

The 2010 – 2011 Retirement Incentive Program and Your Health Insurance

June 2010

For Employees of the State of New York and Employees of NYSHIP Participating Employers



New York State Health Insurance Program

A temporary two-part Retirement Incentive Program for certain public employees has been

authorized by Chapter 105 of the Laws of 2010. This publication provides information about your health insurance if you retire under Part A or B of the Retirement Incentive Program. For a complete description of your benefits, please contact your agency Health Benefits Administrator (HBA) and read plan documents.

Eligibility for Retiree Coverage

If you are eligible for the Retirement Incentive Program, you may be eligible to continue your NYSHIP benefits as a retiree if you meet three requirements:

1. Complete the minimum service period for retiree health insurance as explained in your *NYSHIP General Information Book*.
The additional service credit provided by the retirement incentive does not count toward the minimum service requirement for continuing NYSHIP coverage in retirement.
2. Qualify for the retirement incentive or regular retirement as a member of a retirement system administered by New York State or any of its political subdivisions.
3. Be enrolled in NYSHIP as an enrollee or a dependent on the date of your retirement. If you have declined or canceled your NYSHIP coverage and wish to retire under the Retirement Incentive Program, you must re-enroll before your retirement date. If you are a State employee, all or part of the late enrollment waiting period, if any, will be waived. Your effective date of coverage will be your retirement date.

If you do not meet the eligibility requirements for continuing NYSHIP coverage as a retiree, you may be eligible to continue your NYSHIP coverage for a limited time under COBRA continuation of coverage (up to 36 months in most cases). COBRA enrollees pay the full cost of coverage plus an administrative fee. Or, you may obtain a conversion (direct pay) policy from your current insurance carrier(s). The benefits and cost are not the same as for NYSHIP coverage. Ask your agency Health Benefits Administrator for information on COBRA continuation coverage and conversion coverage. Employees of Participating Employers: Ask your Participating Employer if your class (group) of employees is eligible to continue health insurance in retirement. Also ask if your Participating Employer waives the late enrollment waiting period for retirement under the Retirement Incentive Program.

Health Insurance Benefits in Retirement

When you retire and continue NYSHIP coverage, you will receive the retiree health benefits package. There will be some changes in your health insurance benefits. Ask your agency Health Benefits Administrator for the *NYSHIP General Information Book/Empire Plan Certificate* that explains retiree benefits. If you are enrolled in a health maintenance organization (HMO), contact your agency Health Benefits Administrator and your HMO for information.

Your Option: Empire Plan or NYSHIP HMO

Your option will not change just because you retire. HMO enrollees may change health insurance options at retirement if they no longer live or work in the HMO's NYSHIP geographic service area. As a retiree, you may change options once during a twelve-month period. See the *NYSHIP General Information Book* for retirees for more information about changing your option in retirement.

Premium Costs

The amount you contribute toward the cost of your health insurance coverage as a retiree is roughly the same as what you pay as an employee. If you are eligible for a sick leave credit, you may be able to use this credit to reduce your cost. You will pay your share of the health insurance premium through deductions from your monthly retirement check

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or by making monthly payments directly to the Employee Benefits Division or to your former Participating Employer. *Planning for Retirement* (September 2009) includes detailed information about your premium, sick leave credit and deferred health insurance coverage for NY employees.



A companion DVD/VHS, *Planning for Retirement*, is also available. Visit the Department of Civil Service web site at <https://www.cs.state.ny.us> to access the publication or order the video. Click on Benefit Programs, then NYSHIP Online and choose your group if prompted, then select the Planning to Retire? button. You can also ask your agency Health Benefits Administrator for copies.

PE Employees: Ask your HBA if the *Planning for Retirement* video applies to your agency.

Medicare Enrollment

Once you retire, remember that Medicare becomes primary to NYSHIP on the first day of the month in which you reach age 65. (Or, if your birthday is the first of the month, Medicare becomes primary on the first day of the preceding month.) Contact Social Security three months before you reach age 65 to be sure you have Medicare in effect at that time.

If you or your dependent is disabled, has end-stage renal disease or will be age 65 or older at the time you retire, you or your dependent must be enrolled in Medicare Parts A and B. You must have Medicare in effect and be entitled to receive Medicare benefits when first eligible, even if you also have coverage through another employer's group plan. NYSHIP requires you and your covered dependents to be enrolled in Medicare Parts A and B when first eligible for Medicare coverage that is primary to NYSHIP. NYSHIP will not provide any benefits for coverage available under Medicare. If you or a dependent is eligible for Medicare coverage that is primary to NYSHIP, but does not enroll, you will be responsible for the full cost of medical services that Medicare would have covered if you had enrolled.

If you are enrolled in a NYSHIP HMO, check with your HMO regarding changes in benefits for you and/or your dependents when you or they become Medicare primary. Most NYSHIP HMOs offer Medicare Advantage Plans.

Other Benefits

If you are an NY employee, ask your agency Health Benefits Administrator for a copy of *Planning for Retirement*. This guide offers more information about your health insurance in retirement as well as other benefits that you may be eligible for such as dental and vision care, the Income Protection Plan and life/accident and sickness insurance.

Important Publications

Your agency Health Benefits Administrator has publications to help you plan for retirement.

- If you are in The Empire Plan, ask your agency Health Benefits Administrator for the January 1, 2000 *NYSHIP General Information Book and Empire Plan Certificate* and later *Empire Plan Reports* and Certificate Amendments for retirees.
 - If you are in a NYSHIP HMO, ask your agency Health Benefits Administrator for the April 1, 1999 *NYSHIP General Information Book* and later *NYSHIP Health Maintenance Organization Reports* for retirees.
 - *Medicare & NYSHIP* (November 2009) tells you when retirees must enroll in Medicare and how Medicare enrollment affects your New York State Health Insurance Program benefits.
 - *Back to Work for New York State* (November 2009) explains your health insurance benefits if you return to work.
- These publications, as well as *Planning for Retirement*, are also available on the New York State Department of Civil Service web site at <https://www.cs.state.ny.us>. Click on Benefit Programs, then NYSHIP Online and choose your group and plan, if prompted. Publications are available under the Using Your Benefits button.

Important Contacts

- Your agency Health Benefits Administrator: usually in the Human Resources (Personnel) Office
- Employee Benefits Division
NYS Department of Civil Service for health insurance questions after you retire: 518-457-5754 (Albany Area)
1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands)
<https://www.cs.state.ny.us>
- Social Security Administration (SSA) to enroll in Medicare: 1-800-772-1213, www.ssa.gov
- Medicare for Medicare benefits and claims information: 1-800-MEDICARE (1-800-633-4227), www.medicare.gov
- Retirement Systems for retirement system benefits:
NYS and Local Employees' Retirement System: 518-474-7736, www.osc.state.ny.us
NYS Teachers' Retirement System: 518-447-2666, 1-800-356-3128 or 1-800-782-0289 (recorded information) www.nystrs.org
TIAA-CREF: 1-800-842-2733, 212-490-9000 (collect outside U.S.), www.tiaacref.org

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 (<https://www.cs.state.ny.us>). 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 (Albany area) or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands).