



NYSHIP
New York State
Health Insurance Program

2015 Annual Webinar for Participating Agencies

**New York State Department of Civil Service
Employee Benefits Division**

Prepared for use by the Department of Civil Service, Employee Benefits Division representatives only.

Agenda

- Financial Update
- PA & PE Employer PPACA Requirements
- 2016 Dependent Eligibility Audit
- Medicare
- Questions & Answers



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New York State
Health Insurance Program

Financial Update

Presenter- Ron Kuiken, Assistant Director, Financial Mgt.

**New York State Department of Civil Service
Employee Benefits Division**

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Topics

- Premium Development
- Projected 2015 Empire Plan Experience
- Projected 2016 Rate Renewal Information
- Medicare Part B

Premium Development

- Goals: Lowest Premium
 Rate Stability
 Timely Approval

Empire Plan Rate Components

- Hospital +
 - Medical +
 - MHSA +
 - Rx Drug +
 - Medicare Part B (PEs only) +
 - NYBEAS =
 - **Gross Rates**
- Dividends
 - Interest
 - MLR
 - = Net Rates**

Cost Components

Key Components

- Base Period (2015) Incurred Claims x
- Trend Factor =
- Rate Period Incurred Claims +
- Retention (Administrative Fee/Other) +
- Margin =
- Gross Premium Charge

2015 Premium Development Recap

- 4.0% Gross Premium Increase
- \$184.0 million in dividend application
- 3.9% Empire Plan Net Premium Increase (All Payors)
- 3.8% Empire Plan Net Premium Increase (PA Group Only)

Projected Year 2015 Empire Plan Experience¹ (000's)

	Blue Cross Hospital	UHC Medical	VO MHSA	CVS Drug	Total
Premium	\$2,585,447	\$2,815,318	\$171,287	\$1,623,821	\$7,195,873
Incurred Claims	\$2,445,352	\$2,548,122	\$185,813	\$1,623,455	\$6,802,742
Administrative Expense	<u>\$97,518</u>	<u>\$177,868</u>	<u>\$13,482</u>	<u>\$25,257</u>	<u>\$314,125</u>
Gain/(Loss)	\$42,577	\$89,328	(\$28,008)	(\$24,891)	\$79,006

(1) 2016 Rate Renewal Submissions

2016 Rate Renewal

- Projected Net Premium Increase: 7.4%
- Includes 7.9% Trend
- Rate Includes 0% margin
- Higher Prescription Drug and Mental Health and Substance Abuse Trends are Primary Contributors for the Rate Increase
- Mitigated by Decreased Medical Program Trend and Reduced Transitional Reinsurance Fee
- \$180 Million Dividend Application

Projected Dividends All Payors (in Millions)

	Dividends
Available as of 12/31/14	\$457.9
2014 Earned	+ \$37.3
2015 Projected Applied	- \$184.0
Projected Available 12/31/15	\$310.7
2015 Projected Earned	\$79.0
2016 Projected Applied	- \$180.0
Projected Available as of 12/31/16	\$209.7

2016 Projected Empire Plan Premium

(In millions)

All Payors

	2015	2016	% Change
Gross Premium	\$7,388.0	\$7,918.0	7.2%
Dividend and Interest	\$184.0	\$184.0	0.0%
Mediprime Charge	\$1.6	\$2.5	56.3%
Net Premium	\$7,204.7	\$7,737.0	7.4%

2016 HMO Gross Premium Projected Increase (Participating Employers Only)

Weighted average composite increase for 19 NYSHIP HMO Options = 3.3% increase

Breakdown of % increase:

% Increase	# Options
< 0%	3
0% - 5%	10
5% - 10%	2
10% - 15%	3
> 15%	1

2016 Medicare Part B Premium

- Announcement expected soon
- Annual Trustees Report indicates no change from the 2015 base amount (\$104.90) for existing Medicare enrollees
- New Medicare enrollees in 2016 and high earner enrollees may experience a 52% increase in Medicare Part B premiums.

Questions?



