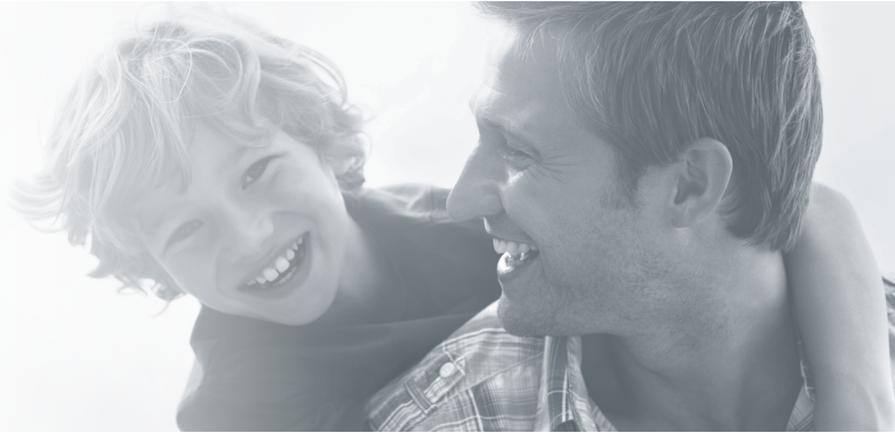


EMPIRE PLAN REPORT



April 2012

**New York State Health Insurance Program (NYSHIP)
For Employees of the State of New York in the Agency Police
Services Unit (APSU) who are represented by PBANYS**
and for their enrolled Dependents, COBRA Enrollees with their
Empire Plan Benefits and Young Adult Option Enrollees

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Negotiated Changes Effective October 1, 2011 and April 1, 2012

This Report describes changes affecting your NYSHIP coverage that have effective dates of October 1, 2011 and April 1, 2012 as a result of the recently ratified contract between the State of New York and PBANYS. They include:

October 1, 2011 Changes

- Federal health care changes (see page 6)
- A change in the NYSHIP premium cost sharing between the State and its employees (see page 2)

April 1, 2012 Changes

- 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)
- The Health Insurance Opt-out Program (see pages 3-4)
- Copayment changes (see page 7)
- Changes to out-of-network deductible and coinsurance amounts (see page 8)
- Addition of Convenience Care Clinics and Licensed Nurse Practitioners as Participating Providers (see pages 9 and 10)
- Changes to The Empire Plan Prescription Drug Program, including implementation of a Flexible Formulary and a Specialty Drug Program (see page 14)

Special Option Transfer Period in March

As the result of negotiated changes, there will be a Special Option Transfer Period from March 1, 2012 through March 30, 2012. You will have the opportunity to change your NYSHIP option for April 1, 2012.

Your cost of coverage under The Empire Plan or a NYSHIP HMO for October 1 through March 31, 2012 will be posted on the Department web site <https://www.cs.ny.gov> no later than February 29, 2012. 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.



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 as shown below.

Individual Coverage		Dependent Coverage	
State Share	Employee Share	State Share	Employee Share
84 percent	16 percent	69 percent	31 percent

Since premium deductions for your NYSHIP coverage after October 1, 2011 have already been taken, the increase in your biweekly cost for NYSHIP coverage from October 2011 through March 2012 will be calculated to determine your retroactive health insurance special adjustment. This special adjustment will be applied to your paycheck dated March 28, 2012, the same paycheck in which you will receive your retroactive payments, in accordance with the 2011-2016 agreement between the State and PBANYS for APSU employees. In addition to the special adjustment and payments, the health insurance regular premium deduction amount will reflect the 2012 rates.

A rate flyer with rates effective April 1, 2012 will be mailed to your home before February 29, 2012. The additional cost of coverage under The Empire Plan or a NYSHIP HMO for October 1 through March 31, 2012, will be posted on the Department web site.

To calculate your retroactive health insurance special adjustment, go to our web site on or after February 29 at <https://www.cs.ny.gov> and click on Benefit Programs, then NYSHIP Online. Select your group if prompted, and then click on Health Benefits & Option Transfer. Choose Rates and Health Plan Choices and select Retroactive Health Insurance Special Adjustments. You will find instructions for calculating the amount of retroactive premium you owe.

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

Updated Life Expectancy Table

As part of the changes, effective **April 1, 2012**, the Actuarial Table of Life Expectancy used to calculate the value of unused sick leave has been updated to reflect the fact that Americans are living longer. This will impact any monthly sick leave credit amount applied to 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. A sick leave credit calculator is available at the New York State Department of Civil Service website at <https://www.cs.ny.gov>. See page 19 for navigation instructions.

Actuarial Table Effective for Retirements on or after April 1, 2012			
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	71	188 months
63	259 months	72	180 months
		Etc	

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

Health Insurance Opt-out Program

Effective April 1, 2012, NYSHIP will offer an Opt-out Program that will allow eligible employees who have other employer-sponsored group health insurance to opt out of their NYSHIP coverage in exchange for an incentive payment. The annual incentive payment is \$1,000 for waiving Individual coverage or \$3,000 for waiving Family coverage. For the period April 1, 2012 – December 31, 2012, the incentive payment will be \$38.47 per paycheck for individual coverage and \$115.39 per paycheck for family coverage. The incentive payments will be prorated and reimbursed in your biweekly paycheck throughout the current year. **Note:** The payments will be taxable income.

Eligibility Requirements

To be eligible for the Program beginning April 1, 2012, you must have been enrolled in NYSHIP by April 1, 2011, and remain enrolled through March 31, 2012, unless you became newly eligible for NYSHIP benefits after April 1, 2011.

