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# MEDICARE

## AND NYSHIP

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For retirees, vestees, dependent survivors, preferred list enrollees  
and their covered dependents | NYS and Participating Employers

March 2026



**Department of Civil Service**  
New York State Health Insurance Program

New York State Department of Civil Service, Employee Benefits Division | [nyship.ny.gov](https://nyship.ny.gov)

# CONTENTS

<b>MEDICARE AND NYSHIP</b> .....	<b>i</b>
Talk to Your HBA.....	1
Check Your Mail.....	1
<b>BECOMING MEDICARE-ELIGIBLE</b> .....	<b>1</b>
<b>BECOMING MEDICARE-PRIMARY</b> .....	<b>2</b>
<b>WHEN MEDICARE-PRIMARY</b> .....	<b>2</b>
Exceptions for ESRD Patients and Domestic Partners.....	2
Enroll in Medicare To Keep NYSHIP.....	3
NYSHIP Does Not Cover Medicare’s Portion...	3
<b>OTHER CHANGES WHEN MEDICARE-PRIMARY</b> .....	<b>6</b>
<b>APPLYING FOR MEDICARE</b> .....	<b>6</b>
If You Don’t Enroll When Retired.....	6
If You Don’t Enroll While Still Working.....	7
<b>ORDER OF PAYMENTS</b> .....	<b>9</b>
If You Have Coverages at the Same Level.....	9
If You Have Medicare Advantage.....	9
Coordination of Coverage.....	9
<b>REIMBURSEMENTS</b> .....	<b>11</b>
Part B Premium Reimbursement.....	11
IRMAA Reimbursement.....	11
<b>SPECIAL CASES</b> .....	<b>11</b>
Enrolling in Non-NYSHIP Part D Plans.....	11
Medicare and NYSHIP COBRA.....	11
<b>IMPORTANT TERMS</b> .....	<b>12</b>

## CONTACT US

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Visit us online at [nyship.ny.gov](http://nyship.ny.gov).

Send mail to **New York State Department  
of Civil Service, Employee Benefits Division,  
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Securely fax documents to **518-485-5590**.

## MEDICARE AND NYSHIP

Medicare is a federal health insurance program for people over 65 and those with certain medical conditions.

After you retire, when you and your dependents become Medicare-eligible, this program becomes the **primary health coverage** for each of you:

Medicare pays your expenses first, and then NYSHIP pays secondary. In addition, when Medicare-primary, your NYSHIP coverage changes in a few other ways that are outlined in this publication.

Read ahead to learn how these programs work together—and what you need to do to ensure maximum health benefits for you and your family.

- This publication is **designed with NYSHIP enrollees in mind**. However, it also contains important information for your dependents.
- The same Medicare primacy rules that apply to retirees and their dependents also apply to vestees, dependent survivors, preferred list enrollees and their dependents.
- If you work for a **Participating Agency**, your benefits may be different. Contact your employer for information.
- Do not depend on Social Security, Medicare, another health plan or another employer for information relating to NYSHIP. They may be unfamiliar with NYSHIP’s retirement coverage and requirements.
- If you return to State service after retirement, your NYSHIP coverage may change. See *Your Coverage in Retirement* for more details.
- If you are diagnosed with end-stage renal disease (ESRD), several important rules apply. Contact EBD and refer to the retiree *General Information Book* or the *End-Stage Renal Disease and NYSHIP* flyer. Both are available at [nyship.ny.gov](http://nyship.ny.gov).



## Talk to Your HBA

For more information about your specific coverage situation, talk to your health benefits administrator (HBA) or, if you are retired, EBD.

## Check Your Mail

Several months before you turn 65, you should receive a **65<sup>th</sup> birthday letter** from EBD in the mail. This letter reminds you of important Medicare enrollment deadlines and requirements.

If your mailing address on file with NYSHIP is a PO box, contact EBD to **provide your home address**. Your home address is required to enter you into a Medicare Advantage plan (Part C) and/or Medicare prescription drug coverage (Part D).

## BECOMING MEDICARE-ELIGIBLE

Most people become Medicare-eligible the month they turn 65. If your birthday is on the first of the month, you will become eligible the first of the month prior.