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Participating Agency and Participating Employer PPACA Requirements

Presenter- Jim DeWan

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PA & PE PPACA Requirements

- Employer Shared Responsibility provisions, commonly known as the “employer mandate”
- Reporting Requirements to which Empire and Excelsior Plan employers must adhere

Employer Shared Responsibility Provisions

- These PPACA provisions are commonly known as the “employer mandate”
- Only those employers designated as “large employers” must adhere to these provisions
- Who is a “large employer”?
 - Employers with 50 or more employees meeting federal full-time criteria
 - Employee count is based on the number of employees during the preceding calendar year

What is the Employer Mandate?

- For 2015: 70% of full-time employees
- For 2016 and beyond: 95% of full-time employees
- Coverage must be affordable and comprehensive
 - Empire and Excelsior Plan coverage well exceeds the comprehensive threshold
 - Employers should ensure their employee premium share meets affordability thresholds
- For 2015 only, employers who had an average of at least 50 but less than 100 employees in the prior year are exempt from the employer mandate

Federal Full-Time Criteria

- For PPACA, the federal government generally defines employees as “full-time” if they work:
 - 30 hours per week; or
 - 130 hours per month
- Complicated federal methodologies:
 - Look-back method
 - Monthly Measurement method
- Consult with benefits experts and counsel
- Severe penalties for non-compliance

SEVERE PENALTY ALERT

- Non-compliance may result in a penalty of \$2,000 for **ALL** full-time employees (not just those not offered coverage)
- State of New York non-compliance penalty would be \$400 million
- Employers should take this requirement seriously
- Compliance efforts should start immediately if not already begun

Smaller Penalty Risk

- Employers could also be at risk for a smaller PPACA penalty
- Penalty could be imposed if:
 - Employers fail to offer coverage to a full-time employee;
 - That employee enrolls in a health insurance program through NY State of Health or other state or federal marketplace; and
 - That employee qualifies for a premium credit or subsidy
- Penalty is \$3,000 for each employee meeting these criteria

Reporting Requirements

- All NYSHIP employers are subject to PPACA reporting requirements
 - Including those not designated as “Large Employers”
- Employers must provide a form, known as Form 1095-B or 1095-C, to all full-time employees by 1/31/16
- Form must also be sent to early retirees, vestees, dependent survivors, and COBRA enrollees
- Medicare-primary enrollees are excluded

What Form Should My Employer Use?

- Employers designated as “Large Employers” should provide Form 1095-C to its employees and enrollees
- All other employers should provide Form 1095-B to its Empire Plan enrollees
- Copies of Form 1095-B or 1095-C must be sent to the IRS
- Transmission form, Form 1094-B or Form 1094-C, must be included as well

IRS Transmission Process and Deadlines

- Employers with 100 or more employees must file electronically
- Employers with fewer than 100 employees may transmit their forms electronically or via hard copy
- Hard copy transmissions to the IRS must be completed by February 29, 2016
- Electronic submissions must be completed by the IRS do so by March 31, 2016

Form 1095-C Layout

Form **1095-C**

Department of the Treasury
Internal Revenue Service

Employer-Provided Health Insurance Offer and Coverage

► Information about Form 1095-C and its separate instructions is at www.irs.gov/form1095c

VOID

CORRECTED

600116
OMB No. 1545-2251

2015

Part I Employee						Applicable Large Employer Member (Employer)						
1 Name of employee		2 Social security number (SSN)		7 Name of employer			8 Employer identification number (EIN)					
3 Street address (including apartment no.)						9 Street address (including room or suite no.)			10 Contact telephone number			
4 City or town		5 State or province		6 Country and ZIP or foreign postal code		11 City or town		12 State or province		13 Country and ZIP or foreign postal code		

Part II Employee Offer and Coverage	Plan Start Month (Enter 2-digit number):												
	All 12 Months	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
14 Offer of Coverage (enter required code)													
15 Employee Share of Lowest Cost Monthly Premium, for Self-Only Minimum Value Coverage	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
16 Applicable Section 4980H Safe Harbor (enter code, if applicable)													

Part III Covered Individuals
If Employer provided self-insured coverage, check the box and enter the information for each covered individual.

