



New York State Health Insurance Program

# GENERAL INFORMATION BOOK

FOR RETIREES, VESTEES, DEPENDENT SURVIVORS  
AND ENROLLEES COVERED UNDER PREFERRED LIST PROVISIONS  
of New York State Government and Participating Employers  
enrolled in NYSHIP-approved Health Maintenance Organizations  
and for their enrolled dependents  
and for COBRA enrollees with their benefits

**MAY 1, 2004**

State of New York Department of Civil Service  
Employee Benefits Division  
[www.cs.state.ny.us](http://www.cs.state.ny.us)

## **New York State Health Insurance Program General Information Book**

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*Symbol on front cover:*

**You must provide notice *in writing* of most changes affecting your NYSHIP enrollment. Please see “*Keeping Your Coverage Up to Date*” on page 34 and the sample letter on page 38.**

# **General Information for Retirees, Vesteers, Dependent Survivors, and Enrollees Covered under Preferred List Provisions of New York State Government and Participating Employers and their Dependents enrolled in NYSHIP-approved Health Maintenance Organizations through the New York State Health Insurance Program and for COBRA enrollees with their benefits**

This book explains your rights and your responsibilities as an enrollee in the New York State Health Insurance Program (NYSHIP). Please review this information and share it with members of your family.

The policies and benefits described in this book are established by the State of New York through negotiations with State employee unions and administratively for non-represented groups. Policies and benefits may also be affected by federal and state legislation and court decisions. The Department of Civil Service, which administers NYSHIP, makes policy decisions and interpretations of rules and laws affecting these provisions. Therefore, the policies and benefits described in this book are subject to change as a result of those processes. You will be notified of changes by mailings to your home.

## **About This Book**

This **New York State Health Insurance Program (NYSHIP) General Information Book** combines previous documents. It replaces the April 1, 1999 NYSHIP General Information Book and later *NYSHIP Changes* included in *NYSHIP HMO Reports* updating that book.

Be sure you are eligible; receipt of this book does not guarantee you are eligible or enrolled for coverage.

**Be sure you have the right book.** This book is for Retirees, Vesteers, Dependent Survivors, and Enrollees covered under Preferred List Provisions of New York State Government and Participating Employers and their Dependents enrolled in NYSHIP-approved HMOs and for COBRA enrollees with their benefits.

**Save this book and all subsequent NYSHIP HMO Reports.** New books are not issued every year. Supplements will be sent to you if benefits change. It is important that you read and keep this book and future *NYSHIP HMO Reports/NYSHIP Changes* that update this book and inform you of important changes to your NYSHIP coverage.

## **If You Need Assistance**

If you want information on your enrollment, eligibility, Medicare coordination or any other aspect of the New York State Health Insurance Program, contact the Employee Benefits Division. Please remember to have your health insurance identification number ready when you call. You may also visit our Web site at [www.cs.state.ny.us](http://www.cs.state.ny.us) (Click on Employee Benefits).

For questions on specific benefits or HMO services, call your HMO. Please have your health insurance identification number ready when you call.

State of New York  
Department of Civil Service Employee Benefits Division  
The State Campus  
Albany, New York 12239  
518-457-5754 (Albany area) or  
1-800-833-4344 (U.S. outside Albany local calling area, Canada,  
Puerto Rico, Virgin Islands).  
[www.cs.state.ny.us](http://www.cs.state.ny.us)

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# Overview of The New York State Health Insurance Program (NYSHIP)

## Valuable benefits, choice of plans

You are among the 1.1 million enrollees and dependents who make the New York State Health Insurance Program (NYSHIP) one of the largest group health insurance programs in the United States. NYSHIP provides valuable medical benefits for you and your eligible dependents through two different options: The **Empire Plan**, a unique State plan with some managed care features, or health care from a participating **Health Maintenance Organization (HMO)** in your area. Both options provide benefits for hospital care, medical/surgical care, and mental health and substance abuse treatment. Both options also provide prescription drug coverage when it is not available through a union Employee Benefit Fund.

## New York State may help you pay

The enrollee's share of the premium varies for retirees, vestees, dependent survivors, enrollees covered under Preferred List provisions and COBRA enrollees.

For most State retirees and for most retirees of Participating Employers, the State or your former employer helps you pay the cost of Empire Plan or HMO coverage. After the State's or Participating Employer's contribution, you pay the balance, if any, through deductions from your monthly pension checks or by making direct payments each month to the State of New York Department of Civil Service, Employee Benefits Division, or to your former employer. Many retirees are able to reduce their share of the monthly premiums by using sick leave credits.

You can find details about premiums and sick leave credits in the "Costs" section of this book.

## Identification cards

Your HMO will issue identification card(s) for you and your dependents to present to providers when receiving services. Some HMOs also issue a separate prescription drug card. If you continue to receive your prescription drug coverage from your union Employee Benefit Fund, you will receive a separate prescription drug card from your union Employee Benefit Fund, not from your HMO.

## You must enroll in Medicare

Plan ahead. You and your dependents must be enrolled in Medicare Parts A and B as soon as you become eligible, even if you are working for another employer. Please be sure to read the Medicare section of this book very carefully. Failing to enroll could be very expensive for you.

## After NYSHIP eligibility ends

If your eligibility for NYSHIP coverage ends, under certain circumstances you may be able to continue your benefits for a specified period under a federal continuation law (COBRA) or by converting to a direct-pay contract with your HMO.

## You must provide notice of changes

The Employee Benefits Division serves as a Personnel Office for health insurance purposes for retirees, vestees, dependent survivors, enrollees covered under Preferred List provisions and COBRA enrollees.

You are responsible for notifying the Employee Benefits Division of any status changes that might affect your enrollment. These changes include, but are not limited to, marriage, birth or adoption of a child, divorce, annulment, dependent's loss of eligibility, certain changes in Medicare eligibility and address change. See "Keeping Your Coverage Up to Date" on page 34. Most changes must be requested in writing. Deadlines apply to most changes.

*The above is a quick overview. For more information, read the following pages carefully.*

# Your Options Under NYSHIP

## The Options

Enrollees in NYSHIP have a choice of options. Most of you will be able to choose either the Empire Plan or a Health Maintenance Organization (HMO) in your geographic area that has been approved for participation in NYSHIP. However, HMOs approved for participation in NYSHIP may not be available in all areas.

The benefits provided by the Empire Plan and the HMOs differ. Be sure to weigh your needs and choose the option that provides the most suitable coverage.

Most retirees, vestees, dependent survivors and enrollees covered under Preferred List provisions have prescription drug coverage through NYSHIP, even if they had coverage through a union Employee Benefit Fund while they were working. The following retirees have prescription drug coverage through a union Employee Benefit Fund: CWA-represented employees who retired before 7/1/94 and retirees from certain Participating Employers.

## The Empire Plan

The Empire Plan is a health insurance program designed exclusively for New York's public employees. The Plan pays for covered hospital services, physicians' bills and other covered medical expenses.

## What the Empire Plan provides

The Empire Plan provides to enrollees and eligible dependents:

- Hospital and related expense coverage through Empire Blue Cross Blue Shield, a licensee of the Blue Cross and Blue Shield Association, an association of independent Blue Cross and Blue Shield plans (copayments apply for certain outpatient hospital services);
- Medical/surgical benefits through United HealthCare Insurance Company of New York (United HealthCare) for a copayment for certain services when you use participating providers;
- Basic Medical coverage through United HealthCare subject to deductible and coinsurance when you receive medical/surgical care from non-participating providers;
- Home Care Advocacy Program and Managed Physical Medicine Program through United HealthCare;
- Mental health and substance abuse program through Group Health Incorporated (GHI)/ValueOptions;
- Prescription drug coverage through CIGNA/Express Scripts when it is not available through a union Employee Benefit Fund; and
- Benefits Management Program through Empire Blue Cross Blue Shield for prior authorization of hospital and skilled nursing facility admissions; and through United HealthCare for Prospective Procedure Review for Magnetic Resonance Imaging.

## A Health Maintenance Organization (HMO)

A Health Maintenance Organization (HMO) provides health care services which are fully covered after you pay any applicable copayments and coinsurance. To enroll in an HMO participating in NYSHIP, or to continue in your NYSHIP HMO, you must live or work within that HMO's NYSHIP geographic service area. Except for emergency services, you and your enrolled dependents must receive services from your HMO's physicians or at health centers or hospitals affiliated with the HMO unless you have made other arrangements with your HMO.

## What HMOs provide

Each HMO provides a specific package of benefits. Each provides to you and your eligible dependents:

- Hospitalization and related expense coverage;
- Medical/surgical care, including coverage for mental health and substance abuse. Some HMOs provide services at group medical facilities; others do so through contracts with independent physicians; and
- Prescription drug coverage when it is not available through a union Employee Benefit Fund.

## Option Transfer

You may change your health insurance option for any reason at any time during the year (unlike active employees, who are allowed to change options only during the 30-day Option Transfer Period at the end of each year). However, once an option change is made, you may not make another change until 12 months later. You may change from an HMO to the Empire Plan, or from the Empire Plan to an HMO or from one HMO to another HMO in your area.

In the fall of each year, you will receive information about the health insurance options available under NYSHIP. You will also receive rate information in December of each year. Option transfer information is also available on the Internet at [www.cs.state.ny.us](http://www.cs.state.ny.us).

*Consider your options carefully, You are choosing a benefit package for yourself and your dependent(s) for a 12-month period.*

## Changing options more than once in a 12-month period

You may change options more than once in a 12-month period **only** under the following circumstances:

- You are enrolled in an HMO and you move permanently out of your HMO's service area. You **must** change options as soon as you no longer live or work in your HMO's service area, in order to keep your NYSHIP coverage. You may change to an HMO approved for participation in NYSHIP that serves your new area, or you may change to the Empire Plan.
- You move to a new permanent address and your new home area is served by an approved HMO that did not serve your previous home area. You may change to the new HMO regardless of what option you were in before you moved.
- Your dependent experiences an unforeseen change in permanent residence and is no longer in your HMO's service area. (Note: A student attending college outside your HMO's service area is not considered to have made a change in permanent residence.)

## When may your dependents change options?

You and your dependents will have the same option. You, as the enrollee, will determine their option. There is one exception: A spouse/domestic partner or dependent child who is eligible for health insurance coverage under the federal COBRA law may elect an option different from yours when they move permanently out of the HMO's service area. (See page 22 for information about COBRA.)

## Consider carefully

*Be sure you understand how your benefits will be affected by changing options. By changing options, you could be getting substantially different coverage.*

## Eligibility for Coverage as a Retiree, Vestee, Dependent Survivor or Enrollee Covered Under Preferred List Provisions

This section explains eligibility requirements under NYSHIP for you (the enrollee) and your dependents.

Vestees please note: Requirements for vestees and retirees differ. Please see "Health insurance as a vestee" on page 7 for details.

Dependent Survivors: Please see "Dependent survivor coverage" on page 11.

**Note to Participating Employer enrollees: Check with your former employing agency for the requirements to continue health insurance coverage in retirement. A Participating Employer's responsibility to provide health insurance coverage for its retirees is determined, in part, by whether the agency's effective date of participation in NYSHIP is before March 1, 1972, or on or after that date.**

**If you/your dependent is 65 or over when you retire from active service or leave the payroll as a vestee, NYSHIP will no longer be your primary insurer beginning the first day of the month after the end of the month in which your employer group coverage ends. Ask your agency Health Benefits Administrator when your employer group coverage ends.**

## Retiree coverage

**After you retire**, you may continue coverage for yourself and your eligible dependents if you meet certain requirements. The benefits may differ somewhat from those you received as an active employee.

Your retiree health insurance benefits replace your active employee benefits 28 days after the end of the last payroll period for which you were paid. If, as an active employee you received prescription drug coverage through a union Employee Benefit Fund, you will receive this coverage through NYSHIP after you retire (except for the following retirees who continue to receive prescription drug coverage through their Employee Benefit Fund: CWA-represented employees who retired before 7/1/94 and retirees from certain Participating Employers).

## Dental and Vision Care plans end: 60 days to apply for COBRA

Dental and vision care plans available to some employees are separate from health insurance. Coverage ends when you leave the payroll. To continue a State-sponsored dental or vision care plan, you must apply for COBRA within 60 days. Please read about COBRA, page 23, and GHI's retiree dental plan, on the inside back cover.

**Note:** Read the following information carefully. Retirement System requirements for retirement, and NYSHIP requirements for continuation of health insurance in retirement are different. **Do not assume that you are eligible for health insurance benefits in retirement.** Also, if you are eligible but do not want your coverage to continue when you retire, you must notify your agency Health Benefits Administrator.

## Three requirements

At the time of your retirement, you must meet three eligibility requirements in order to continue your health insurance coverage as a retiree:

### 1. Complete the minimum service period

**First**, you must have completed a minimum service period which is determined by the date on which you last entered State service.

- If you were last hired **before April 1, 1975**, you must have had at least five years in State service or at least five years of combined service with the State and one or more Participating Employers, (such as the Thruway Authority) or Participating Agencies\*;  
or
- If you were last hired on or **after April 1, 1975**, you must have had at least 10 years in State service, or at least 10 years combined service with the State and one or more Participating Employers (such as the Thruway Authority) or Participating Agencies\*.

**Less than full-time employment:** Periods of less-than-full-time employment will be considered as full-time if you were eligible for health insurance. Periods of employment in which you did not meet the eligibility requirements will not be counted. Periods when you were paying both the employer share and employee share of the NYSHIP premium while on leave without pay do not count toward the minimum service requirement.

**Participating Employer/Participating Agency\* employment:** If you were employed by an employer or agency that participates in NYSHIP on the date you retire, all of your service there in a benefits-eligible position, even if you did not enroll for health insurance, will count toward the minimum service requirement for continuing NYSHIP coverage in retirement. If you were employed by an employer or agency that no longer participates in NYSHIP when you retire, only your service there in a benefits-eligible position before the employer/agency withdrew from NYSHIP will count. If you were employed by an employer or agency that is eligible for Participating Employer or Participating Agency status in NYSHIP but has never joined, your service there will not count.