You can also become eligible the first of the month after:

- Receiving Social Security Disability Insurance (SSDI) benefits for 24 months
- Receiving any SSDI benefits for amyotrophic lateral sclerosis (ALS)
- Completing a three-month Medicare waiting period after beginning dialysis for ESRD (waived if you have a kidney transplant or begin training for home dialysis)

For information on the ESRD waiting period and subsequent coordination period, see the *End-Stage Renal Disease and NYSHIP* flyer at [nyship.ny.gov](http://nyship.ny.gov).

Contact the Social Security Administration about eligibility if you have a limited work history and/or are not a U.S. citizen.



## AFTER YOUR RETIREMENT,

you and your dependents will generally be **Medicare-primary** when each of you is Medicare-eligible.



## BECOMING MEDICARE-PRIMARY

Before your retirement, becoming Medicare-eligible will not impact NYSHIP coverage for you or your dependents.

Upon your retirement, anyone on your NYSHIP plan who is *already Medicare-eligible* will become Medicare-primary on the first of the month following the runout of active benefits (two pay periods for State employees; varies for Participating Employers).

After your retirement, **anyone on your NYSHIP plan who becomes newly Medicare-eligible will become Medicare-primary the same day** (except for those in an ESRD coordination period).

### Exceptions for ESRD Patients and Domestic Partners

When ESRD patients become Medicare-eligible on the basis of their condition, they typically go through a coordination period before becoming Medicare-primary.

Domestic partners who are Medicare-eligible because of age or ESRD (not ALS or SSDI receipt) become Medicare-primary regardless of the enrollee's working status.

Contact EBD if any of these situations applies to you.

## WHEN MEDICARE-PRIMARY

When someone on your plan is Medicare-primary, that person:

- 1. Must be enrolled in Medicare to keep NYSHIP coverage.** See "Applying for Medicare," page 6. Enrollment in a non-NYSHIP Medicare Advantage (Part C) or Part D plan will terminate NYSHIP coverage.
- 2. Will have their claims paid by Medicare first, then covered by NYSHIP.** NYSHIP will not cover the portion of claims that Medicare will—or would—cover. See the following page.
- 3. May have several other Medicare-related payments covered by NYSHIP.**

In addition, anyone covered by a NYSHIP HMO will move to that HMO's Medicare Advantage plan. Contact your HMO to understand how these changes might affect your benefits.

## Enroll in Medicare To Keep NYSHIP

During your retirement, once you or your dependents become Medicare-eligible (and therefore Medicare-primary), **you/they must enroll in Medicare to keep NYSHIP coverage.**\* If you are disenrolled, your dependents will lose their coverage as well.

## NYSHIP Does Not Cover Medicare's Portion

After Medicare becomes primary for a person, it pays for their medical care before NYSHIP (see "Order of Payments," page 9).

NYSHIP *will not* cover the portion of claims that Medicare will—or would—pay. For example:

- If you or your dependent **have The Empire Plan but lack Medicare Part A or Part B**, The Empire Plan will not cover the portion of medical expenses that part of Medicare would have paid. This can be up to 80% of your bill.
- If you or your dependent **use a provider that does not accept Medicare**, The Empire Plan may cover the service, but it will subtract what Medicare would have paid the provider. You will be responsible for the remainder.

**NOTE:** If you are not enrolled in Medicare Parts A and B when eligible, NYSHIP will allow you to keep full coverage under The Empire Plan (*not* a NYSHIP HMO Medicare Advantage plan) if any of the following apply:

- You live outside the U.S. or its territories
- You are not a U.S. citizen
- You are ineligible for premium-free Part A or for Medicare as a whole

The Empire Plan will, in these special cases, cover the portion of your claims that Medicare would have paid.

