# NYSHIP HMO REPORT

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**January 2011**

**New York State Health Insurance Program (NYSHIP) for Employees of the State of New York represented by Public Employees Federation (PEF),** their enrolled Dependents, COBRA Enrollees with their NYSHIP Benefits and Young Adult Option Enrollees


# Covering Your Young Adult Children

Effective January 1, 2011, the federal Patient Protection and Affordable Care Act (PPACA) requires insurers to offer young adult children coverage as dependents on their parents' health insurance up to age 26. Financial dependency, student status, marital status, employment and residency can no longer be used to determine eligibility. Although the new law extends coverage to married children, it does not apply to the married child's spouse or children.

You can add a young adult child (up to age 26) to your family coverage at no additional cost. If you currently have individual coverage and would like to add a young adult child as a dependent, you will need to change to family coverage; a waiting period may apply. See your agency Health Benefits Administrator (HBA) for more details or to add a dependent.

Family coverage rates are available on the New York State Department of Civil Service web site at https://www.cs.ny.gov. From the home page, click on Benefit Programs and follow the prompts to access NYSHIP Online. Click on Health Benefits & Option Transfer and then select Rates and Health Plan Choices.

A young adult child under the age of 26 on January 1, 2011 and enrolled as a dependent will continue to be enrolled until age 26, unless you choose to take him or her off your plan. Coverage as a dependent will end on the last day of the month in which the young adult child turns 26 years old.

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

When a young adult child loses eligibility for health insurance coverage, he or she may be entitled to continue coverage for up to 36 months under the federal Consolidated Omnibus Budget Reconciliation Act (COBRA) and the New York State Continuation of Coverage Law. A young adult child may also be eligible to purchase his or her own NYSHIP coverage through the New York State Young Adult Option up to age 30.

Enrollment in the Young Adult Option is offered during the annual open enrollment period at the end of each year or whenever the young adult child experiences a qualifying event, such as loss of eligibility for other coverage, provided application is made on a timely basis. For more information about continuation coverage or NYSHIP's Young Adult Option, see your agency HBA. Details are in the *NYSHIP General Information Book* amendment on page 5.

NYSHIP
New York State Health Insurance Program

# Reminders 2011

## Pre-Retirement Seminars

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

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

Since demand is greater than available seating at the seminars, you can also access helpful online pre-retirement resources at www.worklife.ny.gov/preretirement/ or www.osc.state.ny.us/retire. In addition, you can view pre-retirement videos on YouTube by searching "NYS Pre-Retirement Planning."

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

## New Web Site Address

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

## Annual Notice of Mastectomy and Reconstructive Surgery Benefits

By law, insurers must:

- Cover inpatient hospital care for lymph node dissection, lumpectomy and mastectomy for treatment of breast cancer for as long as the physician and patient determine hospitalization is medically necessary
- Cover breast reconstruction following mastectomy, including surgery of the other breast to produce a symmetrical appearance
- Cover treatment for complications of mastectomy, including lymphedemas
- Cover prostheses related to breast reconstruction
- Notify enrollees of this coverage through plan documents

Contact your HMO if you have questions about these benefits.

*Continued on page 8*

JANUARY 1, 2011 AMENDMENTS

# NYSHIP HMO General Information Book Amendments

## Public Employees Federation

For Employees of New York State **represented by Public Employees Federation (PEF)** enrolled in NYSHIP-approved Health Maintenance Organizations, their enrolled Dependents, COBRA Enrollees with their benefits and Young Adult Option Enrollees

**Keep these amendments with your March 1, 2002 New York State Health Insurance Program General Information Book.**

New York State Department of Civil Service
Employee Benefits Division
https://www.cs.ny.gov

NYSHIP
New York State Health Insurance Program

Amendments on the following pages are effective on January 1, 2011 unless individually dated. Keep this Report with your March 1, 2002 *New York State Health Insurance Program (NYSHIP) General Information Book*. Where this document differs from your Book and later Changes/Clarifications included in *NYSHIP Health Maintenance Organizations Reports*, this is the controlling document.

# New York State Health Insurance Program (NYSHIP)

*Substitute the following for items 1. through 5. under "Your Dependents" in the "Who is Eligible" section on pages 4-7 of your NYSHIP General Information Book.*

## 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 notify your agency Health Benefits Administrator 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*).