*\*Ask your employer or agency about its NYSHIP status. A **Participating Employer** is a government agency in New York State such as the Thruway Authority or Metropolitan Transit Authority that is maintained and financed from special administrative funds and participates in NYSHIP. A **Participating Agency** is a city, town, municipality, or school district in New York State that participates in NYSHIP. (Note: By law, New York City does not participate in NYSHIP, so service with New York City does not count toward the minimum service requirement for continuing NYSHIP coverage in retirement.)*

**Note to Participating Employer enrollees:** To complete the minimum service period, you must have had at least five years of service, not necessarily continuous, with your agency from which you are retiring, subject to the following:

Your agency may elect administratively or through collective negotiations to establish a service requirement greater than five years for purposes of determining eligibility for retirement for all employees or a class or category of employees whose most recent date of employment with the employer is after April 1, 1975.

If you had less service than that established by your agency for coverage in retirement, your agency may elect administratively or through collective negotiations to provide for continuation of coverage in retirement for all employees or a class or category of employees who have met the applicable period or required service with one or more public employers, provided you have served a minimum of one year with your agency. In addition, your agency may elect to recognize other public service employees had with any public employer outside NYSHIP.

If your agency elects to provide retiree coverage, it will do so for all employees or all employees in a class or category who meet the conditions specified. Your agency may elect administratively or through collective negotiations to establish as ineligible for coverage all employees or a class or category of employees whose most recent date of employment with the employer is after April 1, 1977.

**2. Satisfy requirements for retiring as a member of a retirement system**

**Second**, you must be qualified for retirement as a member of a retirement system administered by New York State (such as the New York State and Local Employees' Retirement System, the New York State Teachers' Retirement System, or the New York State and Local Police and Fire System) or any of its political subdivisions.

If you are not a member of a retirement system administered by the State, or you are enrolled in one of the SUNY or Education Department optional retirement programs such as the Teachers Insurance and Annuity Association-College Retirement Equities Fund (TIAA-CREF), you must satisfy one of the following conditions:

- You must meet the age requirement of the Employees' Retirement System retirement tier in effect at the time you last entered service; or
- You must be qualified to receive Social Security disability payments.

**3. Be enrolled in NYSHIP**

**Third**, you must be enrolled in NYSHIP as an enrollee or a dependent at the time of your retirement. For example, if you were on leave and canceled your coverage, and then retire, you are not eligible for health insurance as a retiree. If you have continued coverage as a vestee or while covered under Preferred List provisions, you are eligible for health insurance as a retiree.

**Note to Participating Employer enrollees:** If your agency elected to participate in NYSHIP on or after March 1, 1972, you are eligible to continue coverage in retirement if you are a member of a class or category of employees for which your agency has elected administratively or through collective bargaining agreements to provide coverage in retirement. You must also have met requirements 1 and 2 on the previous pages.

**NOTE:** If you retire but delay collecting your State pension, you may continue your NYSHIP coverage under retiree provisions, provided you meet the eligibility requirements listed above. This is called "constructive retirement"; you will make direct monthly payments for your coverage. Ask your agency Health Benefits Administrator or the Employee Benefits Division for details.

## Disability retirement

**Ordinary disability retirement:** For an ordinary (not work-related) disability retirement, the age requirement is waived, but you must meet the minimum service requirement.

**Work-related disability retirement:** For a disability retirement resulting from a work-related illness or injury, the age requirement and the minimum service requirement are waived.

**To maintain NYSHIP eligibility, you must continue your health insurance coverage while you wait for the decision on your disability retirement. If you do not continue coverage or if you fail to make the required payments while on leave or in vestee status, coverage for you and your dependents will end. Coverage may end permanently. If your disability retirement is not approved, you will not be eligible to re-enroll in NYSHIP as, for example, a vestee or COBRA enrollee.**

If you have not continued your coverage while on leave or in vestee or COBRA status and a retroactive retirement is granted, call the Employee Benefits Division right away at 518-457-5754 (Albany area) or 1-800-833-4344 to ask about reinstating coverage. Call as soon as you have the decision on your disability retirement. You must apply in writing for reinstatement of your NYSHIP coverage. If coverage is reinstated for an ordinary disability retirement, you will be required to pay premiums retroactively.

## Re-enrolling as a retiree

**After you retire,** you may cancel coverage, then re-enroll. Under most circumstances, you will be subject to a waiting period of up to three months before your coverage again becomes effective. (You will have no waiting period if you are re-enrolling because your coverage under another employer is ending.) Any sick leave credits will be maintained on your record until you reactivate your enrollment. You will receive the same monthly sick leave credit as before you canceled coverage. **Note:** If you have NYSHIP coverage as a dependent through your spouse and otherwise meet the eligibility requirements to be a retiree, you may re-establish coverage as a retiree at any time. See *“Married couples who are both eligible for NYSHIP”* on page 20. Act promptly if a pending divorce or other change means you will be losing coverage under your spouse.

After you retire, if you cancel coverage and die, your survivors will not be entitled to re-enroll in NYSHIP.

## Deferred Health Insurance Coverage

When you retired, you may have decided to delay the start of, or suspend, your health insurance coverage and the use of your sick leave credit if you had health insurance coverage through your spouse’s employer or through post-retirement employment. You must choose this option before you leave the payroll.

**Note to Participating Employer enrollees: Ask your agency Health Benefits Administrator whether your agency offers deferred coverage.**

There are advantages to deferring coverage. During the period of deferment, you do not have to pay the NYSHIP premium. Deferring coverage means that the monthly credit for your sick leave will be higher than it would have been at the time you retired because it will be calculated when you are older. (See *“Sick leave credits for retirees”* on page 18.) This will reduce the health insurance premium deducted from your pension check. When your period of deferment ends, you may re-enroll without a waiting period.

## 90-day deadline for dependents

If you die while you are in deferred coverage status and had Family coverage at the time you retired and deferred your coverage, your spouse and any eligible dependents may re-enroll in NYSHIP. They must write to the Employee Benefits Division requesting re-enrollment in NYSHIP within 90 days of your death. Eligibility requirements for your spouse and eligible dependents to transfer back to NYSHIP are the same as if you had continued your coverage into retirement. If you had chosen Dual Annuitant sick leave credit (See *“Dual Annuitant Sick Leave Credit”* on page 19.) at the time of retirement and

die while in deferred status, your eligible surviving spouse will retain the 70 percent sick leave credit. The amount will be calculated based on your age at the time of death.

### **If you return to State service**

If you return to State service in a benefits-eligible position, ask your agency Health Benefits Administrator about how your return to work affects your sick leave credit and your status as a retired enrollee in NYSHIP. If you or a dependent is eligible for Medicare, NYSHIP will once again become primary to Medicare until you re-retire. Your Medicare credit will end while you are NYSHIP-primary. Talk to your agency Health Benefits Administrator and be sure your record is updated to show your new status so that your benefits will be correct.

### **Health insurance as a vestee**

If your employment with the State ends before you reach retirement age and you vest (secure rights to) your retirement allowance, you may continue your health insurance coverage while you are in vested status provided:

- You have vested as a member of a retirement system administered by the State or one of its political subdivisions, such as a municipality;  
and
- You have met the minimum service requirement, but not the age requirement for continuing health insurance in retirement, at the time employment is terminated. See “Three requirements” on page 4.

To continue health insurance as a vestee, if you are a member of an Optional Retirement Program (such as TIAA-CREF) you must satisfy the 10-year service requirement with New York State that applies to enrollees in a State-administered retirement system.

To continue coverage as a vestee, before your last day of work be sure to contact your Health Benefits Administrator to arrange for continuation.

### **What you pay**

If you choose to continue your coverage while in vested status, you are responsible for paying **both the employer and employee shares** of the health insurance premium.

### **No sick leave credit**

**In no case may sick leave credits be applied toward health insurance premium costs either while you are in vested status or after you become eligible to retire.**

(Sick leave credits can be applied toward your premium only if you retire directly from active employment, Leave Without Pay status or Preferred List coverage, or are approved for disability retirement, not if you leave employment in vested status and retire later.)

### **Coverage ends permanently if you do not continue as a vestee**

**If you are eligible to continue coverage during vested status, but you do not do so, or if you fail to make the required premium payments as a vestee, coverage for you and your dependents will be terminated permanently. You may not re-enroll as a vestee at a later date and you lose eligibility for coverage as a retiree.**

**Note:** If your spouse or domestic partner is eligible for NYSHIP coverage in his or her own right, you may be able to continue coverage as a dependent of your spouse or domestic partner, as an alternative to full-share vested coverage.

### **Your dependents**

The following dependents are eligible for NYSHIP coverage:

#### **1. Your spouse**

Your spouse, including a legally separated spouse, is eligible. If you are divorced or your marriage has been annulled, your former spouse is not eligible, even if a court orders you to maintain coverage. If your marriage ends, you must write to the Employee Benefits Division and end coverage for your spouse effective the date the marriage ends. Your spouse may be able to continue coverage under COBRA. (See “COBRA: Continuation of Coverage” on page 22.)

## Or your domestic partner

You may cover your same or opposite sex domestic partner as your dependent under NYSHIP. A domestic partnership, for eligibility under NYSHIP, is one in which you and your partner are 18 years of age or older, unmarried and not related in a way that would bar marriage, living together, involved in a lifetime relationship and financially interdependent. To enroll a domestic partner, you must have been in the partnership for one year. The Employee Benefits Division has complete information on eligibility, enrollment procedures and coverage dates. If your former employer is a Participating Employer, ask if the agency offers coverage for domestic partners.

To add your domestic partner's child, the standard NYSHIP provisions for adding a dependent apply. (See "*Other children*" in number 2 below. Note that waiting periods will apply when you enroll a dependent more than seven days after eligibility.)

Note on Tax Implications: Under the Internal Revenue Service (IRS) rules, the fair market value of the health insurance benefits is treated as income for tax purposes. Ask your tax consultant how enrolling your domestic partner will affect your taxes.

If the partnership ends, you must write to the Employee Benefits Division and end coverage for the domestic partner. Your domestic partner may be eligible to continue coverage under COBRA (see "*COBRA: Continuation of Coverage*" on page 22). There will be a two-year waiting period from the termination date of your previous partner's coverage before you may again enroll a domestic partner.

Enrollees who fraudulently enroll a domestic partner are held financially and legally responsible for any benefits paid. Such enrollees will forfeit future domestic partner coverage.

A surviving domestic partner's eligibility to continue in NYSHIP as a Dependent Survivor will end if he or she marries or acquires a domestic partner. If a surviving spouse acquires a domestic partner and remains otherwise eligible, the spouse may continue coverage in NYSHIP, but may not cover the domestic partner.

In other respects, throughout the General Information Book, coverage for domestic partners and spouses is the same.

### 2. Your child under age 19

Your unmarried children under 19 years of age are eligible. This includes your natural children, legally adopted children, including children in a waiting period prior to finalization of adoption, and your dependent stepchildren. Other children who reside permanently with you in your household who are chiefly dependent on you and for whom you have assumed legal responsibility, in place of the parent, also are eligible. You must verify eligibility and provide required documentation upon enrollment and every two years thereafter.

### 3. Your child age 19 or over who is a full-time student

Your unmarried dependent children who are age 19 or over but under age 25 are eligible if they are **full-time** students at an accredited secondary or preparatory school, college or other educational institution and are otherwise not eligible for employer group coverage. They continue to be eligible until the first of these events occurs:

- The end of the third month following the month in which they complete course requirements for graduation; or
- They reach age 25.

For children other than your natural children, legally adopted children or dependent stepchildren, support by you as described in number 2 above must have commenced before the child reached age 19.

If your child reaches age 19 during a school vacation period, coverage will continue, as long as the child is enrolled in an accredited secondary or preparatory school or college or other accredited educational institution and plans to resume classes on a full-time basis at the end of the vacation period. Proof of enrollment will be required.

Students who want to continue health insurance during the summer must have been enrolled in the previous spring semester and must be enrolled as full-time students for the fall semester.

*Note: NYSHIP rules for dependent students continuing coverage during summer vacation between the spring and fall semesters also apply to dependent students continuing coverage during a winter vacation between the fall and spring semesters.*

**Spring student, enrolled for fall** A dependent child who is a full-time student in the spring semester and enrolled as a full-time student for the fall, and attends school in the fall, continues coverage under the parent's policy during the summer.

**Spring student, enrolled for fall, but does not attend in fall** When a dependent child who was enrolled in the spring semester and for the following fall semester will not be returning to school full-time for the fall semester, coverage under the parent's policy will terminate on the last day of the month in which the enrollee notifies the Employee Benefits Division that the student will not be continuing as a full-time student. The child must apply to the Employee Benefits Division for COBRA coverage within 60 days of the NYSHIP termination date.

If the enrollee notifies the Employee Benefits Division after classes start in the fall, the date of the qualifying event for COBRA coverage will be the first day of classes of the fall semester; proof of the first day of classes may be requested. The child must apply for COBRA coverage within 60 days of the qualifying event.

Students who were enrolled for fall but do not attend must provide proof of enrollment in the previous spring semester, such as a grade transcript or tuition receipt. If proof is not provided, coverage as a dependent student under the parent's policy will terminate on the last day of the month in which the child was a full-time student and the child will not be eligible for COBRA coverage.

**Spring student, not enrolled for fall** If a dependent child who was a full-time student in the spring semester does not enroll as a full-time student for the fall semester, coverage under the parent's policy will end on the last day of the month in which the student was a full-time student attending classes. The child must apply for COBRA coverage within 60 days of the NYSHIP termination date.

**Spring student, seeking fall admission** If a dependent child who was a full-time student in the spring semester is not enrolled for the fall semester but is seeking admission to a school over the summer, the child must enroll for COBRA coverage within 60 days of the last day of the month in which the child was a full-time student attending classes. If the child then does enroll as a full-time student for the fall semester, once the student actually begins attending school full-time in the fall semester, coverage as a dependent student under the parent's policy will be reinstated retroactively and COBRA payments will be refunded. Contact the Employee Benefits Division to re-enroll your child on your policy as a dependent student. Contact the Employee Benefits Division to cancel COBRA enrollment and request a refund of any premiums already paid.

**Entering school** When an enrollee applies for dependent student coverage for a dependent child who is not currently a student, coverage will begin on the first day of the month in which attendance in class actually starts. When an enrollee with Individual coverage applies for a change to Family coverage in order to cover a dependent student who is entering school, the date coverage begins depends on the enrollee's promptness in applying. (See *"When your Family coverage begins"* on page 14.)

**Withdrawing from school** When a dependent student withdraws from school after classes have begun for the semester, coverage will end on the last day of the month in which the dependent attended classes as a full-time student. The child must apply for COBRA coverage within 60 days of the NYSHIP termination date.

**Reduced course load** If a dependent child enrolled as a full-time student voluntarily drops a course and becomes a part-time student, coverage will end on the last day of the month in which the dependent child was considered a full-time student. The child must apply for COBRA coverage within 60 days of the NYSHIP termination date. If a dependent child becomes a part-time student because the school has canceled a course and the dependent child cannot register in another course to continue full-time status, coverage as a dependent student will continue through that semester as if the dependent child was a full-time student.

**Former employees of Participating Employers: Ask the Health Benefits Administrator at your former agency if you or your dependent is eligible for COBRA.**

### **Partially disabled students**

A partially disabled dependent student between the ages of 19 and 25 taking a reduced course load that is the maximum for that student's capability is eligible; you must provide medical documentation.

### **Medical leave for students age 19 or over**

If your child is granted a medical leave by the school, health insurance coverage will continue for a maximum of one year from the month in which the student withdraws from classes, plus any time before the start of the next regular semester. You must be able to provide written documentation from the school and/or doctor.

### **Military service**

For purposes of eligibility for health insurance coverage as a student dependent, you may deduct from your dependent's age up to four years for service in a branch of the U.S. Military. You must be able to provide written documentation from the U.S. Military.

## **4. Certain students completing graduation requirements**

Your unmarried dependent children who are age 19 or over but under age 25 who need less than a full-time course load to satisfy requirements for graduation may also be eligible. They must:

A. Otherwise qualify;

and

B. Have been a full-time student in the term immediately preceding the semester or trimester in which course requirements will be completed;

and

C. Be able to provide a statement from their school or college administrator which verifies the student's status. They continue to be entitled to benefits for up to three months following the end of the month in which they complete course requirements for graduation. At the end of the three months, the graduated student will have 60 days to apply to the Employee Benefits Division for COBRA Continuation of Coverage. A dependent child may be granted a second semester of coverage during part-time attendance if there are unusual, extenuating circumstances, which, through no fault of the student, prevent that student's timely graduation. Requests for this continued coverage must be submitted in writing to the Employee Benefits Division.

## **5. Disabled dependents**

Your unmarried children age 19 or over who are incapable of supporting themselves because of a mental or physical disability acquired before termination of their eligibility for health insurance are eligible. For example, if your child becomes disabled at age 19 or older while covered as a full-time dependent student, the child may qualify to continue coverage as a disabled dependent.

If you have a child who is enrolled in NYSHIP and qualifies for coverage as a disabled dependent, you must provide medical documentation. If you anticipate eligibility on this basis, you must file a Disability Form PS-451. Contact the Employee Benefits Division as soon as possible after enrollment, even if your child is under the age when eligibility would normally terminate through age disqualification.

However, if your disabled dependent child was not enrolled in NYSHIP because the child had other health insurance, and loses the other coverage involuntarily, you may apply for disabled dependent child coverage. For your application to be considered, you must file a Disability Form PS-451 as soon as possible. You must provide proof that the disability occurred prior to NYSHIP's standard age disqualification date and the loss of other coverage was involuntary.

If your child who is age 19 or over but under 25 is covered as a full-time student, and is disabled, or becomes disabled while a full-time student, contact the Employee Benefits Division as soon as possible to file a Disability Form PS-451.

## **Proof of eligibility**

All new enrollees and dependents must provide proof of eligibility to enroll in NYSHIP. Your application to enroll or to add a dependent to your coverage will not be processed unless accompanied by satisfactory documentation. Providing false or misleading information about eligibility for coverage or benefits is considered fraud.

Under certain circumstances, you may be able to re-enroll a dependent who regains eligibility after a period of ineligibility. Please read *“Re-enrolling a dependent”* on page 16.

## **Dependent survivor coverage**

**Note to Participating Employer enrollees: Ask your agency Health Benefits Administrator whether your agency offers Dependent Survivor coverage and if so, what public service the agency recognizes in determining eligibility for Dependent Survivor coverage. Also ask whether the agency continues dependent survivor coverage after age 65.**

The New York State Health Insurance Program provides an extended benefits period for the enrolled dependent survivors of employees, retirees, vestees and enrollees covered under Preferred List provisions. Survivors begin the process by sending a copy of the death certificate to the New York State Employees’ Retirement System or to the Employee Benefits Division if not a member of a retirement system administered by New York State. (Also see *“Or your domestic partner”* on page 8.)

## **Extended benefits period at no cost**

If you die while you are retired, in vested status, or as an enrollee covered under Preferred List provisions, your enrolled dependents will have health insurance coverage without additional charge for three months beyond the end of the month in which you die.

If you die while you are enrolled in NYSHIP through COBRA, your enrolled dependents will be eligible for COBRA continuation coverage or conversion to a direct-pay contract. (See *“COBRA: Continuation of Coverage”* on page 22 and *“Change from NYSHIP to a Direct-Pay Conversion Contract”* on page 26.)

## **Coverage and cost after the extended benefits period ends**

**Your unremarried spouse or domestic partner who has not acquired another domestic partner and eligible dependent children may be allowed to continue their coverage under NYSHIP after the extended benefits period ends. If they are eligible for dependent survivor coverage but choose not to participate or fail to make the required payments, coverage will end permanently. They may not re-enroll.**

Whether they are eligible for dependent survivor coverage and what their premium will cost depend on the following circumstances:

**If you die as a result of a work-related illness or injury**, regardless of your age at the time of death or your length of service, the employer will pay 100 percent of the cost of NYSHIP coverage, up to the cost of the Empire Plan, for your dependents as long as they remain eligible.

### **If your death is not the result of a work-related illness or injury:**

**If at the time of your death you were an active employee who had 10 years of service with New York State or an agency eligible to participate in NYSHIP and were 10 years or less from retirement in a retirement system administered by New York State or any of its political subdivisions**, your dependents will make the same contribution that active employees make toward the cost of the Empire Plan or HMO premium. If you were a member of a SUNY or Education Department optional retirement program such as TIAA-CREF, for your

dependents to make the same contribution that active employees make, you must have been within 10 years of meeting the age requirements for retirement in a State-administered retirement system.

**If at the time of your death you were an active employee who had 10 years of service but were not within 10 years of retirement,** your dependents would be required to pay both the employer's and the employee's share of the premium. The rate is different for dependent survivors of employees of some Participating Employers. Contact the agency Health Benefits Administrator at your Participating Employer for information.

**If at the time of your death, you were a retiree who retired on or after April 1, 1979, with 10 or more years of active service with the State or with a combination of service with the State, or a Participating Employer or Participating Agency or any political subdivision, such as a municipality, which has been eligible to participate in NYSHIP,** your dependents will make the same contribution as active employees make toward the cost of the Empire Plan or HMO premium. The rate is different for dependent survivors of employees of some Participating Employers. Contact the agency Health Benefits Administrator for information.

**If at the time of your death, you were a retiree who retired before April 1, 1979 with 10 or more years of active service with the employer or other qualifying employment,** your dependents may continue coverage but will be required to pay the full cost of the Empire Plan or HMO premium.

**If at the time of your death you were a vestee,** your dependents may continue coverage by paying the full cost of the Empire Plan or HMO premium.

**Note:** If at the time of your retirement, your employer offered and you had chosen the Dual Annuitant Sick Leave Credit, that credit would continue to be used to reduce the enrollee share of premium for dependent survivors. "*Dual Annuitant Sick Leave Credit*" is explained on page 19.

If you have two dependent survivors paying the full cost of the premium, each may have Individual coverage. Three or more dependent survivors paying the full cost of the premium may share one Family coverage.

Also, if your surviving spouse was eligible to be enrolled in NYSHIP because of previous employment with the State or a Participating Employer, but declined enrollment while covered as your dependent, he or she should write to the Employee Benefits Division with details of previous work experience in order to continue coverage as an enrollee. If your surviving spouse worked for a Participating Agency, he or she should write to the Participating Agency to ask about re-enrollment. Coverage as a former employee may be less expensive than coverage as a dependent survivor.

### **Cards and benefits**

During the extended benefits period, your survivors should continue to use the cards they already have under your identification number.

After the extended benefits period ends, if your dependent then enrolls for dependent survivor coverage, the Employee Benefits Division will change the enrollment file to the survivor's own name and identification number. The dependent survivor should check with the HMO about any changes in benefits and cards.

### **Coverage for your eligible dependents if your spouse loses eligibility or dies**

If your surviving spouse loses eligibility or dies, your other eligible dependents may continue their coverage as dependent survivors until they no longer meet the eligibility requirements as dependents. (See "*Your dependents*" on page 7.) If they no longer meet these requirements, they may enroll in COBRA or convert to a direct-pay contract.

### **Option and coverage changes for dependents**

Survivors are covered by the same rules as other enrollees for changing options (see "*Changing options more than once in a 12-month period*" on page 3).

## **If your family is not eligible for dependent survivor coverage**

If your spouse and dependents are not eligible for survivor coverage under the New York State Health Insurance Program, they may be eligible to continue their coverage in NYSHIP under COBRA or convert to a direct-pay conversion contract.

## **Coverage: Individual or Family**

This section applies only to retirees, vestees and enrollees covered under Preferred List provisions.

Note to Dependent Survivors: *Dependent survivors may have Individual or Family coverage, but they may not cover a spouse (remarriage ends a dependent survivor's NYSHIP eligibility); they may cover only dependent children enrolled at the time of the enrollee's death. (See additional rules for domestic partners, under "Or your domestic partner" on page 8.) Dependent survivor children who lost eligibility may not re-enroll, even if they continued under COBRA during the period when they did not meet NYSHIP eligibility requirements. New dependents cannot be added to survivor coverage except for a deceased enrollee's as yet unborn child, who would be eligible for coverage at birth. A dependent survivor who needs to add the enrollee's newborn child or delete a child from the Family coverage or change to Individual coverage should write to the Employee Benefits Division.*

## **Two types of coverage**

Two types of coverage are available to you under NYSHIP:

- **Individual Coverage** provides benefits for you only. It does not cover your dependents even if they are eligible for coverage.
- **Family Coverage** provides benefits for you and your eligible dependents. To enroll yourself and your dependents in Family coverage, you must provide each person's date of birth, Social Security number (if one is assigned) and other information to NYSHIP through the Employee Benefits Division.

If you and your spouse are each eligible for Individual coverage in NYSHIP:

- You may each have Individual coverage; or
- You may have one Family coverage; or
- You may have one Family coverage and one Individual coverage; or
- You may each have Family coverage if each of you is enrolled through a Participating Employer or a Participating Agency that permits two Family enrollments. However, if one spouse is enrolled as a State employee or retiree, you may have only one Family coverage. If the spouse who is enrolled through a Participating Employer or a Participating Agency chooses Family coverage, the spouse who is a State employee or retiree may elect Individual coverage.

## **How to change your coverage**

To change from Family coverage to Individual coverage or from Individual coverage to Family coverage, write to the Employee Benefits Division. All requests for change must be in writing. You may request this change at any time.

## **Changing from Individual to Family coverage**

If you qualify for a change from Individual to Family coverage and you want Family coverage, write to the Employee Benefits Division. Include:

- Your name, identification number, address and telephone number
- The date you first became eligible for Family coverage
- Your spouse's and children's names, dates of birth and Social Security number (if one is assigned)
- Medicare eligibility information if your spouse and/or children are eligible for Medicare.

## When your Family coverage begins

The date your Family coverage begins will depend on your reason for changing and your **promptness** in applying. You can avoid a waiting period by applying promptly.

If you and a dependent each have Individual coverage in NYSHIP and you change to one Family coverage, there is no waiting period.

*If you change to Family coverage as the result of one of the following events:*

- You acquire a new dependent (for example, you marry). Note: The time frame for covering newborns is different. See Coverage for Newborns below.
- Your spouse's other health insurance coverage ends.

*Your new coverage begins according to **when** you apply:*

- If you apply **before or not more than seven days after the event**, your Family coverage will be effective on the date the dependent(s) was first eligible.
- If you apply **more than seven days but less than 30 days after the event**, there will be a waiting period. Your Family coverage will become effective on the first day of the month following the month in which you apply.
- If you apply **more than 30 days after the event**, there will be a longer waiting period. Your Family coverage will become effective on the first day of the third month following the month you applied for Family coverage. For example, if you apply in September, coverage will become effective December 1.

## Late enrollment

| SEPTEMBER |    |    |    |    |    |    | OCTOBER |    |    |    |    |    |    | NOVEMBER |    |    |    |    |    |    | DECEMBER |    |    |    |    |    |    |    |
|-----------|----|----|----|----|----|----|---------|----|----|----|----|----|----|----------|----|----|----|----|----|----|----------|----|----|----|----|----|----|----|
| S         | M  | T  | W  | T  | F  | S  | S       | M  | T  | W  | T  | F  | S  | S        | M  | T  | W  | T  | F  | S  | S        | M  | T  | W  | T  | F  | S  |    |
|           |    |    |    |    |    | 4  |         |    |    |    |    | 1  | 2  |          |    |    |    |    |    |    |          |    |    |    |    |    |    |    |
| 5         | 6  | 7  | 8  | 9  | 10 | 11 | 3       | 4  | 5  | 6  | 7  | 8  | 9  | 1        | 2  | 3  | 4  | 5  | 6  | 7  | 8        | 9  | 10 | 11 | 12 | 13 | 14 | 15 |
| 12        | 13 | 14 | 15 | 16 | 17 | 18 | 10      | 11 | 12 | 13 | 14 | 15 | 16 | 14       | 15 | 16 | 17 | 18 | 19 | 20 | 21       | 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 19        | 20 | 21 | 22 | 23 | 24 | 25 | 17      | 18 | 19 | 20 | 21 | 22 | 23 | 21       | 22 | 23 | 24 | 25 | 26 | 27 | 28       | 29 | 30 |    |    |    |    |    |
| 26        | 27 | 28 | 29 | 30 |    |    | 24      | 25 | 26 | 27 | 28 | 29 | 30 | 28       | 29 | 30 |    |    |    |    |          |    |    |    |    |    |    |    |

## No coverage during waiting period

Services received or expenses incurred by your dependent(s) during this waiting period will not be covered.

## Coverage for newborns: You have 30 days

If you want to change from Individual coverage to Family coverage to cover a newborn child from the date of birth, you have 30 days from the child's birth to request this change.

If you are adopting a newborn, you must establish legal guardianship as of the date of birth or file a petition for adoption under Section 115(c) of the Domestic Relations Law no later than 30 days after the child's birth.

## Considered late if previously eligible

If you change to Family coverage in order to include your spouse/domestic partner or dependents who were previously eligible but unenrolled, the late enrollment waiting period described above will also apply.

## Exception for new dependent

However, an exception is made if you acquire a new dependent during the late enrollment waiting period after you apply for a change to Family coverage. (For example, if your child is born during the waiting period, the child will be eligible for benefits under your Family coverage beginning with the date of the child's birth.) This exception is not automatic. You must write to the Employee Benefits Division for this benefit.

## Exception for court order

If you are subject to a court order mandating that dependents be enrolled immediately in employer health insurance, the late enrollment waiting period will be waived for your

eligible dependents covered by the court order. You must provide a copy of the court order and any supporting documents needed to show that the dependents are covered by the order and eligible for coverage under NYSHIP eligibility rules. You must write to the Employee Benefits Division for this benefit.

### **Add newborn to existing Family coverage within 30 days**

If you have Family coverage, remember to add your newborn child within 30 days or you may encounter difficulties receiving services. Your child is not automatically covered. You must write to the Employee Benefits Division. You must contact the Employee Benefits Division within 30 days to complete the appropriate forms and to provide a copy of the birth certificate. If you have not yet received a Social Security number for the child, remember to provide a copy of the child's Social Security card as soon as you receive it.

### **Changing to Family Coverage**

If you want to change to Family coverage because (for example):

You marry or your domestic partner becomes eligible

You have or adopt a child

You acquire other dependent children

Your dependent's other insurance ends

**If you apply within 7 days of the event, coverage begins on the day dependent(s) was first eligible.**

**If you apply within 30 days after the birth or adoption of a newborn, coverage begins on the date of birth.**

**If you apply more than 7 days but within 30 days after the event, coverage begins on the first of the next month.**

**If you apply more than 30 days after the event, coverage begins on the first day of the third month following the month you applied for coverage.**

**If you apply more than 30 days after the birth or adoption of a newborn, coverage begins on the first day of the third month following the month you applied for coverage.**

### **Canceling dependent coverage**

You **must** cancel coverage for your dependent when he or she is no longer eligible. Write to the Employee Benefits Division and read the COBRA chapter in this book. Note the 60-day deadline for applying for COBRA.

### **Changing from Family to Individual coverage**

You **must** change to Individual coverage when you no longer have **any** eligible dependents.

You may choose to change from Family to Individual coverage at any time if you no longer wish to cover your dependents, even though they are still eligible. Write to the Employee Benefits Division. Coverage will be canceled automatically at the end of the month in which you make the request unless you state a specific date to end coverage. If you choose to re-enroll a dependent, there will be a waiting period.

### **Certificate of Coverage Dates**

If you or your dependent loses NYSHIP HMO coverage, your HMO is required under federal law to mail you a Certificate of Coverage. This certificate will state the beginning and ending dates of your or your dependent's NYSHIP HMO coverage period. You will receive a certificate if you change your health insurance option under NYSHIP, if your COBRA coverage ends, if your insurance is canceled for non-payment or if you lose your coverage for any other reason. If you lose your health insurance coverage, you may need the Certificate of Coverage to reduce the length of a pre-existing condition exclusion in a new plan outside NYSHIP.

## **Re-enrolling a dependent**

Dependents who lose eligibility due to marriage, loss of student status, or loss of disabled dependent status may be eligible to reenter NYSHIP if they subsequently become divorced, widowed or re-enroll in school, provided they are otherwise eligible. Unmarried disabled dependents may also reenter NYSHIP if they have a relapse of the same disability which qualified them as disabled dependents while they were in NYSHIP and which again renders them incapable of self-support. (COBRA enrollees: A dependent child who becomes disabled during COBRA status is not eligible to re-enroll in NYSHIP as a disabled dependent under the parent's policy.) The only circumstance in which a dependent survivor may reenter NYSHIP after losing eligibility due to marriage is annulment of the marriage.

## **Identification Cards**

### **Your HMO card**

If you enroll in an HMO, your HMO will provide you with an identification card after your enrollment in the HMO is processed.

### **Card for dependent(s)**

If you have Family coverage, you will also receive a separate card for each covered dependent or a card that lists the names of covered dependents.

### **Prescription drug card**

Some HMOs issue a separate card for filling prescriptions. Ask your HMO about cards and requirements for filling prescriptions. If you continue to receive your prescription drug coverage from your union Employee Benefit Fund, you will receive a separate prescription drug card from your union Employee Benefit Fund, not from your HMO.

### **Replacing your card**

Ask your HMO for a replacement card if your card (or a dependent's) is lost or damaged. Remember, your HMO identification card does not guarantee NYSHIP enrollment. You are responsible for notifying the Employee Benefits Division promptly when you or your dependents are no longer eligible for NYSHIP coverage.

## **Costs and What Your Retirement Check Shows**

### **Your share of the premium**

The amount you must contribute toward the cost of your coverage as a retiree, vestee, dependent survivor or enrollee covered under Preferred List provisions is established by legislation and administrative agreements.

### **Most State retirees**

For most retirees from State service, if you enroll in the Empire Plan, the State pays 90 percent of the premium for Individual coverage. For Family coverage, the State pays 90 percent of your premium as the enrollee, plus 75 percent of the cost of dependent coverage regardless of the number of dependents.

If you enroll in an HMO, the State pays 90 percent of the hospital, medical and mental health/substance abuse components of the premium for Individual coverage. For Family coverage, the State pays 90 percent of those components of your premium as the enrollee, plus 75 percent of those components of the premium for dependent coverage regardless of the number of dependents. However, the State's dollar contribution for those components of your HMO premium will not exceed its dollar contribution for those components of the Empire Plan premium.

For the prescription drug component of your Empire Plan or HMO premium, the State pays 90 percent of your premium as the enrollee plus 75 percent of the cost of dependent coverage regardless of the number of dependents.

**Note for those who retired prior to January 1, 1983:** The paragraphs above apply to you except that the percentage the State pays for Individual coverage in the Empire Plan is 100 percent. If you enroll in an HMO, the State's maximum contribution toward the cost of your HMO premium will not exceed its dollar contribution for the hospital, medical, mental health/substance abuse components of the Empire Plan premium.

### **Participating Employer retirees**

If you are covered as a retiree from a Participating Employer, your employer helps you pay for your health insurance, whether you are enrolled in the Empire Plan or an HMO.

### **How retirees pay**

After the State's or Participating Employer's contribution (if any), you are responsible for paying the balance of your premium (minus any sick leave credit, if eligible) through monthly deductions from your retirement check, by direct monthly payments to the Employee Benefits Division, or for retirees of some Participating Employers by direct payments to your former employer.

### **Vestees, dependent survivors and enrollees covered under Preferred List Provisions**

Rates for vestees, dependent survivors and enrollees covered under Preferred List provisions differ. After the State's contribution (if any), you are responsible for paying the balance of your premium by making direct monthly payments to the Employee Benefits Division or through deductions from your beneficiary checks.

### **Rates vary**

For retirees, vestees, dependent survivors and enrollees covered under Preferred List provisions, rates effective January 1, at the beginning of the program year, are announced in December. You will receive this information by mail. Rates are also available on the Internet at [www.cs.state.ny.us](http://www.cs.state.ny.us). If you have questions about HMO or Empire Plan premium rates, contact the Employee Benefits Division. The rate is different for dependent survivors of Thruway Authority employees. Contact the Thruway Authority Health Benefits Administrator for information.

### **COBRA enrollees**

COBRA enrollees: Please read "*Costs under COBRA*" on page 26.

### **All enrollees**

Payment of your premium does not establish eligibility for NYSHIP benefits. You must satisfy NYSHIP eligibility requirements. (See "*Eligibility for Coverage*" on pages 3–13.)

### **What your retirement check or direct deposit Annual Statement shows**

If you receive your pension by electronic deposits made to your bank each month, the retirement system will send you an Annual Statement summarizing your health insurance credits and deductions.

If you receive your pension by monthly checks mailed to your home, your check stubs will identify health insurance credits and deductions. You will not receive an Annual Statement.

If you make direct payments to the Employee Benefits Division each month, your quarterly bills will identify health insurance credits and deductions. You will not receive an Annual Statement.

*Please see samples on next page.*

Both of the samples shown below are from the New York State and Local Employees' Retirement System. If you receive your pension check from a different retirement program, your check stub or statement will look different.

**2003 Retiree's Annual Statement**

Retirement Allowance Paid during calendar year 1999

|  |   |
|--|---|
| Total Normal Allowance                     | + |
| Total Supplemental Allowance               | + |
| Total Basis Adjustments                    | - |
| Total Medicare Credits                     | - |
| Total Miscellaneous Deductions             | - |
| Total Federal Withholding Tax              | - |
| Total Health Insurance Premiums            | - |
| Total Medicare Premiums                    | - |
| Total Net Allowance paid during the period |   |

\* Do not use for tax filing. A 1099R is sent to you under separate cover for tax reporting purposes.  
Your Monthly Federal Withholding as of December 31, 1997, was \$164.45.  
You elected the Single Life Allowance Option (Option O). This is the only option available. Your monthly payments cease at your death.

**NEW YORK STATE & LOCAL RETIREMENT SYSTEMS**  
Name: JANE Q. PUBLIC  
SSN: 00010000  
Retirement #: 123456789  
Check #: 001778173  
Date: August 31, 2003  
Registration #: 12345678

| NORMAL ALLOWANCE    | C.O.L.A./ SUPPLEMENTAL | MEDICARE CREDIT |                  | GROSS TOTAL  |
|---------------------|------------------------|-----------------|------------------|--------------|
| \$4,349.83          | \$21.00                | 70              |                  | \$4,429.53   |
| FEDERAL WITHHOLDING | INSURANCE PREMIUM      |                 | TOTAL DEDUCTIONS |              |
| \$464.87            | \$89.57                |                 | \$588.34         |              |
|                     |                        |                 |                  | CHECK AMOUNT |
|                     |                        |                 |                  | \$3,832.49   |

In the event of the death of the payee, this check is void and must be returned to the payer.

DETACH HERE BEFORE CASHING

**1. Medicare Premium and Your Credit (Reimbursement)**

The Medicare Part B premium for 2004 is \$66.60 per month (amount may change yearly).

The State reimburses you and your enrolled dependents for this amount when Medicare becomes primary to NYSHIP, unless you or your dependent receives reimbursement from another source or are NYSHIP-primary for claims purposes. Please read "Medicare premium reimbursement" on page 31.

**2. Insurance Premium Deduction**

Your share of the NYSHIP premium, less any sick leave credit, is shown as a deduction in this box.

**Retirement Number:** This number is assigned by the Retirement System. It may take several months for the Employee Benefits Division to receive this number and begin taking monthly health insurance deductions from your pension. Meanwhile, you will make direct payments to the Employee Benefits Division each month to cover your share of the NYSHIP premium.

You will notice a change in your check when NYSHIP premium rates change, you change your option or coverage or Medicare rates change. Adjustments will be made automatically. (Also see "Keeping Your Coverage Up to Date" on page 34.)

**Sick leave credits for retirees**

The remainder of this section which addresses sick leave credits does not apply to vestees or dependent survivors, nor does it apply to Judges and Justices or other former employees who were not entitled to accumulate sick leave. Retirees of Participating Employers, contact the Health Benefits Administrator at your former agency for information about using sick leave credits.

At the time you retired, if you were eligible to accumulate sick leave, your agency reported your hourly rate of pay and unused sick leave hours to the Employee Benefits Division. The monthly actuarial value of your sick leave was calculated and then used to offset all or part of your monthly share of the health insurance cost.

**Preferred List provisions**

If you retired while covered under Preferred List provisions, and you retired within one year of your termination, you are eligible to have sick leave credits applied to your

premium in retirement. You may be entitled to use your accumulated unused sick leave to offset all or part of the cost of your health insurance during retirement.

### **Vestees**

If you left employment in vested status, you are not eligible to have sick leave credits applied to your premium while you are in vested status or after you retire.

### **Lifetime monthly credit**

When you retired, your unused sick leave was converted into a dollar amount by dividing the total dollar value of your sick leave by your actuarial life expectancy in months. The result was a lifetime monthly credit which is applied to your health insurance premium for as long as you remain enrolled in any NYSHIP option. The amount of your monthly credit will remain the same throughout your lifetime. However, the balance you pay may change each year. (See “*Estimate the value of your sick leave credit*” on page 21.)

Using your unused sick leave to offset all or part of the cost of your health insurance premium during retirement does not affect the value of your sick leave for pension purposes.

Six to eight weeks after you received your last payroll check, you received a letter verifying your monthly sick leave credit and the current cost of your health insurance coverage. **Keep this letter for future reference.** If you do not receive this information within eight weeks after your last payroll check, write to the Employee Benefits Division or call 518-457-5754 (Albany area) or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands).

Most employees can use a maximum of 200 working days of earned sick leave to calculate the sick leave credit.

If the credit from your unused sick leave does not fully cover your share of the monthly premiums, you must pay the balance. If the credit exceeds your share of the monthly premiums, you will **not** receive the difference.

**Premium rates are recalculated each year. If the retiree premium rises, the balance you must pay will also rise. New rates are announced by mail and posted on our Web site as soon as rates for the coming year are approved (usually in November or December). Each year, to calculate the balance you will pay in the new calendar year, subtract your monthly sick leave credit from the new monthly premium.**

If the total dollar value of your sick leave amounts to \$100 or less, it will be calculated in the same manner as dollar values of \$100 or more to provide a lifetime monthly amount of no less than \$.01 per month. Or, you may choose to have a credit of less than \$100 applied to monthly premiums until the amount runs out. Then, you will contribute the usual enrollee share. Before you retire, you must notify the Employee Benefits Division if you want to use this runout sick leave method.