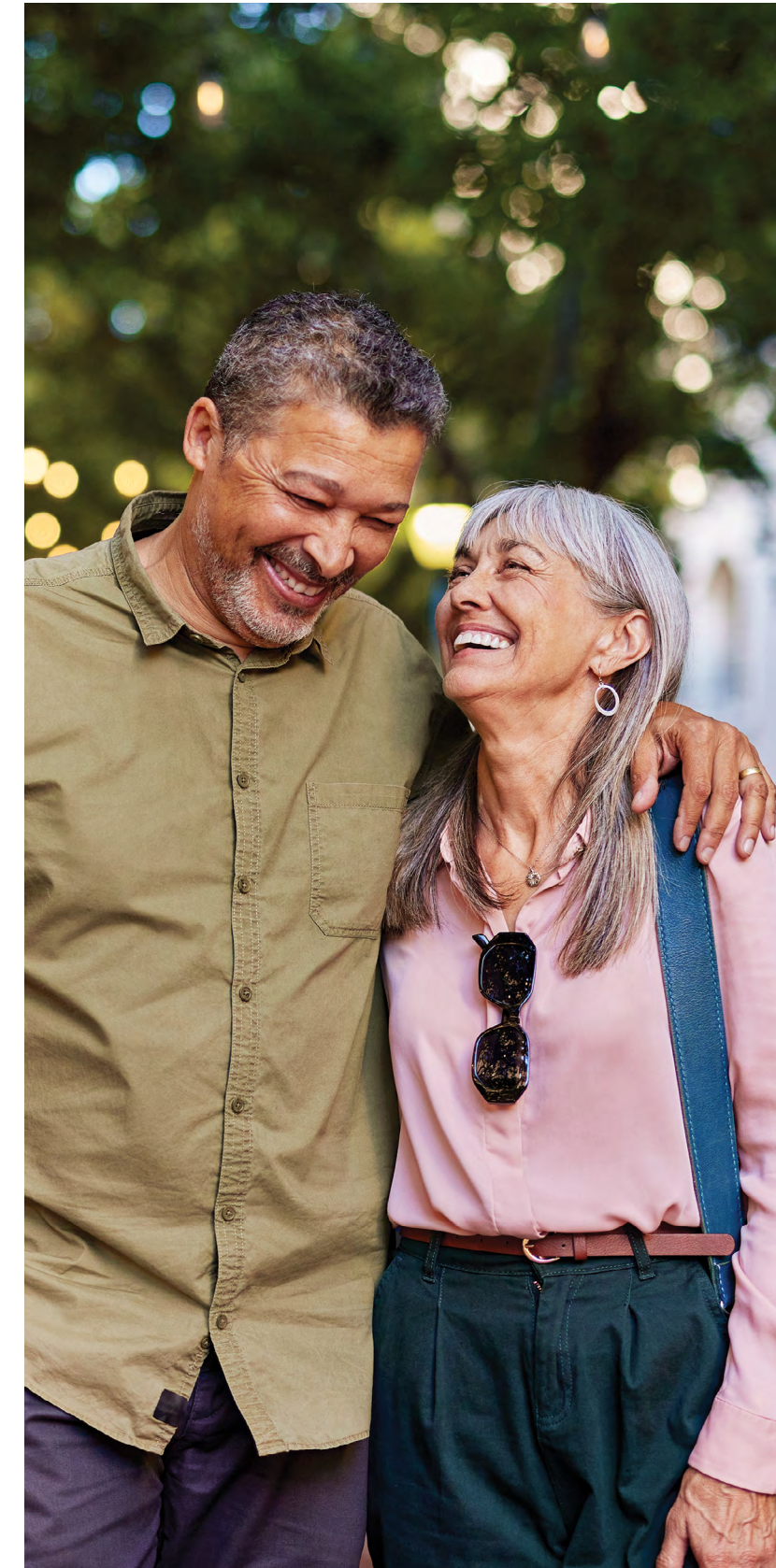
If ineligible for part or all of Medicare (premium-free or otherwise), be sure to send EBD documentation from the Social Security Administration.



\* If you have a NYSHIP HMO, you must be enrolled in *both* Medicare Part A and Part B if eligible. If you have The Empire Plan, it is possible to enroll in only Part A or Part B, but this is *strongly discouraged*.

