

2023 Benefit Change Webinar for Participating Employers

Prepared for use by the Department of Civil Service, Employee Benefits Division representatives only.

Welcome to the 2023 Benefit Change Webinar For Participating Employers



Agenda

- A Message from the Director of EBD
- PELU Reminders
- Empire Plan Benefit Changes
- Financial Update
- Questions and Answers





NYSHIP
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Health Insurance Program

A Message from the Director of EBD

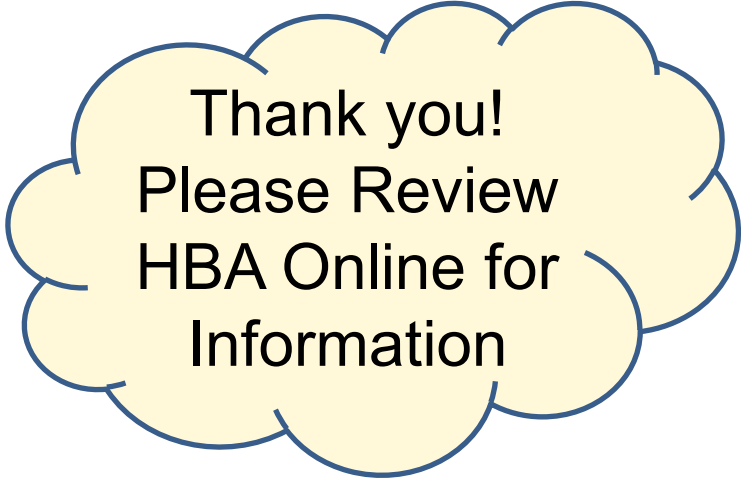
Presenter – Daniel Yanulavich, Employee Benefits Division Director

Message from the Director

Daniel Yanulavich

518-473-1977

Daniel.Yanulavich@cs.ny.gov



Thank you!
Please Review
HBA Online for
Information



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PELU Announcements

Presenter – Jesse Horton, Public Employer Liaison Unit

Topics

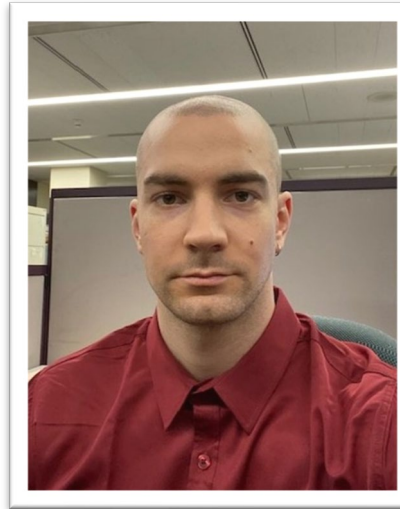
- PELU Staff
- Federal Premium Reporting
- When to Contact PELU

Public Employer Liaison Unit (PELU) Staff



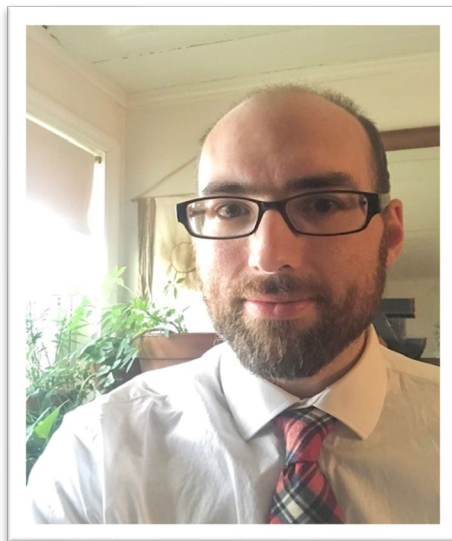
Amy Orr

Use your NYSHIP resources: many answers to your questions can be found in the General Information Book, the HBA Manual, and the NYSHIP Administrative Guide.



August Heinrich

Remember to include your agency code in the subject line when you e-mail us.



Jesse Horton

Make sure to keep your NYBEAS credentials secure.

