JANUARY 2009

EMPIRE PLAN REPORT

New York State Health Insurance Program (NYSHIP)
For Active Employees, Retirees, Vestees and Dependent Survivors,
And for their Dependents enrolled through Participating Agencies with Empire Plan Benefits

Read and Save

this Report for important information about benefit changes.

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The Empire Plan

Mental Health and Substance Abuse Program

New Insurer and Administrator

Effective January 1, 2009, UnitedHealthcare Insurance Company of New York (UHICNY) insures and OptumHealth Behavioral Solutions (OptumHealth) administers The Empire Plan Mental Health and Substance Abuse (MHSA) Program. The former insurer/administrator, GHI/ValueOptions, will assist with the transition. Although your benefits are not changing, there may be differences in the provider network.

OptumHealth has a large national provider network and also is actively recruiting additional providers who currently treat a high volume of Empire Plan enrollees. To check if your provider is in the OptumHealth network, you can call 1-877-7-NYSHIP (1-877-769-7447) and select the 2009 MHSA option for OptumHealth. You may also visit www.cs.state.ny.us to search the OptumHealth provider network online. At the home page click on "Benefit Programs" and follow the instructions to access NYSHIP Online. Select "Find a Provider" and scroll down to OptumHealth. The network lists will be updated regularly as providers are added.

Mental Health and Substance Abuse Program continued on page 2

Empire Plan Adopts Flexible Formulary for 2009

Effective January 1, 2009, your benefits under The Empire Plan Prescription Drug Program are based on a flexible formulary. The 2009 Empire Plan Flexible Formulary drug list provides enrollees and the Plan with the best value in prescription drug spending. This is accomplished by:

- excluding coverage for a small number of drugs if a therapeutic equivalent or over-the-counter drug is available.
- assigning a slightly higher copayment, than generic drugs for preferred brand-name drugs that provide the best value to The Empire Plan and
- allocating the highest copayment to non-preferred brand-name drugs that provide little, if any, clinical advantage over existing generic or preferred brand-name drugs.

Flexible Formulary continued on page 4

Mental Health and Substance Abuse Program continued from page 1

If your provider is not currently in the OptumHealth network, you may nominate your provider by calling the NYSHIP toll free number and selecting the 2009 MHSA option.

Transition Benefits

To help ensure that Empire Plan enrollees in outpatient treatment have access to network benefits throughout this transition, a 90-day transition of care benefit will be available for care received through March 31, 2009. The transition of care benefit also applies to alternate levels of care including partial hospitalization, intensive outpatient treatment and group home. If you or your dependent received outpatient care under the MHSA Program on or after July 1, 2008, you are eligible for network benefits with the same practitioner(s) through March 31, 2009 regardless of whether the provider is in the OptumHealth network. If you have received MHSA services from a MHSA practitioner since July 1, 2008, you should have received a letter prior to the end of the year with additional information about this change and how to get more information about transition of care benefits.

If you or your dependents were receiving care at a 24-hour facility or program for inpatient or residential treatment on December 31, 2008 and remained confined on or after January 1, 2009, the care will continue to be managed and paid for by ValueOptions/GHI until you are discharged to a lower level of treatment.

Empire Plan Toll-Free Number

If you seek services for 2009 or have any questions about transition, call 1-877-7-NYSHIP and select the 2009 MHSA option.

When calling the toll free NYSHIP number, please listen carefully as options will change. You will be able to reach both OptumHealth and ValueOptions for a period of time. Clinical Referral Line services will be provided by OptumHealth and continue to be available 24 hours a day/7 days a week.

The Empire Plan Mental Health Management Program in 2009

What's New

- MHSA Insurer:
  UnitedHealthcare Insurance Company of New York (UHICNY)
- MHSA Administrator:
  OptumHealth Behavioral Solutions (OptumHealth)
- MHSA Network:
  visit www.cs.state.ny.us to find network providers
  Note: MHSA practitioners and facilities listed in the 2008 Empire Plan Participating Directory are no longer correct. Please call OptumHealth or visit the web site to locate network providers.
- OptumHealth web site accessible through the Department of Civil Service web site at www.cs.state.ny.us
- Claims/General Correspondence Address:
  OptumHealth Behavioral Solutions
  P.O. Box 5190
  Kingston, NY 12402-5190
- Appeal Address:
  OptumHealth Behavioral Solutions
  Attn: BH Appeals Dept.
  900 Watervliet Shaker Road
  Suite 103
  Albany, NY 12205-1002
- TTY Phone Number: 1-800-855-2881

What's the Same

- MHSA Program
- Empire Plan ID card
- 1-800-7-NYSHIP phone number; however there will be prompts for 2008 and 2009 benefit questions. Select the 2009 prompt to contact OptumHealth, select the 2008 prompt to contact ValueOptions.