## Medicare at a Glance

	WHAT IT COVERS	WHEN YOU TURN 65	WHAT YOU PAY
<b>MEDICARE PART A</b>	Inpatient care in a hospital or skilled nursing facility, hospice care and home health care	If you are receiving monthly Social Security benefits <i>at least four months</i> before turning 65, you are enrolled automatically. Otherwise, you will need to apply for coverage.*	There is usually no premium for Part A. If you are required to pay for Part A, please contact EBD to discuss your options. Some coverage limits apply.
<b>MEDICARE PART B</b>	Services from a health care professional, outpatient hospital services, durable medical equipment and some other services and supplies Part A does not cover	If you are receiving monthly Social Security benefits <i>at least four months</i> before turning 65, you are enrolled automatically. Otherwise, you will need to apply for coverage.	A monthly premium will be deducted from your Social Security benefit check or billed directly. After you retire, NYSHIP will reimburse you for the Part B premium through your pension check, a premium reduction or a quarterly refund check. If you and/or your dependent are reimbursed from another source, contact EBD. Part B typically covers 80% of applicable bills.
<b>MEDICARE PART C</b> <small>Also known as Medicare Advantage</small>	Replaces your Part A and Part B coverage through an HMO (optional); see the current retiree edition of <i>Health Insurance Choices</i> for plans in your area	If you have a NYSHIP HMO, you and your Medicare-covered dependents will automatically be enrolled in its Medicare Advantage plan <i>after your retirement</i> (if you are enrolled in Parts A and B). ESRD patients are an exception; call EBD or see the <i>End-Stage Renal Disease and NYSHIP</i> flyer.	You will pay monthly premiums to NYSHIP. Coverage amounts vary by plan; all service areas are in New York State.
<b>MEDICARE PART D**</b> <small>You need Part A and/or Part B to sign up for Part D.</small>	Prescription drugs	If you have The Empire Plan and are enrolled in Medicare, you are automatically enrolled in Empire Plan Medicare Rx, a Part D plan currently administered by SilverScript. If you have a NYSHIP HMO, its Medicare Advantage plan will provide your Part D coverage.	Your premium for Part D coverage is part of your overall NYSHIP premium. You may be able to receive Part D reimbursement from Medicare's Extra Help Program (also known as Low Income Subsidy). Contact the Social Security Administration. Copayments apply.



\*If you are ineligible for premium-free Part A, you may contact the Social Security Administration to enroll with a premium. Or you may contact NYSHIP to have NYSHIP-primary coverage for your Part A expenses.

\*\*If you work for a Participating Employer and receive prescription drug coverage through a union employee benefit fund, contact the fund for information about Medicare Part D.

## OTHER CHANGES WHEN MEDICARE-PRIMARY

When Medicare is primary:

- NYSHIP reimburses you and your covered dependents for the standard **Part B premium** (see page 11)
- NYSHIP covers much of the **Part A and Part B deductible and coinsurance amounts** (if you use the NYSHIP plan provider network)
- NYSHIP reimburses you for **Part B Income-Related Monthly Adjustment Amount (IRMAA) payments** (see page 11)

## APPLYING FOR MEDICARE

Most people eligible for Medicare at age 65 will need to apply for coverage on their own. See below to determine if you and/or your dependent will need to apply or if enrollment will be done automatically.

Four months before turning 65, will you <i>already be receiving monthly Social Security benefits</i> ?	
IF YES	You will automatically be enrolled in Medicare when you turn 65. You will be mailed a Medicare card ahead of your 65 <sup>th</sup> birthday.
IF NO	<p>You must reach out to the Social Security Administration to enroll in Medicare when you turn 65. Do so as early as three months before your birthday but <i>no later than one month before</i> (or you may have a gap in coverage).</p> <p>If your birthday is on the first of the month, you may apply for Medicare (and must have Medicare in place) one month earlier than normal.</p> <p>For more details, visit <a href="https://ssa.gov/medicare/plan/when-to-sign-up">ssa.gov/medicare/plan/when-to-sign-up</a>.</p>

Medicare enrollment differs if you're eligible because of a condition.

