



NEW
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STATE

NYSHIP
New York State
Health Insurance Program

Special Report

Information about your new NYSHIP
benefits, effective January 1, 2017.



NYSHIP HMO Special Report

October 2016 • PIA – Police Investigators Association

New York State Health Insurance Program (NYSHIP) for the BCI unit of the New York State Police represented by Police Investigators Association (PIA) enrolled in a NYSHIP Health Maintenance Organization (HMO), their enrolled Dependents, COBRA Enrollees with their NYSHIP benefits and Young Adult Option Enrollees

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Negotiated Changes Effective January 1, 2017

This *Report* describes changes affecting your NYSHIP coverage that will take effect on January 1, 2017, as a result of the recently ratified contract between the State of New York and PIA. They include:

- A change in the NYSHIP premium cost sharing between the State and its employees (page 3)
- An updated life expectancy table (effective for retirements on or after December 1, 2016) used to calculate the value of your monthly sick leave credit, which is applied to your health insurance premium in retirement (page 3)
- The Health Insurance Opt-out Program (pages 4-6)

Changing Your Health Insurance Option

This publication outlines the negotiated changes to your NYSHIP coverage. You will have the opportunity to change your NYSHIP option for 2017 during the annual Option Transfer Period.

During this time, you may select The Empire Plan, a NYSHIP-approved Health Maintenance Organization (HMO) serving the area where you live or work or, if you are eligible, the Opt-out Program (see page 4 for information on the Opt-out Program). If you decide to change your health insurance option, see *NYSHIP Rates & Deadlines for 2017* (coming in November) for when your new option will take effect.

NO ACTION IS REQUIRED IF YOU WISH TO KEEP YOUR CURRENT HEALTH INSURANCE OPTION.

Choices and Other Publications Explain Your Available Options

If you are considering changing your health insurance option or wish to review your current plan, ask your Health Benefits Administrator (HBA) for a copy of *Choices*, your guide to NYSHIP options. Or, find *Choices* on NYSHIP Online. Go to www.cs.ny.gov/employee-benefits and choose PIA and then HMO Enrollee. From the homepage, select Health Benefits & Option Transfer, then Rates and Health Plan Choices.

If you have questions about The Empire Plan, call toll free at 1-877-7-NYSHIP (1-877-769-7447). Press

or say 1 for the Medical Program and then choose the appropriate prompt for plan benefit questions.

If you have questions about NYSHIP HMOs, call the HMO(s) directly and ask for information on the benefits offered through NYSHIP. See *Choices* for contact information.

Be sure you understand how your benefits will be affected if you change plans. You are choosing a benefit package for yourself and your dependents for the 2017 plan year. Changing plans may result in substantially different coverage.

How to Change Options

See your HBA, located in your Personnel Office, if you wish to change your option. You must submit the completed *Health Insurance Transaction Form* (PS-404) to your HBA by the end of the Option Transfer Period to change health insurance options. If you want to enroll in the Opt-out Program, see page 4 for information.

NYSHIP Rate Changes

Once they are approved, 2017 rates will be mailed to your home and also will be posted on NYSHIP Online. Go to www.cs.ny.gov/employee-benefits and choose PIA and then HMO Enrollee. From the homepage, select Health Benefits & Option Transfer, then Rates and Health Plan Choices.

NYSHIP Changes

Your Biweekly Premium Contribution Rate

New York State helps pay for your health insurance coverage. After the State's contribution, you are responsible for paying the balance of your premium through biweekly deductions from your paycheck.

Effective January 1, 2017, your share of the cost is changing as shown below.

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

The State's dollar contribution for the HMO premium will not exceed its dollar contribution for the non-prescription drug components of The Empire Plan premium. As a result, the employee's share may exceed the percentage shown above.

Note: This contribution rate information does not apply to COBRA enrollees, Young Adult Option enrollees or enrollees in Leave Without Pay status. COBRA enrollees will continue to pay the full cost for NYSHIP coverage plus a 2 percent administrative fee. Young Adult Option enrollees will continue to pay the full cost for NYSHIP coverage. However, these enrollees will have a rate change as a result of negotiated benefit changes.

Summary of Benefits and Coverage

The *Summary of Benefits and Coverage (SBC)* is a standardized comparison document required by the Patient Protection and Affordable Care Act. It is designed to improve health insurance information so enrollees can better understand and compare available coverage options.

To view the *SBC* for the different NYSHIP HMOs, visit www.cs.ny.gov/sbc and choose your group. If you do not have internet access, call your HMO to request a copy.

Updated Life Expectancy Table

Effective December 1, 2016, the value of your sick leave credit available at retirement will change. This will impact the calculation of your monthly sick leave credit amount, which will be applied to your premium payments in retirement. The number of months of life expectancy at retirement has increased, as shown below, and the amount of monthly sick leave credit will be lower. A sick leave credit calculator is available on NYSHIP Online. Go to www.cs.ny.gov/employee-benefits and choose PIA and then HMO Enrollee. From the homepage, select Planning to Retire? and then Sick Leave Credit Calculator.

Actuarial Table For Retirements effective on or after December 1, 2016

Age at Retirement	Life Expectancy
45	432 months
46	420 months
47	409 months
48	399 months
49	388 months
50	377 months
51	366 months
52	355 months
53	345 months
54	334 months
55	323 months
56	313 months
57	302 months
58	292 months
59	282 months
60	272 months
61	262 months
62	252 months
63	243 months
64	233 months
65	224 months

If you need actuarial values for additional retirement ages, ask your HBA or use the Sick Leave Credit Calculator on NYSHIP Online.

