Planning for RETIREMENT

DECEMBER 2011

Important Information

for Employees of the State of New York

Health Insurance Coverage
and Related Benefits

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NYSHIP
New York State Health Insurance Program

New York State Department of Civil Service
Employee Benefits Division

Flourish

Health Insurance Eligibility

Retirement means different things to different people – traveling, a winter home, even pursuing a new career. Whatever you have planned and wherever you go in your retirement, your health insurance will be a key concern.

As an active employee, the New York State Health Insurance Program (NYSHIP) provides your health insurance coverage through The Empire Plan or a NYSHIP-approved Health Maintenance Organization (HMO). NYSHIP protects over 1.2 million State and local government employees, retirees and their families.

As a retiree, you may still have NYSHIP's comprehensive coverage for yourself and your family, but there are things you should know about your coverage and steps you must take before you retire.

This booklet explains your health insurance benefits in retirement and answers your questions about:

- Eligibility requirements for continuing coverage
- How sick leave credit helps pay for health insurance
- Dual annuitant sick leave credit
- Dependent survivor coverage
- Medicare reimbursement
- Deferred coverage
- Returning to work and/or continued employment

Your agency Health Benefits Administrator (HBA) can answer your questions and explain your benefits. Your HBA, usually located in your agency's personnel office, is your source for benefit information as an active employee. Once you retire, the New York State Department of Civil Service Employee Benefits Division becomes your HBA and your source for benefit information.

Can I continue health insurance when I retire?

Yes, if you meet all of the eligibility requirements.

What are the eligibility requirements to continue health insurance after I retire?

There are three criteria that you must meet to continue health insurance when you retire:

- Benefits-eligible service
- Eligibility for a pension from a New York State publicly administered retirement system
- Enrollment in NYSHIP

First, you must have completed a minimum service period that is determined by the date on which you last entered State service and you must have served a minimum of one year with the employer from whose service you are retiring.

If you were last hired before April 1, 1975, you must have had at least five years of State service or at least five years of combined service with the State and one or more Participating Employers (such as the Thruway Authority or Metropolitan Transit Authority) or Participating Agencies (such as towns or school districts).

If you were last hired on or after April 1, 1975, you must have had at least 10 years of State service, or at least 10 years combined service with the State and one or more Participating Employers or Participating Agencies.

Periods of less-than-full-time employment will be considered full-time if you were eligible for health insurance, but periods of employment in which you did not meet the eligibility requirements will not be counted. Periods when you were paying both the employer share and the employee share of

the NYSHIP premium while on Leave Without Pay do not count toward the minimum service requirement.

You may also be able to count previous benefits-eligible service with an employer or agency if that employer or agency participated in NYSHIP. Contact the Employee Benefits Division if you have prior service with another public employer to determine if this service counts toward the minimum service requirement. The Employee Benefits Division requires documentation of this service on the employing agency's letterhead. If the agency's records are unavailable, you may be able to substitute records from the retirement system to which you belong.

Second, you must qualify for retirement as a member of a retirement system administered by New York State such as the New York State and Local Employees' Retirement System, the New York State Teachers' Retirement System, or the New York State and Local Police and Fire Retirement System, or any of New York State's political subdivisions.

If you are not a member of a publicly administered retirement system or you are enrolled in an optional retirement program such as TIAA-CREF, you must satisfy **one** of the following:

- Meet the age requirement for pension eligibility in the New York State and Local Employees' Retirement System retirement tier in effect when you last entered service, or
- Be qualified to receive Social Security disability payments.

Third, you must be enrolled in NYSHIP as an enrollee or dependent when you retire. For example, if you were on leave and canceled your coverage, and then retired, you may not be eligible for health insurance as a retiree. If you have maintained continuous coverage as a vestee or while covered under Preferred List provisions, or as the dependent of a NYSHIP enrollee, you have met this third eligibility requirement.

I am eligible to retire but don't want to start collecting my pension. Can I still have retiree health insurance coverage?

If you are eligible to retire and delay collecting your State pension, you may continue your NYSHIP coverage under retiree provisions if you meet the eligibility requirements. Ask your agency Health Benefits Administrator about constructive retirement. With this option you will pay the health insurance premium (if any) directly to the Employee Benefits Division. You may also use any unused sick leave credit to offset the cost of your health insurance. See pages 6 to 10.

Can I end my employment before retirement age? Will I still be eligible to continue NYSHIP coverage as a vestee?

If your employment with the State ends before you reach retirement age and you vest (that is, secure rights to) your State pension, contact your agency Health Benefits Administrator before your last day of work to see if you are eligible to continue health insurance coverage as a vestee.