- After receiving SSDI for 24 months, you will be **automatically enrolled** in Medicare.
- If you are diagnosed with ALS, you are **automatically enrolled once you apply for SSDI benefits**. Contact EBD as well.
- If you are diagnosed with ESRD, **contact EBD** and review the *End-Stage Renal Disease and NYSHIP* flyer at [nyship.ny.gov](https://nyship.ny.gov).

If you or your dependent(s) are eligible for Medicare but not enrolled, apply as early as three months before you retire to ensure full coverage. When you apply, tell the Social Security Administration that you did not sign up when initially eligible because you had employer group health coverage through NYSHIP. To avoid Medicare's late enrollment penalty, you will have to complete a CMS-L564 form with your HBA.

Do not delay signing up, as Medicare coverage may take several months to become effective. If you do not sign up within eight months of retirement, you will have to wait until the next general enrollment period and must pay a lifelong late enrollment penalty that NYSHIP will not reimburse.

Enroll at [ssa.gov/medicare/sign-up](https://ssa.gov/medicare/sign-up), by calling the Social Security Administration at 1-800-772-1213 (TTY: 1-800-325-0778) or by visiting your local Social Security Administration office.

### If You Don't Enroll When Retired

Failure to enroll in Medicare when eligible and retired will drastically reduce your overall health benefits or cause your NYSHIP plan to be canceled.

If not having Medicare causes you (the retiree) to be disenrolled, your dependents will also have their coverage terminated.

If you are ineligible for premium-free Part A, you may contact the Social Security Administration to enroll with a premium. Or you may contact NYSHIP to have NYSHIP-primary coverage for your Part A expenses.



## If You Don't Enroll While Still Working

Some people choose not to enroll in Medicare while they are still working because:

- NYSHIP remains the primary payor on your claims until you retire, so Parts A and B provide only minimal extra coverage. For example, The Empire Plan does not cover certain durable medical equipment covered by Medicare Part B.
- Part A is generally free, but Part B has a premium. NYSHIP reimburses the Part B premium and IRMAA after your retirement (see page 11).\*

However, if you or your dependents postpone Part A and Part B coverage, **you must be enrolled when you retire**. Otherwise, your benefits may be reduced or terminated (see “Becoming Medicare-Primary,” page 2).

## NON-NYSHIP PLANS

After becoming Medicare-eligible, you and your dependents may receive advertisements and offers from non-NYSHIP Medicare Advantage (Part C) and Part D plans.

If you enroll in one of these plans, **NYSHIP coverage for you and your dependents will be terminated** (regardless of whether they have Medicare). If your dependent enrolls in one of these plans, only their coverage will be terminated.









See “Special Cases” on page 11 for a few rare exceptions.

If you or your dependents have other coverage in addition to NYSHIP, ask the other plan if it will be enrolling you or your dependents in another Medicare Advantage or Part D plan. This would also result in termination of NYSHIP coverage.

\* Domestic partners over 65 and those eligible because of ESRD receive this reimbursement regardless of your employment status.

## Medicare and NYSHIP Coverage During Your Retirement

### WHEN YOU OR YOUR DEPENDENTS BECOME MEDICARE-ELIGIBLE

ENROLLED IN PART A	ENROLLED IN PART B	COVERED BY THE EMPIRE PLAN	COVERED BY A NYSHIP HMO
		<ul style="list-style-type: none"> <li>You are fully covered by the combination of Medicare and NYSHIP.</li> </ul>	
		<ul style="list-style-type: none"> <li>You are fully covered for Part A expenses by the combination of Medicare and NYSHIP.</li> <li>You are responsible for Part B expenses Medicare would have paid were you enrolled (about 80%). NYSHIP covers the remainder.</li> </ul>	<ul style="list-style-type: none"> <li>Your NYSHIP coverage is terminated. NYSHIP HMOs require enrollment in Part A and Part B to transition you to their Medicare Advantage plans.</li> <li>You are responsible for the Part A expenses Medicare does not pay.</li> <li>You are responsible for all Part B expenses.</li> </ul>
		<ul style="list-style-type: none"> <li>You are responsible for Part A expenses Medicare would have paid were you enrolled (about 80%). NYSHIP covers the remainder.</li> <li>You are fully covered for Part B expenses by the combination of Medicare and NYSHIP.</li> </ul>	<ul style="list-style-type: none"> <li>Your NYSHIP coverage is terminated. NYSHIP HMOs require enrollment in Part A and Part B to transition you to their Medicare Advantage plans.</li> <li>You are responsible for all Part A expenses.</li> <li>You are responsible for the Part B expenses Medicare does not pay.</li> </ul>
		<ul style="list-style-type: none"> <li>Your NYSHIP coverage is terminated.</li> <li>You are responsible for all Part A and B expenses.</li> </ul>	