Mandatory Federal Premium Reporting

- As part of the Consolidated Appropriations Act, the federal government now requires that all health insurance plans annually report the average monthly premium paid by employees and employers
- Plans, including NYSHIP, must report 2022 premium to the federal government by June 1 of this year
- Since the Employee Benefits Division (EBD) does not have direct access to PA and PE employee premium rates, we relied on agency HBAs to submit employee premium information for their agencies using a dedicated NYBEAS page

Mandatory Federal Premium Reporting

- This requirement and instructions were communicated to HBAs via HBA Memo [PE23-01, PA23-01, PAEX23-01](#) in February
- Agencies were given a deadline of March 31, 2023 to submit their 2022 employee premium information through the NYBEAS page
- **Thank you to all agencies who have completed this requirement!**
- If you have not yet responded, please submit your reports immediately
- The NYBEAS page will remain open until May 5, you **MUST** submit your federal premium information by this date
- This is a **mandatory** federal reporting requirement

When to Contact PELU

- Questions about NYSHIP policies
- Changes in NYSHIP benefits such as contribution rate changes, changes in service time requirements, or newly offering benefits to a class or category of employee/retiree
- Contact us at least 60 days in advance of the effective date of the change
- Please contact PELU by e-mail at PELU@cs.ny.gov



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Questions?



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Empire Plan Benefit Changes

Presenter- Mindy Beyer, Contract Manager, Vendor Management Unit

**New York State Department of Civil Service
Employee Benefits Division**

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Empire Plan Benefit Changes

Topics

- July 1, 2023 Benefit Changes
- COVID-19 Update: End of the Public Health Emergency Period
- Challenges to the Affordable Care Act

Empire Plan Benefit Changes

July 1, 2023 Benefit Changes

- New benefits will be extended on July 1, 2023 to the majority of Empire Plan enrollees, including all Participating Employers.
- A Special Empire Plan Report will be sent to all Plan enrollees soon. This report will also be posted to NYSHIP Online.
- There will be a QR code included in the Report that can be scanned to view a video about the upcoming changes. The video will also be at: [July 1 Empire Plan Benefit Changes Presentation](#)

Empire Plan Benefit Changes

July 1, 2023 Benefit Changes

Single Visit Copayment:

- Elimination of copayment stacking; only **one** \$25 copay for services in a single visit on the same day to a network provider will be charged.
- This includes visits to network Managed Physical Medicine Provider (physical therapist, chiropractor, occupational therapist).

Empire Plan Benefit Changes

July 1, 2023 Benefit Changes

No Copayment for Virtual Visits Using LiveHealth Online:

- The Telemedicine Program, currently LiveHealth Online offered by Empire BlueCross, will be a permanent benefit at no-cost share/\$0 copayment.
- LiveHealth Online offers 24/7 access to board-certified doctors and behavioral health providers such as psychiatrists and licensed therapists.
- To use LiveHealth Online, go to www.empireblue.com/nys
- As a reminder, telehealth visits with a network provider are subject to the same copayment as in-person visits.

Empire Plan Benefit Changes

July 1, 2023 Benefit Changes

Covered-in-Full Benefit for Mastectomy Bras:

- Mastectomy bras obtained from a nonparticipating provider will no longer be subject to deductible or coinsurance.
- This means there will be a paid-in-full benefit regardless of whether the provider participates with The Empire Plan.

Empire Plan Benefit Changes

July 1, 2023 Benefit Changes

New Reduced In-Network Maximum Out of Pocket Limits:

Empire Plan Program	Individual Coverage – Annual Limit	Family Coverage – Annual Limit
Hospital/Medical/MHSU	\$2,600	\$5,200
Prescription Drug*	\$1,400	\$2,800
Total Limit	\$4,000	\$8,000

*Does not apply to Medicare primary enrollees.