### **When credit ends**

**Your monthly credit ends when you die and may not be used by your surviving dependents, unless you chose the Dual Annuitant Sick Leave Credit.**

### **Dual Annuitant Sick Leave Credit**

*If you retired from a Participating Employer, ask your employer if you are eligible for this benefit.* The Dual Annuitant Sick Leave Credit allows you to specify that you want your dependent survivors (see “*Dependent survivor coverage*” on page 11) to be able to use your monthly sick leave credit to reduce their NYSHIP premium if you die. This is called the Dual Annuitant Sick Leave Credit. **If you want this option, you must have chosen it before your last day on the payroll.**

The Dual Annuitant Sick Leave Credit affects only the cost of your dependent survivors’ health insurance, not their eligibility to continue coverage after you die.

If you chose the Dual Annuitant Sick Leave Credit, you will use 70 percent of your sick leave credit for your premium for as long as you live. Your eligible dependents who outlive you may continue to use 70 percent of the monthly credit for their NYSHIP premium.

In the example on page 21, your monthly sick leave credit is \$26.61. If you choose the Dual Annuitant option, your monthly sick leave credit will be 70 percent of \$26.61, or \$18.63.

The monthly sick leave credit (of \$18.63 in this example) is available to your dependents as long as they remain eligible for NYSHIP and are enrolled as dependent survivors. The monthly premium for your dependents' continuation in NYSHIP will be reduced by your monthly sick leave credit (\$18.63 in this example). This credit cannot be applied to a COBRA premium and cannot be combined with your spouse's sick leave credits.

**If you did not indicate a choice before your retirement, all of your sick leave credit (up to a maximum of 200 days, in most cases) will be applied to your premium automatically. No sick leave credit will be applied to your dependent survivors' coverage. (The credit cannot be applied to a COBRA premium or conversion contract.)**

This opportunity to elect Dual Annuitant Sick Leave is available only once, at the time you retire. Once you elect Dual Annuitant Sick Leave, you may not discontinue it. If your dependents should die before you, you will retain the 70 percent sick leave credit.

### **Eligible spouse may reactivate own NYSHIP enrollment**

Whether or not you chose the Dual Annuitant Sick Leave Credit, if your spouse is a former New York State employee and meets the eligibility requirements for continuing health insurance coverage in retirement, your spouse keeps the right to reactivate his or her own NYSHIP enrollment at any time. For example, if you predecease your spouse, your spouse may either continue in NYSHIP as a dependent survivor, or reactivate enrollment in his or her own right.

### **Married couples who are both eligible for NYSHIP**

If you and your spouse have chosen a single Family coverage, each of you keeps the right to apply sick leave credits toward your health insurance premium in retirement. Your dependent spouse may choose to re-enroll independently in NYSHIP at any time. Upon re-enrolling, a monthly sick leave credit will be established for your retired spouse, provided the value of his or her unused sick leave can be documented.

Therefore, at retirement, your spouse must ask his or her agency to complete PS-410 "State Service Sick Leave Credit Preservation" form. This form provides evidence of your spouse's State service and sick leave credit if he or she wants to obtain New York State Health Insurance Program coverage in the future. Or, your spouse may request a letter from his or her agency which verifies total sick leave accruals and indicates salary and negotiating unit. Your spouse must request this form or letter. It is provided only on request when the employee is covered as a dependent. A spouse who is entitled to the Dual Annuitant Sick Leave Credit may elect it at the time enrollment is reactivated.

When your spouse applies for coverage in his or her own name, your spouse must send the completed form PS-410 or agency verification with a letter requesting coverage to the Employee Benefits Division. For information on reactivating enrollment in NYSHIP, your spouse should contact the Employee Benefits Division.

### **Military Active Duty**

If you are a member of an Armed Forces Reserve or a National Guard Unit called to active duty by a declaration of the President of the United States or an Act of Congress, your dependents who have been covered at least 30 days will be eligible for up to 12 months of Family coverage at no cost. To arrange for this benefit if you are going on active military duty, you or a family member must contact the Employee Benefits Division.

**Note:** COBRA Enrollees: The military duty benefit does not apply to you. Retirees of Participating Employers: Ask your former employer if this benefit applies to you.

**Before you retire: Estimate the value of your sick leave credit**

*This worksheet is for estimate only. It is for full-time and part-time employees who retire after January 1, 2000. If you are paid on an hourly basis, use your hourly salary as the Hourly Rate of Pay. (UUP-represented employees: Use the worksheet in your NYSHIP General Information Book.)*

**Work Sheet**

**Calculate your Hourly Rate of Pay (HRP)**

Step 1. Determine "hours worked in a day": Divide the number of hours in a workweek by 5. For example, a 40-hour week divided by 5 equals an 8-hour day, even if you work 4 days of 10 hours each.

Hours worked in a week ÷ 5 =  
Hours worked in a day:\_\_\_\_\_.

Step 2. Determine HRP: Divide your total annual salary at the time of retirement (basic annual salary plus additional constant salary factors such as location pay, shift or geographic differential, inconvenience pay) by one of the following predetermined numbers: 2088 for jobs that are 8 hours a day, 1957 for jobs that are 7 1/2 hours a day, and 1827 for jobs that are 7 hours a day. (Please contact your agency Health Benefits Administrator for calculations other than the three stated above.)

Annual Salary ÷ Predetermined Number =  
Hourly Rate of Pay (HRP):\_\_\_\_\_.

**Calculate your Sick Leave Credit**

Step 3. Determine the total dollar value of your sick leave: Multiply your hourly rate of pay by the number of sick leave hours you have accumulated up to a maximum 165 or 200 days, depending on your group.

HRP x Hours Unused Sick Leave =  
Total Dollar Value of Sick Leave:\_\_\_\_\_.

Step 4. Determine your monthly credit: Divide the total dollar value of your sick leave by your life expectancy at retirement from the table below.

Total dollar value ÷ Life Expectancy =  
Monthly Credit:\_\_\_\_\_.

**Example**

You want to retire at age 62 (three months from now). Your gross annual salary is \$30,000 and you have 400 hours of unused sick leave.

Step 1. Hours Worked in a day:  
8 (hours worked in a day)  
5 ) 40 (hours worked in a week)

Step 2. Hourly Rate of Pay (HRP):  
\$ 14.37 (HRP)  
2088 ) 30,000 (Annual Salary)

Step 3. Total dollar value of your sick leave:  
\$14.37 (HRP) x 400 (hours unused sick leave) =  
\$5,748 (Total Dollar Value)

Step 4. Your Monthly Credit:  
\$26.61 (Monthly Credit)  
Life expectancy - 216 ) \$5,748 (Total dollar value)  
(from table below)

*You may also use the electronic calculator on our Web site, [www.cs.state.ny.us](http://www.cs.state.ny.us).*

**Actuarial Table\***

| AGE AT RETIREMENT | LIFE EXPECTANCY Table 1** | LIFE EXPECTANCY Table 2*** | AGE AT RETIREMENT | LIFE EXPECTANCY Table 1** | LIFE EXPECTANCY Table 2*** |
|-------------------|---------------------------|----------------------------|-------------------|---------------------------|----------------------------|
| 50                | 308 months                | 302 months                 | 59                | 240 months                | 217 months                 |
| 51                | 301 months                | 292 months                 | 60                | 232 months                | 208 months                 |
| 52                | 293 months                | 282 months                 | 61                | 224 months                | 199 months                 |
| 53                | 286 months                | 273 months                 | 62                | 216 months                | 190 months                 |
| 54                | 279 months                | 263 months                 | 63                | 208 months                | 181 months                 |
| 55                | 271 months                | 254 months                 | 64                | 200 months                | 173 months                 |
| 56                | 264 months                | 245 months                 | 65                | 192 months                | 164 months                 |
| 57                | 256 months                | 235 months                 | 66                | 184 months                | 156 months                 |
| 58                | 248 months                | 226 months                 | 67                | 176 months                | 148 months                 |
|                   |                           |                            | <i>Etc.</i>       |                           |                            |

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

Using the example in the box above, you would have \$26.61 of sick leave credit each month to help pay the cost of your health insurance as long as you live. If, for example, your share of the monthly cost of health insurance is \$75.00, your total monthly cost would be \$75.00 minus your sick leave credit of \$26.61, or \$48.39. The amount of \$48.39 would be deducted from your pension each month or billed to you directly.

**Keep in mind, if the premium increases, the amount you must pay will also increase.** Your monthly credit of \$26.61 will not change.

This chart shows the use of single annuitant sick leave credit. If you choose Dual Annuitant Sick Leave Credit at the time of your retirement, 70 percent of the "monthly credit" amount is available to you and your surviving dependent to apply toward the health insurance premium.

\* For regular retirement only. A different actuarial table applies to disability retirements.

\*\* Table 1 is for all employees in the Employees' Retirement System and Teachers' Retirement System. It also applies if you are enrolled in an optional retirement program such as TIAA-CREF.

\*\*\* Table 2 is for employees in the Police and Fire Retirement System.

# COBRA: Continuation of Coverage for You and Your Dependents

## Continuation coverage: An important benefit

This chapter explains your rights and your dependents' rights to continue coverage temporarily under federal law after NYSHIP eligibility ends. There is a 60-day deadline for applying. The information in this section is important. Be sure to share it with your dependents.

**If you are a former employee of a Participating Employer (or that employee's dependent), ask your employer if you are eligible for COBRA.**

This section explains your rights under the Consolidated Omnibus Budget Reconciliation Act (COBRA), a federal continuation of coverage law for you and your covered dependents. The law requires that most employers sponsoring group health plans offer employees and their families the opportunity for a temporary extension of health care coverage called "continuation coverage" at group rates in certain instances where coverage under the program would otherwise end. The health care benefits you, your spouse and other enrolled dependents may continue are the same benefits you receive as a retired employee, vestee, dependent survivor or enrollee covered under Preferred List provisions enrolled in the New York State Health Insurance Program (NYSHIP).

Medicare eligibility may affect COBRA eligibility for you or your dependent. Please read "Medicare and COBRA" on page 25.

The sections below summarize your and your dependents' rights and obligations under the continuation coverage provisions of the law. Take the time to read this carefully. Your spouse and other dependents who are covered under NYSHIP should also take the time to read the appropriate section carefully:

|   |         |
|---|---------|
| Section 1: For retirees and their dependents.....                     | page 23 |
| Section 2: For vestees and their dependents .....                     | page 24 |
| Section 3: For dependent survivors .....                              | page 24 |
| Section 4: For enrollees covered under Preferred List provisions .... | page 24 |
| Section 5: General provisions for all enrollees .....                 | page 25 |

### 1. COBRA eligibility for retirees and retirees' dependents

COBRA allows a retired employee and a retired employee's covered dependents to keep health insurance coverage if they lose NYSHIP eligibility for reasons listed below.

#### Your spouse/domestic partner

1. If you (the enrollee) and your spouse become divorced or legally separated, or your domestic partnership is terminated, your spouse/domestic partner may continue coverage under COBRA for up to 36 months.

**Note:** NYSHIP allows an enrollee to keep his or her legally separated spouse as a dependent. However, sometimes the enrollee chooses to terminate coverage for his or her legally separated spouse; COBRA enables the spouse to continue coverage independently.

#### Dependent children

2. If your dependent children no longer qualify as covered dependents under the terms of NYSHIP (i.e., loss of full-time student status or no longer qualify due to age or marriage), they may continue under COBRA for up to 36 months. (See "General Provisions Under COBRA" on page 24.)

#### Survivors

3. If you die and your dependents are not eligible for continued coverage as dependent survivors, they may continue coverage under COBRA for up to 36 months. (See "General Provisions Under COBRA" on page 24.)

**Note:** Dependents who are eligible for dependent survivor coverage are not eligible for coverage under COBRA. They will be offered dependent survivor coverage. The premium cost for dependent survivor coverage is less than the cost of COBRA coverage. Please see below for more information on dependent survivor coverage.

Please read "General Provisions Under COBRA" on page 24.

## 2. **COBRA eligibility for vestees and vestees' dependents**

COBRA allows a vestee's covered dependents to keep health insurance coverage if they lose NYSHIP eligibility for certain reasons.

### **Spouse/domestic partner**

The spouse/domestic partner of a vestee covered by NYSHIP is eligible for COBRA if coverage is lost for any of the following reasons:

1. Divorce or legal separation; termination of a domestic partnership. **Note:** NYSHIP allows an enrollee to keep his or her legally separated spouse as a dependent. However, sometimes the enrollee chooses to terminate coverage for his or her legally separated spouse; COBRA enables the spouse to continue coverage independently.
2. The vestee becomes entitled to receive Medicare benefits and elects to drop NYSHIP coverage.
3. The vestee dies and the spouse/domestic partner is not eligible for continued coverage as a dependent survivor.

### **Dependent children**

A dependent child of a vestee covered by NYSHIP has the right to continuation coverage if coverage under NYSHIP is lost for any of the following reasons:

1. The dependent ceases to be an eligible "dependent child" under NYSHIP.
2. Parents' divorce or legal separation. (**Note:** Under NYSHIP, a dependent child does not automatically lose coverage because of parents' divorce or legal separation.)
3. The vestee dies and the dependents are not eligible for continued coverage as dependent survivors.

Please read "*General Provisions Under COBRA*" on page 24.

## 3. **COBRA eligibility for dependent survivors**

If you are enrolled in NYSHIP as a dependent survivor and you lose eligibility to continue in NYSHIP because you remarry, you are not eligible for continued coverage under COBRA. However, you could be eligible for a direct-pay conversion contract. (See additional rules for domestic partners on page 8.)

If you remarry, your already-enrolled dependent children would continue to be eligible for health insurance coverage in NYSHIP as dependent survivors for as long as they meet the eligibility requirements. When they no longer qualify under the terms of NYSHIP (i.e., loss of full-time student status or no longer qualify due to age or marriage), they may continue under COBRA.

Please read "*General Provisions Under COBRA*" on page 24.

## 4. **For enrollees covered under Preferred List provisions**

COBRA allows an enrollee covered under Preferred List provisions and the dependents of that enrollee to keep health insurance coverage if they lose NYSHIP eligibility for certain reasons.

