

Cancellation of Coverage

Voluntary Cancellation of Coverage

1. An enrollee may cancel his or her coverage in the New York State Health Insurance Program at any time.
2. The enrollee's coverage will end on the last day of the month in which he or she requests cancellation of coverage.

Note: Agencies that offer pre-tax contributions should consult with an attorney or financial advisor regarding IRS regulations when canceling coverage.

Cancellation of Coverage for Failure to Pay Premiums

1. If an enrollee who is required to remit premium payments fails to do so, his or her coverage in the New York State Health Insurance Program must be cancelled at the end of the month for which payment has been remitted.

For the purpose of this paragraph, the following **are required** to remit premium payments:

- a. Persons on authorized leave without pay, seasonal layoff or on a Civil Service preferred list for reinstatement;
- b. Retirees who pay the employee-share of the premiums directly to their former employers;
- c. Vestees;
- d. Dependent Survivors;
- e. Persons who have coverage under the federal COBRA Continuation of Coverage law or under the New York State Continuation of Coverage law.

Important Consequences of Cancellation of Coverage, Either Voluntary or for Non-Payment of Premium

1. An enrollee who voluntarily cancels coverage or whose coverage is cancelled for non-payment of premiums has no guaranteed right to obtain a direct pay policy from the insurance carriers. Cancellation of coverage is **not** a COBRA qualifying event.
2. Enrollees on authorized leave without pay, seasonal layoff or on a Civil Service preferred list for reinstatement may be subject to waiting periods if they wish to reenroll at a later date (See Section 3.4). Such cancellation may also jeopardize an employee's eligibility to continue coverage in retirement (See Section 3.7).

3. Retirees whose coverage is cancelled either voluntarily or for non-payment are subject to waiting periods if they wish to reenroll at a later date (See Section 2.7, 3.d.2).
4. Vestees, Dependent Survivors, and persons who have coverage under the federal COBRA Continuation of Coverage law or the New York State Continuation of Coverage law are **not** permitted to reenroll after cancellation of their coverage, either on a voluntary basis or for non-payment of premium.

Vestees whose coverage is terminated also lose eligibility to have coverage in retirement.