Non-Network Inpatient Care, Partial Hospitalization, Intensive Outpatient Program, Day Treatment, 23-hour Extended Bed and 72-Hour Crisis Bed: 90% of Billed Charges (EMPIRE PLAN AT A GLANCE CORRECTION)

The Empire Plan pays up to 90 percent of billed charges for covered acute inpatient mental health care in an approved hospital or an approved facility. You pay the remaining 10 percent until you reach an inpatient coinsurance maximum of $1,500 for you, the enrollee, $1,500 for your enrolled spouse/domestic partner and $1,500 for all enrolled dependent children combined. The Empire Plan then pays 100 percent of billed charges for covered services. This benefit is not subject to a deductible.

Each coinsurance maximum is applied as follows: You pay the first $500 of coinsurance, after which you will be reimbursed for the next $500 of coinsurance, upon written request of the enrollee, then you pay the final $500 of coinsurance.

This article also corrects the paragraph explaining Non-Network Coverage for Approved Facilities Under Mental Health Benefits on page 11 of your *Empire Plan At A Glance*.

Questions and Answers

About Mental Health and Substance Abuse Transition

Q: What is the transition of care benefit?

A: The transition of care benefit allows you to continue to receive network benefits even if your provider has not joined the OptumHealth network as of January 1, 2009. All levels of care (see page 1) are covered under the transition of care benefit.

Q: How do I access my transition of care benefit?

A: You do not need to call or complete any forms to access the transition of care benefit. If you received network benefits between July 1, 2008 and December 31, 2008, you will automatically be given the transition of care benefit through March 31, 2009, for services received from the same provider, even if that provider is not in the OptumHealth network. Please note that these benefits apply to covered services received between January 1, 2009 through March 31, 2009.

Q: If I already have certification from ValueOptions and will be using the transition of care benefit, will my certification from ValueOptions transfer over, or do I need to call OptumHealth?

A: You do not have to call OptumHealth, but you may call if you have questions 24 hours a day, 7 days a week. Call the NYSHIP toll-free number below, press Option 3 and select the 2009 MHSA option.

Q: How do I find out if my provider is in the OptumHealth network?

A: Visit www.cs.state.ny.us or call the NYSHIP toll-free number below, press option 3 and select the 2009 MHSA option for OptumHealth. Provider network information will be updated regularly.

Q: I just checked the web site and my provider is not currently in the OptumHealth network. What are my options?

A: The transition of care benefit allows you to receive network benefits, even if the provider you were seeing in 2008 is not part of the OptumHealth network. When the transition period ends on March 31, 2009, you must use an OptumHealth network provider to receive the highest level of benefits. You may call OptumHealth at any time to access network benefits. If you continue treatment with your provider after March 31, 2009 and your provider is not part of the OptumHealth network, your treatment will be covered under the non-network benefit, and you will have higher out-of-pocket costs.

Q: How can my provider become part of the OptumHealth network?

A: If your provider is not currently in the OptumHealth network, you may nominate your provider by calling the NYSHIP toll-free number below, pressing Option 3 and selecting the 2009 MHSA option. Or, your provider may call OptumHealth directly at the same number.

Q: What if I need treatment after the beginning of the year and I am not eligible for the transition of care benefit?

A: To find a network provider for treatment on or after January 1, 2009, call the NYSHIP toll-free number below, press Option 3 and select the 2009 MHSA option for OptumHealth.

The NYSHIP toll-free number is 1-877-7-NYSHIP (1-877-769-7447).

Flexible Formulary continued from page 1

The main features of The Empire Plan 2009 Flexible Formulary are:

- Copayment levels for generic drugs: Generic drugs are placed at the lowest copayment level (for example, $5 for a 30-day supply at a participating retail pharmacy).
- Coverage for brand-name drugs: Certain brand-name drugs will be excluded from coverage. If a brand-name drug is excluded, therapeutic brand-name and/or generic alternatives will be covered.
- Copayment levels for brand-name drugs: Covered brand-name drugs are classified as preferred or non-preferred and are available at either the second or third copayment levels (for example, preferred brand-name drugs have a $15 copayment and non-preferred brand-name drugs have a $40 copayment for a 30-day supply at a participating retail pharmacy).

The following drugs will be excluded from coverage under the 2009 Empire Plan Flexible Formulary drug list: Adoxa, Caduet, Coreg CR, Doryx, Genotropin[1], Humatrope[2], Kapidex, Nexium, Norditropin[3], Omnitrope, Prevacid Capsules, Testim, Treximet and Veramyst.

As a reminder, the Plan reviews the drug list once a year so in addition to these exclusions, enrollees may notice other brand-name drugs that have a different copayment level as of January 1, 2009. If you have been taking one or more of these drugs, you should have already received a letter informing you of this change. You may want to discuss an alternative medication with your doctor that will result in your paying a lower copayment. See your 2009 Empire Plan At A Glance for a printed copy of the Flexible Formulary drug list or visit the Department of Civil Service web site at www.cs.state.ny.us, select Benefit Programs, then NYSHIP Online and choose your group, if prompted. Alphabetic and therapeutic class versions of the 2009 Flexible Formulary are available under the Using Your Benefits button.

[1] Excluded, except for treatment of growth failure due to Prader-Willi syndrome or Small for Gestational Age. Prior authorization is required.