### **Enrollee**

When your Preferred List coverage ends, if you are not eligible for coverage as a retiree or vestee, you may be eligible to continue coverage under COBRA.

### **Spouse/domestic partner**

The spouse/domestic partner of an enrollee covered under Preferred List provisions is eligible for COBRA if coverage is lost for any of the following reasons:

1. Divorce or legal separation; termination of a domestic partnership. **Note:** NYSHIP allows an enrollee to keep his or her legally separated spouse as a dependent. However, sometimes the enrollee chooses to terminate coverage for his or her legally separated spouse; COBRA enables the spouse to continue coverage independently.
2. The enrollee covered under Preferred List provisions becomes covered under Medicare and elects to drop NYSHIP coverage.
3. Coverage under Preferred List provisions ends and the employee is not eligible for coverage as a retiree or vestee.

4. The enrollee dies and the spouse/domestic partner is not eligible for continued coverage as a dependent survivor.

### **Dependent children**

A dependent child of an enrollee covered by NYSHIP under Preferred List provisions has the right to continuation coverage if coverage under NYSHIP is lost for any of the following reasons:

1. The dependent ceases to be an eligible “dependent child” under NYSHIP.
2. Parents’ divorce or legal separation (**Note:** Under NYSHIP, a dependent child does not automatically lose coverage because of parents’ divorce or legal separation).
3. The enrollee covered under Preferred List provisions dies and the dependents are not eligible for continued coverage as dependent survivors.

Please read “*General Provisions Under COBRA*” below.

## **5. General provisions under COBRA**

These general provisions under COBRA apply to all enrollees.

### **Choice of option and coverage**

A spouse/domestic partner or dependent child who loses eligibility under your coverage and continues coverage under COBRA will continue in the same option in which you are enrolled. A COBRA enrollee may change to a different option once in a 12-month period or when moving under the circumstances described in “*Changing options more than once in a 12-month period*” on page 3. Each COBRA beneficiary may elect to change to Individual coverage in a different plan from that of the family unit, but no more than once in a 12-month period.

### **Proof of insurability**

You do not have to show that you are insurable to choose continuation coverage.

## **60-day deadline to apply, in writing, for COBRA**

Under COBRA, you or a family member is responsible for informing the COBRA Unit, Employee Benefits Division of the State of New York Department of Civil Service, The State Campus, Albany, New York 12239, of a divorce or termination of a domestic partnership, or of a child’s losing eligible dependent status under NYSHIP, **within 60 days** from the date coverage would end due to the qualifying event. Other people acting on your behalf may provide written notice to the Employee Benefits Division of a COBRA-qualifying event.

**If the Employee Benefits Division does not receive notice in writing within that 60-day period, regardless of the reason, the enrollee or dependent will not be entitled to choose continuation coverage.**

After the Employee Benefits Division receives your notice of an event that entitles you to COBRA coverage, the Division will, in turn, notify you that you have the right to choose continuation coverage. If the Division indicates that you do have the right, you must then inform the Employee Benefits Division that you want continuation coverage within 60 days from the date you would lose coverage because of a qualifying event or 60 days from the date you are notified of your eligibility for continuation of coverage, whichever is later.

**A dependent (spouse/domestic partner or child) who loses NYSHIP coverage and wishes to continue coverage as a COBRA enrollee must send a written notice that a COBRA-qualifying event has occurred to the Employee Benefits Division within 60 days from the date coverage would otherwise end due to the qualifying event.**

If you or your eligible dependent, or someone else acting on your behalf, does not choose continuation coverage, NYSHIP insurance coverage will end.

If you choose continuation coverage, New York State is required to offer you coverage which, as of the time coverage is being provided, is identical to the coverage provided under the plan to similarly situated enrollees or family members.

## **How long you and your eligible dependents may keep COBRA coverage:**

**18 months for enrollees** Retirees, Dependent Survivors and enrollees covered under Preferred List provisions will have the opportunity to maintain continuation coverage for 18 months. However, the continuation coverage period will be extended to 29 months for you and your enrolled dependents if you or your enrolled dependent is disabled under Social Security Act provisions defining disabilities. If you are disabled under Social Security at the time of COBRA election, you must notify the Employee Benefits Division within the first 60 days of COBRA coverage in order to qualify for the 11-month extension for the disabled. If you become disabled under Social Security during COBRA continuation, you must notify the Employee Benefits Division within 60 days of the date of the notice of disability and prior to the end of the 18-month COBRA continuation period in order to qualify for the 11-month extension period.

If, during your 18-month or 29-month continuation coverage period, another event takes place that would entitle a dependent spouse/domestic partner or child to his or her own continuation coverage, the continuation coverage may be extended for the spouse/domestic partner or child. However, in no case will any period of continuation coverage be more than 36 months from the original COBRA-qualifying event.

**36 months for dependents** Dependents who were covered at the time of an initial qualifying event, and newborns or newly adopted children added to your COBRA continuation coverage within 30 days of birth or final adoption during your period of COBRA coverage, are considered qualified beneficiaries with their own rights to continue COBRA coverage for up to 36 months in the event of a second qualifying event. Other dependents added to your COBRA coverage, such as a newly acquired spouse, do not have continuation rights apart from yours.

An enrolled spouse/domestic partner and dependent children who lose NYSHIP eligibility due to a COBRA-qualifying event have the opportunity to elect COBRA continuation coverage for up to 36 months.

## **Medicare and COBRA**

The coverage you have first, COBRA or Medicare, affects your eligibility for coverage.

- If you are already entitled to Medicare benefits when you apply for COBRA: If you are enrolled in Medicare, you may continue NYSHIP coverage under COBRA.
- If you are already covered under COBRA when you become eligible for Medicare: If you enroll in Medicare your NYSHIP coverage under COBRA ends as soon as your Medicare coverage becomes effective. (In this case, your covered dependents may continue COBRA coverage for up to 18 months from their original COBRA-qualifying event.) If you are not enrolled in Medicare when you are first eligible, your eligibility for NYSHIP coverage under COBRA continues until your COBRA continuation period runs out or you do become covered under Medicare, but you will be responsible for Medicare's share of your bills. Under New York State law, HMOs and the Empire Plan carriers do not pay for any medical expenses that would have been paid by Medicare whether or not you are actually enrolled in Medicare. This means that large portions of your medical expenses may not be paid by either Medicare or your NYSHIP plan. In addition, under Medicare late enrollment rules, if you do not enroll in Parts A and B when first eligible, when you do enroll you may have a waiting period for Medicare to begin and the cost of your Medicare monthly premiums will be higher when you do enroll. If you do not join Medicare and you want to keep your NYSHIP coverage under COBRA, notify the Employee Benefits Division; you will be reimbursed for the base cost of the Medicare Part B premium when Medicare automatically becomes primary to NYSHIP at 65.

## **When you no longer qualify for COBRA coverage**

The law also provides that continuation coverage may end for any one of the following reasons:

1. If the premium for your continuation coverage is not paid on time; or
2. If the COBRA enrollee becomes entitled to receive Medicare benefits; or
3. The continuation period of 18 months, 29 months or 36 months ends; or
4. The Plan terminates for all enrollees.

## Costs under COBRA

COBRA enrollees pay 100 percent of the premium for continuation coverage plus a two percent administrative fee. (If coverage continues beyond 18 months due to a determination of disability under the Social Security Act, the premium may increase to 150 percent of the continuation premium for the 19th through the 29th month.) The Employee Benefits Division will send the COBRA enrollee monthly bills for the COBRA premium. COBRA enrollees will have an initial grace period of 45 days starting with the date they choose continuation coverage to pay any premium; and after that initial 45-day grace period, they will have a grace period of at least 30 days to pay any subsequent premiums. Payment is considered made on the date of the postmark. COBRA coverage canceled due to failure to pay the premium on time will not be reinstated.

## To cancel COBRA

Notify the Employee Benefits Division in writing if you want to cancel your COBRA coverage. If you return to work for New York State, your unpaid COBRA premiums may be deducted from your paycheck if you fail to cancel your COBRA coverage.

## Conversion rights after COBRA coverage ends

At the end of the 18-month, 29-month or 36-month continuation coverage period, the COBRA enrollee will be allowed to convert to direct-pay conversion contracts with the Empire Plan's hospital and/or medical carrier if enrolled in the Empire Plan, or with your HMO if enrolled in an HMO.

If you choose COBRA coverage, you must exhaust those benefits before converting to a direct-pay conversion contract. **If you choose COBRA coverage and fail to make the required payments or cancel coverage for any reason, you will not be eligible to convert to a direct-pay policy.**

## Who to call

If you have any questions about COBRA, please contact the Employee Benefits Division.

## Changing From NYSHIP to a Direct-Pay Conversion Contract

Under certain conditions, NYSHIP enrollees and their covered dependents are entitled to a direct-pay conversion contract after NYSHIP coverage ends or after continuation coverage in NYSHIP under COBRA is exhausted. Refer to your HMO contract for information about your direct-pay conversion rights. Notification procedures and deadlines for applying for conversion coverage vary among HMOs.

**The benefit package and the premium cost for a direct-pay conversion contract may differ from what you have had under NYSHIP.**

You or your covered dependents do not need to provide evidence of insurability.

## Medicare: You Must Enroll; Coordinating with NYSHIP

*Read this section carefully. Plan ahead: You and your dependents are responsible for being enrolled in Medicare when first eligible. Failure to do so will drastically reduce your coverage.*

*This section explains NYSHIP requirements for enrolling in Medicare. NYSHIP requirements are not the same as Social Security or Medicare requirements. Do not depend on Social Security, Medicare, another employer or your HMO for information on NYSHIP requirements. Contact the Employee Benefits Division if you have questions about your rights and responsibilities as a NYSHIP enrollee.*

**Note to Participating Employer enrollees: Ask your agency Health Benefits Administrator whether your agency continues NYSHIP coverage after you become eligible for Medicare at 65.**

Note to COBRA enrollees: Requirements differ. Please read about "Medicare and COBRA" on page 25.

Note to rehired retirees: If you retired from a State agency and then return to the State payroll (or you retired from a Participating Employer and then return to work for the same Participating Employer) in a benefits-eligible position, NYSHIP is primary to Medicare until you leave the payroll. You may postpone enrolling in Medicare Part B until leaving the payroll. Please read “*Re-employment with New York State or your former Participating Employer*” on page 33.

**NYSHIP requires retirees, vestees, dependent survivors and enrollees covered under Preferred List provisions from New York State agencies and Participating Employers to be enrolled in Medicare Parts A and B when first eligible. NYSHIP also requires your dependents to be enrolled in Medicare Parts A and B when first eligible. You/your dependents must be enrolled when first eligible even if also covered through another employer’s group plan.**

### **You and your dependents must be enrolled in Medicare Parts A and B when first eligible**

As a retiree, vestee, dependent survivor or enrollee covered under Preferred List provisions in the New York State Health Insurance Program (NYSHIP), or as that enrollee’s dependent (spouse/domestic partner or child), **you must be enrolled in Medicare Parts A and B and entitled to receive Medicare benefits as soon as you reach age 65, or before age 65 if you are disabled or have end stage renal disease.**

As soon as you become eligible for Medicare, your NYSHIP coverage will pay secondary to Medicare, even if you fail to enroll in Medicare or are in a waiting period for Medicare to go into effect. Plan benefits may change.

If you are not enrolled in Medicare Parts A and B when you are first eligible to enroll, you will be responsible for the full cost of medical services that Medicare would have covered.

If you join an HMO under Medicare Advantage (formerly Medicare+Choice contract), you will be locked into that plan for all services covered under the Medicare program.

Because Medicare pays primary to your NYSHIP plan, New York State or your former Participating Employer will reimburse you for the usual (base) cost of “original” Medicare Part B monthly premiums.

Until you become eligible for Medicare, NYSHIP (or your current employer’s plan) will generally provide primary coverage.

### **Plan ahead to avoid a gap in coverage**

If you/your dependent is under 65, plan ahead. To avoid a gap in coverage you must contact your local Social Security office **three months before you or your spouse turns age 65** to enroll in Medicare Parts A and B. You must have Medicare coverage in effect on the first day of the month in which you reach age 65. Or, if your birthday falls on the first of a month, you must have your Medicare coverage in effect on the first day of the month *before* you turn age 65.

Although Medicare allows you to enroll up to three months after your 65th birthday, **NYSHIP requires you to have Medicare Parts A and B in effect on the first day of the month in which you are eligible.** If you do not apply during the three months preceding the month of your birthday, you will have a waiting period before Medicare becomes effective. During that waiting period, you will have a gap in your coverage that could be very costly to you.

If you/your dependent is 65 or over, or entitled to Medicare because of disability, when you retire or leave the State payroll as a vestee, NYSHIP will no longer be your primary insurer beginning the first day of the month following a “runout” of 28 days after the last day of the last payroll period for which you were paid. **Note to Participating Employer enrollees:** If you/your dependent is 65 or over, or entitled to Medicare because of disability, when you retire or leave the payroll as a vestee, NYSHIP will no longer be your primary insurer beginning the first day of the month after the end of the month in which your employer group coverage ends. Ask your agency Health Benefits Administrator when your employer group coverage ends.

If you or your dependent is already eligible for Medicare due to age or disability, but not yet enrolled in both Parts A and B, **apply to Social Security for Medicare Parts A and B as soon as possible.** If you do not enroll when you are first eligible, you must enroll during the next general enrollment period between January 1 and March 31. Your coverage will begin the following July 1. You are responsible for the premium surcharge (above the usual base cost) that Medicare adds as penalty for late enrollment.

If you/your dependent is already receiving Social Security Retirement benefits or Social Security Disability Insurance (SSDI) before age 65, Social Security may automatically mail a Medicare card to you several months before you turn 65 with an option to decline enrollment in Part B. **Do not decline. Be sure to enroll in Part B.** The monthly premium for Part B is withheld from the Social Security check. If you already declined Part B when Social Security offered it to you, enroll now and send a photocopy of your new card to the Employee Benefits Division.

If you are a retiree receiving Workers' Compensation health insurance benefits from the State Insurance Fund for work-related medical conditions or injuries, you must still be enrolled in Medicare when first eligible so that Medicare can cover non work-related medical expenses as primary insurer.

