet Program

This voluntary program allows you to reduce the out-of-pocket cost of select generic and brand-name drugs you take on a regular basis by:

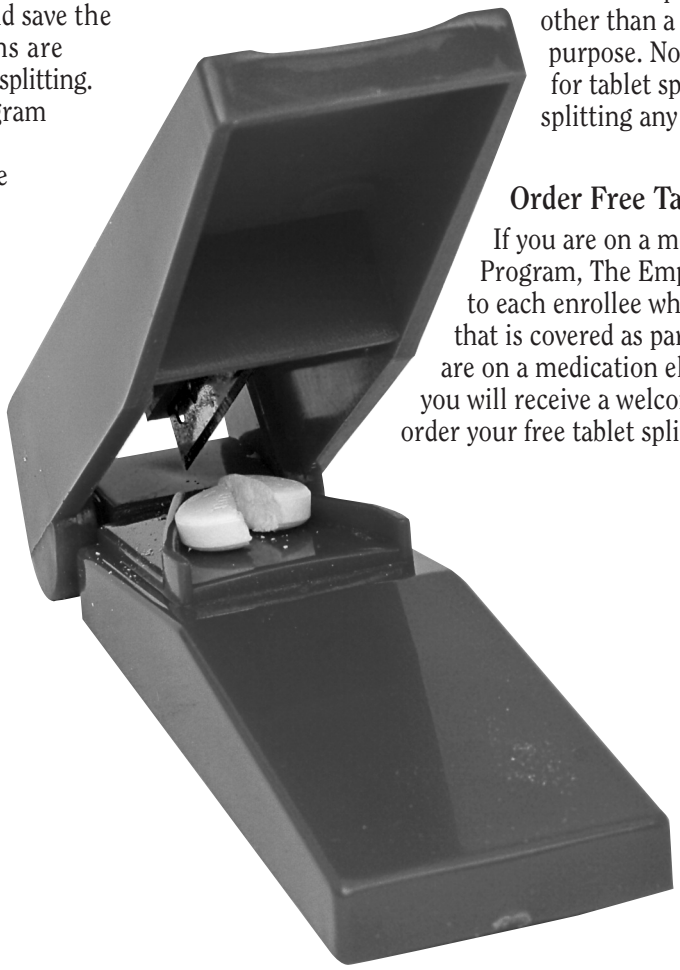
- allowing your physician to write a prescription for twice the dosage of your medication and half the number of tablets (see Example)
- having you split the pills in half using the free pill splitter that The Empire Plan will provide and
- instructing the participating retail pharmacy or the mail service pharmacy to automatically reduce your copayment to half the normal charge.

Example

Old Prescription: .....Lipitor 10 mg
Quantity:.....30 tablets
Dosage: .....Take 1 tablet every morning
Copayment $15

New Prescription: .....Lipitor 20 mg
Quantity:.....15 tablets
Dosage: .....Take ½ tablet every morning
Copayment $7.50

Some recent articles have questioned the safety and efficacy of pill splitting programs. In most, the conclusion is that pill splitting programs are safe and save the patient money if the medications are clinically determined to be safe for splitting. The Empire Plan Half Tablet Program offered by The Empire Plan and administered by UnitedHealthcare provides many safeguards to mitigate against any possible safety questions.



The Empire Plan requires the following clinical criteria for medications to qualify for the Half Tablet Program:

- Each drug accepted for the Half Tablet Program must be approved by UnitedHealthcare's National Pharmacy and Therapeutic Committee.
- Medications must have a wide margin of safety so that minimal differences in tablet sizes, after splitting, will not disturb the efficacy of the medicine.
- Tablets must be able to be split relatively evenly without crumbling.
- Medications must remain chemically stable after splitting.
- Capsules, liquids, topical medications and certain coated tablets do not qualify.

You should only participate in the Program if your doctor determines that pill splitting is appropriate for you.

For an updated list of the medications eligible for the Half Tablet Program go to https://www.cs.state.ny.us and select Benefit Programs in the left hand navigation on the home page. Follow the prompts to NYSHIP Online then choose Find a Provider. Scroll to the Medco links and click on Empire Plan Half Tablet Program. If you have other questions, call The Empire Plan toll free at 1-877-7-NYSHIP (1-877-769-7447) and choose The Empire Plan Prescription Drug Program.