[2] Excluded, except for treatment of growth failure due to SHOX deficiency. Prior authorization is required.

[3] Excluded, except for treatment of short stature associated with Noonan syndrome or small for Gestational Age. Prior authorization is required.

Instant Rebate for Omeprazole (generic Prilosec)

For a limited time only, The Empire Plan Prescription Drug Program will offer an instant rebate of your full copayment for omeprazole, the generic version of Prilosec (the original "purple pill"). This medication is a proton pump inhibitor used in the treatment of peptic ulcers, gastroesophageal reflux disease (GERD) and other gastrointestinal symptoms.

The instant rebate will apply to all omeprazole prescriptions filled at participating retail pharmacies or at a mail service pharmacy between January 1 and April 30, 2009. To receive your rebate (zero copayment), simply present your prescription to your retail pharmacy or send it to the mail service pharmacy. You do not have to enroll, or pre-qualify for the zero copayment. After April 30, 2009, you will pay the applicable generic copayment ($5 or $10) for subsequent refills. If you have questions about this rebate or your drug benefit, call The Empire Plan Prescription Drug Program at 1-877-7-NYSHIP (1-877-769-7447) and choose option 4.

The Empire Plan Half Tablet Program Lowers Your Prescription Cost

This voluntary program allows you to reduce the out-of-pocket cost of select covered prescription drugs you take on a regular basis by:

- allowing your physician to write a prescription for twice the dosage of your medication and half the number of tablets (see Example).
- having you split the pills in half using the free pill splitter that The Empire Plan will provide and
- instructing the participating retail pharmacy or the mail service pharmacy to automatically reduce your copayment to half the normal charge:

Example

Old Prescription:.....Lipitor 10 mg

Quantity: .....30 tablets

Dosage: .....Take 1 tablet every morning

Copayment.....$15

New Prescription:.....Lipitor 20 mg

Quantity: .....15 tablets

Dosage: ....Take ½ tablet every morning

Copayment $7.50

For a listing of drugs eligible for the Half Tablet Program, visit the Department of Civil Service web site at www.cs.state.ny.us. Select Benefit Programs on the home page, then NYSHIP Online and choose your group, if prompted. Choose Using Your Benefits then Empire Plan Providers, Pharmacies and Services, scroll down to Medco and select Empire Plan Prescription Drug Half Tablet Program.

Splitting Tablets is Easy

Using a tablet splitter makes splitting your medication easy. Never attempt to split tablets with anything other than a device designed specifically for that purpose. Not all medications are appropriate for tablet splitting. Consult your doctor before splitting any prescribed medication.

Order Free Tablet Splitter

The Empire Plan will offer a free tablet splitter to each enrollee who is currently prescribed a drug that is covered as part of the Half Tablet Program. If you are on a medication eligible for the half-tablet program, you will receive a welcome letter with details on how to order your free tablet splitter.

Questions and Answers

About The Empire Plan Flexible Formulary

Q: Why are some medications being excluded?

A: Certain drugs are being excluded under The Empire Plan Prescription Drug Program so that we can continue to provide the best value in prescription drug coverage to all enrollees under the Plan. Whenever a prescription drug is excluded, therapeutic brand and/or generic equivalents will be covered.

Q: Why is Nexium excluded from the 2009 Empire Plan Flexible Formulary?

A: Independent studies conducted by Consumer Reports, the Oregon Health Resources Commission, and AARP, to name a few, have found that there is little clinical difference in efficacy or adverse effects in the class of prescription drugs that Nexium belongs to - proton pump inhibitors (PPIs). There is, however, a significant difference in the cost. The 2009 Empire Plan Flexible Formulary continues to cover generic and other preferred brand-name PPIs that provide the best value to the Plan.

Q: How do I qualify for the four-month instant rebate of the copay for the drug omeprazole (for PPI utilizers)?

A: All prescriptions filled for omeprazole between January 1, 2009 and April 30, 2009 will automatically return a zero copayment. You do not have to enroll, or pre-qualify for the zero copayment.

Q: How will I know if my drug is excluded from the 2009 Empire Plan Flexible Formulary?

A: Letters were mailed in late November to all enrollees who took an excluded medication in the previous four months to notify them of the change and offer covered equivalents. The listing of drug exclusions is included on the last page of the Flexible Formulary drug list. The list was sent to enrollees as part of the 2009 Empire Plan At A Glance and can be requested through customer service by calling 1-877-7-NYSHIP (1-877-769-7447) and choosing Option 4. It is also available on the New York State Department of Civil Service web site at www.cs.state.ny.us, and was mailed to all Empire Plan Participating Physicians and enrollees.

Q: How will my local pharmacist know my drug is excluded?

A: Your local participating pharmacist will receive a message when your claim is processed that will advise that the drug is not covered under The Empire Plan. If you choose to fill the prescription, you will be responsible for paying the full cost of the drug; The Empire Plan will not reimburse you for any portion of the cost.

Q: What will happen if I send a new prescription or request a refill from Medco by Mail for an excluded drug?

A: If you call in a refill of an excluded drug through a mail service pharmacy, the customer service representative or interactive voice response system will advise you that the drug is excluded, and your order will be cancelled. If you mail in a refill order, you will receive a letter indicating your drug is no longer covered under the Plan. If you mail in a new prescription for an excluded drug, the mail service pharmacy will return the prescription along with a letter advising that the drug is excluded from Empire Plan coverage and can no longer be dispensed.

Q: How will my physician know that my drug is excluded?

A: The 2009 Flexible Formulary drug list was sent to all participating physicians in The Empire Plan Network. Additionally, if your physician utilizes an online method of prescribing known as EPrescribing, a message will be displayed indicating that the drug is not covered.

Q: Where can I find lower cost alternatives to the drug I am taking?

A: Suggested generic and/or preferred brand-name drug equivalents are listed on the last page of the Flexible Formulary drug list. We recommend that you talk with your physician to identify which medication is appropriate to treat your condition.

Q: How do I change to one of the preferred medications on The Empire Plan Flexible Formulary? Will I need a new prescription?

A: Yes, you will need a new prescription. If you are almost out of medication, you can request that your retail pharmacist call your physician for a new prescription of a generic or preferred brand-name drug.

If you use a mail service pharmacy, the mail service pharmacy will assist you with obtaining a new prescription. Please call customer service at 1-877-7-NYSHIP (1-877-769-7447) and choose Option 4 for assistance.

Q: Can I appeal a drug exclusion or level placement?

A: No. Drug exclusions and level placements are a component of your Benefit Plan Design and cannot be appealed.

Empire Plan Benefit Changes

Effective January 1, 2009

The Empire Plan Medical/Surgical Benefits Program

$30 Copayment for Non-Hospital Outpatient Surgical Locations

Beginning January 1, 2009, you pay the first $30 in charges (copayment) for each visit to an outpatient surgical location that has an agreement in effect with UnitedHealthcare.

The $30 copayment covers your elective surgery and anesthesiology, radiology and laboratory tests performed on the day of the surgery at the same outpatient surgical location.

Herpes Zoster Vaccine for Shingles

Effective January 1, 2009, the Herpes Zoster Vaccine used to prevent shingles is covered as an adult immunization under the Participating Provider Program for individuals age 55 or over. Since shingles usually occurs in the senior population, this coverage is consistent with established clinical guidelines. You pay only the office visit copayment when you receive the Herpes Zoster vaccination from a Participating Provider. There is no non-network benefit.

Prosthetic Wig Benefit

Effective January 1, 2009, wigs will be covered under the Basic Medical Program when hair loss is due to an acute or chronic condition that leads to hair loss including, but not limited to:

- Disease of endocrine glands such as Addison's disease and ovarian genesis
- Generalized disease affecting hair follicles such as systemic lupus and myotonic dystrophy
- Systemic poisons such as Thallium, Methotrexate and prolonged use of anticoagulants
- Local injury to scalp such as burns, radiation therapy, chemotherapy treatment and neurosurgery

Excluded from coverage is male and female pattern baldness.

There is a lifetime maximum benefit of $1,500 per individual regardless of the number of wigs purchased. Benefits are not subject to the Basic Medical deductible or coinsurance. Claims submitted for the prosthetic wig benefit must include documentation from the treating physician that states that the individual has a diagnosis for a covered condition.

Participating Diabetes Education Centers

Diabetes education can be an important part of a treatment plan for diabetes. Diabetes educators provide information on nutrition and lifestyle improvement that can help diabetics better manage their disease. The Empire Plan network now includes Diabetic Education Centers that are accredited by the American Diabetes Association Education Recognition Program. If you have a diagnosis of diabetes, your visits to a network center for self-management counseling are covered and you pay only an office visit copayment for each covered visit. Covered services at a non-network diabetes education center are considered under the Basic Medical Program subject to deductible and coinsurance.

To find an Empire Plan participating diabetes education center, call The Empire Plan toll free at 1-877-7-NYSHIP (1-877-769-7447) and choose UnitedHealthcare. Or, go to the New York State Department of Civil Service web site (www.cs.state.ny.us), click on Benefit Programs and then NYSHIP Online. Select your group if prompted, click on Find a Provider and then Medical and Surgical Providers under UnitedHealthcare.

Diabetic Shoes

Effective January 1, 2009, one pair of custom molded or depth shoes per calendar year are a covered expense under The Empire Plan if:

- You have a diagnosis of diabetes and diabetic foot disease;
- Diabetic shoes have been prescribed by your provider; and
- The shoes are fitted and furnished by a qualified perdorthist, orthotist, prosthetist or podiatrist. Shoes ordered by mail or from the internet are not eligible for benefits.

When you use an HCAP-approved provider for medically necessary diabetic shoes, you receive a paid-in-full benefit up to an annual maximum benefit of $500. To ensure that you receive the maximum benefit, you must make a pre-notification call to the Home Care Advocacy Program (HCAP). You must call The Empire Plan toll free at 1-877-7-NYSHIP (1-877-769-7447), choose UnitedHealthcare and then the Benefits Management Program. HCAP will assist you in making arrangements to receive network benefits for diabetic shoes.