If any of the above situations cause you (the retiree) to be disenrolled, **your dependents will also have their coverage terminated.**

## ORDER OF PAYMENTS

**When Medicare is your primary insurance, it pays for your care first and NYSHIP covers the balance.**

Otherwise, NYSHIP pays first.

If you or a covered dependent have additional insurance plans—from a spouse, from prior military service, etc.—coordination of coverage rules are applied to determine the order of payments.

- A. Any coverage from **active employment** pays first (NYSHIP or otherwise).
- B. If you have **Medicare**, it pays next.
- C. Next to pay is any **retiree coverage** (NYSHIP or otherwise).
- D. **Veterans Administration (VA), Tricare, Medicaid and other federally administered insurances generally pay last.\*** Contact these coverages to confirm order of payments subsequent to NYSHIP.

This order of payments applies to a spouse regardless of whether their coverage is also NYSHIP.

### If You Have Coverages at the Same Level

Some people may have two coverages at the same apparent payment level. If so, the plan to pay first is determined according to the following rules.

- **Coverage you have as an enrollee pays before coverage you have as a dependent.** For example, if you and your spouse are dependents on each other's retiree plans, each person's own plan pays for their care first.
- **If a child has coverage at the same level from each parent/guardian, the plan belonging to the parent/guardian with the earlier calendar-year birthday pays first.** If both have the same birthday, the plan in effect the longest pays first.

See the retiree *General Information Book* for more details.

### If You Have Medicare Advantage

In rare instances, a Medicare-eligible dependent on a NYSHIP HMO plan may also have non-NYSHIP retiree coverage of their own. When they incur a claim, **their other coverage is considered primary** and processes payment first. You may then forward any

remaining balance to your NYSHIP HMO, which will provide Medicare and NYSHIP benefits simultaneously. (This is an exception to the rules listed prior.)

## Coordination of Coverage

### MEDICARE CROSSOVER

When Medicare is primary, after it handles a claim, it will automatically forward the balance to the next insurer in line through a process called Medicare crossover.

- If you have The Empire Plan, a crossover note should appear on all Medicare explanations of benefits (EOBs) you receive, except for inpatient mental health and substance use services. If it does not appear within a few months of your Medicare enrollment, contact the Empire Plan administrators to ensure crossover enrollment is complete. Visit [nyship.ny.gov](http://nyship.ny.gov) for contact information.
- If you have a NYSHIP HMO's Medicare Advantage plan, the HMO provides your Medicare and NYSHIP benefits. You will need to contact your HMO to coordinate benefits with other insurance coverage you may have.

### WHEN YOU MUST SUBMIT CLAIMS

In a few situations, you and your covered dependents must submit claims to NYSHIP yourself.

- If you have **coverage other than Medicare that pays before NYSHIP**, you must submit claims from that coverage to the appropriate Empire Plan administrator or your NYSHIP HMO. In this case, if you have coverage that pays after Medicare, you must forward it to that carrier yourself for further reimbursement.
- If you **receive services abroad**, you must usually pay the provider and submit claims to NYSHIP for reimbursement (Medicare will not pay).

The following situations only apply to Empire Plan enrollees and covered dependents.

- If you **receive inpatient mental health or substance use services**, you must forward any claim processed by Medicare to Carelon Behavioral Health.
- If you **receive services from a provider that does not participate in Medicare**, you may submit the claim to the appropriate Empire Plan administrator.

\* If receiving care for a service-related condition in a VA medical center or facility, **VA benefits** generally pay first.