If you are a benefits-eligible enrollee but are newly eligible for the Health Insurance Opt-out Program due to a negotiating unit change, you must apply for the opt-out within 30 days of the date you become eligible. Your NYSHIP coverage will terminate on the date of your request to opt-out.

Once enrolled in the Opt-out Program, you are not eligible for the incentive payment during any period that you do not meet the requirements for the State contribution to the cost of your NYSHIP coverage. Also, if you are receiving the opt-out incentive for Family coverage and your last dependent loses NYSHIP eligibility, you will only be eligible for the Individual payment from that point on.

Electing to Opt Out

If you are currently enrolled in NYSHIP and wish to participate in the Opt-out Program, you must elect to opt out during the special Option Transfer Period in March and attest to having other employer-sponsored group health insurance each year. See your agency Health Benefits Administrator (HBA) and complete the 2012 Opt-out Attestation Form (PS-409).

If you are a new hire or a newly benefits-eligible employee who has other employer-sponsored group health insurance and wish to participate in the Opt-out Program, you must make your election no later than the first date of your eligibility for NYSHIP. See your agency HBA and complete the NYS Health Insurance Transaction Form (PS-404) and the 2012 Opt-out Attestation Form (PS-409).

Your NYSHIP coverage will terminate at the end of March 2012 and the incentive payments will begin on or after March 28, 2012, until the end of the plan year.

Reenrollment in NYSHIP

Employees who participate in the Opt-out Program may reenroll in NYSHIP during the next annual Option Transfer Period. To reenroll in NYSHIP coverage any other time, employees must experience a qualifying event like a change in family status (e.g.; marriage, birth, death or divorce) or loss of coverage. Employees must provide proof of the qualifying event within 30 days of the date of the event or any change in enrollment will be subject to NYSHIP's late enrollment rules. See the *NYSHIP General Information Book* for more details.

Opt-out Program Questions and Answers

Q. What is considered other employer-sponsored group health insurance coverage for the purpose of qualifying for the Opt-out Program?

A. To qualify for the Program you must be covered under an employer-sponsored group health insurance plan through other employment of your own or a plan that your spouse, domestic partner or parent has as the result of his or her employment. The other coverage cannot be NYSHIP coverage provided through employment with the State of New York. However, NYSHIP coverage through another employer such as a municipality, school district or public benefit corporation qualifies as other coverage.

Q. Will I qualify for Opt-out Program incentive payments if I change from Family to Individual coverage?

A. No. If you are enrolled for NYSHIP coverage you will not qualify for the incentive payment.

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Opt-out Program Questions and Answers

Q. If I elect the Opt-out Program for 2012, will I automatically be enrolled in the Program for the following plan year?

A. No. Unlike other NYSHIP options, you must elect the Opt-out Program on an annual basis. If you do not make an election for the next plan year, your enrollment in the Opt-out Program will end and the incentive payment credited to your paycheck will stop.

Q. If I opt out and I find that I don't like my alternate coverage (for instance, my doctor does not participate) can I withdraw my enrollment in the Opt-out Program and reenroll in NYSHIP coverage?

A. No. This is not a qualifying event. During the year you can terminate your enrollment in the Opt-out Program and reenroll in NYSHIP benefits only if you experience a qualifying event (according to federal Internal Revenue Service (IRS) rules), such as a change in family status or loss of other coverage.

Q. If my spouse's, domestic partner's or parent's employer has its open enrollment period (or option transfer period) at a different time of the year, how can I coordinate the effective date of my other coverage with the start of the Opt-out Program?

A. Under IRS rules, if an employee's spouse drops coverage under his or her employer plan during Option Transfer, the employee can be permitted to enroll the spouse mid-year in his or her employer plan — as long as the plans have different open enrollment periods. **You should check to see whether your spouse's employer will permit your spouse to enroll you as a dependent.** You are responsible for making sure your other coverage is in effect.

Q. What if I lose my other coverage and do not request enrollment for NYSHIP benefits with The Empire Plan or a NYSHIP HMO within 30 days of losing that coverage?

A. If you fail to make a timely request, you will be subject to NYSHIP's late enrollment waiting period, which is five biweekly pay periods. You will not be eligible for NYSHIP coverage during the waiting period.

Q. Can I get a lump sum payment if I elect the Opt-out Program?

A. No. The Opt-out Program incentive payment is prorated and reimbursed through your biweekly paychecks throughout the year.

Q. If I am eligible for health, dental and vision coverage as a State employee, do I have to opt out of all three benefits to receive the incentive payment?

A. No. The Opt-out Program incentive payment applies to health insurance coverage only. If you enroll in the Program, your eligibility for dental and vision coverage will not be affected.

Q. When I enroll in the Opt-out Program, what information will I need to provide about the other employer-sponsored group health coverage I will be covered by?

A. To enroll you must complete a PS-409. You will be required to attest that you are covered by other employer-sponsored group health coverage and provide information regarding the person that carries that coverage, as well as the name of the other employer and other health plan.

Q. I had Individual NYSHIP coverage prior to April 1, 2011, and changed to Family coverage when I got married in July. Will I qualify for the \$3,000 family incentive payment even though I did not have Family coverage as of April 1?

A. Employees who enrolled in Family coverage due to a qualifying event and did so, on a timely basis, between April 1, 2011 and March 31, 2012 are eligible for the higher incentive payment. You will not be eligible for the higher incentive payment if you enrolled for Family coverage after April 1, 2011 and were subject to a late enrollment waiting period.