(a) Name of covered individual(s)	(b) SSN	(c) DOB (If SSN is not available)	(d) Covered all 12 months	(e) Months of Coverage											
				Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec
17			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 60705M

Form **1095-C** (2015)



NYSHIP
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Form 1095-B Layout

Form **1095-B**

Department of the Treasury
Internal Revenue Service

Health Coverage

► Information about Form 1095-B and its separate instructions is at www.irs.gov/form1095b.

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 CORRECTED

560115
OMB No. 1545-2252
2015

Part I Responsible Individual

1 Name of responsible individual		2 Social security number (SSN)	3 Date of birth (if SSN is not available)
4 Street address (including apartment no.)		5 City or town	6 State or province
		7 Country and ZIP or foreign postal code	
8 Enter letter identifying Origin of the Policy (see instructions for codes): ► <input type="checkbox"/>		9 Small Business Health Options Program (SHOP) Marketplace Identifier, if applicable	

Part II Employer Sponsored Coverage (see instructions)

10 Employer name			11 Employer identification number (EIN)
12 Street address (including room or suite no.)	13 City or town	14 State or province	15 Country and ZIP or foreign postal code

Part III Issuer or Other Coverage Provider (see instructions)

16 Name		17 Employer identification number (EIN)	18 Contact telephone number
19 Street address (including room or suite no.)	20 City or town	21 State or province	22 Country and ZIP or foreign postal code

Part IV Covered Individuals (Enter the information for each covered individual(s).)

	(a) Name of covered individual(s)	(b) SSN	(c) DOB (if SSN is not available)	(d) Covered all 12 months	(e) Months of coverage											
					Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
23				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
24				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
25				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
26				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
27				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
28				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Cat. No. 60704B

Form **1095-B** (2015)



Form 1095-C Part III Completion

- Part III of Form 1095-C must be completed by employers if they provide self-insured coverage
- Even though NYSHIP employers are not “self-insured,” they are providers of self-insured coverage
- Part III should not be completed for HMO enrollees
- They will receive a separate form, Form 1095-B, from their HMO

Who Must Complete Form 1095-B or Form 1095-C?

- IRS instructions make clear this is an employer responsibility
- State of New York will not and cannot assume this responsibility for NYSHIP employers
- **Each employer is responsible for their own reporting!!!**
- Act now if you have not already done so

Dependent SSN Solicitation

- Form 1095-B and Form 1095-C use Social Security numbers to identify enrollees
- Employers must make three “good faith efforts” to solicit missing dependent SSNs:
 1. At the time of enrollment;
 2. By December 31 of the year following enrollment; and
 3. Once in the following year
- NYSHIP employers still must ask for dependent SSNs upon enrollment

EBD Assistance

- Employers must provide Empire and Excelsior Plan enrollment information on Part III of Form 1095-C or Part IV of Form 1095-B
- EBD will provide a downloadable report to provide NYSHIP employers with required information
- EBD FAQ: <http://www.cs.ny.gov/employee-benefits/nyship/shared/publications/faq/2015/pa-pe-ppaca-faq.pdf>

Questions?



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Dependent Eligibility Audit

Presenter- Dan Yanulavich, Supervisor of Contract Management

**New York State Department of Civil Service
Employee Benefits Division**

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Dependent Eligibility Audit – Introduction

- Included in New York State Enacted Budget for FY 2015-16
- IFB issued in May 2015
- Contract awarded to Health Management Systems (HMS) in September of 2015
- Currently in Implementation Period of the contract with HMS
- Law requires that a 60-Day Amnesty Period be completed by March 31, 2016
 - Voluntary removal of ineligible enrollees without penalty
- Enrollees who did not remove dependents during the Amnesty Period will be required to provide proof of eligibility during the Verification Period

Project Timeline

- **Implementation Period**
 - October 2015 through November
- **Amnesty Period**
 - December 2015 through January 2016
- **Verification Period**
 - February 2016 through August 2016 (3 phases)
- **Appeal and Reinstatement**
 - 90 Day period after each Verification Period Phase
- **Project Completion**
 - End of December 2016

Who is included in the Verification Period?

- NYSHIP dependents enrolled in the Empire Plan or NYSHIP HMO

Who is not included in the Verification Period?