If you do not receive medically necessary diabetic shoes from an HCAP-approved provider, benefits will be considered under the Basic Medical Program subject to the annual deductible with any remaining covered charges paid at 75% of the network allowance with a maximum annual benefit of $500.

Centers of Excellence Programs for Transplants and Cancer

Effective January 1, 2009, when you use a Center of Excellence for Transplants that has been pre-authorized by Empire BlueCross BlueShield or a Center of Excellence for Cancer that has been pre-authorized by UnitedHealthcare and the Center of Excellence is more than 100 miles from the enrollee's residence (200 miles for airfare), The Empire Plan provides travel, meals and one lodging per day for the patient and one travel companion. The Empire Plan will reimburse for meals and lodging based on the United States General Services Administration (GSA) per diem rate and automobile mileage (personal or rental car) based on the Internal Revenue Service medical rate. The following are the only additional travel expenses that are reimbursable: economy class airfare, train fare, taxi fare, parking, tolls and shuttle or bus fare from your lodging to

Benefits Changes continued on page 7

Benefits Changes continued from page 6

the Center of Excellence. To find the current per diem rates for lodging and meals, visit the United States General Services Administration web site at www.gsa.gov and look under Travel Resources. Travel and lodging benefits are available as long as the patient remains enrolled and receiving benefits under the Centers of Excellence programs for Transplants or Cancer. The $10,000 lifetime maximum for travel, meals and lodging for the Centers of Excellence for Cancer Program has been eliminated.

Kidney Resource Services Program

Effective January 1, 2009, The Empire Plan will offer a Kidney Resource Services Program to its enrollees when The Empire Plan is your primary health insurance coverage. If you or your dependents have been diagnosed with Chronic Kidney Disease (CKD), you may be invited to participate in this disease management program. Participation is voluntary, free of charge and confidential.

If you agree to participate, you will receive information to help you better understand your condition. You will be offered educational materials and other services that may help to improve the management of your kidney disease. You may also be contacted by a Registered Nurse in conjunction with this program.

This program works in partnership with your physician to achieve the best possible health outcomes.

If you have questions or would like more information, call The Empire Plan toll free at 1-877-7-NYSHIP (1-877-769-7447) and choose the option for The Empire Plan NurseLine.

2009 Annual Deductible and Coinsurance Maximum for Basic Medical and Non-Network Mental Health Practitioner Services

Annual Deductible: $363
Coinsurance Maximum: $1,000

For calendar year 2009, The Empire Plan annual deductible for services performed and supplies prescribed by non-participating or non-network providers is $363 for you, $363 for your enrolled spouse/domestic partner and $363 for all covered dependent children combined.

You must meet the deductible before benefits are paid for your claims. The annual deductible for the Basic Medical Program and the non-network portion of the Mental Health Program cannot be combined with each other or with the Managed Physical Medicine Program annual deductible for non-network services.

Effective January 1, 2009, there is a separate annual coinsurance maximum (out-of-pocket expense) of $1,000 for you, $1,000 for your enrolled spouse, domestic partner and $1,000 for all covered dependent children combined in 2009. After each coinsurance maximum is reached, you will be reimbursed 100 percent of the reasonable and customary amount, or 100 percent of the billed amount, whichever is less, for covered services. You will still be responsible for any charges above the reasonable and customary amount and for any penalties under the benefits management programs.

CAM Program Discontinued

The Empire Plan Complementary and Alternative Medicine Program (CAM) was discontinued effective January 1, 2009 in accordance with negotiated contracts and agreements with unsettled and non-negotiating groups.

Benefits Management Program

Additional Imaging Procedures Require Prospective Procedure Review (PPR) Effective January 1, 2009

You must call The Empire Plan Benefits Management Program for Prospective Procedure Review of the following outpatient imaging procedures when performed as an elective (scheduled) procedure:

- Magnetic Resonance Imaging (MRI)/Magnetic Resonance Angiography (MRA)
- Computed Tomography (CT)
- Positron Emission Tomography (PET) Scans
- Nuclear Medicine Diagnostic Procedures

Call The Empire Plan toll free at 1-877-7-NYSHIP (1-877-769-7447), and select UnitedHealthcare, then Benefits Management to reach the Care Coordination Unit.

Should you opt to have one of these procedures before the review is completed or if you do not call the Benefits Management Program before having it and UnitedHealthcare determines that the procedure was performed on a scheduled (non-emergency) basis and that the procedure was medically necessary, you are responsible for paying the lesser of 50 percent of the scheduled amounts related to the procedure or $250, plus your copayment, under the Participating Provider Program.

Under the Basic Medical Program, you are liable for the lesser of 50 percent of the reasonable and customary charges related to the procedure or $250. In addition, you must meet your Basic Medical annual deductible and you must pay the coinsurance and any provider charges above the reasonable and customary amount.

If UnitedHealthcare determines that the procedure was not medically necessary, you will be responsible for the full cost of the procedure.