Q. Will participating in the Opt-out Program affect my eligibility for NYSHIP coverage in retirement?

A. No. Participation in the Opt-out Program satisfies the requirement of enrollment in NYSHIP at the time of your retirement.

Young Adult Children

The Federal Patient Protection and Affordable Care Act (PPACA) requires insurers to offer young adult children coverage as dependents on their parent's health insurance up to age 26. Financial dependency, student status, marital status, employment and residency can no longer be used to determine eligibility. Although the law extends coverage to married children, it does not apply to their spouse or children.

You can add a young adult child (up to age 26) to your Family coverage at no additional cost. See your agency Health Benefits Administrator (HBA) for more details.

If you currently have Individual coverage and would like to add a young adult child as a dependent, you will need to change to Family coverage. A list of Family coverage rates is available on the New York State Department of Civil Service web site at <https://www.cs.ny.gov>. See page 19 for navigation instructions.

A young adult child under the age of 26 and enrolled as a dependent, will continue to be enrolled until age 26, unless you choose to take him/her off your plan. Coverage as a dependent will end on the last day of the month in which the young adult child turns 26 years old.

A 26-year old dependent child who has served in a branch of the U.S. Military may qualify for up to four additional years of health insurance coverage (as a dependent), provided he/she is unmarried and a full-time student. You must be able to provide written documentation from the U.S. Military and the student's school.

When a young adult child loses eligibility for health insurance coverage, he/she may be entitled to continue coverage for up to 36 months under the federal Consolidated Omnibus Budget Reconciliation Act (COBRA) or the New York State Continuation of Coverage law. A young adult child may also be eligible to purchase his/her own NYSHIP coverage through the Young Adult Option up to age 30. For more information about continuation coverage or NYSHIP's Young Adult Option see your agency HBA.

Young Adult Option Coverage

As the result of a change in NYS Insurance Law, 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.

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 was an initial open enrollment period for the Young Adult Option throughout 2010. There will be a 30-day annual open enrollment period each year. 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.ny.gov/yao/>. Or you may contact the Employee Benefits Division at 518-457-5754 or 1-800-833-4344 for additional information and to enroll.

New York State: Supplemental Continuation of Coverage

New York State law allows enrollees who have exhausted an 18- or 29-month continuation period under the federal Consolidated Omnibus Budget Reconciliation Act (COBRA) to extend coverage under the State's continuation law for up to 36 months. Therefore, if you qualify for COBRA continuation coverage you are eligible to continue NYSHIP 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.

The cost of coverage continuation is the full premium cost for individual coverage plus a two percent administrative fee.

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Medicare Durable Medical Equipment and Prosthetics and Orthotics Supply (DMEPOS) Competitive Bidding Program

Medicare has implemented the DMEPOS Competitive Bidding Program in the following areas of the country: Charlotte-Gastonia-Concord (North Carolina and South Carolina); Cincinnati-Middletown (Ohio, Kentucky and Indiana); Cleveland-Elyria-Mentor (Ohio); Dallas-Fort Worth-Arlington (Texas); Kansas City (Missouri and Kansas); Miami-Fort Lauderdale-Pompano Beach (Florida); Orlando-Kissimmee (Florida); Pittsburgh (Pennsylvania); Riverside-San Bernardino-Ontario (California). Additional areas (including some areas in New York State) may be added to the Program in the future.

Medicare-primary enrollees who permanently reside in or travel to any of the nine geographic areas above, are required to obtain certain DMEPOS items from a Medicare contract supplier, unless an exception applies. If a Medicare contract supplier is not used, Medicare will not pay any portion of the bill. The Empire Plan will estimate what Medicare would have paid for the item(s) and subtract that amount from the enrollee's benefit. **All Medicare-primary enrollees outside these areas must continue to follow HCAP requirements to receive paid-in-full benefits.**

DMEPOS items subject to the Competitive Bidding Program include: mail-order diabetic supplies, oxygen supplies and equipment, standard power wheelchairs, scooters, and accessories, certain complex rehabilitative power wheelchairs and accessories, hospital beds and accessories, walkers and accessories, enteral nutrients and supplies, Continuous Positive Airway Pressure (CPAP) machines, Respiratory Assist Devices and related accessories and support surfaces.

For assistance in locating a Medicare contract supplier, call The Empire Plan Home Care Advocacy Program (HCAP) toll free at 1-877-7-NYSHIP

(1-877-769-7447) and choose the Medical Program, then Benefits Management Program or visit: <http://www.medicare.gov>.

Important Information about the Pre-Tax Contribution Program (PTCP) for Enrollees with a Domestic Partner or Same-Sex Spouse

Enrollees who are eligible for the PTCP and who cover a domestic partner or same-sex spouse 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 or same-sex spouse who is not a federally qualified dependent, you are responsible for reporting the value of the coverage provided 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 or same-sex spouse, 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.

Workers' Compensation

If you become eligible for Workers' Compensation due to a work-related assault, you will be eligible for extended Workers' Compensation coverage. Health insurance coverage at the employee's share of the premium may be continued for up to 24 months from the original leave date for each incident.

Empire Plan 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 Report*, requires that we make several changes to your Empire Plan coverage.

Your Empire Plan benefit package lost grandfathered status under PPACA as a result of the recent contract settlement as of October 1, 2011. This means that your Plan is now a nongrandfathered plan and it includes all changes required by the Act, according to the Act's timetable.

The Act requires the following changes, retroactive to 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> or visit www.healthcare.gov. See page 19 for navigation instructions.

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.