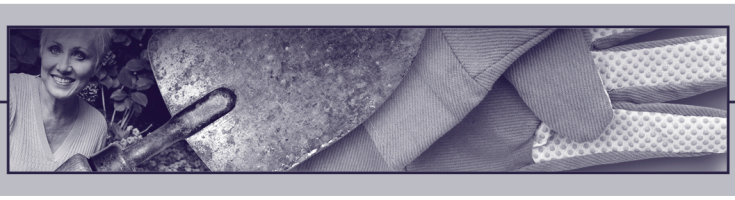
You must have the required benefits-eligible service (see pages 2 to 3) and be enrolled in NYSHIP either as an enrollee or dependent when you leave the payroll.

If you are eligible to continue coverage as a vestee but do not or if you fail to make the required premium payments as a vestee, coverage for you and your dependents will be terminated permanently. You may not reenroll as a vestee at a later date, and you lose eligibility for coverage as a retiree.

As a vestee, you must pay both the State and employee shares of the premium. You will be billed monthly.

Will participating in the Opt-out Program affect my eligibility for NYSHIP coverage in retirement?

No, participation in the Opt-out Program while an active employee satisfies the requirement of enrollment in NYSHIP at the time of your retirement. You may not, however, continue to participate in the Opt-out Program as a retiree.



I am retiring on a disability. How does this affect my eligibility for NYSHIP?

If you receive a disability retirement from a New York State publicly administered retirement system, you have met the requirement of qualifying for a pension.

For a disability retirement that is not work-related, you must meet the minimum service requirement. For a disability retirement resulting from a work-related illness or injury, the minimum service requirement is waived. In either case, you must be enrolled in NYSHIP on the effective date of your disability retirement.

If you are not a member of a New York State publicly administered retirement system, contact the Employee Benefits Division regarding your eligibility to continue coverage.

To maintain NYSHIP eligibility, you must continue your health insurance coverage while you wait for the decision on your disability retirement. If you do not continue coverage, or if you fail to make the required payments, coverage may end permanently.

Note

To be eligible for coverage as a retiree, you must maintain continuous NYSHIP coverage from the time you leave the payroll until you are eligible to retire. If your spouse or domestic partner is eligible for NYSHIP coverage in his or her own right, you may be able to continue coverage as a dependent of your spouse or domestic partner. This is a less expensive alternative to full-share vestee coverage.

If you have not continued your coverage and a retroactive retirement is granted, call the Employee Benefits Division right away to ask about reinstating coverage. You must apply in writing to the Employee Benefits Division within one year of the date on the letter from your retirement system announcing the decision to grant your disability retirement.

This one-year deadline applies when your disability retirement was *not* granted retroactive to your last date enrolled in NYSHIP as an active employee, vestee or employee on leave. If you do not apply in writing within one year, the Division will not reinstate your coverage unless you provide medical documentation that you were unable to apply during that time.

If you also receive a Social Security disability pension, you must enroll in Medicare, the federal health insurance program administered by the Social Security Administration (see pages 16 to 19), as soon as you are eligible for primary Medicare benefits – even if you are not yet 65 years old. This usually occurs when you have been disabled under Social Security rules for 24 months. **You must be enrolled in Medicare Parts A and B**. Once you receive your Medicare card, please forward a copy to the Employee Benefits Division.

There is usually no cost to you for Part A, which is inpatient hospital insurance. If you are required to pay for Part A, you will not be required to enroll in Part A. Contact the Employee Benefits Division for further instruction. You pay for Part B, which is outpatient hospital and medical insurance, but the State reimburses you for the Medicare Part B premium unless you receive reimbursement from another source.

If you are not enrolled in Medicare Parts A and B when first eligible for primary coverage, you will be responsible for the expenses that Medicare would have paid. NYSHIP will provide only secondary coverage.

Will my dependent survivors be eligible for health insurance under NYSHIP when I die?

If you had 10 years of benefits-eligible service, NYSHIP protects your enrolled dependent survivors in the event of your death in retirement. To begin the process, your dependent survivors must send a certified copy of your death certificate to the New York State and Local Employees' Retirement System or New York State Teachers' Retirement System.

If you were not a member of a retirement system administered by New York State or you chose not to pay your premium by pension deduction, your dependent survivors must send a copy of your death certificate to the Employee Benefits Division.

Dependent survivor coverage is explained in your *NYSHIP General Information Book*. Make sure your family knows they should call the Employee Benefits Division for information about dependent survivor coverage if you die in retirement.

Note

Choosing the dual annuitant sick leave credit is not a requirement for dependent survivor coverage. See pages 11 and 12.

After I retire, how does my dependent survivor continue NYSHIP coverage when I die?