In addition, persons who are party to a same-sex marriage, validly entered into in a jurisdiction where same-sex marriage is permitted, are eligible for spousal benefits.

**Note on Tax Implications for an enrollee with a same-sex spouse:** Under the Internal Revenue Service (IRS) rules, the fair market value of health insurance benefits is treated as income for tax purposes. Ask your tax consultant how enrolling your same-sex spouse will affect your taxes.

In addition, under Social Security law, Medicare is primary for an active employee's same-sex spouse who becomes Medicare-eligible at age 65. If the same-sex spouse becomes Medicare-eligible due to disability, NYSHIP is primary. (See *Medicare: When You Must Enroll and Coordinating with NYSHIP*.)

In other respects, throughout the *General Information Book*, coverage for spouses and same-sex spouses is the same.

### 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 six months and be able to provide proof of residency and financial interdependence. Agency Health Benefits Administrators have complete information on eligibility, enrollment procedures and coverage dates.

To cover your domestic partner's child, the standard NYSHIP provisions for adding a dependent apply. Note that waiting periods may apply when you enroll a dependent more than seven days after eligibility.

**Note on Tax Implications for an enrollee with a domestic partner:** Under the Internal Revenue Service (IRS) rules, the fair market value of 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 notify your agency Health Benefits Administrator and end coverage for the domestic partner. Your domestic partner may be able to continue coverage under COBRA (see *COBRA: Continuation of Coverage*).

There will be a one-year waiting period from the termination date of your previous partner's coverage before you may again enroll a domestic partner.

Employees who fraudulently enroll a domestic partner are held financially and legally responsible for any benefits paid and are subject to disciplinary action. Such employees will forfeit future coverage.

If you die, your surviving domestic partner may be eligible to continue in NYSHIP; however, coverage will end if he or she marries or acquires a domestic partner. (If your surviving spouse acquires a domestic partner and your spouse is otherwise eligible, your spouse may continue coverage in NYSHIP, but may not cover the domestic partner.) See *Coverage for Your Dependent Survivors* to determine whether your partner is eligible.

Under Social Security law, Medicare is primary for an active employee's domestic partner who becomes Medicare-eligible at age 65. If the domestic partner becomes Medicare-eligible due to disability, NYSHIP is primary. (See *Medicare: When You Must Enroll and Coordinating with NYSHIP*.)

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

## 2. Your children under age 26

Your children under 26 years of age are eligible. This includes your natural children, stepchildren, children of domestic partners and legally adopted children, including children in a waiting period prior to finalization of adoption. Other children 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 documentation upon enrollment and every two years thereafter.

### Children age 26 and over with military service

For purposes of dependent eligibility for health insurance coverage, if your child is an unmarried, **full-time** student at an accredited secondary or preparatory school, college or other educational institution on the date he/she would otherwise lose coverage due to age, you may deduct from your child'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 and your child's educational institution.

Your unmarried full-time dependent student age 26 or over with military service continues to be eligible until the earlier of the following dates:

- The end of the third month following the month in which the dependent completes a semester.
- The end of the month in which attendance at school ends if the semester is not completed and proof of the last day of attendance for the semester is provided or the end of the third month following the month that the last semester was completed, whichever is later.
- The starting date of the semester if the semester is not completed and no proof of attendance is provided or the end of the third month following the month that the last semester was completed, whichever is later.
- The end of the third month following the month in which they complete course requirements for graduation; or
- The date the dependent child no longer qualifies under the military service provisions.

If your child reaches the limiting age 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 may be required.

**Entering school** When an enrollee with Family coverage applies for dependent student coverage for a dependent child who is age 26 or over with military service and 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*).

**Reduced course load** If a dependent child who is age 26 or over with military service is enrolled as a full-time student and 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.

### Partially disabled students

A partially disabled dependent student with military service who is age 26 or over taking a reduced course load that is the maximum for that student's capability is eligible; you must provide medical documentation.

### Medical leave

If your dependent student who is age 26 or over with military service is granted a medical leave by the school or changes from full-time to part-time status due to serious injury or illness, health insurance coverage will continue for a maximum of one year from the month in which the student status changes, plus any time before the start of the next regular semester. You must provide written documentation from the school and/or doctor.