Splitting Tablets is Easy

Using a tablet splitter makes splitting your medication easy. Never attempt to split tablets with anything other than a device designed specifically for that purpose. Not all medications are appropriate for tablet splitting. Consult your doctor before splitting any prescribed medication.

Order Free Tablet Splitter

If you are on a medication eligible for the Half Tablet Program, The Empire Plan offers a free tablet splitter to each enrollee who is currently prescribed a drug that is covered as part of the Half Tablet Program. If you are on a medication eligible for the Half Tablet Program, you will receive a welcome letter with details on how to order your free tablet splitter.

Benefits Management Program

Additional Imaging Procedures Require Prospective Procedure Review (PPR) Effective April 1, 2010

You must call The Empire Plan Benefits Management Program for Prospective Procedure Review of the following outpatient imaging procedures when performed as an elective (scheduled) procedure:

- Magnetic Resonance Imaging (MRI)/Magnetic Resonance Angiography (MRA)
- Computed Tomography (CT)
- Positron Emission Tomography (PET) Scans
- Nuclear Medicine Diagnostic Procedures

Call The Empire Plan toll free at 1-877-7-NYSHIP (1-877-769-7447), and select UnitedHealthcare, then Benefits Management to reach the Care Coordination Unit.

Should you opt to have one of these procedures before the review is completed or if you do not call the Benefits Management Program before having it and UnitedHealthcare determines that the procedure was performed on a scheduled (non-emergency) basis and that the procedure was medically necessary, you are responsible for paying the lesser of 50 percent of the scheduled amounts related to the procedure or $250, plus your copayment, under the Participating Provider Program.

Under the Basic Medical Program, you are liable for the lesser of 50 percent of the reasonable and customary charges related to the procedure or $250. In addition, you must meet your Basic Medical annual deductible and you must pay the coinsurance and any provider charges above the reasonable and customary amount.

If UnitedHealthcare determines that the procedure was not medically necessary, you will be responsible for the full cost of the procedure.

2010 Copayments Effective April 1

Prescription Drug Program Non-Preferred or Level 3 Drugs

Supply Dispensed	Copayment
Up to a 30-day supply from a participating retail pharmacy or through the mail service	$40
31- to 90-day supply through mail service	$65
31- to 90-day supply from a participating retail pharmacy	$70

Participating Provider Program

$30 Copayment–Outpatient Surgical Location

Participating Provider Program

$20 Copayment–Office Visit/Office Surgery, Radiology/Diagnostic Laboratory Tests, Free-Standing Cardiac Rehabilitation Center Visit, Urgent Care Visit

Chiropractic Treatment or Physical Therapy Services (Managed Physical Medicine Program)

$20 Copayment–Office Visit, Radiology, Diagnostic Laboratory Tests

Hospital Services (Hospital Program)

$20 Copayment–Outpatient Physical Therapy
$60 Copayment–Emergency Room

Mental Health and Substance Abuse Program

$20 Copayment–Visit to Outpatient Substance Abuse Treatment Program
$20 Copayment–Visit to Mental Health Practitioner
$60 Copayment–Hospital Emergency Room

Empire Plan Rate Change Effective April 1, 2010

The cost for health insurance for employees enrolled in The Empire Plan who have NYSHIP drug coverage will change as of April 1, 2010. Effective April 1, 2010, the biweekly enrollee contribution is $22.97 for enrollees with individual coverage and $99.60 for those with family coverage.

Your Biweekly Premium Contribution

New York State helps pay for your health insurance coverage. After the State's contribution, you are responsible for paying the balance of your premium through biweekly deductions from your paycheck. For Empire Plan enrollees, the State pays 90 percent of the cost of the premium for enrollee coverage and 75 percent of the premium for dependent coverage.

This information does not apply to COBRA enrollees or Young Adult Option enrollees.

NYSHIP Changes

Important Information about the Pre-Tax Contribution Program (PTCP) for Enrollees with Domestic Partners

Effective January 1, 2010, NYSHIP enrollees who are eligible for the PTCP and who cover a domestic partner will be able to have their full premium contribution for the cost of family health insurance coverage deducted from their employee wages before taxes are withheld. If you cover a domestic partner who is not a federally qualified dependent, you are responsible for reporting the value of the coverage provided to the domestic partner on your income tax return. The Department of Civil Service sends you form 1099-MISC showing this amount after the end of each tax year. Please consult your tax advisor for additional information or guidance.