Your dependent survivor must notify the New York State and Local Employees' Retirement System and the Employee Benefits Division of your death (see page 30 for contact information). The Employee Benefits Division will then send information about continuing coverage to your dependent survivor. If your dependent survivor is eligible to continue coverage, an application will be included with this information. The application should be completed and returned to the Employee Benefits Division as soon as possible. Publications that explain the NYSHIP health benefits will be sent separately.

If you die while you are retired, your enrolled dependents will have extended health insurance coverage for three months beyond the month in which you die. NYSHIP provides these three months of coverage at no cost.

If you choose the dual annuitant sick leave credit option when you retire and you die before your dependents, that credit would continue to reduce their premium cost. See page 11.

If I have NYSHIP coverage as a dependent through my spouse/domestic partner, am I eligible for my own coverage as a retiree?

If you have NYSHIP coverage as a dependent through your spouse/domestic partner and otherwise meet eligibility requirements for coverage as a retiree, you may establish coverage as a retiree in your own right at any time. You may use your own sick leave credit with proper documentation.* Before you retire, ask your agency Health Benefits Administrator for a copy of Form PS-410, Statement of State Service and Sick Leave Credit Preservation.

Notify the Employee Benefits Division in writing if a pending divorce or other change means you will need to reactivate your NYSHIP coverage in your own name. Attach a copy of Form PS-410.

* See pages 8 to 12 for additional information on using sick leave credit in retirement.

Note

If your dependent survivor spouse remarries, he or she is no longer eligible for NYSHIP health insurance coverage. This also applies if your domestic partner dependent survivor acquires another partner. However, any children enrolled in NYSHIP will continue to be eligible for coverage for as long as they meet the dependent eligibility requirements.

Paying for Health Insurance

As an active employee, your share of the health insurance premium is deducted from your paycheck. When you retire, you pay through deductions from your monthly retirement check or you make monthly payments directly to the Employee Benefits Division.

Your agency Health Benefits Administrator (HBA) can answer your questions and help you determine the cost of your health insurance option in retirement.

What portion of the cost of health insurance will I pay as a retiree?

If you retire on or after January 1, 2012, the amount you must contribute toward the cost of your health insurance coverage as a retiree will be based on your salary grade (or equivalent) at the time of retirement. Ask your agency HBA what your contribution rate will be. You may be able to use sick leave credit to reduce your cost. See pages 8 to 12.

Although health insurance premiums generally increase annually, your sick leave credit is a fixed monthly amount. You will be billed for any balance due.

How will I pay for my health insurance as a retiree?

When you retire, you will pay your share of the health insurance premium through deductions from your monthly retirement check or by making monthly payments directly to the Employee Benefits Division.

It may take several months for the Employee Benefits Division to receive the retirement number assigned to you by the Retirement System and begin taking monthly health insurance deductions from your pension. In the interim, if you owe premiums, you will be billed directly each month. You must pay the monthly bills or risk having your health insurance canceled for nonpayment.

If your coverage is canceled for nonpayment, you can later reenroll. However, in most cases, you will be subject to a three-month waiting period before your coverage becomes effective.

It may also take several months for billing to begin. At that point, you will be billed from the date your retirement benefits went into effect through the current billing period.

How will my sick leave credit affect the monthly cost of my health insurance premium?

If you are eligible for a sick leave credit when you retire, your agency will report your hourly rate of pay and unused sick leave hours to the Employee Benefits Division. The Division will calculate the monthly value of your sick leave.

The result is a lifetime monthly credit used to reduce your share of the monthly health insurance premium for as long as you remain enrolled in NYSHIP.

Remember: Premium rates are recalculated at least once each year. If the premium increases, the amount you pay will increase.

Each year, to calculate the amount you will pay in the new calendar year, subtract your monthly sick leave credit from the new monthly premium.

If the credit for your unused sick leave does not fully cover your share of the monthly premium, you must pay the balance. If the credit exceeds your share of the monthly premium, the excess sick leave credit is not refunded.

Most employees can use a maximum of 200 days of unused sick leave to calculate sick leave credit. See your agency Health Benefits Administrator for details. **Using your sick leave credit for health insurance will not affect the value of your sick leave for pension purposes.**

Sick leave credit can be applied toward your Empire Plan or HMO premium only if you retire directly from active employment, Leave Without Pay status, Preferred List coverage, or are approved for disability retirement retroactive to your last date of employment. Sick leave credit may not be applied toward health insurance premium costs while you are in vested status or after retiring from vested status.

To estimate the value of your sick leave credit, see pages 8 to 12 or visit our web site at https://www.cs.ny.gov. From the home page, click on Benefit Programs, follow the prompts to access NYSHIP Online, and then choose Planning to Retire? Select Sick Leave Credit and calculator.

Note

Sick leave credit does not apply to Judges, Justices and certain M/C employees not entitled to accumulate sick leave.

Sick Leave Credit

What is sick leave credit?