## Common Payment Order Scenarios

PATIENT	ENROLLEE'S WORKING STATUS	SPOUSE'S WORKING STATUS	PAYMENT ORDER (IF APPLICABLE)
NYSHIP Enrollee	NYSHIP Enrollee Actively Employed	Spouse Actively Employed	1. NYSHIP 2. Spouse's Insurance 3. Medicare
NYSHIP Enrollee	NYSHIP Enrollee Actively Employed	Spouse Retired	1. NYSHIP 2. Medicare 3. Spouse's Insurance
NYSHIP Enrollee	NYSHIP Enrollee Retired	Spouse Actively Employed	1. Spouse's Insurance 2. Medicare 3. NYSHIP
NYSHIP Enrollee	NYSHIP Enrollee Retired	Spouse Retired	1. Medicare 2. NYSHIP 3. Spouse's Insurance
Spouse	NYSHIP Enrollee Actively Employed	Spouse Actively Employed	1. Spouse's Insurance 2. NYSHIP 3. Medicare
Spouse	NYSHIP Enrollee Actively Employed	Spouse Retired	1. NYSHIP 2. Medicare 3. Spouse's Insurance
Spouse	NYSHIP Enrollee Retired	Spouse Actively Employed	1. Spouse's Insurance 2. Medicare 3. NYSHIP
Spouse	NYSHIP Enrollee Retired	Spouse Retired	1. Medicare* 2. Spouse's Insurance 3. NYSHIP

\* In this instance, if NYSHIP coverage is through a Medicare Advantage HMO, Medicare benefits are paid at the NYSHIP level.

## REIMBURSEMENTS

You and your covered dependents may be eligible to receive reimbursement for various Medicare-related payments.

### Part B Premium Reimbursement

When you are retired (or Medicare is otherwise primary), NYSHIP will reimburse your Part B premiums (excluding any penalty for late enrollment) through your pension check, a NYSHIP premium reduction or a quarterly refund check.

This reimbursement is automatic for anyone Medicare-eligible because they have reached age 65. If you or a covered dependent are eligible because of ALS, ESRD or another disability, you must notify EBD by phone or in writing. When you do, provide your enrollee identification number.

### Part D Premium Reimbursement

NYSHIP does not reimburse Part D premiums. However, you may receive reimbursement of your Part D premiums through Medicare's Extra Help program (also known as Low Income Subsidy).

You may be automatically enrolled in Extra Help, or you may need to apply. Contact the Social Security Administration for more information.

### IRMAA Reimbursement

If your income is above a certain federally determined amount, you will pay Medicare an Income-Related Monthly Adjustment Amount (IRMAA) for Part B and D coverage.

When you are retired, NYSHIP will generally reimburse your Part B IRMAA payments (not penalties for late enrollment). To receive reimbursement, you must mail a completed *Income-Related Monthly Adjustment Amount (IRMAA) Reimbursement Application* each year with the required proofs. New applications to receive the prior year's reimbursement are available on the NYSHIP website every January.

NYSHIP will not reimburse your Part D IRMAA payments.

Failure to make IRMAA payments to the Social Security Administration will result in disenrollment from Medicare. Your overall benefits will be reduced and your NYSHIP coverage may also be terminated.

## SPECIAL CASES

### Enrolling in Non-NYSHIP Part D Plans

Normally, you may not be simultaneously enrolled in a non-NYSHIP Part D plan and in NYSHIP.

However, if any of the below are true *and* you are in The Empire Plan (not a NYSHIP HMO), you may also enroll in a non-NYSHIP Part D plan.

- You or your covered dependent are **receiving assistance from Medicare's Extra Help program** for Part D coverage
- You or your covered dependent are **confined in a skilled nursing facility** (many skilled nursing facilities only accept specific Part D plans)
- You or your covered dependent are **disabled and enrolled in an approved Medicare Special Needs Plan**

Contact your HBA for more information (EBD if you are retired). You must submit supporting documentation to qualify.

### Medicare and NYSHIP COBRA

If you have NYSHIP coverage through COBRA, that coverage ends when you become Medicare-eligible for any reason.