If you cover a domestic partner, your payroll deduction for NYSHIP family coverage will automatically be taken on a pre-tax basis unless you have filed form PS-404 with your agency Health Benefits Administrator indicating that you want to opt out of the PTCP. We are in the process of implementing this change and anticipate that the tax status changes needed for PTCP payroll deductions will be completed during the first quarter of the year with an effective date of January 1, 2010.

Leaving School Before Graduation

Beginning April 1, 2010, an enrolled, full-time student dependent age 19 or older who completes a semester will continue to be covered under NYSHIP until the last day of the third month following the month in which the dependent completes the semester unless the dependent otherwise loses NYSHIP eligibility. For example, if the dependent child completes the Spring semester in May, the last day of coverage would be August 31. However, if the dependent reaches age 25 before August 31, coverage ends on the dependent's birthday. This coverage extension applies to each semester the dependent child completes, including the semester in which the requirements for graduation are completed. A semester is considered to be completed if the student attends classes through the last required date of attendance for the semester, even if a passing grade is not achieved for coursework.

If a dependent student age 19 or older leaves school prior to the successful completion of a semester and proof of attendance during the semester is provided, coverage ends on the last day of the month in which the dependent attended school or the end of the third month following the month that the last semester was completed, whichever is later. If the required proof is not provided, coverage will end on the first day of the incomplete semester or three months after the previously completed semester, whichever is later.

Generally a dependent child over the age of 19 must be a full-time student at an accredited secondary or preparatory school, college or other educational institution to be eligible for NYSHIP coverage. Refer to your *NYSHIP General Information Book* for additional eligibility information for dependent children who are disabled, on medical leave or military service.

Workers' Compensation

If you become eligible for Workers' Compensation due to a work-related assault, you will be eligible for extended Workers' Compensation coverage. Effective April 1, 2010, health insurance coverage at the employee's share of the premium may be continued for up to 24 months per injury from the original leave date.

Reminders

Dependent Verification

Through information you received from Budco Health Service Solutions (Budco), we notified enrollees with family coverage that they were required to submit documentation of eligibility for each of their dependents (covered under NYSHIP) to Budco, the vendor contracted to perform the Dependent Eligibility Verification Project. If you received a letter from Budco stating that your dependent is ineligible because you did not respond to their request for documentation or you submitted incomplete documentation, your dependent was removed from coverage retroactively to February 1, 2009.

To reinstate coverage for any eligible dependents removed from coverage, you must provide proof of eligibility directly to the Department of Civil Service.

If you have questions, please visit the New York State Department of Civil Service web site at https://www.cs.state.ny.us/nyshipeligibilityproject or call 1-800-409-9059 Monday through Friday 8:00 a.m. to 5:00 p.m. Eastern time. The toll-free telephone number will be available through June 30, 2010.

The Empire Plan At A Glance and Copayment Cards

The April 1, 2010 *Empire Plan At A Glance*, 2010 copayment card and the 2010 Flexible Formulary drug list were mailed to your home. These are important pieces to understand your 2010 benefits; be sure to read them and keep them handy.

Medicare Part B Premium Reimbursement

For most enrollees eligible for Medicare, the base cost for the Medicare Part B premium is $96.40 per month, the same as it was in 2009. However, if you and/or your covered dependent are new to Medicare in 2010 or if your Part B premium is not deducted from your Social Security check(s), the standard Part B premium for 2010 will be $110.50 per month.

If you or your dependent is Medicare-primary, NYSHIP automatically reimburses you for the base cost of the Part B premium unless you receive reimbursement from another source. Due to programming constraints, NYSHIP cannot automatically reimburse you for a premium amount other than the standard premium of $96.40. Therefore, if you or your dependent pays a higher premium, you will need to apply for reimbursement of any amount over $96.40. During May, the Department of Civil Service will mail information to enrollees who receive Medicare Part B reimbursement for themselves and/or a dependent that will explain how to request reimbursement of the additional $14.10 for those paying $110.50 per month. Note: NYSHIP will not reimburse any penalty charged for late enrollment in Medicare, nor will it duplicate Medicare reimbursement received from another employer.