2012 Copayments Effective April 1

Covered services defined as preventive under PPACA (see pages 6-7) are not subject to copayment.

Participating Provider Program

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

\$30 Copayment—Outpatient Surgical Location

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

\$20 Copayment—Office Visit, Radiology, Diagnostic Laboratory Tests

Hospital Outpatient Services (Hospital Program)

\$20 Copayment—Physical Therapy

\$40 Copayment—Diagnostic Laboratory tests and Radiology exams (including Mammography Screening) and Administration of Desferal for Cooley's Anemia

\$60 Copayment—Surgery

\$70 Copayment—Emergency Care

Mental Health and Substance Abuse Program

\$20 Copayment—Visit to Outpatient Substance Abuse Treatment Program

\$20 Copayment—Visit to Mental Health Practitioner

\$70 Copayment—Hospital Emergency Care

Prescription Drug Program

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:

Level 1 Drugs or for most **Generic** Drugs\$5

Level 2, **Preferred** Drugs or Compound Drugs..... \$25

Level 3 or **Non-preferred** Drugs.....\$45

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

Level 1 Drugs or for most **Generic** Drugs\$10

Level 2, **Preferred** Drugs or Compound Drugs..... \$50

Level 3 or **Non-preferred** Drugs.....\$90

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

Level 1 Drugs or for most **Generic** Drugs\$5

Level 2, **Preferred** Drugs or Compound Drugs..... \$50

Level 3 or **Non-preferred** Drugs.....\$90

Note: Oral chemotherapy drugs for the treatment of cancer do not require a copayment.

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Benefits Management Program

Additional Imaging Procedures Require Prospective Procedure Review (PPR) Effective April 1, 2012

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 the Medical Program, then Benefits Management and Radiology Program.

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.

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 seven 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 the Hospital Program to enroll in the Program.

2012 Annual Deductible and Coinsurance Maximum

Under the federal Parity Law effective on January 1, 2012, The Empire Plan is not permitted to have separate deductibles and coinsurance amounts for Basic Medical and non-network coverage under the Hospital Program and the Mental Health and Substance Abuse Program. However, the Managed Physical Medicine Program will continue to have a separate deductible. Therefore, a combined deductible and a combined coinsurance amount for the employee, the enrolled spouse/domestic partner and all dependent children combined applies to the Hospital Program (coinsurance only), Basic Medical Program and non-network expenses under the Health Care Advocacy Program (deductible only) and the Mental Health and Substance Abuse Program. The combined deductible and coinsurance amounts are changing effective April 1, 2012 as the result of the recent negotiated agreement.

Effective January 1, 2012, The Empire Plan combined annual deductible is \$400 for the enrollee, \$400 for the enrolled spouse/domestic partner and \$400 for all dependent children combined.

Effective April 1, 2012, The Empire Plan combined annual deductible increases to \$1,000 for the enrollee, \$1,000 for the enrolled spouse/domestic partner and \$1,000 for all dependent children combined.

The deductible must be met before your Basic Medical Program and non-network expenses under the Health Care Advocacy Program and the Mental Health and Substance Abuse Program claims are considered for reimbursement.

Effective January 1, 2012, the combined coinsurance maximum (out-of-pocket) is \$1,483 for the enrollee, \$1,483 for the enrolled spouse/domestic partner and \$1,483 for all dependent children combined.

Effective April 1, 2012, the combined coinsurance maximum (out-of-pocket) increases to \$3,000 for the enrollee, \$3,000 for the enrolled spouse/domestic partner and \$3,000 for all dependent children combined.

The coinsurance maximum will be shared among the Basic Medical Program and non-network coverage under the Hospital Program and Mental Health and Substance Abuse Program.

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 programs.

Amounts credited toward your deductible and coinsurance maximum between January 1 and April 1, 2012 will be applied toward the higher deductible and coinsurance maximum, that take effect on April 1, 2012.

The Empire Plan Medical/Surgical Benefits Program

Guaranteed Access

The Empire Plan will guarantee access to primary physicians and specialists (listed below) in New York and counties in Connecticut, Massachusetts, New Jersey, Pennsylvania and Vermont that share a border with the State of New York. When there is not an appropriate Empire Plan participating provider within a reasonable distance from an enrollee's residence (see chart below).

Enrollees must call The Empire Plan at 1-877-7-NYSHIP (1-877-769-7447) prior to receiving services, choose the Medical Program then the Benefits Management Program and use one of the approved providers to receive network benefits. You will be responsible for contacting the provider to arrange care. Appointments are subject to provider's availability and the Benefits Management Program does not guarantee that a provider will be available in a specified time period. Guaranteed access applies when The Empire Plan is your primary health insurance coverage (pays benefits first, before any other group plan or Medicare), the enrollee lives and care is provided in New York State or counties in Connecticut, Massachusetts, New Jersey, Pennsylvania and Vermont that share a border with the State of New York and there is not an appropriate Empire Plan participating provider within a reasonable distance from the enrollee's residence.

Reasonable distance from the enrollee's residence is defined by the following mileage standards:

Primary Care Physician:

Urban: 8 miles
Suburban: 15 miles
Rural: 25 miles

Specialist:

Urban: 15 miles
Suburban: 25 miles
Rural: 50 miles

Within these mileage standards, network benefits are guaranteed for the following primary care physicians and core specialties:

Primary Care Physicians: Family Practice, General Practice, Internal Medicine, Pediatrics, Obstetrics/Gynecology

Specialties: Allergy, Anesthesia, Cardiology, Dermatology, Emergency Medicine, Gastroenterology, General Surgery, Hematology/Oncology, Neurology, Ophthalmology, Orthopedic Surgery, Otolaryngology, Pulmonary Medicine, Radiology Rheumatology, Urology

Convenience Care Clinics

Effective April 1, 2012, when you need treatment for common ailments and injuries, you now have more choices. You can get high-quality, affordable services for **uncomplicated minor illnesses and preventive health care** through Convenience Care Clinics located throughout the country.