### **When an "active employee" of New York State or a Participating Employer is enrolled as a retiree's dependent**

If an active employee of New York State or a Participating Employer, age 65 or over, is enrolled in NYSHIP as the dependent of a retired spouse (rather than in his or her own right as an employee), the employee has "retiree" coverage in NYSHIP and must enroll in Medicare when first eligible. Medicare will pay primary to NYSHIP, and the retired spouse will be eligible to receive reimbursement for the Medicare Part B premium on behalf of the active employee, unless reimbursement is received from another source.

### **Medicare: A federal program**

Medicare is a federal health insurance program for people who are age 65 or older, or have received Social Security disability benefits for two years, or have end stage renal disease (permanent kidney failure). Medicare is administered by the Social Security Administration for the Centers for Medicare and Medicaid Services. For information about applying see "*How and when to enroll*" on page 31.

"Original" fee-for-service Medicare has two parts: **Part A, hospital insurance** which can help pay for inpatient hospital care, inpatient care in a skilled nursing facility, home health care, and hospice care; and **Part B, medical insurance** which can help pay for medically necessary doctors' services, outpatient hospital services, home health services and a number of other medical services and supplies that are not covered by the hospital insurance part of Medicare.

### **Primary Coverage**

A health insurance plan provides "primary coverage" when it is responsible for paying health benefits before any other group health insurance is liable for payment. Be sure you understand which plan provides your primary coverage. If you have group coverage under an employer other than New York State, please read "*Order of payment*" on page 32.

### **You and your dependents must have Medicare in effect when first eligible for Medicare coverage that is primary to NYSHIP**

**As soon as you or your covered dependent becomes eligible for Medicare coverage that pays primary to NYSHIP, you or your covered dependent must be enrolled in Medicare Parts A and B and entitled to receive Medicare benefits.** If you or a dependent is eligible for Medicare coverage that pays primary to NYSHIP, but has failed to enroll when first eligible, you may have to pay for services you receive from your HMO. Contact your HMO to find out how your HMO coordinates with Medicare.

- **Benefits available outside the HMO:** With an HMO that coordinates coverage with Medicare, you can choose to receive Medicare benefits outside of your HMO. You would be responsible for Medicare's coinsurance, deductibles and other charges. No payment will be made by the HMO. Most NYSHIP HMOs coordinate coverage with Medicare.
- **No benefits outside the HMO:** With a Medicare Advantage (formerly Medicare+Choice) plan, you must receive all services from your HMO. You must also follow the HMO's requirements and use their providers. You may not receive any Medicare benefits if you choose to receive care outside your HMO.

## When you are eligible

You are eligible for Medicare and must be enrolled in Parts A and B when you:

- are age 65 or older, or
- regardless of age, have been entitled to Social Security Disability benefits for more than 24 months, or
- regardless of age, have end stage renal disease (permanent kidney failure) and have completed Medicare's waiting period of 30 months or 33 months.

## End stage renal disease

Medicare imposes a three-month waiting period after a patient is diagnosed with end stage renal disease. However, Medicare waives the three-month waiting period if the patient:

- enrolls in a self-dialysis training program during the first three months, or
- receives a kidney transplant within the first three months of being hospitalized for the transplant.

## Medicare end stage renal disease coordination

If there is a waiting period at the onset of end stage renal disease before Medicare becomes effective, NYSHIP continues to be the primary insurer for the three-month waiting period.

After the three-month waiting period, Medicare begins to count a 30-month waiting period that the patient must satisfy before Medicare is primary. The three-month waiting period, if not waived, plus the 30-month waiting period, makes a total waiting period of 33 months.

During the waiting period, NYSHIP (or another employer's plan) continues to be the patient's primary insurer. At the end of the waiting period, Medicare becomes the patient's primary insurer and NYSHIP will be the patient's secondary coverage.

Since Medicare will provide only secondary benefits during the waiting period, NYSHIP does not require Medicare enrollment during this time and will not provide reimbursement for the Part B premium. At the end of the waiting period, when Medicare becomes the primary insurer, NYSHIP requires the patient to have Medicare in effect and will begin providing reimbursement for the Part B premium, unless reimbursement is available from another source.

When Medicare coverage for end stage renal disease ends, NYSHIP (or another employer's plan) will again provide primary coverage for an enrollee or dependent who is under age 65 and not disabled. Notify the Employee Benefits Division if you or your dependent is eligible for Medicare due to end stage renal disease, or if Medicare coverage ends.

If your spouse or other dependents are covered under other group health insurance, ask your HMO about primary coverage.

## When Medicare pays first, before NYSHIP

When you are no longer an active State employee, Medicare is primary to NYSHIP as follows:

**Retirees, vestees, dependent survivors, enrollees covered under Preferred List provisions, and their dependents under age 65 or entitled to Medicare because of disability:** Medicare becomes primary when you turn 65 or before 65 if you become

eligible for Medicare due to disability. Until then, NYSHIP remains primary. If you develop end stage renal disease, NYSHIP will provide your primary coverage for the three-month waiting period plus the 30-month period described above; then Medicare becomes primary to NYSHIP.

If you have Family coverage, Medicare becomes primary to NYSHIP for your covered dependents as soon as they become eligible for Medicare for any reason. Until then, NYSHIP remains primary for the dependent. If your spouse or other dependents are covered under other group health insurance, ask your HMO about primary coverage.

**Retirees, vestees, dependent survivors, enrollees covered under Preferred List provisions, and their dependents age 65 or over:** Medicare provides coverage that pays primary to NYSHIP. If your spouse is also age 65 or over, Medicare provides coverage that is primary to NYSHIP for him or her. Your spouse under age 65 and/or your other enrolled dependents may be eligible for primary Medicare coverage because of disability or end stage renal disease. You and your dependents must have Medicare Parts A and B in effect when first eligible.

**NYSHIP requires you to be enrolled in Medicare Parts A and B and have both parts in effect as soon as you are eligible for Medicare coverage that is primary to your NYSHIP coverage (pays first, before NYSHIP).**

**You must enroll in Medicare and have it in effect (be entitled to receive Medicare benefits) when you are first eligible even if you have coverage through another employer's group plan.**

If there is a charge for your Medicare Part A coverage because you did not meet the Social Security eligibility requirements, you may keep NYSHIP as your primary coverage and you need not enroll in Medicare Part A. Please send the statement you receive from Social Security confirming your ineligibility for Medicare Part A to the Employee Benefits Division. However, you still must enroll in Part B. Without Part A, you may not be able to continue in your HMO. Contact the Employee Benefits Division for assistance.

## Dependents and Medicare

**A dependent who is covered under the NYSHIP policy of a retiree, vestee, dependent survivor or enrollee covered under Preferred List provisions must also be enrolled in Medicare Parts A and B when first eligible for Medicare coverage that is primary to NYSHIP.** A dependent is eligible for Medicare when he or she:

- is age 65 or older, or
- regardless of age, has been entitled to Social Security Disability benefits for more than 24 months, or
- regardless of age, has end stage renal disease (permanent kidney failure) and has completed Medicare's waiting period of 30 months or 33 months. (This waiting period is explained in "*Medicare end stage renal disease coordination*" on page 29.)

Even if the dependent is working and has coverage through an employer other than New York State, the dependent must be enrolled in Medicare Parts A and B when first eligible.

If a dependent does not enroll in Medicare and have both Part A and Part B in effect when first eligible, the dependent's NYSHIP benefits will be drastically reduced. The Empire Plan or HMO will not provide any benefits for services that Medicare would have paid.

If the dependent also has Individual coverage as an active employee of New York State, NYSHIP remains primary to Medicare for the active employee and New York State will not provide reimbursement for the active employee's Part B premium.

## If you don't enroll

**If you do not enroll in Medicare Parts A and B, your benefits under your HMO or the Empire Plan will be drastically reduced.**

**HMO Enrollees:** If you are enrolled in an HMO and fail to have Medicare in effect when first eligible, you may have to pay for service you receive from your HMO.

**Empire Plan Enrollees:** The Empire Plan will not provide any benefits for coverage available under Medicare. If you fail to have Medicare in effect when first eligible, you will be responsible for the full cost of medical services that Medicare would have paid.

## Why you need both Medicare and NYSHIP

It's the *combination* of coverages under Medicare and NYSHIP that protects you. Your NYSHIP plan covers the Medicare Part A hospital deductible (\$876 per hospital stay in 2004; rate may change yearly), prescription drugs (unless you receive this coverage through your union), and other medical expenses Medicare does not cover. If you drop out of NYSHIP, the State will no longer reimburse you for the monthly premium for Medicare Part B (\$66.60 per month in 2004; rate may change yearly). And, if you die while not enrolled in NYSHIP, your dependents will not have the right to re-enroll in NYSHIP as dependent survivors.

## How and when to enroll

You can sign up for Medicare at your local Social Security office or by telephone and mail. Contact Social Security at 1-800-772-1213. Information about applying for Medicare is also available on the Web at [www.ssa.gov](http://www.ssa.gov). Medicare accepts applications online under certain circumstances. Teletypewriter (TTY) is available for callers using a TTY device because of a hearing or speech disability: 1-800-325-0778 *for TTY only*.

**Contact Social Security three months before your 65th birthday.** Do not delay; it takes several months for Part B to become effective. See "*Plan ahead to avoid a gap in coverage*" on page 27. Contact Social Security immediately, regardless of age, if you, your spouse or enrolled dependent is eligible for primary Medicare coverage due to a disability or end stage renal disease. Effective dates vary when Medicare eligibility is due to disability or end stage renal disease.

## Medicare premium reimbursement

**Note to Retirees, Vestees and Enrollees covered under Preferred List provisions of Participating Employers: Check with your former employing agency for information about Medicare premium reimbursement.**

Social Security deducts the Medicare Part B premium from the monthly Social Security check. (There is usually no charge for Part A.)

If you are a retiree, vestee, dependent survivor, enrollee covered under Preferred List provisions or that person's spouse, the State will automatically begin to reimburse you for the usual (base) cost of "original" Medicare Part B monthly premiums when Medicare becomes primary to your NYSHIP coverage at age 65. If you or your spouse or other dependent is eligible for Medicare before age 65 because of disability or end stage renal disease, the State will reimburse you for the usual (base) cost of "original" Medicare Part B coverage, upon request, once you send in proof of Medicare coverage to the Employee Benefits Division. You also must send in proof to begin the reimbursement for your enrolled domestic partner. You are not eligible to receive reimbursement if you are receiving reimbursement from another source.

Extra charges (above the usual base cost) imposed by Social Security as penalties for late enrollment in the Medicare program are not reimbursable under NYSHIP. The State does not reimburse you for Medicare Part A premium costs, if any.

## For retirees

If you are a retiree receiving a State pension, reimbursement for the Medicare Part B premium will be added to your monthly State pension check and will be shown as a Medicare credit on your retirement check stub or Direct Deposit annual statement if your check is deposited electronically in your bank. (See samples on page 18.)

If you have Family coverage, you will also be reimbursed for the usual (base) cost of "original" Medicare Part B coverage for any covered dependent receiving primary coverage from Medicare, provided the dependent is not reimbursed by another employer.

If you are making direct payments to the Employee Benefits Division for your NYSHIP coverage, reimbursement for the Medicare Part B premium for you and any dependents enrolled in Medicare will be applied as a credit to reduce your monthly premium payments.

## For dependent survivors

If you are a dependent survivor receiving beneficiary checks, your Medicare Part B reimbursement will be shown as a credit on the beneficiary checks you receive from the New York State and Local Employees' Retirement System.

If you are making direct payments to the Employee Benefits Division, the reimbursement for the Medicare Part B premium for you and any dependents enrolled in Medicare will be applied as a credit to reduce your monthly premium payments.

Note to direct-pay retirees and dependent survivors: If your Medicare credit exceeds your health insurance premium, you will automatically receive a quarterly refund check from the Office of the State Comptroller.

## When to notify NYSHIP

**If you are enrolling in Medicare because you are a retiree, vestee, dependent survivor or enrollee covered under Preferred List provisions, and you are age 65 or over, or you are that person's dependent age 65 or over, you do **not** need to notify NYSHIP. Your monthly credit for the Medicare Part B premium will begin automatically at age 65.**

**If you are enrolling in Medicare as a retiree, vestee, dependent survivor or enrollee covered under Preferred List provisions, and you are under age 65, or you are that person's dependent under age 65, and eligible for Medicare because of disability or renal disease, when you receive your Medicare card, send a photocopy to the Employee Benefits Division and request a monthly credit.**

**If your domestic partner is enrolling in Medicare, regardless of age, send a photocopy of the domestic partner's Medicare card to the Employee Benefits Division noting the NYSHIP enrollee's ID number and requesting a monthly credit.**

**If you or your dependent is enrolling in Medicare while covered under COBRA, when you receive your Medicare card, send a photocopy to the Employee Benefits Division. (Your COBRA coverage ends.)**

**You must include your name, identification number and a daytime telephone number on all correspondence you send to us. You may find it convenient to use the sample letter on page 38.**

## Order of payment

When a retiree, vestee, dependent survivor or enrollee covered under Preferred List provisions, or that person's dependent, becomes eligible for Medicare coverage, benefits are paid in the following order even if you are still in a waiting period for Medicare coverage to become effective because you failed to apply three months before your 65th birthday:

*Pays First:* Medicare

*Pays Second:* NYSHIP (Empire Plan or HMO)

*Note:* If you and/or your dependent also has coverage under the group plan of an employer other than New York State, that plan pays first, Medicare second, and NYSHIP third.

## Other members of the family

NYSHIP remains primary for the other members of the family until they become eligible for Medicare or otherwise lose coverage. If your spouse or other dependents are covered under other group health insurance, ask the Empire Plan carriers about primary coverage.

## Medicare Advantage (formerly Medicare+Choice) HMOs

As a Medicare-primary NYSHIP enrollee, be sure you understand that if you or your dependent enrolls in an HMO under a Medicare Advantage contract, the Medicare Advantage HMO replaces your traditional Medicare coverage. You will not receive any Medicare benefits if you choose to receive care outside your HMO. In contrast, in an arrangement where the HMO coordinates with Medicare, you still qualify for Medicare benefits if you choose to receive treatment outside your HMO. Ask the HMO for details of their plans for Medicare enrollees.