NYSHIP Changes

Effective January 1, 2009

Leaving School Before Graduation

Beginning January 1, 2009, an enrolled, full-time student dependent age 21 or older who completes a semester will continue to be covered under NYSHIP until the last day of the third month following the month in which the dependent completes the semester unless the dependent otherwise loses NYSHIP eligibility. For example, if the dependent child completes the Spring semester in May, the last day of coverage would be August 31. However, if the dependent reaches age 25 before August 31, coverage ends on the dependent's birthday. This coverage extension applies to each semester the dependent child completes, including the semester in which the requirements for graduation are completed. A semester is considered to be completed if the student attends classes through the last required date of attendance for the semester, even if a passing grade is not achieved for coursework.

If a dependent student age 21 or older leaves school prior to the successful completion of a semester and proof of attendance during the semester is provided, coverage ends on the last day of the month in which the dependent attended school or the end of the third month following the month that the last semester was completed, whichever is later. If the required proof is not provided, coverage will end on the first day of the incomplete semester or three months after the previously completed semester whichever is later.

Generally a dependent child over the age of 21 must be a full-time student at an accredited secondary or preparatory school, college or other educational institution to be eligible for NYSHIP coverage. Refer to your *General Information Book* for additional eligibility information for dependent children who are disabled, on medical leave or have military service.

2009 Copayment Changes

The following copayment changes are ***effective January 1*** for the specified programs and services. It is your responsibility as a patient to be aware of copayments due at the time services are rendered.

Participating Provider Program
$20 Copayment—Office Visit/Office Surgery, Radiology/Diagnostic Laboratory Tests, Free-Standing Cardiac Rehabilitation Center Visit, Urgent Care Visit

$30 Copayment—Outpatient Surgery at Free-Standing Outpatient Surgery Center

Chiropractic Treatment or Physical Therapy Services (Managed Physical Medicine Program)

$20 Copayment—Office Visit, Radiology, Diagnostic Laboratory Tests

Hospital Services (Hospital Program)
$20 Copayment—Outpatient Physical Therapy at Network Hospital or Hospital Owned Extension Clinic

Mental Health and Substance Abuse Program
$20 Copayment—Visit to Outpatient Substance Abuse Treatment Program, Visit to Mental Health Practitioner for Outpatient Mental Health care

Prescription Drug Program
Non-Preferred Brand-Name Drug Copayments

Supply Dispensed	Copayment
Up to a 30-day supply from a participating retail pharmacy or through the mail service	$40
A 31- to 90-day supply through the mail service	$65
A 31- to 90-day supply from a participating retail pharmacy	$70

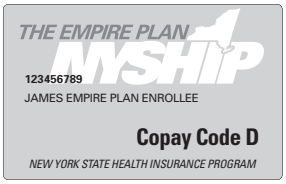
Annual Notice of Mastectomy and Reconstructive Surgery Benefits

The Empire Plan covers 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. The Plan covers all stages of reconstructive breast surgery following mastectomy, including surgery of the other breast to produce a symmetrical appearance. The Plan also covers treatment for complications of mastectomy, including lymphedema. Prostheses and mastectomy bras are covered.

Call The Empire Plan toll free at 1-877-7-NYSHIP (1-877-769-7447) and select UnitedHealthcare if you have questions about your coverage for implants, breast forms or other prostheses related to breast cancer treatment.

Empire Plan Benefits Management Program requirements apply. See your *Empire Plan Certificate* and *Empire Plan Reports.*

New Copay D Benefit Cards



In early December 2008, PA enrollees were mailed new Empire Plan benefit cards with "Copay D" (see graphic) on them. These new identification cards were necessary due to the January 1, 2009 benefit changes described in this Report and they replace your "Copay A" card(s). As instructed on the card carrier, you and your enrolled dependents should use the new cards for any services sought on and after January 1, 2009. You should have also received your January 2009 *Empire Plan At A Glance* in the mail at your home in December, which contained new pocket/wallet copayment cards that specified the changed copayment amounts. See your agency Health Benefits Administrator (HBA) if you did not receive benefit cards, need to order an additional or replacement card or did not receive the *At A Glance* publication.

Copayments

See pages 199 and 200 of your Empire Plan Certificate Amendments for a complete list of your 2009 copayments.

Choosing a Participating Provider

The Empire Plan is a unique program that allows you to receive medical/surgical care from participating providers or from non-participating providers. By choosing a participating provider, you receive covered services at little or no cost and you don't have to file a claim. For certain services, you must call before you receive services. Participating providers are providers who have an agreement in effect under The Empire Plan. They have agreed to bill UnitedHealthcare and to accept your copayment, for services subject to a copayment, plus payment directly from the Plan as payment-in-full for covered services.

Participating Provider Program

The Empire Plan Participating Provider Program offers a network of over 175,000 physicians and other providers located throughout New York State and in many other states as well. You have the freedom to choose any participating provider without a referral. There is, however, no guarantee that a participating provider will always be available to you.

Providers in the network include: doctors, speech therapists, speech-language pathologists, audiologists, podiatrists, laboratories, outpatient surgical locations, urgent care centers, freestanding cardiac rehabilitation centers and Centers of Excellence. Certified nurse midwives may also be available through participating doctors. Always ask your provider if he or she participates before you receive services.