Empire Plan Benefit Changes

July 1, 2023 Benefit Changes

New Center of Excellence (COE) for Substance Use Disorder:

- COE is in partnership with the Hazelden Betty Ford Foundation.
- Paid-in-full, high quality treatment services throughout the United States.
- Services include detox facilities (CA, MN, OR), outpatient services (CA, FL, IL, MN, NY, OR, and WA) and numerous individual and family supports.
- A travel, lodging and meal allowance is included.
- Use of the COE is voluntary.
- Note: Empire Plan must be the primary coverage

Empire Plan Benefit Changes

July 1, 2023 Benefit Changes

New Site of Care Program for Infusions:

- A Site of Care Program for Infusions of infliximab (brand name Remicade®) will be administered by Empire BlueCross for Empire Plan primary enrollees.
- Outpatient hospital infusions of Remicade will be transitioned to an alternate setting if clinically appropriate. These alternate settings include: a freestanding infusion suite, the doctor's office, or the enrollee's home.
- Enrollees impacted by this change will receive a letter from Empire BlueCross, and will receive assistance in coordinating the transition.
- There will be no copayments for the infusion when an alternate setting is used.

Empire Plan Benefit Changes

July 1, 2023 Benefit Changes

Visit Limit for Out-of-Network Acupuncture Services:

- Acupuncture received by an out-of-network provider will be subject to a maximum of 20 visits per calendar year.
- There is no annual visit limit for acupuncture received from a participating provider – this benefit is not changing.
- Visits prior to July 1, 2023 do not count toward the 2023 maximum.

Empire Plan Benefit Changes

July 1, 2023 Benefit Changes

Visit Limit for Massage Therapy Services:

- Coverage will be available for up to 20 massage therapy visits per calendar year.
- Visits to a network Managed Physical Medicine Provider generally will not count toward the 20-visit limit.
- A script is still required from your medical provider (no change).
- Visits prior to July 1, 2023 do not count toward the 2023 maximum.

Empire Plan Benefit Changes

July 1, 2023 Benefit Changes

New Reimbursement Method for Non-Network Claims:

- Effective July 1, 2023 the allowed amount for reimbursement of non-network Medical/Surgical and Mental Health and Substance Use claims will be based on 275% of the Medicare rates in effect on the date of service.
- This means out-of-network providers will be paid at rates equivalent to those Medicare pays.
- This could result in larger out-of-pocket costs for the enrollee.
- As a reminder, out-of-network providers can balance bill enrollees for their costs.

Empire Plan Benefit Changes

July 1, 2023 Benefit Changes

New Reimbursement Method for Non-Network Claims:

- This change does **not** impact rules related to surprise bills. Enrollees will continue to be protected under state and federal law for emergency care.
- The upcoming Special Empire Plan Report contains an informative Q&A about this change.
- Resources are available for enrollees seeking a network provider. The MHSU Clinical Referral Line, along with the Empire Plan NurseLineSM are available 24/7 to assist enrollees. Enrollees should call the Empire Plan toll-free number found on the back of their benefit card (1-877-7-NYSHIP).

Empire Plan Benefit Changes

July 1, 2023 Benefit Changes

Empire Plan ID Card Re-Issue:

- With the upcoming July 1 changes, benefit cards are scheduled to be re-issued.
- The re-issue is to ensure compliance with federal regulations.
- There will be **no change** to the plan enrollee's ID number.
- Enrollees can use their new card immediately, there is **no requirement** to call The Empire Plan or to register the card.

Empire Plan Benefit Changes

COVID-19 Update: End of the Public Health Emergency Period

- The last day of the federal emergency period will be May 11, 2023.
- The Empire Plan will no longer be required to provide cost share waivers for testing and diagnosing COVID-19 upon expiration of the public health emergency.
- Updated information will be posted to NYSHIP Online soon.

Empire Plan Benefit Changes

Challenges to the Affordable Care Act

- Legal challenges to the Affordable Care Act (ACA) have been in the news.
- Should provisions related to preventive care ultimately be struck down, The Empire Plan will continue to provide preventive care services with no enrollee cost share required.
- It is part of New York State law to provide preventive care from a network provider with no enrollee cost share.