## Expenses incurred outside the United States

Medicare does not cover medical expenses incurred outside the United States. Your NYSHIP plan becomes your primary insurer. If you will be *traveling* outside the United States, check with your HMO about requirements for authorizing treatment outside the service area.

**If you will be *residing* outside the United States, you must notify the State of New York Department of Civil Service, Employee Benefits Division (in writing) that you are moving outside your HMO's service area and must change to the Empire Plan. NYSHIP does not require you to enroll in Medicare if you live abroad permanently. The State discontinues your Medicare Part B reimbursement.**

When you know that you will be residing outside the United States, you must also notify your Social Security office. Social Security will send you a form to sign and return, indicating your desire to resume Medicare coverage when you return.

When you return from residing abroad, and wish to re-enroll in Medicare, you must contact your Social Security office. You must re-enroll during the next general enrollment period which is January 1-March 31 each year. The effective date of your coverage will be July 1. However, there will be a penalty imposed by Medicare for late enrollment. For each 12-month period you were age 65 or older and were not enrolled in Medicare, your monthly Medicare premium will be 10 percent higher than the usual cost of Part B coverage. The State will not reimburse you for your late enrollment penalties.

**Notify the Employee Benefits Division that you have re-enrolled in Medicare. Reimbursement for the usual Part B premium will resume.**

## Provide notice if Medicare eligibility ends

If Medicare eligibility ends for you or your dependent (because, for example, you move outside the United States or your dependent dies), you must write to the Employee Benefits Division.

## You must refund Medicare credits you were not eligible to receive

**If you receive reimbursement for the Medicare Part B premium for yourself or a dependent when you are not eligible, you will be required to refund amounts that were incorrectly reimbursed.**

## Re-employment with New York State or your former Participating Employer

If you return to work for New York State, or your former Participating Employer, in a benefits-eligible position after you have retired and meet the eligibility requirements for active employees, NYSHIP again provides primary coverage for you, your spouse and other enrolled dependents. Medicare is primary to NYSHIP, however, for the domestic partner age 65 or over of an active employee, unless the domestic partner is disabled.

At the time of your re-employment, contact your agency Health Benefits Administrator to arrange to notify the Employee Benefits Division and to find out your effective date for NYSHIP primary coverage in order to avoid claims problems. You are not eligible for Medicare Part B premium reimbursement when NYSHIP is primary.

## If you work for another employer

If you are a State retiree who works for an employer other than New York State, or a Participating Employer retiree who works for an employer other than your former Participating Employer, Medicare pays primary to NYSHIP whether or not you have health insurance coverage through that other employer's group plan. Medicare also pays primary to NYSHIP if you work for a local government entity in New York State but remain enrolled in NYSHIP as a State or Participating Employer retiree. Therefore, you must be enrolled in Medicare Part A and Part B or you will have a gap in your coverage. If you are a State retiree planning to work for a Participating Employer, or a Participating Employer retiree planning to work for the State, talk with the agency that is hiring you to determine your status in NYSHIP and Medicare.

*Please contact the Employee Benefits Division if you have any questions about coordinating enrollment in NYSHIP, Medicare and other employer group coverage for yourself or your enrolled dependent.*

## Keeping Your Coverage Up To Date

To keep your coverage up to date, you must notify the Employee Benefits Division in the State of New York Department of Civil Service of changes affecting your NYSHIP enrollment. Always include your name and identification number. You must provide notice **in writing** for the situations marked by the symbol .

 **Your home address changes**  
(Also notify your HMO)

 **Your phone number changes**  
(Also notify your HMO)

 **Your name changes**  
(Also notify your HMO)

*For above situations, also contact your retirement system.*

### Your Family Unit Changes

-  • You marry, divorce, acquire a domestic partner or terminate a relationship with a domestic partner (include name and Social Security number of spouse/ domestic partner and date of event)
-  • You acquire a dependent (include name, date of birth, date the person became your dependent and dependent's Social Security number)
-  • You no longer have *any* eligible dependents (include date last dependent was eligible)
-  • A dependent loses eligibility (include name, date of birth, date eligibility ends and reason for loss of eligibility)
-  • You no longer wish to provide coverage for a dependent (include dependent's name and date of birth)
-  • You have a disabled dependent (request Form PS-451)
-  • Your spouse/domestic partner or other enrolled dependent dies (include dependent's name and date of death)

### Your Status Changes

-  • You or a covered dependent becomes eligible for Medicare benefits because of disability or end stage renal disease although under age 65 (enclose photocopy of your or dependent's Medicare card showing enrollment in Parts A and B)
-  • Your enrolled domestic partner becomes eligible for Medicare regardless of age (enclose photocopy of dependent's Medicare card showing enrollment in Parts A and B)

-  • You or an enrolled dependent loses eligibility for Medicare (because, for example, you are no longer disabled or you are moving outside the U.S.)
-  • If you die, your representative should send a copy of the death certificate so that billings or Medicare reimbursement checks (if any) will end
-  • You are a vestee who becomes eligible to retire
-  • You are a COBRA enrollee and you or your dependent becomes entitled to receive Medicare benefits (enclose photocopy of Medicare card showing enrollment in Parts A and B)
-  • You decide to cancel COBRA coverage

### You Have Questions About NYSHIP

- You have questions concerning your family's eligibility for health insurance coverage
- You have questions about changing your type of coverage (Family/Individual)
- You have questions about COBRA (see page 24 for 60-day COBRA notice deadline)
- You have questions about the Dual Annuitant Sick Leave Credit or Deferred Health Insurance
- You have questions about changing your health insurance option; you would like information about other NYSHIP HMOs or the Empire Plan

### Other

- You followed your HMO's appeals procedure but still do not agree about covered benefits (you may also contact the State Insurance Department or State Health Department)
-  • You need to correct your enrollment records because, for example, a name is misspelled or birthdate is wrong
-  • You want to change your health insurance option (include reason for change and date of move)
- You need to file a coordination of benefits Form PS-600 because you (or a dependent) enrolls in another health insurance plan

- ✎ • You want to cancel your coverage (include reason for canceling and date you want coverage to end)
- You return to State service in a benefits-eligible position

*For the situations marked by the symbol ✎, use the address and sample letter on page 38.*

*For other situations, you may call **518-457-5754** (Albany area) or **1-800-833-4344** (U.S. outside Albany local calling area, Canada, Puerto Rico, Virgin Islands)*

## Calling Our Phone Lines

The Employee Benefits Division, New York State Department of Civil Service, serves as your personnel office for your health insurance questions and enrollment changes.

Over 130,000 retirees and other former employees rely on the Division for help with their New York State Health Insurance Program (NYSHIP) coverage. Their enrolled family members and COBRA enrollees rely on us, too. Here's how and where to get the help you need with your health insurance.

If you have questions about your health insurance enrollment records, eligibility or NYSHIP requirements, you should call the Employee Benefits Division at 518-457-5754 (Albany area) or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands) Monday through Friday, between 9 am and 3 pm Eastern Time. When you call, you'll need the enrollee's health insurance identification number.

Be ready to press or say the identification number when you hear "Welcome to the Employee Benefits Division..." Then, press or say zero when this choice is offered. You'll be asked to choose the reason for your call.

### Choose

"Health Insurance Deductions and Premiums, Medicare Reimbursement and Sick Leave Credit" for

- Your premium bill and/or pension deduction
- Medicare Part B premium reimbursement
- How sick leave credits affect your costs
- Payment of premiums

### Choose

"Benefit Information, Copayments, Claims and Deductibles" for

- Empire Plan benefits
- Empire Plan copayment and deductible amounts
- Information about filing claims
- How moving may affect your coverage
- Medicare coordination of benefits

### Choose

"Enrollment" for

- How to change your coverage
- Verifying requested changes in coverage
- Corrections to your records
- COBRA deadlines
- Option Transfer

### Choose

"Eligibility" for

- Your or your dependent's eligibility for health insurance coverage
- Deferred health insurance coverage
- Medicare and the New York State Health Insurance Program (NYSHIP)
- Qualifications for dependent survivor coverage

### Information in Another Language

The New York State Health Insurance Program offers Language Line Services (LLS), an over-the-phone language translation service for enrollees who call the Employee Benefits Division.

If you understand another language better than English and would like answers to your health insurance questions in another language, you may call the Employee Benefits Division and use LLS. You may call or ask someone else acting on your behalf to call for you.

Here's how LLS works:

1. Call the Employee Benefits Division at 518-457-5754 (Albany area) or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands). Representatives are available Monday through Friday, 9 am to 3 pm Eastern Time.
2. The representative will call an interpreter to translate for you. In most cases, the interpreter is available within 30 seconds.  
A three-way conference call begins for you, the representative and the interpreter.
3. The interpreter translates for you and for the representative. LLS interpreters are trained in over-the-phone translation skills. They give accurate, objective translations. All calls are strictly confidential.

### A Word about Getting Through

- Be sure we're the right ones to answer your question. For example, if your call is about Empire Plan providers or claims, call the carriers toll-free at 1-877-7-NYSHIP (1-877-769-7447). If your call is about HMO benefits, call your HMO. If your call is about your pension check, call your retirement system. Important telephone numbers are listed in the back of this book.

- Whether you call the Employee Benefits Division at 518-457-5754 (Albany area) or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands), you'll reach the same Employee Benefits Division phone line in the same amount of time.
- Have the enrollee health insurance identification number and all documents related to your question ready when you call. You may press or say the number. If you say the number, please speak slowly and clearly.
- Please be aware that any background noise, such as a television or radio, can be picked up by the system and may result in your being transferred to the wrong place.
- Use our automated system. You may order forms or NYSHIP publications during non-business hours. Be ready to give your name and address.
- Call Monday through Friday, between 9 am and 3 pm Eastern Time to order replacement cards during business hours when you must talk with our staff instead of using our automated system. If possible, avoid calling on Monday mornings. Monday mornings are our busiest times!

## Writing the Employee Benefits Division

All changes to your enrollment file must be requested in writing. See "Keeping Your Coverage Up To Date" on page 34. You'll also find a sample letter on page 38. Use this sample as a guide, or photocopy it to use more than once. Please include the date you want the change to take effect and be sure to sign your name.

Note: When writing to the Employee Benefits Division, always include your name, address, and your enrollee health insurance identification number in your letter to ensure a prompt response.

## Retiree Benefits on the Web: [www.cs.state.ny.us](http://www.cs.state.ny.us)

You'll find the Employee Benefits Division home page on the New York State Department of Civil Service Web site at [www.cs.state.ny.us](http://www.cs.state.ny.us). Click on Employee Benefits. Our site has Health Insurance Choices, Rates and benefit summaries for the Empire Plan and NYSHIP HMOs.

You'll also find the Empire Plan Participating Provider Directory. You can search the directory by location, specialty or name.

The site includes the NYSHIP Health Insurance Meetings schedule. Go to [www.cs.state.ny.us](http://www.cs.state.ny.us). Click on Employee Benefits, then Meetings & More. Under Type of Event, scroll to Retiree Meeting. Choose the time period you would like to view and click on Go Search.

NYS OnLine meets high standards of accessibility for persons with disabilities. The text size and colors have been carefully selected for easy reading. Pages are compatible with software and browser tools that help people with disabilities use computers.

All of our printed health benefits information is available on NYS OnLine.

The screenshot shows the NYS OnLine website interface. At the top, there are navigation links for Governor Pataki, map-NY, e-bizNYS, and Citizen Guide. The main header reads "New York State" and "Employee Benefits Division • State of New York Department of Civil Service". Below this is a search bar with the text "Are you a public employer thinking of joining NYSHIP?". A sidebar on the left contains various utility links like "Choosing a Health Plan?", "You Should Know...", "Meetings & More", etc. The main content area is titled "Find the benefit, click on the group. Benefits vary by group." and lists several categories: "Employees of New York State", "Employees of Participating Employers (PE)", "Employees and Retirees of Participating Agencies (PA)", "Retired State/PE Employees", "Empire Plan Providers", and "Empire Plan Pharmacy". A red arrow points to the "Retired State/PE Employees" link. On the right, there is a section for "More New York State Government Employee Benefits" listing services like Dental, Vision, Life, Income Protection Plan (PPP), Survivor Benefits, Workers' Compensation, and Long Term Care.

**Look for your NYSHIP benefits here. Click on Retired State/PE Employees**

## Sample Letter

### to the New York State Health Insurance Program

*(This sample may be photocopied)*

Mail to:  
State of New York  
Department of Civil Service  
Employee Benefits Division  
The State Campus  
Albany, New York 12239

Attn (choose one):  
 Retiree Unit  
 Vestee Unit  
 Dependent Survivor Unit  
 COBRA Unit  
 Preferred List Unit

(Please print)

Date \_\_\_\_\_

Enrollee Health Insurance Identification Number \_\_\_\_\_

Name of Enrollee \_\_\_\_\_

Street \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_ ZIP \_\_\_\_\_

This is a new address

Telephone: Day \_\_\_\_\_  
(Area Code)

Night \_\_\_\_\_  
(Area Code)

I am writing because:

Effective date of change \_\_\_\_\_

Signature \_\_\_\_\_

Name (Please print) \_\_\_\_\_

I am enclosing a photocopy of my (or my dependent's) Medicare card (if applicable).



# SAVE THIS BOOK

## IMPORTANT INFORMATION ABOUT THE NEW YORK STATE HEALTH INSURANCE PROGRAM

This book is for Retirees, Vestees, Dependent Survivors and Enrollees covered under Preferred List Provisions of New York State Government and Participating Employers. It combines and replaces the April 1, 1999 *NYSHIP General Information Book* and all *NYSHIP HMO Reports/NYSHIP Changes* updating that book.

Updates to this book will be mailed to you if benefits change. Keep all updates with this book.

Benefit changes that are mailed to you will also be posted on our Web site, [www.cs.state.ny.us](http://www.cs.state.ny.us). Click on Employee Benefits.

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 ([www.cs.state.ny.us](http://www.cs.state.ny.us)). Click on Employee Benefits 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 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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**Important. Health Insurance Information  
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*Retirees HMO Book - May 2004*

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