When you use a participating provider, you pay only the applicable copayment.

Ask for a Participating Provider

The Empire Plan does not require that a participating provider refer you to a participating laboratory, radiologist, specialist or center. It is your responsibility to request a participating provider for other services. Explain to your doctor that your out-of-pocket expenses are usually higher if you don't use a participating lab or if a non-participating radiologist reads your X-ray.

Please be aware, too, that providers with multiple locations may not be Empire Plan participating providers in all locations.

It is your responsibility to determine whether a provider is an Empire Plan provider. In Arizona, Connecticut, Florida, New Jersey, North Carolina, South Carolina, Washington D.C., and states adjacent to D.C., ask if the physician is part of UnitedHealthcare's Options Preferred Provider Organization (PPO). In all other states including New York, and for providers other than physicians in the above states, ask if the provider participates in The Empire Plan.

Participating Provider Directory

The most up-to-date participating provider information is available on the Department of Civil Service web site at ww.cs.state.ny.us. Click on Benefit Programs and then on NYSHIP Online. Select your group, if prompted, and then click on Find A Provider. If you need a printed copy of the *2008 Empire Plan Participating Provider Directory,* see your agency Health Benefits Administrator. But remember that the MHSA listings are not correct (see page 2).

Reminders

The Empire Plan At A Glance and Copayment Cards

The 2009 *Empire Plan At A Glance* along with 2009 Empire Plan Copayment Cards and the 2009 Preferred Drug List were sent to you in a separate mailing earlier this year. *The Empire Plan At A Glance* offers a brief description of your Empire Plan benefits; the Copayment Cards provide a handy reference for coverage costs. If you need more cards, or another copy of the *At A Glance*, ask your agency Health Benefits Administrator.

Reimbursement of the Medicare Part B Income-Related Monthly Adjustment Amount (IRMAA) for Medicare-Primary Enrollees

Medicare law requires some people to pay a higher premium for their Medicare Part B coverage based on their income. If you and/or any of your enrolled dependents are Medicare-primary and received a letter from the Social Security Administration (SSA) requiring the payment of an income-related monthly adjustment amount (IRMAA) in addition to the standard 2008 Medicare Part B premium ($96.40) for 2008, you are eligible to be reimbursed for this additional premium by your agency. Note: **If your 2006 adjusted gross income was less than or equal to $82,000 ($164,000 if you filed taxes as married filing jointly) you are NOT eligible for any additional reimbursement this year.**

To claim the additional IRMAA reimbursement, eligible enrollees are required to apply for and document the amount paid in excess of the standard premium. Contact your agency Health Benefits Administrator for information on how to apply, a list of the documents required or questions on IRMAA.

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

NYSHIP
New York State Health Insurance Program

State of New York
Department of Civil Service
Employee Benefits Division
Albany, New York 12239
518-457-5754 (Albany area)
1-800-833-4344
(U.S., Canada, Puerto Rico, Virgin Islands)
www.cs.state.ny.us

The Empire Plan Carriers and Programs

To reach any of The Empire Plan carriers, call toll free **1-877-7-NYSHIP (1-877-769-7447)**.
The one number is your first step to Empire Plan information. Check the list below to know which carrier to select.
When you call **1-877-7-NYSHIP**, listen carefully to your choices and press or say your selection at any time during the message.
Follow the instructions and you'll automatically be connected to the appropriate carrier.

The Empire Plan Hospital Benefits Program *Empire BlueCross BlueShield, New York State Service Center, P.O. Box 1407, Church Street Station, New York, NY 10008-1407*. Web site: www.empireblue.com. Call for information regarding hospital and related services.

YOU MUST CALL **Benefits Management Program for Pre-Admission Certification** You must call Empire BlueCross BlueShield before a maternity or scheduled hospital admission, within 48 hours after an emergency or urgent hospital admission and before admission or transfer to a skilled nursing facility (includes rehabilitation facilities).

YOU MUST CALL **Centers of Excellence for Transplants Program** You must call Empire BlueCross BlueShield before a hospital admission for the following transplant surgeries: bone marrow, peripheral stem cell, cord blood stem cell, heart, kidney, liver, lung and simultaneous kidney-pancreas. Call for information about Centers of Excellence.

The Empire Plan Medical/Surgical Benefits Program *UnitedHealthcare Insurance Company of New York, P.O. Box 1600, Kingston, NY 12402-1600*. Web site: www.myuhc.com. Call for information on benefits under Participating Provider, Basic Medical Provider Discount and Basic Medical Programs, predetermination of benefits, claims and participating providers.

Managed Physical Medicine Program/MPN Call UnitedHealthcare for information on benefits and to find MPN network providers for chiropractic treatment and physical therapy. If you do not use MPN network providers, you will receive a significantly lower level of benefits.

YOU MUST CALL **Benefits Management Program for Prospective Procedure Review of MRI, MRA, CT, PET Scans and Nuclear Medicine tests** You must call UnitedHealthcare before having an elective (scheduled) procedure or nuclear medicine test.