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Questions?



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Financial Update

**Presenter – Paul McKinney,
Office of Financial Administration**

**New York State Department of Civil Service
Employee Benefits Division**

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7/1/2023 Participating Employer Rate Change

- Net Premium decrease: 2.7% (decrease from the 1/1/2023 net rates)
- Empire Plan Program Trends:
 - Hospital Program – 8.6%
 - Medical Program – 5.2%
 - Prescription Drug Program – 9.8%
 - Mental Health & Substance Use Program – 10.0%
- Rate Includes 0% margin
- No Dividend Application

Participating Employer Empire Plan Net Rate Comparison Rates With Prescription Drugs Coverage

1/1/2023 Monthly PE Net Rates

	<u>Individual Coverage</u>	<u>Family Coverage</u>
NetRates	\$1,014.12	\$2,508.99

7/1/2023 Monthly PE Net Rates

	<u>Individual Coverage</u>	<u>Family Coverage</u>
NetRates	\$986.85	\$2,440.27

Monthly Net Rate Change

	<u>Individual Coverage</u>	<u>Family Coverage</u>
\$ Change	-\$27.27	-\$68.72
% Change	-2.69%	-2.74%

Participating Employer Empire Plan Net Rate Comparison Rates Without Prescription Drugs Coverage

1/1/2023 Monthly PE Net Rates

	<u>Individual Coverage</u>	<u>Family Coverage</u>
NetRates	\$796.40	\$2,049.87

7/1/2023 Monthly PE Net Rates

	<u>Individual Coverage</u>	<u>Family Coverage</u>
NetRates	\$769.13	\$1,981.15

Monthly Net Rate Change

	<u>Individual Coverage</u>	<u>Family Coverage</u>
\$ Change	-\$27.27	-\$68.72
% Change	-3.42%	-3.35%

**PARTICIPATING EMPLOYER RATES
2014-2023 MONTHLY RATES**

REPRESENTS ENROLLEES WITH RX DRUG COVERAGE

Individual	Gross Rate (1) % Change		Net Rate (2) % Change	
2014	633.04	1.7%	617.51	1.3%
2015	656.23	3.7%	641.39	3.9%
2016	695.47	6.0%	680.91	6.2%
2017	737.16	6.0%	722.61	6.1%
2018	785.91	6.6%	778.51	7.7%
2019	797.30	1.4%	781.81	0.4%
2020	843.53	5.8%	810.21	3.6%
2021	871.18	3.3%	838.22	3.5%
2022	930.43	6.8%	921.38	9.9%
1H/2023	1,014.12	9.0%	1,014.12	10.1%
7H/2023	986.85	-2.7%	986.85	-2.7%
Average Percent Increase				
From Inception (1985)		6.6%		6.7%
Most Recent 10 Years		4.9%		5.1%
Most Recent 5 Years		5.0%		5.2%
<hr/>				
Family				
2014	1,534.36	2.3%	1,499.61	2.0%
2015	1,595.52	4.0%	1,559.83	4.0%
2016	1,719.56	7.8%	1,682.33	7.9%
2017	1,846.14	7.4%	1,813.90	7.8%
2018	1,965.83	6.5%	1,948.61	7.4%
2019	1,999.47	1.7%	1,964.44	0.8%
2020	2,117.56	5.9%	2,031.92	3.4%
2021	2,155.46	1.8%	2,071.88	2.0%
2022	2,420.25	12.3%	2,280.15	10.1%
1H/2023	2,508.99	3.7%	2,508.99	10.0%
7H/2023	2,440.27	-2.7%	2,440.27	-2.7%
Average Percent Increase				
From Inception (1985)		7.1%		7.2%
Most Recent 10 Years		5.2%		5.4%
Most Recent 5 Years		4.8%		5.0%

(1) Represents premiums set to fund all self insured costs.
 (2) Represents the premium charged to a participating employer.