Sick leave credit is the actuarial value of your unused sick leave calculated at the time you retire. It is then applied as a credit toward the cost of your health insurance premium.

Note

After you retire, sick leave credit benefits you in two ways:

1. Reduces the cost of your health insurance premium
2. Increases your pension as service credit

Employees earn sick leave each biweekly pay period if they are in full-pay status for seven out of 10 days in a biweekly pay period.* The rate at which employees earn sick leave depends on the percentage of time they work, their bargaining unit, date of hire and whether or not the employee participates in the Income Protection Plan (IPP).

If you earn sick leave credit, you may be able to use the value of your unused sick leave to pay for all or part of the cost of your health insurance during retirement. This applies whether you are enrolled in The Empire Plan or a NYSHIP HMO. The actuarial value of your sick leave hours are converted to a monthly dollar value using the formula on page 11.

The result is a lifetime monthly sick leave credit used to reduce your share of the monthly health insurance premium for as long as you are enrolled in NYSHIP.

If the health insurance premium rises, the monthly premium you may pay also will rise. Each year you can calculate the amount you will pay in the new calendar year by subtracting your monthly sick leave credit from the new monthly premium.

When you retire, if you are eligible to use sick leave credit, your agency will report your hourly rate of pay and accumulated sick leave hours to the Employee Benefits Division. Ten to 12 weeks after you receive your last payroll check, you will receive a letter verifying your monthly sick leave credit and the current cost of retiree health insurance coverage. **Keep this letter for your reference**.

If you do not receive this information within 12 weeks after your last payroll check, write to the Employee Benefits Division (see page 30) or call 518-457-5754 or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands).

Note

Having a monthly sick leave value that covers the premium in full when you retire does not guarantee free health insurance for life. While your sick leave credit remains unchanged, your health insurance premium will most likely increase each year.

*Judges, Justices and certain M/C employees do not earn sick leave credit.

Estimate the value of your sick leave credit below or on our web site, https://www.cs.ny.gov

This worksheet is for estimating your sick leave credit only and is for full-time and part-time employees. If you are paid on an hourly basis, use your hourly salary as the Hourly Rate of Pay. (UUP-represented employees: Use the worksheet in your *NYSHIP General Information Book*.)

To use the electronic calculator on our web site, https://www.cs.ny.gov, click on Benefit Programs and follow the prompts to access NYSHIP Online. Choose Planning to Retire?, then select Sick Leave Credit and calculator.

Worksheet

Calculate your Hourly Rate of Pay (HRP)

Step 1. Determine hours worked in a day

Divide the number of hours in a work week by 5. For example, a 40-hour week divided by 5 equals an 8-hour day, even if you work 4 days of 10 hours each.

Hours worked in a week ÷ 5 =
Hours worked in a day:_____.

Step 2. Determine HRP

Divide your total annual salary at the time of retirement (basic annual salary plus additional constant salary factors such as location pay, shift or geographic differential, inconvenience pay) by one of the following predetermined numbers: 2,088 for jobs that are 8 hours a day, 1,957 for jobs that are 7½ hours a day, and 1,827 for jobs that are 7 hours a day. (Please contact your agency Health Benefits Administrator for calculations other than the three stated above.)

Annual salary ÷ predetermined number =
hourly rate of pay (HRP):_____.

Calculate your Sick Leave Credit

Step 3. Determine the total dollar value of your sick leave

Multiply your hourly rate of pay by the number of sick leave **hours** you have accumulated up to a maximum of 200 days (165 days for certain groups). See your agency Health Benefits Administrator for details.

HRP x hours unused sick leave =
total dollar value of sick leave:_____.

Example

You want to retire at age 62 (three months from now). Your gross annual salary is $45,000 and you have 400 hours of unused sick leave.

Step 1. Hours worked in a day:

8 (hours worked in a day)
5 | 40 (hours worked in a week)

Step 2. Hourly rate of pay (HRP):

$21.55 (HRP)
2,088 | $45,000 (annual salary)

Step 3. Total dollar value of your sick leave:

$21.55 (HRP) x 400 (hours unused sick leave) =

$8,620 (total dollar value)

Worksheet Continued

Step 4. Determine your monthly credit

Divide the total dollar value of your sick leave by your life expectancy from the Actuarial Table below.

Total dollar value ÷ life expectancy =
Monthly credit:_____.

Step 4. Your monthly credit:

$32.04 (monthly credit)
Life expectancy 269 | $8,620 (total dollar value)
(from Actuarial Table below)

Actuarial Table for regular retirements effective on or after October 1, 2011*

For Employees of the State of New York who are unrepresented or in Negotiating Units that have agreements/awards with New York State as of the date of this publication.