YOU MUST CALL **Home Care Advocacy Program (HCAP)** You must call UnitedHealthcare to arrange for paid-in-full home care services, enteral formulas, diabetic shoes and/or durable medical equipment/supplies. If you do not follow HCAP requirements, you will receive a significantly lower level of benefits. You must also call UnitedHealthcare for HCAP approval of an external mastectomy prosthesis costing $1,000 or more.

YOU MUST CALL **Infertility Benefits** You must call UnitedHealthcare for prior authorization for the following Qualified Procedures, regardless of provider: Assisted Reproductive Technology (ART) procedures including in vitro fertilization and embryo placement, Gamete Intra-Fallopian Transfer (GIFT), Zygote Intra-Fallopian Transfer (ZIFT), Intracytoplasmic Sperm Injection (ICSI) for the treatment of male infertility, assisted hatching and microsurgical sperm aspiration and extraction procedures; sperm, egg and/or inseminated egg procurement and processing and banking of sperm and inseminated eggs. Call UnitedHealthcare for information about infertility benefits and Centers of Excellence.

YOU MUST CALL **Centers of Excellence for Cancer Program** You must call UnitedHealthcare to participate in The Empire Plan Centers of Excellence for Cancer Program.

The Empire Plan Mental Health and Substance Abuse Program *OptumHealth (administrator for UnitedHealthcare, P.O. Box 5190, Kingston, NY 12402-5190; Appeals - OptumHealth Behavioral Solutions, Attn: BH Appeals Dept., 900 Watervliet Shaker Road, Suite 103, Albany, NY 12205-1002*. You must call OptumHealth before beginning any non-emergency treatment for mental health or substance abuse, including alcoholism. You will receive the highest level of benefits by calling and following OptumHealth's recommendations. In a life-threatening situation, go to the emergency room. Call within 48 hours or as soon as reasonably possible after inpatient admission.

The Empire Plan Prescription Drug Program *UnitedHealthcare appeals, grievances, prior authorization documentation, general correspondence: Empire Plan Prescription Drug Program, P.O. Box 5900, Kingston, NY 12402-5900. Claim forms from retail pharmacies: Empire Plan Prescription Drug Program, P.O. Box 14711, Lexington, KY 40512. Mail Service Pharmacy: Medco, P.O. Box 6500, Cincinnati, OH 45201-6500.* For the most current list of prior authorization drugs, call The Empire Plan or go to www.cs.state.ny.us.

The Empire Plan NurseLine℠ Call for health information and support, 24 hours a day, seven days a week. To listen to the Health Information Library, enter PIN number 335 and a four-digit topic code from The Empire Plan NurseLine brochure.

Teletypewriter (TTY) numbers for callers when using a TTY device because of a hearing or speech disability:

Empire BlueCross BlueShield .....TTY only: 1-800-241-6894
UnitedHealthcare .....TTY only: 1-888-697-9054
OptumHealth .....TTY only: 1-800-855-2881
The Empire Plan Prescription Drug Program .....TTY only: 1-800-759-1089

State of New York
Department of Civil Service
Employee Benefits Division
P.O. Box 1068
Schenectady, New York 12301-1068
www.cs.state.ny.us

CHANGE SERVICE REQUESTED

Please do not send mail or correspondence to the return address. See page 10 for address information.

SAVE THIS DOCUMENT

NYSHIP
New York State Health Insurance Program

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

PA Empire Plan Report – January 2009

NYSHIP Dependent Eligibility Verification Project

In 2009, the New York State Health Insurance Program (NYSHIP) will conduct an audit of all dependents that have health care coverage through NYSHIP. If you have family coverage you will receive a packet that will include a list of your dependents who are currently enrolled for health care coverage, along with an eligibility worksheet and a list of required documents you must provide. You must supply the dependent documentation even if you have previously done so. **Do not submit documents now – wait for the packet to be delivered. Go to www.cs.state.ny.us/nyshipeligibilityproject/index.cfm for information on the Dependent Eligibility Verification Project. Bookmark the page and visit it periodically for the most current information.**

You must provide the required documentation to ensure that your enrolled dependents continue to be covered under NYSHIP. **Ineligible or unverified dependents will be dropped from coverage.**

The Department of Civil Service is contracting with BUDCO, a dependent verification specialty company, to conduct the Dependent Eligibility Verification Project.

Waiver of Out-of-Pocket Costs by Non-Participating Providers

Some non-participating providers wrongly waive out-of-pocket payments (deductible and coinsurance) for Empire Plan enrollees. Waiver of out-of-pocket payments may lead to submission of inflated claims, which under certain circumstances may be considered insurance fraud. You are responsible for payment of all out-of-pocket amounts. The level of benefits to which you are entitled is based on meeting all deductible and coinsurance payments stated in your insurance certificate. You should discuss this issue and your potential out-of-pocket liability with your non-participating provider before you receive services. If you are aware of provider fraud or abuse, call The Empire Plan at 1-877-7-NYSHIP (1-877-769-7447) and notify the applicable carrier.