Health Insurance Opt-out Program

Effective January 1, 2017, NYSHIP will offer an Opt-out Program that will allow eligible employees who have other employer-sponsored group health insurance* to opt out of their NYSHIP coverage in exchange for an incentive payment.

The annual incentive payment is \$1,000 for opting out of Individual coverage or \$3,000 for opting out of Family coverage. The incentive payment is prorated and credited through your biweekly paycheck throughout the year (payable only when an employee is eligible for NYSHIP coverage at the employee share of the premium). **Note:** Opt-out incentive payments increase your taxable income.

If the enrollee's other employer-sponsored coverage begins on January 1, 2017, and if NYSHIP's first pay period of the 2017 plan year for that enrollee is before January 1, 2017, NYSHIP will extend benefits through December 31, 2016 to prevent a lapse in coverage.

Eligibility Requirements

To be eligible for the Opt-out Program beginning January 1, 2017, you must have been enrolled in NYSHIP by April 1, 2016 (or your first date of NYSHIP eligibility if that date is later than April 1), and have remained continuously enrolled while eligible for the employee share of the premium through the end of 2016.

Once you enroll in the Opt-out Program, during any period that your status changes and, as a result, you do not meet the requirements for the State contribution to the cost of your NYSHIP coverage, you are not eligible for the incentive payment. Also, if you are receiving the incentive for opting out of Family coverage and, during the year, your last dependent loses NYSHIP eligibility, you will only be eligible for the prorated Individual incentive payment for the remainder of the tax year.

Other Coverage

To qualify for the Opt-out Program, you must be covered under an employer-sponsored group health insurance plan through other employment of your own or a plan that your spouse, domestic partner or parent has as the result of his or her employment. You are not eligible for an incentive

payment if the other coverage is also a NYSHIP policy through employment with New York State, or is the result of your own employment with a NYSHIP Participating Agency (PA) or Participating Employer (PE). If you are covered as a dependent on another person's NYSHIP policy through a PA or PE, you are eligible to receive only the Individual incentive payment.

Electing to Opt Out

If you are eligible to participate in the Opt-out Program, you must elect to opt out during the Option Transfer Period and attest to having other employer-sponsored group health insurance at that time and each year thereafter. See your Health Benefits Administrator (HBA) and complete the *Opt-out Attestation Form (PS-409)* and a *NYS Health Insurance Transaction Form (PS-404)*. If you are currently enrolled in NYSHIP coverage, your NYSHIP coverage will terminate on the last date of coverage for the 2016 plan year, and the incentive payments will begin after January 1, 2017.

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

Reenrollment in a NYSHIP Health Plan

Once you elect to participate in the Opt-out Program, you may not reenroll in a NYSHIP health plan until the next annual Option Transfer Period, unless you experience a qualifying event, such as change in family status (e.g., marriage, birth, death or divorce) or loss of coverage. To avoid a waiting period, the request for enrollment must be made within 30 days of the qualifying event. See your *NYSHIP General Information Book* for more details.

* See the following Q & A for additional information regarding what does and does not qualify as other employer-sponsored group health insurance.

Opt-out Program Questions and Answers

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

A. To qualify for the Opt-out Program, you must be covered under an employer-sponsored group health insurance plan through other employment of your own or a plan that your spouse, domestic partner or parent has as the result of his or her employment. **The other employer-sponsored group health coverage cannot be NYSHIP coverage that is the result of your or your spouse's, domestic partner's or parent's employment relationship with New York State, or the result of your own employment with a NYSHIP PA or PE.** If you are covered as a dependent on another NYSHIP policy through a PA or PE, you are eligible to receive the Individual incentive payment, but not the Family incentive payment.

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

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

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

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

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

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

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

A. If you fail to make a timely request, you will be subject to NYSHIP's late enrollment waiting period (five biweekly pay periods). You will not be eligible for NYSHIP coverage during the waiting period, and you cannot elect pre-tax health insurance deductions until the following November for the new plan year. Your incentive payments will stop when you are no longer eligible for other employer coverage. **Note:** You may also be subject to a federal penalty if you do not have health insurance coverage for any portion of the tax year.

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

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

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

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

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

A. To enroll, you must do all of the following:

- Complete an *Opt-out Attestation Form* (PS-409) and a *NYS Health Insurance Transaction Form* (PS-404)

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NYSHIP
New York State
Health Insurance Program

Information for the Enrollee, Enrolled Dependents
and Young Adult Option and COBRA Enrollees

PIA NYSHIP HMO Special Report – October 2016

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

It is the policy of the New York State Department of Civil Service to provide reasonable accommodation to ensure effective communication of information in benefits publications to individuals with disabilities. These publications are also available on NYSHIP Online at www.cs.ny.gov/employee-benefits. Visit 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 Health Benefits Administrator. 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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Opt-out Program Questions and Answers, continued

- Provide proof that you (and any dependents) are covered by other employer-sponsored group health coverage
 - Provide information about the person who carries the other employer-sponsored group health coverage
 - Provide the name of the other employer and other health plan
- Q. I had Individual NYSHIP coverage prior to April 1, 2016, and changed to Family coverage when I got married in July. Will I qualify for the \$3,000 Family incentive payment, even though I did not have Family coverage as of April 1, 2016?**
- A. Employees who enrolled in Family coverage due to a qualifying event (and who did so in a timely manner between April 1, 2016, and December 31, 2016) are eligible for the higher incentive payment. You will not be eligible for the higher incentive payment if you enrolled in Family coverage after April 1, 2016, and were subject to a late enrollment waiting period.

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

- A. No. Participation in the Opt-out Program at the time you retire satisfies the requirement of enrollment in NYSHIP health insurance for retirement purposes.

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



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