Age at Retirement	Life Expectancy Table 1**	Life Expectancy Table 2***	Age at Retirement	Life Expectancy Table 1**	Life Expectancy Table 2***
50	389 months	377 months	62	269 months	252 months
51	378 months	366 months	63	259 months	243 months
52	368 months	355 months	64	250 months	233 months
53	357 months	345 months	65	241 months	224 months
54	347 months	334 months	66	232 months	215 months
55	337 months	323 months	67	223 months	206 months
56	327 months	313 months	68	214 months	197 months
57	317 months	302 months	69	205 months	189 months
58	307 months	292 months	70	197 months	180 months
59	297 months	282 months	71	188 months	172 months
60	288 months	272 months	72	180 months	164 months
61	278 months	262 months	Etc.		

Using the example above, you would have $32.04 of sick leave credit each month to help pay the cost of your health insurance as long as you live. If, for example, your share of the monthly cost of health insurance is $100, your total monthly cost would be $100 minus your sick leave credit of $32.04, or $67.96. The amount of $67.96 would be deducted from your pension or billed to you directly each month. Keep in mind, as the premium increases or decreases, the amount you must pay each year will increase or decrease. Your monthly credit of $32.04 will not change.

This chart shows the use of single annuitant sick leave credit. If you choose dual annuitant sick leave credit (see pages 11 and 12) when you retire, 70 percent of the monthly credit ($22.43 in this example) is available to you and your surviving dependent(s) to apply toward the health insurance premium.

Note

* Different actuarial tables apply to employees in negotiating units that do not have agreements/awards with the State and to disability retirements. Use the electronic calculator on our web site (see the web navigation instructions on page 9) or see your agency Health Benefits Administrator for more information.

** Table 1 is for all employees in the NYS and Local Employees' Retirement System and NYS Teachers' Retirement System. It also applies if you are enrolled in an Optional Retirement Program such as TIAA-CREF.

*** Table 2 is for employees in the NYS and Local Police and Fire Retirement System.

How do I estimate the value of my sick leave credit?

To estimate the value of your sick leave credit, use the following formula.

Hours of Unused Sick Leave	X	**Hourly Rate of Pay**	=	**Total Dollar Value of Sick Leave**
Total Dollar Value of Sick Leave	÷	**Life Expectancy in Months**	=	**Your Monthly Sick Leave Credit**

Your monthly credit ends when you die and may not be used by your surviving dependents unless you choose the dual annuitant sick leave option on or before your retirement date.

Note

Your agency Health Benefits Administrator can help you with sick leave credit calculations.

Dual Annuitant Sick Leave Credit

What does "dual annuitant" mean?

When you retire, you may specify that you want your dependent survivors to be able to use your monthly sick leave credit toward their NYSHIP premium if you die. This is called the *dual annuitant sick leave option*. If you choose this option, you must do so **before your retirement date**. This option is available **only** at the time you retire.

If you choose the dual annuitant sick leave option at the time of your retirement, your sick leave credit is reduced to 70 percent of its value for as long as you live. Your eligible enrolled dependents who outlive you may continue to use 70 percent of the monthly credit for their NYSHIP premium.

The monthly sick leave credit is available to your dependents as long as they are eligible for NYSHIP and enrolled as dependent survivors.

How do I choose dual annuitant sick leave credit?

To choose dual annuitant sick leave credit, contact your agency Health Benefits Administrator **before** you retire.

You may choose dual annuitant sick leave credit whether you have individual or family coverage at the time you retire. To make this choice, you must complete Form PS-405, Dual Annuitant Sick Leave Credit Election, **before** your retirement date.

If you do not make this choice before your retirement becomes effective, all of your sick leave credit (up to a maximum of 200 days for most groups; 165-day maximum for PBA [Troopers and Supervisors] and PIA) will be used to calculate your monthly lifetime credit and will be automatically applied to your premium. Your dependent survivors will not have your sick leave credit available to offset their cost of the NYSHIP premium.

Once you elect dual annuitant sick leave credit, the election is permanent. If your dependents should lose eligibility or die before you, you will continue to receive 70 percent (reduced) sick leave credit.

If I don't choose dual annuitant sick leave credit, can my dependent survivors still have health insurance?

Yes. Your dependent survivors will be able to continue their health insurance if they meet NYSHIP eligibility requirements (see pages 2 to 3). However, without dual annuitant sick leave credit, your dependent survivors will not have sick leave credit available to apply toward their health insurance premium.

How will I know which to choose - dual or single annuitant sick leave credit?

Circumstances such as your age, your spouse's age and eligibility for retiree coverage in his or her own right and the amount of sick leave credit are different for each retiree and may affect this decision. Keep in mind that choosing dual annuitant sick leave credit is not required for dependent survivor coverage, but the initial decision is irrevocable.