Convenience Care Clinics are health care clinics located in retail stores, supermarkets and pharmacies. They are sometimes called "retail clinics", "retail-based clinics" or "walk-in medical clinics." Convenience Care Clinics are usually supported by licensed physicians and staffed by nurse practitioners or physician assistants. Some, however, are staffed by physicians. Currently, there are over 1,350 Convenience Care Clinics located throughout the United States. Most Convenience Care Clinics are open seven days a week – 12 hours a day, Monday through Friday and eight hours a day on the weekend.

Results of your diagnosis and treatment are sent to your doctor with your permission. If you have a more severe condition, or require treatment in a different setting, the Convenience Care clinician will refer you to your doctor or an Emergency Room. Remember that Convenience Care Clinics are only covered under the Participating Provider Program. There is no coverage under the Basic Medical Program. Convenience Care Clinics can be identified in the Empire Plan Provider Directory under the choice of Other Facilities; Convenience Care Clinic.

Please note that some of the services, particularly vaccinations, are also available to the general public in retail pharmacy locations. Many Convenience Care Clinics are located adjacent to these retail pharmacies. It is important to note that only services rendered at an in-network Convenience Care Clinic are covered under the Empire Plan Medical Program. Any services rendered at any retail pharmacy, including vaccines, are not a covered benefit under the Empire Plan Medical Program.

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Licensed Nurse Practitioners

Effective April 1, 2012, Licensed Nurse Practitioners have been added to the list of UnitedHealthcare providers. Licensed Nurse Practitioners provide healthcare services similar to those of a physician. They may diagnose and treat a wide range of health problems. In addition to clinical care, licensed nurse practitioners focus on health promotion and counseling, disease prevention and health education. Licensed Nurse Practitioners provide services in accordance with the laws of the state where services are rendered.

\$30 Copayment for Participating Non-Hospital Outpatient Surgical Locations

Beginning April 1, 2012, 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, 2012, 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. Enrollees and dependents age 55-59 will pay a \$20 copayment. No copayment will be required for those age 60 and older in accordance with PPACA guidelines. This coverage is consistent with established clinical guidelines. You pay only the office visit copayment, if applicable, 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.

Hearing Aids

Effective April 1, 2012, hearing aids, including evaluation, fitting and purchase, are covered up to a total maximum reimbursement of \$1,500 per hearing aid per ear, once every four years. Children age 12 years and under are eligible to receive a benefit of up to \$1,500 per hearing aid per ear, once every two years when it is demonstrated that a covered child's hearing has changed significantly and the existing hearing aid(s) can no longer compensate for the child's hearing loss. These benefits are not subject to deductible or coinsurance.

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.

Prosthetic Wig Benefit

Effective April 1, 2012, 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.

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. 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 the Medical Program. Or, go to the New York State Department of Civil Service web site (<https://www.cs.ny.gov>). See page 19 for navigation instructions.

Diabetic Shoes

Effective April 1, 2012, 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 call the Home Care Advocacy Program (HCAP). You must call The Empire Plan toll free at 1-877-7-NYSHIP (1-877-769-7447), choose the Medical Program 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

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 enrollees who travel within the United States 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.

Kidney Resource Services Program

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

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Mental Health Program Non-Network Benefit Changes Effective April 1, 2012

You receive non-network benefits for covered services when you do not call OptumHealth before your treatment begins and/or you call OptumHealth but do not follow OptumHealth's recommendations. Changes to non-network benefits for mental health coverage under The Empire Plan, effective April 1, 2012, are explained below.

Practitioner Services: 80 percent of Reasonable and Customary Charges

After you meet the combined annual deductible of \$1,000 for you, \$1,000 for your enrolled spouse/domestic partner and \$1,000 for all children combined, The Empire Plan pays up to 80 percent of the reasonable and customary charges for covered mental health care services. After the combined coinsurance maximum of \$3,000 for you, \$3,000 for your enrolled spouse/domestic partner and \$3,000 for all children combined is reached, The Empire Plan pays up to 100 percent of reasonable and customary charges for covered services.

Electro-Convulsive Therapy and Psychological Testing: 80 percent of Reasonable and Customary Charges

After you meet the combined annual deductible, The Empire Plan pays up to 80 percent of the reasonable and customary charges for covered electro-convulsive therapy and psychological testing and evaluations. After the combined coinsurance maximum is reached, The Empire Plan pays up to 100 percent of reasonable and customary charges for covered services. These benefits must be certified by OptumHealth as medically necessary before the service is received.

Inpatient Care: 90 percent of Billed Charges

The Empire Plan pays up to 90 percent of billed charges for covered acute inpatient mental health care in an approved hospital or an approved psychiatric facility. You pay the remaining 10 percent until you reach the combined coinsurance maximum of \$3,000 for you, the enrollee, \$3,000 for your enrolled spouse/domestic partner and \$3,000 for all enrolled dependent children combined. The Empire Plan then pays 100 percent of billed charges for covered services. This benefit is not subject to a deductible.