- Dependent children verified as eligible during in the 2009 Dependent Eligibility Audit
- Dependent survivors
- Dependent children covered due to a NMSO

Implementation Period – What Enrollees Should Expect

- DCS will send a letter introducing the Audit in early November that will include:
 - Amnesty information
 - Information on the Verification Period
 - Link to web portal: www.VerifyOS.com

Amnesty Period – What Enrollees Should Expect

- Amnesty Packet from HMS in early December that will include:
 - A letter to the enrollee
 - A list of dependents for verification
 - Instructions on how to identify ineligible dependents
 - FAQ
- Enrollees should only respond to the Amnesty letter if they have ineligible dependents
- They should not send verification documentation during the Amnesty period
- Ineligible dependents identified in the Amnesty period are removed effective February 1, 2016
- COBRA will not be offered for PE enrollees
- PAs should determine whether or not they are offering COBRA

Verification Period – What Enrollees Should Expect

- Three phases
 - Phase 1: Late February through mid April
 - Phase 2: Early May through mid June
 - Phase 3: Early July through mid August

Verification Period – What Enrollees Should Expect

- A packet from HMS including a letter and:
 - A list of dependents not removed during Amnesty
 - An eligibility worksheet
 - Enrollees will be instructed on the types of documentation for needed eligible dependents (e.g. marriage certificates and birth certificates)
 - FAQ

Verification Period – What Enrollees Should Expect

- No proofs needed for dependent children verified in 2009 audit or dependent survivors
- Enrollees should make sure to submit copies of documents and not originals
- Proofs may be submitted online, by mail or by fax
- Termination for ineligible dependents is retroactive to January 1, 2016
- Enrollees will be provided with a notice of termination by the Department of Civil Service
- COBRA will not be offered for PE enrollees
- PAs should determine whether or not they are offering COBRA

Appeal and Reinstatement Process

- Period in which enrollees may provide eligibility proofs for terminated dependents and the dependents may be reinstated.
- 90 Day Period following each Verification Phase
 - Phase 1 Appeals close in August 2016
 - Phase 2 Appeals close in October 2016
 - Phase 3 Appeals close in December 2016
- Applicable when acceptable proofs are provided by enrollees after respective verification phase deadlines.
- Reinstatements will be processed on a daily basis.

What to Expect as an HBA

- Refer enrollees to HMS for information and clarification questions on proofs.
- HBAs should not accept or submit proofs to HMS – enrollees' responsibility.
- If enrollees ask why this is needed explain that this project is meant to ensure that only eligible dependents are receiving benefits.
- Emphasize that the Amnesty Period allows enrollees to remove ineligible dependents without penalty – if they miss the Amnesty deadline they can be penalized by law.
 - Recovery of claims paid for the ineligible dependent
- If enrollees have trouble obtaining proofs they can contact HMS for alternatives.

Note: Enrollees should continue to report all qualifying events during the Verification and HBAs should process transactions in the normal course of business (e.g. removal of recently divorced spouse).

Questions?



NYSHIP
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Medicare and NYSHIP

Program Administration Unit
Theresa Flanagan
Travis Clause

New York State Department of Civil Service
Employee Benefits Division

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Topics

- Overview of Medicare
- Role of the Health Benefits Administrator
- Differences Between Medicare Eligibility and Medicare Primacy
- When To Enroll in Medicare Part A and B
- Updating Medicare Information on NYBEAS
- Medicare and The Empire Plan
- Empire Plan Medicare Rx

Medicare

What is it?

The federal health insurance benefits program administered by the Centers for Medicare & Medicaid Services (CMS)

Parts of Medicare

- **Part A** provides inpatient hospital coverage, skilled nursing facility and hospice care. It is free if you meet the Social Security work requirements.
- **Part B** provides outpatient hospital and medical coverage. There is an enrollee premium for Part B.

Parts of Medicare

- Medicare Advantage Plans (formerly *Part C*)
 - Medicare coverage is combined with the HMO
 - Enrollee must live or work in the approved service area
 - Coverage outside the provider network or service area must be preauthorized by the HMO
 - Enrollee has no standalone Medicare coverage
 - Most NYSHIP HMOs are Medicare Advantage Plans

NOTE: NYSHIP Medicare Advantage Plans are **not available** to PAs.