Reimbursement of the Medicare Part B Income-Related Monthly Adjustment Amount (IRMAA) for Medicare-Primary Enrollees

Medicare Law requires some people to pay a higher premium for their Medicare Part B coverage based on their income. If you and/or any of your enrolled dependents are Medicare-primary and received a letter from the Social Security Administration (SSA) requiring the payment of an Income-Related Monthly Adjustment Amount (IRMAA) in addition to the standard Medicare Part B premium ($96.40) for 2009, you are eligible to be reimbursed for this additional premium by NYSHIP.

Note: If your 2007 adjusted gross income was less than or equal to $85,000 ($170,000 if you filed taxes as married filing jointly), you are NOT eligible for any additional reimbursement this year.

To claim the additional IRMAA reimbursement, eligible enrollees are required to apply for and document the amount paid in excess of the standard premium. For information on how to apply, a list of the documents required or questions on IRMAA, check the New York State Department of Civil Service web site at https://www.cs.state.ny.us. Choose Benefit Programs on the home page, then NYSHIP Online and select your group, if prompted. The IRMAA letter was mailed to Medicare Part B reimbursement-eligible enrollees in January 2010 and is available under What's New? on the NYSHIP Online home page. Or call the Employee Benefits Division at 518-457-5754 (if you are located in the 518 area code) or 1-800-833-4344 between the hours of 9:00 a.m. and 3:00 p.m.

Preretirement Seminars

The Governor's Office of Employee Relations (GOER) with the Office of the State Comptroller presents Preretirement Seminars. As part of the seminars, a representative from the Employee Benefits Division will explain the New York State Health Insurance Program (NYSHIP) and your choices before you leave the payroll.

Call your personnel office to learn if there is a seminar available in your area and to reserve your place. Be sure to bring your personal confirmation letter from GOER when you attend. The New York State Department of Civil Service web site, https://www.cs.state.ny.us, also has the seminar schedule. Click on Benefit Programs, select your group and benefit plan if prompted, and then click on Calendar.

Since demand is greater than available seating at the seminars, you can also access helpful online preretirement resources at www.worklife.state.ny.us/preretirement/index.html or www.osc.state.ny.us/retire.

There is also a helpful 25-minute DVD, Planning for Retirement, and a companion booklet that can be ordered online at https://www.cs.state.ny.us. Click on Benefit Programs, then NYSHIP Online and select Planning to Retire? for more information.

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Information for the Enrollee, Enrolled Spouse/
Domestic Partner and Other Enrolled Dependents

Council 82 Empire Plan Report – April 2010

It is the policy of the State of New York Department of Civil Service to provide reasonable accommodation to ensure effective communication of information in benefits publications to individuals with disabilities. These publications are also available on the Department of Civil Service web site (https://www.cs.state.ny.us). Click on Benefit Programs, then NYSHIP Online for timely information that meets universal accessibility standards adopted by New York State for NYS agency web sites. If you need an auxiliary aid or service to make benefits information available to you, please contact your agency Health Benefits Administrator. New York State and Participating Employer Retirees, COBRA Enrollees and Young Adult Option Enrollees: Contact the Employee Benefits Division at 518-457-5754 (Albany area) or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands).

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Annual Notice of Mastectomy and Reconstructive Surgery Benefits

The Empire Plan covers inpatient hospital care for lymph node dissection, lumpectomy and mastectomy for treatment of breast cancer for as long as the physician and patient determine hospitalization is medically necessary. The Plan covers all stages of reconstructive breast surgery following mastectomy, including surgery of the other breast to produce a symmetrical appearance. The Plan also covers treatment for complications of mastectomy, including lymphedema. Prostheses and mastectomy bras are covered.

Call The Empire Plan toll free at 1-877-7-NYSHIP (1-877-769-7447) and select UnitedHealthcare if you have questions about your coverage for implants, breast forms or other prostheses related to breast cancer treatment.

Empire Plan Benefits Management Program requirements apply. See your *Empire Plan Certificate* and *Empire Plan Reports*.

The *Empire Plan Report* is published by the Employee Benefits Division of the State of New York Department of Civil Service. The Employee Benefits Division administers the New York State Health Insurance Program (NYSHIP). NYSHIP provides your health insurance benefits through The Empire Plan.

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