Partial Hospitalization, Intensive Outpatient Program, Day Treatment, 23-Hour Extended Bed and 72-Hour Crisis Bed: 90 percent of Billed Charges

The Empire Plan pays up to 90 percent of billed charges for mental health care received from an approved facility. You pay the remaining 10 percent until you reach the combined coinsurance maximum of \$3,000 for you, the enrollee, \$3,000 for your enrolled spouse/domestic partner and \$3,000 for all enrolled dependent children combined. The Empire Plan then pays 100 percent of billed charges for covered services. This benefit is not subject to a deductible.

Inpatient and Outpatient Visits: Unlimited

The number of inpatient and outpatient services for both network and non-network mental health treatment under The Empire Plan is unlimited when certified as medically necessary by OptumHealth.

Reasonable and Customary means the lowest of the:

- actual charge for mental health services, or
- usual charge for mental health services by the practitioner, or
- usual charge for mental health services of other practitioners in the same or similar geographic area for the same or similar service.

The determination of the reasonable and customary charge for a service or supply is made by OptumHealth.

Note: See page 8 for information about your 2012 Annual Deductible and Coinsurance Maximums.

**Highlights of Non-Network* Mental Health Benefit Changes
Effective April 1, 2012**

	Former	Current
Individual Practitioner	Plan paid 50 percent of network allowance after a \$500 annual deductible	Plan pays up to 80 percent of reasonable and customary charges for covered services after you meet the combined annual deductible of \$1,000 for you, \$1,000 for your enrolled spouse/domestic partner and \$1,000 for all children combined. After the combined outpatient coinsurance maximum of \$3,000 for you, \$3,000 for your enrolled spouse/domestic partner and \$3,000 for all dependent children combined is reached, Plan pays up to 100 percent of reasonable and customary charges.
Electro-Convulsive Therapy/Psychological Testing	Plan paid 50 percent of network allowance after an annual deductible	Plan pays up to 80 percent of reasonable and customary charges for covered services after you meet the combined annual deductible. After the annual outpatient coinsurance maximum is reached, Plan pays up to 100 percent of reasonable and customary charges. Precertification required.
Acute Inpatient Stays	Plan paid 50 percent of network allowance after the annual deductible	Plan pays up to 90 percent of billed charges. After you pay the combined annual inpatient coinsurance maximum for yourself, your spouse/domestic partner and all dependent children combined, Plan pays 100 percent of billed charges for medically necessary care in an approved facility.
Partial Hospitalization, Intensive Outpatient Program, Day Treatment, 23-Hour Extended Bed and 72-Hour Crisis Bed	Network coverage only	Plan pays up to 90 percent of billed charges. After you pay the combined annual inpatient coinsurance maximum for yourself, your spouse/domestic partner and all dependent children combined, Plan pays 100 percent of billed charges for medically necessary care in an approved facility.
Maximum Number of Outpatient Visits and Inpatient Days	30 visits per year and 30 inpatient days per year	Unlimited when medically necessary

*Note: Network benefits remain the same.



Call The Empire Plan toll free at 1-877-7-NYSHIP (1-877-769-7447) and choose the Mental Health/Substance Abuse Program for Clinical Referral

To ensure the highest level of benefits, you must call OptumHealth before you seek mental health treatment.

When you call and follow OptumHealth's recommendations, you are guaranteed access to network coverage at little or no cost to you.

Network providers are listed in The Empire Plan Participating Provider Directory. You may ask your agency Health Benefits Administrator for the

Directory or provider information is also available on NYSHIP Online at <https://www.cs.ny.gov>. See page 19 for navigation instructions.

You may receive a lower level of benefits if you do not call or use network providers. And, if you submit a claim for non-network services and OptumHealth determines that your treatment was not medically necessary, your claim may not be reimbursed.

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Prescription Drug Program

Empire Plan Adopts Flexible Formulary for APSU

Effective April 1, 2012, your benefits under The Empire Plan Prescription Drug Program are based on a flexible formulary. The 2012 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 certain brand-name or generic drugs, if the drug has no clinical advantage over other covered medications in the same therapeutic class;
- Placing a brand-name drug on Level 1 or excluding or placing a generic drug on Level 3, subject to the appropriate 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.
- Applying the highest copayment to non-preferred brand-name drugs that provide no clinical advantage over two or more Level 1 drug alternatives in the same therapeutic class. This may result in no Level 2 brand-name drugs.

The main features of The Empire Plan 2012 Flexible Formulary are:

- *New Copayment levels.*
- *Certain drugs will be excluded from coverage.* If a drug is excluded, therapeutic brand-name and/or generic equivalents will be covered.

Updates to the 2012 Empire Plan Flexible Formulary drug list, including the availability of certain drugs, are posted on the New York State Department of Civil Service web site at <https://www.cs.ny.gov>. See page 19 for navigation instructions.