- *Part D* provides prescription drug coverage

Role of the Health Benefits Administrator

One of the most important responsibilities of the HBA to ensure that NYBEAS health benefit information is accurate and up to date for all enrollee(s) and/or dependent(s).

- Name
- Date of Birth
- Address (both a PO Box and a residential address)
- Health Insurance Claim Number (Medicare ID #)
- First and Last Name (should match what is on file with SSA)
 - If you have the name as “Cindy” and SSA has the name as “Cynthia” you need to update your records to match SSA.
- Updating Medicare Primacy Indicator on NYBEAS

Medicare Eligible v. Medicare Primary

Medicare Eligibility

- When an individual is first able to enroll in Medicare

Medicare Primacy

- When a Medicare eligible member's **Medicare coverage pays before NYSHIP** when considering a claim.
- NYSHIP requires Medicare Primary members to enroll in Medicare Parts A and B.

When Does Medicare Eligibility Begin?

- At age 65; or
- Regardless of age, after being entitled to Social Security Disability Insurance (SSDI) benefits for 24 months; or
- Regardless of age, after completing Medicare's waiting period of up to three months due to End-Stage Renal Disease (ESRD); or
- When receiving SSDI benefits due to amyotrophic lateral sclerosis (ALS)

Determining Medicare Primacy

Medicare primacy (meaning Medicare pays primary to NYSHIP coverage) depends of the employment status of the NYSHIP policy holder.

- If the Medicare eligible member is covered under an active employee's coverage, **NYSHIP coverage is primary to Medicare.**
- If the Medicare eligible member is covered under a retiree's coverage, **Medicare is primary to NYSHIP coverage** and the enrollee must be enrolled in Medicare Parts A and B when first eligible, either through age or disability.

Determining Medicare Primacy

Example #1:

Susie is actively working and covers her spouse, John, on her Empire Plan coverage. John is 66.

Is John required to enroll in Medicare?

No. John is not required to enroll in Medicare. Although John is Medicare eligible, since he is covered as a dependent on his actively working spouse's coverage, NYSHIP is primary to Medicare.

Determining Medicare Primacy

Example #2:

Susie is retired and covers her spouse, John, on her Empire Plan coverage. John is 66.

Is John required to enroll in Medicare?

Yes. John is considered Medicare Primary and is required to enroll in Medicare Parts A and B. Since John is Medicare eligible, and he is covered as a dependent on his retired spouse's coverage, Medicare is primary to NYSHIP.

Determining Medicare Primacy

Example #3:

Susie is retired and covers her spouse, John, on her Empire Plan coverage. John is 66. John is actively working and has his own Empire Plan coverage through his employer.

Is John required to enroll in Medicare?

Yes. Although John is an active employee in his own right, remember he is a Medicare eligible individual who has coverage under a retiree's policy (Susie). Since John is Medicare eligible, and he is covered as a dependent on his retired spouse's coverage, Medicare is primary to his NYSHIP coverage through Susie.

When his claims are paid, however, his active employee coverage will pay first, then Medicare will pay second, and lastly his coverage under Susie will pay third.

Determining Medicare Primacy Recap

When an employee and/or their dependents are eligible for Medicare, coordination of benefits occurs.

Enrollee is an **ACTIVE** Employee

- Medicare is *secondary* to NYSHIP coverage
- Exceptions
 - End-Stage Renal Disease after completing Medicare's 3 month waiting period and 30 month coordination period
 - Domestic partners age 65 or over

Enrollee is **RETIRED**

- Medicare is *primary* to NYSHIP coverage
- Exception:
 - End-Stage Renal Disease during Medicare's 30 month coordination period

Enrolling in Medicare

- NYSHIP requires your enrollees and their covered dependents to be enrolled in Medicare when it is primary to NYSHIP.
- It is **THEIR** responsibility to enroll in Medicare Parts A and B when first eligible for primary Medicare coverage. Enrollment is not automatic in all cases.
- As a reminder and to help your retired enrollee(s) and dependent(s) understand the importance of enrolling in Medicare, we send out what we call our ***“Happy 65th Birthday Letter”*** five months before a retired enrollee or dependent turns 65.