PARTICIPATING EMPLOYER RATES 2014-2023 MONTHLY RATES				
REPRESENTS ENROLLEES WITHOUT RX DRUG COVERAGE				
Individual	Gross Rate (1)	% Change	Net Rate (2)	% Change
2014	472.25	-0.2%	464.40	-0.6%
2015	493.41	4.5%	481.69	3.7%
2016	506.79	2.7%	492.32	2.2%
2017	548.57	8.2%	545.24	10.7%
2018	589.35	7.4%	584.56	7.2%
2019	615.93	4.5%	611.88	4.7%
2020	667.27	8.3%	641.47	4.8%
2021	693.90	4.0%	668.32	4.2%
2022	739.57	6.6%	732.26	9.6%
1/1/2023	796.40	7.7%	796.40	8.8%
7/1/2023	769.13	-3.4%	769.13	-3.4%
Average Percent Increase				
From Inception (1985)		6.4%		6.5%
Most Recent 10 Years		5.2%		5.3%
Most Recent 5 Years		5.9%		6.0%
<hr/>				
Family				
2014	1,198.84	0.7%	1,179.71	0.4%
2015	1,257.61	4.9%	1,228.40	4.1%
2016	1,318.09	4.8%	1,281.05	4.3%
2017	1,442.64	9.4%	1,434.09	11.9%
2018	1,541.62	6.9%	1,529.83	6.7%
2019	1,606.04	4.2%	1,595.48	4.3%
2020	1,742.51	8.5%	1,672.87	4.9%
2021	1,779.54	2.1%	1,711.62	2.3%
2022	2,000.39	12.4%	1,887.24	10.3%
1/1/2023	2,049.87	2.5%	2,049.87	8.6%
7/1/2023	1,981.15	-3.4%	1,981.15	-3.4%
Average Percent Increase				
From Inception (1985)		7.0%		7.1%
Most Recent 10 Years		5.5%		5.6%
Most Recent 5 Years		5.6%		5.7%

(1) Represents premiums set to fund all self insured costs.
 (2) Represents the premium charged to a participating employer.

FINAL 2022 EMPIRE PLAN EXPERIENCE

In (000s)

	EMPIRE BLUE CROSS	UNITED HEALTHCARE MEDICAL	BEACON MHSU	CVS CAREMARK DRUG	TOTAL
A Premium (1)	3,783,929	4,123,909	395,680	1,933,642	10,237,160
B Incurred Claims (2)	3,725,058	3,790,119	369,188	2,020,180	9,904,545
C Administrative Expense (3)	56,950	235,438	14,389	12,542	319,319
D Gain/(Loss) (A-B-C)	1,921	98,352	12,103	(99,080)	13,296

(1) Earned Premium - Premium which pays for coverage for the period reported (accrual basis).

(2) Incurred Claims - Represents the cost of covered services provided during the period reported by the vendor (accrual basis).

(3) Administrative Expenses - All charges by the vendor other than for the payment of claims.
Includes vendor's cost to administer the program, interest charges, and other retention.

Source: Vendor 2022 Annual Statements

Dividend Account Summary

31-Dec-2021	Balance	\$ 743,454,897
	Interest: January - March 31, 2022	\$ 234,393
	Plan Year 2022 Dividend Application	\$ (500,000,000)
	Additional Plan Year 2022 Dividend Application	\$ (223,622,675)
	Interest: April - December 31, 2022	\$ 7,655,904
31-Dec-2022	Balance	\$ 27,722,519
	Plan Year 2022 UHC Experience	\$ 98,352,376
	UHC Rx Program (2008-2013) Settlement Recoveries	\$ 658,210
	Interest: January - March 31, 2023	\$ 2,367,089
	Projected Plan Year 2023 Dividend Application	\$ -
	Projected Interest: April - December 31, 2023	\$ 7,101,268
31-Dec-2023	Projected Balance	\$ 136,201,462

Note: DCS has not yet received 2023 Experience Projections (gains or losses to be declared in March 2024) from the Empire Plan vendors.



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Questions?

Final Questions and Answers



End of Meeting