Excluded Drugs

The following drugs are excluded from coverage under the 2012 Empire Plan Flexible Formulary drug list: Acuvail, Adoxa, amiodipinol/atorvastin (generic Caduet), Amrix, Androgel, Analpram Advanced Kit, Aplenzin, Aricept 23mg, Asacol HD, BenzEfoam, Caduet, Cambiac 250, carisoprodol 250 (generic Soma 250mg), Centany AT, Clindacin PAC, clobetasol propionate (generic Clobex shampoo) Clobex shampoo, Coreg CR, cyclobenzaprine hydrochloride extended release capsule (generic Amrix), Detrol LA, Dexilant, Doryx, doxycycline hyclate delayed release tablet (generic Doryx), doxycycline monohydrate 150 mg capsule (generic Adoxa), Edluar, Epiduo, Extavia, 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), Jalyn, lansoprazole capsule, Metozolv ODT, Momexin Kit, Morgidox Kit, Naprelan, Neobenz Micro, Nexium, Norditropin (except for the treatment of short stature associated with Noonan syndrome or Small for Gestational Age), Orbivan, Olux/Olux-E Complete Pack, omeprazole/sodium bicarbonate capsule (generic Zegerid), Omnitrope (except for the treatment of growth failure due to Prader-Willi Syndrome or Small for Gestational Age), Pacnex HP/Pacnex LP/Pacnex Mx, Pennsaid, Prevacid Capsule, Requip XL, Rybix ODT, Ryzolt, Silenor, Soma 250, Sumaxin TS, Terbinex, Tobradex ST, tramadol extended release, tramadol hcl (generic Tyzolt) Treximet, Triaz, Tribenzor, Tricor, Trilipix, Twynsta, Uramaxin GT, Veramyst, Veltin, Vimovo, Xerese, Xopenex Inhalation Solution, Zegerid capsule, Ziana, Zipsor, Zuplenz and Zyclara.

The Plan reviews the drug list yearly for additional exclusions and level placement of medications. 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, 2012 *Empire Plan At A Glance* for a printed copy of the 2012 Empire Plan Flexible Formulary or visit the New York State Department of Civil Service web site at <https://www.cs.ny.gov>. See page 19 for navigation instructions.

Specialty Pharmacy Program

Effective April 1, 2012, 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, 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, 2012, 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.ny.gov>. See page 19 for navigation instructions. 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), between 8:00 a.m. and 8:00 p.m. and choose The Empire Plan Prescription Drug Program, and ask to speak with Accredo.

Prior Authorization Drugs

Effective April 1, the list of prior authorization drugs will also change. The following is a list of drugs (including generic equivalents) that require prior authorization: Abstral, Actemra, Actiq, Adcirca, Amevive, Ampyra, Aranesp, Avonex, Betaseron, Botox, Cayston, Cimzia, Copaxone, Dysport, Egrifta, Enbrel, Epogen/Procrit, fentanyl citrate powder, Fentora, Flolan, Forteo, Gilenya, Growth Hormones, Humira, Immune Globulins, Incivek, Increlex, Infergen, Intron-A, Iplex, Kalydeco, Kineret, Kuvan, Lamisil, Lazanda, Letairis, Makena, Myobloc, Nuvigil, Onsolis, Orenzia, Pegasys, Peg-Intron, Provigil, Rebif, Remicade, Remodulin, Revatio, Ribavirin, Simponi, Sporanox, Stelara, Synagis, Tracleer, Tysabri, Tyvaso, Veletri, Ventavis, Victrelis, Weight Loss Drugs, Xeomin, Xolair and Xyrem.

Instant Rebates for omeprazole (generic Prilosec) and doxycycline

For a limited time only, The Empire Plan Prescription Drug Program will offer an instant rebate of your full copayment for omeprazole (generic Prilosec) in substitution for your previous prescription for lansoprazole (generic Prevacid) or Nexium and doxycycline in place of doxycycline hyclate, which are excluded under the Flexible Formulary.

The instant rebates will apply to all omeprazole and doxycycline prescriptions filled at participating retail pharmacies or at a mail service pharmacy between April 1, 2012 and July 31, 2012. 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, 2012, you will pay the applicable Level 1 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.

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:.....Crestor 10 mg
Quantity:..... 30 tablets
Dosage:.....Take 1 tablet every morning
Copayment..... \$25

New Prescription:.....Crestor 20 mg
Quantity:..... 15 tablets
Dosage:.....Take ½ tablet every morning
Copayment.....\$12.50

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.

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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.ny.gov>. See page 19 for navigation instructions to 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.

Your welcome letter will include details on how to order your free tablet splitter.



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 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 Empire Plan Flexible Formulary continues to cover generic and other 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 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.

Reminders 2012

Empire Plan Toll-free Script Changes

If you have called The Empire Plan toll-free number 1-877-7-NYSHIP (1-877-769-7447), you may have noticed that we've made some changes to the phone script to help serve you better. The script no longer contains up front prompts using the carrier names and it instead references program names. This change was made to alleviate confusion regarding the name of the plan since enrollees sometimes referred to the plan by the carrier name rather than The Empire Plan. The script is also shorter, to lessen your wait time.

The order of the programs and options has remained the same. However, as a reminder:

Press 1 for the Medical Program, including physician services, medical equipment and home care, administered by UnitedHealthcare

Press 2 for the Hospital Program, administered by BlueCross BlueShield

Press 3 for the Mental Health and Substance Abuse Program, administered by OptumHealth Behavioral Solutions

Press 4 for the Prescription Drug Program, administered by MedcoHealth Solutions

Press 5 for the Empire Plan NurseLineSM for health information and support

Remember, your plan is The Empire Plan for New York government employees.

Medicare Part B Premium Reimbursement

For most enrollees eligible for Medicare, the base cost for the Medicare Part B premium in 2012 is \$99.90 per month.

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 (\$99.90) for 2012, you are eligible to be reimbursed for this additional premium by NYSHIP. **Note: If your 2009 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 Department of Civil Service web site at <https://www.cs.ny.gov>. 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 2012 and is available under either What's New or Notices on the NYSHIP Online home page. Or call the Employee Benefits Division at 518-457-5754 or 1-800-833-4344 between the hours of 9:00 a.m. and 3:00 p.m.

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The Empire Plan At A Glance and Copayment Cards

The April 1, 2012 *Empire Plan At A Glance* along with 2012 Copayment Cards and the 2012 Flexible Formulary List will be mailed to your home in early April. These are important pieces to understand your new benefits; be sure to read them and keep them handy. If you need additional copayment cards, contact your agency Health Benefits Administrator.