Updating NYBEAS to Reflect Medicare Primacy

- NYBEAS updates the Medicare Primary indicator for enrollees and dependents approximately 2 months prior to their 65th birthday, who should be treated as Medicare primary.
- When your enrollee(s) and/or dependent(s) become Medicare eligible prior to age 65, they should notify your office so the enrollment record can be updated.
- When an enrollee's enrollment record is updated to Medicare Primary, NYBEAS communicates this enrollment information to ensure the individual receives the correct benefits (i.e., Empire Plan Medicare Rx, Medicare Advantage HMO through NYSHIP)

Updating NYBEAS to Reflect Medicare Primacy

- For members who may be Medicare primary due to disability (e.g., a disabled dependent who has collected SSDI for 24 months and is covered on a retiree's NYSHIP policy), EBD matches NYBEAS data with CMS.
- As a result of this Voluntary Data Sharing Agreement (VDSA) between EBD and CMS, EBD receives a monthly file containing Medicare enrollment information for NYSHIP enrollees ages 45 and older.
- EBD is investigating ways to efficiently share this information with PAs and PEs, so individuals who should be treated as Medicare primary are updated in NYBEAS as timely as practicable

The Empire Plan and Medicare

- When an enrollee is Medicare Primary, claims should be submitted to Medicare first. Once Medicare considers the claim, it is then sent to The Empire Plan for secondary payment.
- This process is referred to as Medicare Crossover. When an enrollee's NYBEAS account is updated to Medicare Primary, they are automatically enrolled in Crossover with UnitedHealthcare.

The Empire Plan Prescription Drug Benefit

- Most NYSHIP enrollee(s) and their dependent(s) have prescription drug coverage as part of their health insurance coverage.
- Prescription coverage continues even when Medicare becomes the primary coverage.
 - Empire Plan enrollees are enrolled in the Empire Plan Medicare Rx
 - Most NYSHIP HMO enrollees are enrolled in a Medicare Advantage Plan
 - Excelsior Plan enrollees experience no change to their prescription drug benefit
- All NYSHIP prescription drug coverage pays on average as much or more than Medicare's standard Part D Plan. This is called *creditable coverage*.

Empire Plan Medicare Rx

- REQUIRED for Medicare Primary enrollees and dependents enrolled in The Empire Plan.
- When an enrollee or dependent's NYBEAS enrollment record is updated to Medicare primary, information is automatically sent to enroll the individual in Empire Plan Medicare Rx.

Empire Plan Medicare Rx

- To ensure a smooth transition to the Empire Plan Medicare Rx, **before updating NYBEAS to Medicare Primary** make sure you:
 - Have been provided with a copy of your employee(s) and/or dependent(s)' Medicare card.
 - Update their residential street address if you have a Post Office Box mailing address on file.
 - Make sure the Medicare card and name on NYBEAS are the same.

IMPORTANT!

- CMS does not allow enrollment in more than one Medicare product.
- NYSHIP requires its Medicare primary enrollees to be in the Empire Plan Medicare RX to remain enrolled in hospital, medical and mental health substance coverage, along with prescription drug coverage.
- Enrollment in a non-NYSHIP Medicare Part D plan or Medicare Advantage Plan may result in the cancellation of your enrollee(s) and/or dependent(s) NYSHIP Empire Plan coverage in its entirety.

Medicare Recap

- Enrollee(s) and/or dependent(s) must enroll in Medicare Parts A and B when first eligible for Medicare primary coverage.
- Remind your enrollee(s) and/or dependent(s) the importance of not enrolling in a Medicare product outside NYSHIP, this will cancel their NYSHIP Empire Plan benefits.
- Call the Employee Benefits Division before you become eligible if you have any questions.

Questions?

Thank you for joining us today!

EBD Contact for HBAs

Phone: 518-474-2780

Address: NYS Department of Civil Service
Employee Benefits Division
Albany, NY 12239

Fax: 518-485-5590

Web site: www.cs.ny.gov