EMPIRE PLAN SPECIAL REPORT

In This Report

1 Changes Effective October 1, 2011

2 NYSHIP Changes

3 Federal Health Care Changes; October 1, 2011 Benefit Changes

August 2011

New York State Health Insurance Program (NYSHIP) for Employees of the State of New York designated Management/Confidential (M/C); Legislature, their enrolled Dependents, COBRA Enrollees with their Empire Plan Benefits and Young Adult Option Enrollees

Changes Effective October 1, 2011

This Report describes changes affecting your NYSHIP coverage that will take effect on October 1, 2011. These changes are the result of collective bargaining and they have been administratively extended to M/C; Legislature employees.

NYSHIP Changes

- A change in the NYSHIP premium cost sharing between the State and its employees (see page 2)
- Updated life expectancy tables used to calculate the value of your monthly sick leave credit, which is applied to your health insurance premium in retirement (see page 2)

Empire Plan Changes

- Federal health care changes (see page 3)
- Copayment changes (see page 3)

Other changes have an effective date of January 1, 2012, including the addition of independent nurse practitioners and convenient care clinics as participating providers, the health insurance opt-out option and changes to out-of-network deductible and coinsurance amounts. Information about these changes will be provided later in the fall in the NYSHIP Annual Option Transfer Period materials and *At A Glance*.

Special Option Transfer Period in September

As the result of these changes, there will be a Special Option Transfer Period during the month of September. You will have the opportunity to change your NYSHIP option for October 2011.

Your cost of coverage under The Empire Plan or a NYSHIP HMO for October 1 through the end of 2011 will be posted on the Department web site https://www.cs.ny.gov no later than August 31, 2011. A rate flyer also will be mailed to your home on or before that date. The web site and the rate flyer will provide details of the special option transfer period.

Continued on page 2

Continued from page 1

Annual Option Transfer Period for 2012

The annual option transfer will be held, as usual, at the end of the year with changes effective for the 2012 plan year. There also will be NYSHIP rate changes for 2012. You will begin receiving information regarding the Annual Option Transfer Period in the fall. Rates for 2012 will be posted online and mailed to you as soon as they are approved.

NYSHIP Changes

Your Biweekly Premium Contribution Rate

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. Effective October 1, 2011, your share of the cost is changing, based upon your pay grade level as shown below.

Pay Grade	Individual Coverage		Dependent Coverage	
	State Share	Employee Share	State Share	Employee Share
Grade 9 and below	88%	12%	73%	27%
Grade 10 and above	84%	16%	69%	31%

Note: This information does not apply to COBRA enrollees or Young Adult Option enrollees. These enrollees will have a rate change however, as a result of negotiated benefit changes.

Updated Life Expectancy Table

As part of these changes, effective October 1, 2011, the Actuarial Table of Life Expectancy (shown below) has been updated to reflect the fact that we Americans are living longer. This will impact the monthly sick leave credit amount that you use toward your premium payments in retirement. Since we are living longer, the number of months of life expectancy at retirement has increased and the amount of monthly sick leave credit will be lower.

Actuarial Table
Effective for Retirements on or after October 1, 2011

Age at Retirement	Life Expectancy	Age at Retirement	Life Expectancy
55	337 months	64	250 months
56	327 months	65	241 months
57	317 months	66	232 months
58	307 months	67	223 months
59	297 months	68	214 months
60	288 months	69	205 months
61	278 months	70	197 months
62	269 months	Etc.	
63	259 months		

If you need actuarial rates for additional retirement ages, ask your agency Health Benefits Administrator.

Federal Health Care Changes

The Federal Patient Protection and Affordable Care Act (PPACA), which will be referred to as "the Act" in this article and throughout this *Empire Plan Special Report*, requires that we make several changes to your Empire Plan coverage.

The Empire Plan benefit package administratively extended to unrepresented employees will lose grandfathered status under PPACA, effective on October 1, 2011. This means that your Empire Plan benefits will become a nongrandfathered plan and will include all changes required by the Act according to the Act's timetable.

The Act requires the following changes effective on October 1, 2011:

Adult immunizations as recommended by the Federal Centers for Disease Control will not be subject to copayment when administered by a participating provider.

The Act requires coverage of certain preventive care services received at a network hospital or from a participating provider to be paid at 100 percent (not subject to copayment). Preventive care services covered under the Act with no copayment include:

- Immunizations as recommended by the Advisory Committee on Immunization Practices of the Centers for Disease Control and Prevention,
- Preventive care and screenings for women, infants, children and adolescents as stated in guidelines supported by the Health Resources and Services Administration,
- Preventive care and screenings for men in the current recommendations of the United States Preventive Services Task Force,
- Items or services that have a rating of "A" or "B" in the current recommendations of the United States Preventive Services Task Force.

For further information on preventive services, see The Empire Plan Preventive Care Coverage Chart at the New York State Department of Civil Service web site at https://www.cs.ny.gov. Select Benefit Programs then NYSHIP Online. At the home page choose your group, if applicable then Using Your Benefits. Choose Publications and you will find the chart under Empire Plan or visit www.healthcare.gov.

Also, in a medical emergency, non-participating provider charges in a hospital emergency room will be considered under the Basic Medical Program subject to deductible, but not coinsurance.

October 1, 2011 Benefit Changes

Prescription Drug Program

Your benefits under The Empire Plan Prescription Drug Program are based on a Flexible Formulary that provides enrollees and the Plan with the best value in prescription drug spending. Currently, a brand-name drug may be placed on Level 1, subject to the lowest copayment. Effective October 1, 2011, a generic drug may be excluded from coverage or placed on Level 3, subject to the applicable copayment. These placements may be revised mid-year when such changes are advantageous to The Empire Plan. Enrollees will be notified in advance of such changes.

Copayment Changes

When you fill your Prescription for a covered drug for up to a **30-day supply at a Network Pharmacy, Mail Service Pharmacy or the designated Specialty Pharmacy,** your Copayment is:

- **$5** for most **Generic** Drugs or Level 1 Drugs
- **$25** for **Preferred** Drugs, Compound Drugs or Level 2 Drugs
- **$45** for **Non-Preferred** Drugs, or Level 3 Drugs

When you fill your Prescription for a **31- to 90-day supply at a Network Pharmacy,** your Copayment is:

- **$10** for most **Generic** Drugs or Level 1 Drugs
- **$50** for **Preferred** Drugs, Compound Drugs or Level 2 Drugs
- **$90** for **Non-Preferred** Drugs or Level 3 Drugs

When you fill your Prescription for a **31- to 90-day supply through the Mail Service Pharmacy or the designated Specialty Pharmacy,** your Copayment is:

- **$5** for most **Generic** Drugs or Level 1 Drugs
- **$50** for **Preferred** Drugs, Compound Drugs or Level 2 Drugs
- **$90** for **Non-Preferred** Drugs or Level 3 Drugs

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

M/C; Legislature Empire Plan Special Report
August 2011

It is the policy of the New York State 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.ny.gov). 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 and COBRA Enrollees: Contact the Employee Benefits Division at 518-457-5754 or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands).

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