This booklet offers information about various options. Your agency Health Benefits Administrator can help or you may call the Employee Benefits Division at 518-457-5754 or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands).

Deferring Your Health Insurance

Can I defer the start of my retiree health insurance coverage and use of sick leave credit until after I retire?

When you retire, you may defer (delay) the start of your retiree health insurance coverage and the use of your sick leave credit **if you have other health insurance coverage**. If you want to defer health insurance coverage, you must make this choice **before** your retirement date. Contact your agency Health Benefits Administrator to defer coverage.

There may be advantages to delaying the start of your NYSHIP coverage. During the period of deferment, you do not have to pay the NYSHIP premium. The monthly credit for your sick leave may be higher when you begin your retiree coverage because it will be calculated when you are older. (The formula on page 11 shows how age affects sick leave credit.) You may reenroll for NYSHIP coverage anytime by contacting the Employee Benefits Division. A waiting period will not apply if you defer your coverage prior to leaving the payroll.

Note

If you are deferring your coverage prior to retirement, ask your agency Health Benefits Administrator for Form PS-410, Sick Leave Credit Preservation, and keep it in a safe place. When you start your retiree coverage, the form will document your accumulated sick leave credit that will be applied toward the cost of your health insurance premium.

If you die while your coverage is deferred and had your NYSHIP **family** coverage in effect at retirement, your spouse/domestic partner and any other eligible dependents may be eligible to continue NYSHIP coverage as dependent survivors. **They must write to the Employee Benefits Division requesting reenrollment in NYSHIP within 90 days of your death**. (See page 30 for the address.) Eligibility requirements for your spouse/domestic partner and eligible dependents to reenroll in NYSHIP are the same as if you had continued your coverage into retirement. If you had **individual** coverage in effect at retirement, your dependents will not be eligible under NYSHIP as dependent survivors.

Fine-tune

Choosing Your Health Plan in Retirement

Understanding Your NYSHIP Options

The first step in making a good choice is understanding the similarities and differences between options. There are two types of health plans available to you under the New York State Health Insurance Program (NYSHIP): The Empire Plan and NYSHIP-approved Health Maintenance Organizations (HMOs).

The Empire Plan is designed exclusively for New York State employees and retirees. The Plan provides coverage whether you receive care from The Empire Plan network providers or from non-network providers. Enrollees are not required to choose a primary care physician and do not need referrals to see specialists. However, certain services, such as hospital and skilled nursing facility admissions, mental health and substance abuse treatment, home care and certain prescription drugs require preapproval.

The Empire Plan is available to all NYSHIP enrollees regardless of where they live or work in retirement. Coverage is worldwide and is not limited to your geographic area. However, you should carefully review the list of network providers in the area in which you plan to retire. You will need to submit claim forms and pay a higher share of the cost of services if you use a non-network provider.

An HMO is a managed care system that provides comprehensive health care coverage through a network of providers within a specific geographic area. Most NYSHIP enrollees also have a choice of NYSHIP HMOs located throughout New York State. Enrollees in HMOs usually must select a participating primary care physician to provide routine medical care and to make referrals to network specialists and network hospitals when necessary.

You may enroll in (or continue in) any NYSHIP-approved HMO that serves the area where you live or work in retirement. If you are Medicare primary and enroll in a NYSHIP Medicare Advantage plan, you must **live** in the plan's service area. You may not be enrolled in a NYSHIP HMO outside this area. If you no longer live or work in the NYSHIP HMO service area, you must change to another plan.

The Empire Plan and all HMOs offered under NYSHIP provide broad coverage for Medicare-eligible enrollees, but there are important differences among plans.

The Empire Plan

The Empire Plan coordinates benefits with Medicare. Although Medicare does not cover medical expenses for services outside the United States, Empire Plan benefits are available worldwide. See your *NYSHIP General Information Book* and *Empire Plan Certificate* for details.

NYSHIP Health Maintenance Organizations (HMOs)

If you are Medicare primary (Medicare pays before another insurance plan) and enrolled in a NYSHIP HMO, you will have one of the two following types of coverage:

- Benefits available outside the HMO: With an HMO that coordinates coverage with Medicare, you can choose to receive Medicare benefits outside of your HMO. You would be responsible for Medicare's coinsurance, deductibles and other charges. In this case, no payment will be made by the HMO other than for services provided under the HMO plan benefits. (Some HMOs provide emergency care only; others provide more.) Check plan documents for any limitations or exclusions. Most NYSHIP HMOs do not coordinate coverage with Medicare.

- No benefits outside the HMO: With a **Medicare Advantage** plan, you must receive all services from your HMO. You must follow the HMO's requirements and use their providers. You may not receive any benefits from Medicare or that HMO if you choose to receive care outside your HMO other than for those services as specified in the plan contract. Check plan documents for any limitations or exclusions.