However, if you already have NYSHIP and Medicare, you may later become eligible for continued NYSHIP coverage through COBRA. If you do enroll in COBRA coverage, Medicare will be primary.



## IMPORTANT TERMS

### EMPIRE PLAN MEDICARE RX

A Medicare Part D prescription drug plan with expanded coverage for Empire Plan enrollees (currently administered by SilverScript).

### EMPLOYEE BENEFITS DIVISION (EBD)

The Department of Civil Service administrator of the New York State Health Insurance Program (NYSHIP). It serves as your HBA after you retire.

### EXTRA HELP

A Medicare program for low-income individuals to help pay for Part D costs.

### HEALTH BENEFITS ADMINISTRATOR (HBA)

Designated administrators for an agency who process enrollment in and answer questions about NYSHIP. After you retire, EBD is your HBA.

### HEALTH MAINTENANCE ORGANIZATION (HMO)

An organization delivering health care services only in a specific geographic area and only through a select network (except for emergency services or urgently needed care). NYSHIP has several HMO options that may serve as alternatives to The Empire Plan.

### INCOME-RELATED MONTHLY ADJUSTMENT AMOUNT (IRMAA)

An automatic payment made by Medicare enrollees whose modified adjusted gross income (MAGI) exceeds a certain amount. NYSHIP reimburses Part B IRMAA for retirees who submit the application.

### MEDICAID

A state-administered health insurance program that provides benefits to low-income people.

### MEDICARE

A federal health insurance program that covers most people who are age 65 or older, people receiving SSDI for at least 24 months, and those with amyotrophic lateral sclerosis (ALS) or end-stage renal disease (ESRD).

### MEDICARE ADVANTAGE (PART C) PLAN

A health plan offered by a private company and approved by Medicare to replace your Part A and Part B coverage. Many include Part D coverage as well.

### MEDICARE CROSSOVER

The automatic process by which Medicare pays for its share of care first and then sends the balance to NYSHIP or another insurer.



## **MODIFIED ADJUSTED GROSS INCOME (MAGI)**

The total of your adjusted gross income (i.e., income from taxable sources minus tax deduction) and your tax-exempt income.

## **NYSHIP ENROLLEE**

The person whose current or former employment entitles them and their dependents to NYSHIP benefits. Covered dependents are not referred to as enrollees.

## **PARTICIPATING AGENCY**

A city, town, municipality, school district or other local government entity in New York State that participates in NYSHIP.

## **PARTICIPATING EMPLOYER**

A government agency in New York State (such as the Thruway Authority or Metropolitan Transportation Authority) maintained and financed from special or administrative funds and participating in NYSHIP.

## **PLAN OPTION**

A health insurance plan offered through NYSHIP. Options include The Empire Plan and NYSHIP-approved HMOs. Although not a plan, the Opt-Out Program is referred to as a plan option.

## **PRIMARY**

Covers health benefits first. For example, if you are Medicare-primary, Medicare will pay for your health bills and NYSHIP will cover the balance. After your retirement, you and your dependents will generally be Medicare-primary when Medicare-eligible.

## **RETIREE**

A person retired from active employment who has met the requirements to continue health coverage under NYSHIP. Enrollees with NYSHIP COBRA coverage and vestees are not considered retirees.

## **SOCIAL SECURITY DISABILITY INSURANCE (SSDI)**

A type of Social Security benefit paid monthly to people whose disability prevents or limits their work. Collecting SSDI for 24 months makes you eligible for Medicare.

## **VESTED**

Having worked long enough in benefits-eligible service to be eligible for retirement benefits.

## **VESTEE**

A NYSHIP enrollee who meets all the following criteria:

1. Has withdrawn from benefits-eligible service
2. Is vested as a member of a retirement system administered by the State or one of its political subdivisions
3. Has met the minimum service requirement established by their employer for continuing health insurance in retirement
4. Is not yet pension-eligible (due to age or otherwise)

Although the same coverage primacy rules apply, a vestee is not considered a NYSHIP retiree.



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**Department of Civil Service**  
New York State Health Insurance Program

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