### Students completing graduation requirements

Your unmarried dependent children who are age 26 or over with military service who need less than a full-time course load to satisfy requirements for graduation may also be eligible. They must:

1. Otherwise qualify;

and

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

and

3. Be able to provide a statement from their school or college administrator that 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 either New York State Young Adult Option Coverage or 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.

## 3. Disabled dependents

Your unmarried dependent child age 26 or over who is incapable of self-sustaining employment because of mental illness, developmental disability, mental retardation as defined in the Mental Hygiene Law or physical handicap who became incapacitated before the age at which dependent coverage would otherwise be terminated in accordance with the eligibility rules in effect at the time the disability commenced is eligible.

To qualify for coverage as a disabled dependent, you must file a Disability Form PS-451 and provide medical documentation. Contact your agency Health Benefits Administrator prior to your child's 26th birthday.

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 the age that dependent coverage would otherwise be terminated in accordance with the eligibility rules in effect at the time the disability commenced and the loss of other coverage was involuntary.

## 4. Coverage ends

Coverage ends on the last day of the month in which a dependent no longer qualifies for coverage.

*Substitute the following for the first paragraph of "Changes permitted only after certain events" in the "Costs, Pre-Tax Program and What Your Paycheck Stub Shows" section on page 13 of your NYSHIP General Information Book.*

### Changes Permitted

Under the Internal Revenue Service (IRS) rules, you may change your health insurance deduction during the plan year only after one of the following PTCP-qualifying events:

- You have a change in family status (e.g., marriage, adding a domestic partner, birth, death, legal separation, divorce, ending a domestic partner relationship or your only dependent child's attaining the maximum age for coverage).
- You are enrolled in an HMO and no longer live or work in that HMO's service area, and you must choose another HMO or The Empire Plan.
- Your spouse/domestic partner loses coverage due to termination of employment and you apply for coverage for your spouse under NYSHIP.
- You first become eligible for health insurance coverage after the beginning of the tax year.
- Your employment with the State terminates or you retire.
- Your spouse/domestic partner has a change in employment status that results in either acquiring or losing eligibility for health insurance coverage.
- You receive a divorce/legal separation and are required under a court order to provide health insurance coverage for your eligible dependent children and/or legally separated spouse.
- There is a significant change in your or your spouse's/domestic partner's health coverage that is attributable to your spouse's/domestic partner's employment.

## Dependent Survivors

*Substitute the following for the first paragraph under the heading "Coverage after extended benefits period ends" in the "Coverage for Your Dependent Survivors" section on page 26 of your NYSHIP General Information Book.*

Your **unremarried spouse,** or domestic partner who has not married or 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.**

## Medicare

*Substitute "Domestic partner or same-sex spouse" for "domestic partner" wherever it appears in the "Medicare: When You Must Enroll and Coordinating with NYSHIP" section on page 30-33 of your NYSHIP General Information Book.*

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**CHANGE SERVICE REQUESTED**

**Please do not send mail or correspondence to the return address. See address information below.**

**SAVE THIS DOCUMENT**

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

PEF HMO Report – January 2011

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

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*Reminders, continued from page 2*

## Early Retiree Reinsurance Program (ERRP) Notice

You are a plan participant in an employment-based health plan that is certified for participation in the Early Retiree Reinsurance Program. The Early Retiree Reinsurance Program is a federal program that was established under the Patient Protection and Affordable Care Act. Under the Early Retiree Reinsurance Program, the federal government reimburses a plan sponsor of an employment-based health plan for some of the costs of health care benefits paid on behalf of, or by, early retirees and certain family members of early retirees participating in the employment-based plan. By law, the program expires on January 1, 2014.

Under the Early Retiree Reinsurance Program, your plan sponsor may choose to use any reimbursements it receives from this program to reduce or offset increases in plan participants' premium contributions.

A plan sponsor may also use the Early Reinsurance Program reimbursements to reduce or offset increases in its own costs for maintaining your health benefits coverage, which may increase the likelihood that it will continue to offer health benefits coverage to its retirees and employees and their families.

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

New York State Department of Civil Service
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