Participating Provider Directories

Additional Participating Providers in Pennsylvania, Chicago and Surrounding Illinois Counties

We are pleased to announce that beginning January 1, 2012 the network of participating providers serving The Empire Plan in Illinois was expanded to include providers in the UnitedHealthcare Options (PPO) network. We are also expanding the participating provider network in Pennsylvania beginning April 1, 2012.



The Empire Plan will expand its network coverage in all counties in Pennsylvania and the following counties in Illinois: Boone, Cook, DeKalb, DuPage, Grundy, Iroquois, Kane, Kankakee, Kendall, LaSalle, Lake, McHenry, Will and Winnebago. This market also includes the zip code of 61358 in Marshall County and the zip code 60129 in Ogle County. Over 23,000 providers are being added to the network in the Illinois market and approximately 32,500 providers in the Pennsylvania market.

You can find the most current list of Empire Plan participating providers, including new Licensed Nurse Practitioners and Convenience Care Clinics, on the New York State Department of Civil Service web site at <https://www.cs.ny.gov>. See page 19 for navigation instructions. Or, call 1-877-7-NYSHIP (1-877-769-7447) toll free, select the Medical Program and then plan benefits to check if your provider participates in the Plan.

Retiring and Relocating?

Is 2012 the year you plan to retire from State service? Congratulations! But you should be cautious if your retirement plans include a move outside New York State. You probably already know that The Empire Plan is the only option that offers worldwide coverage, but this does not mean that participating providers are available in every location. The Empire Plan participating provider network is available through a contract with UnitedHealthcare (UHC). In seven states outside of New York (Arizona, Connecticut, Florida, New Jersey, North and South Carolina and Pennsylvania) as well as Washington D.C. and the adjoining states of Maryland and Virginia and Chicago, IL and surrounding counties, The Empire Plan network leases an enhanced UHC Participating Provider Organization (PPO) listing to provide enrollees living in these areas access to a wider range of providers. This is because large populations of Empire Plan retirees live in these regions of the country.

The Empire Plan has national contracts with Empire BlueCross BlueShield for hospital and related expenses and OptumHealth Behavioral Solutions for mental health and substance abuse services. That means the majority of providers in most out-of-state directories (other than those mentioned above) will be from these networks.

If you live in an area of the country where participating providers are not available, you still have Empire Plan non-network coverage under the Basic Medical Program or the Basic Medical Provider Discount Program, if applicable. Annual deductible and coinsurance apply. See your *Empire Plan Certificate* and Amendments for details.

If you are considering relocation after you retire, be sure to check the availability of participating providers in the new state as part of your planning process. You can do this by visiting our web site, <https://www.cs.ny.gov>. From the NYSHIP Online homepage choose Find a Provider, then scroll down to the Medical/Surgical Program and click on the link for Empire Plan Medical/Surgical Directory. You will be directed to another site where you can customize your search by location. If you prefer a printed directory, see your agency Health Benefits Administrator or call The Empire Plan toll-free at 1-877-7-NYSHIP (1-877-769-7447) and choose the Medical Program to request that a state directory be mailed to your home.

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.ny.gov>, also has the seminar schedule. See this page for navigation instructions.

Since demand is greater than available seating at the seminars, you can also access helpful online pre-retirement resources at www.worklife.ny.gov/preretirement/ 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.ny.gov>. Click on Benefit Programs, then NYSHIP Online and select Planning to Retire? for more information.

NYSHIP Online Resources

Basic Navigation

Go to the New York State Department of Civil Service web site (<https://www.cs.ny.gov>), click on Benefit Programs, then NYSHIP Online and follow the prompts to the NYSHIP Online homepage.

Accessing Information – From the NYSHIP Online homepage, follow the instructions below to find access information referenced in this report.

Find A Provider – Select Find a Provider and scroll down to the program (Hospital, Medical/Surgical or Mental Health/Substance Abuse) you need.

The Empire Plan Preventive Care

Coverage Chart – Select Using Your Benefits then Publications and scroll down to the chart.

The Empire Plan Flexible Formulary –

Select Using Your Benefits and choose the Flexible Formulary in either alphabetic or therapeutic order. For updates to the list, including the availability of certain drugs, choose What's New and scroll down to Prescription Drugs: Prescription Drug Program Changes to the Drug List and Notification of Safety Issues.

Specialty Drug List – Select Find A Provider and scroll down to the Prescription Drug Program to locate the link for the Specialty Drug Program.

NYSHIP Biweekly and Monthly Premiums –

Select Health Benefits and Option Transfer then Rates and Health Plan Choices and choose the Rates and Information publication.

Preretirement Seminars – Select Calendar and choose Pre-Retirement Mtg. from the Type of Event drop down menu and the time period from the Time Period to View drop down menu to see a list of seminar dates and locations.

Planning to Retire? – Select Planning to Retire and scroll down to see a checklist of things to do, the sick leave credit calculator, important information from the NYSHIP General Information Book, order videos on Planning for Retirement and Medicare and find other retirement related Empire Plan publications and links.

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

APSU Empire Plan Report – April 2012

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See below for address
information.

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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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 the Medical Program 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*.

New Web Site Address

The New York State Department of Civil Service web site address has changed to <https://www.cs.ny.gov>. Even though you can still access our site at the old address, please update your bookmarks for our web site to the new address. The old address will only work for a limited time.

The Empire Plan Report is published by the Employee Benefits Division of the New York State 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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