Also check with your HMO about benefits when you travel outside of your HMO's service area or outside of the country.

Non-NYSHIP HMOs

You may receive information from Medicare and from non-NYSHIP HMOs in your area describing Medicare options available to you that are not part of NYSHIP. You may wonder whether to join one of these plans. Please be aware that your NYSHIP benefits may be significantly reduced if you join one of these plans.

If you join a non-NYSHIP Medicare Advantage plan, you may have no benefits except the benefits available through that plan.

If you cancel your NYSHIP coverage to join a non-NYSHIP Medicare Advantage plan, be aware that:

- The State will no longer reimburse you or your Medicare-eligible dependents for the Medicare Part B premium amount paid (excluding penalties).
- Your sick leave credit will not offset your health insurance costs.
- If you wish to reenroll in NYSHIP, there is a three-month waiting period.
- If you die while you are not enrolled in NYSHIP, your dependents are not eligible for dependent survivor coverage unless deferral rules apply (see page 13).

Before you choose a Medicare Advantage plan that is not part of NYSHIP, check with the Employee Benefits Division to see how your NYSHIP benefits will be affected.

Can I change my health insurance plan (option) in retirement?

As a retiree, you can change your NYSHIP health insurance plan (option) once during a 12-month period for any reason. Active employees may change only during the annual Option Transfer Period unless they experience a qualifying event.

You may change your plan more than once in a 12-month period: if you are enrolled in a NYSHIP HMO and move permanently out of your HMO's service area; you move to an area served by a NYSHIP HMO that did not serve your previous home area; or, you add a new dependent acquired through marriage, domestic partnership, adoption or placement for adoption. See your *NYSHIP General Information Book*, *Empire Plan Reports/HMO Reports* and *Retiree Health Insurance Choices* for more information about changing your health insurance plan.

The Employee Benefits Division will mail you information about NYSHIP options each year. The information will include summaries and costs of NYSHIP plans available to you.

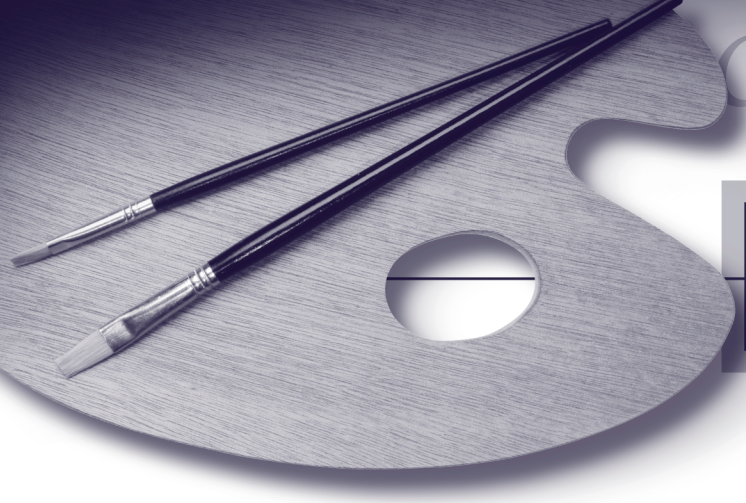
Canceling NYSHIP Coverage

After I retire, may I cancel NYSHIP coverage and later reenroll?

After you retire, you may cancel your health insurance coverage and reenroll at a later date. Under most circumstances, you will be subject to a waiting period of up to three months before your coverage again becomes effective. Upon reenrolling, you will receive the same monthly sick leave credit as before you canceled coverage.

Note

If you die during the period of time that your NYSHIP coverage is canceled, your dependents will not be eligible for dependent survivor coverage.



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NYSHIP and Medicare

Note

The following information applies to you and your covered dependents.

What is Medicare?

Medicare is the federal health insurance program for people age 65 and older, people who are disabled and receiving Social Security Disability Insurance (SSDI) payments for 24 months, people who have been diagnosed with amyotrophic lateral sclerosis (ALS) and those who have end-stage renal disease. It is administered by the Social Security Administration for the Centers for Medicare & Medicaid Services (CMS).

Medicare has four parts:

Medicare Part A covers inpatient care in a hospital or skilled nursing facility, hospice care and home health care.

In most circumstances, there is usually no cost for Medicare Part A. There are some individuals who do not qualify for Medicare Part A at no cost. These individuals are not required to take Part A and may keep NYSHIP as their primary coverage for Medicare Part A benefits.

If Social Security tells you that you must pay for Medicare Part A, contact the Employee Benefits Division at 518-457-5754 or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands) to talk with a representative.

Medicare Part B covers doctors' services, outpatient hospital services, durable medical equipment and some other services and supplies not covered by Part A.

There is a monthly premium for Medicare Part B that is either deducted from your Social Security pension check or you pay directly if you are not collecting Social Security benefits.

Together, Parts A and B are known as the Original Medicare Plan, which is a fee-for-service plan. After retirement, NYSHIP requires you and your dependents to be enrolled in Parts A and B as soon as you are primary Medicare eligible.

Medicare Part C, or Medicare Advantage, replaces your original Medicare benefits. Most NYSHIP HMOs are Medicare Advantage plans, but not all Medicare Advantage plans are part of NYSHIP. If you enroll in a NYSHIP Medicare Advantage plan, you receive all your Medicare and your NYSHIP benefits from that plan.

If you or your dependent enrolls in a Medicare Advantage plan that is not part of NYSHIP, you may have very few or no benefits available through your NYSHIP plan. See Non-NYSHIP HMOs on page 15.

Enrollment in non-NYSHIP Medicare Part C and/or Part D plans could reduce your NYSHIP benefits.

Medicare Part D is the Medicare prescription drug benefit. As a NYSHIP enrollee eligible for Medicare, you will continue to receive prescription drug benefits for you and your dependents under the option in which you are enrolled – either The Empire Plan or a NYSHIP HMO. Check the *Health Insurance Choices* booklet for Retirees of New York State to see if you will have any benefit changes when you become eligible for Medicare.

Enrolling in a Medicare Part D plan separate from your NYSHIP coverage may drastically reduce your benefits overall. For example:

- If you are Medicare-primary and enrolled in both The Empire Plan and a Medicare D plan, you will not be able to use your Empire Plan coverage to receive benefits at the pharmacy. You must use your Medicare drug coverage first. To receive secondary drug coverage, you must submit a claim to The Empire Plan Prescription Drug Program along with documentation of the amount covered by Medicare.
- If you are enrolled in a NYSHIP Medicare Advantage plan and then enroll in a Medicare D plan or another Medicare Advantage plan outside of NYSHIP, Medicare will terminate your enrollment in the NYSHIP HMO.

If you are eligible for the extra help from the Medicare Part D Low Income Subsidy, or if you are interested in additional drug coverage offered by a Medicare Part D plan, be sure you understand how joining a Medicare prescription drug plan will change your NYSHIP coverage before enrolling. If you do enroll in Medicare Part D, you will not be reimbursed for the Medicare Part D premium.

If you receive a letter from the Social Security Administration that says you are eligible for the Medicare Part D Low Income Subsidy, please call the Employee Benefits Division at 518-457-5754 or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands).

If you receive prescription drug coverage through a union Employee Benefit Fund, contact the fund for more information about Medicare Part D.

For more complete information on the impact of Medicare on your NYSHIP benefits, please read the information we send you about Medicare Part D prescription drug coverage.

If I'm enrolled in NYSHIP, why do I have to enroll in Medicare too?

NYSHIP requires all enrollees to be enrolled in Medicare Parts A and B when first eligible for primary Medicare coverage. The combination of coverages under Medicare Parts A and B and NYSHIP protects you.

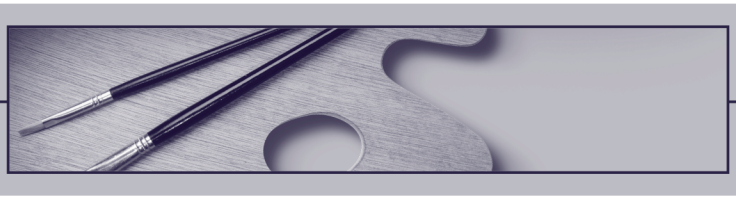
As an active employee, if you or your dependents are eligible for Medicare, it is secondary to (pays after) NYSHIP coverage. Medicare enrollment is not required unless primary Medicare eligibility is due to end-stage renal disease or you have a domestic partner who is age 65 or over. When you retire, Medicare Parts A and B become primary coverage (pay first) for you and/or your dependents, in most cases, as soon as you become eligible for Medicare benefits.

Medicare Parts A and B become primary to your NYSHIP coverage as soon as you, as a NYSHIP retiree, vestee, dependent survivor, or Preferred List enrollee, become eligible for Medicare unless you or your dependent is in a coordination period due to end-stage renal disease. If you do not enroll, The Empire Plan or your NYSHIP HMO (non-Medicare Advantage) will not pay for any medical expenses that Medicare would have covered.

The same rule applies to your dependents covered under NYSHIP. As soon as your dependent is eligible for primary Medicare benefits, The Empire Plan or your NYSHIP HMO (non-Medicare Advantage) will not pay for any expenses for the dependent that Medicare would have covered.

Be sure to have your Medicare benefits in effect according to NYSHIP rules. If you are receiving Social Security benefits, you automatically are enrolled in Parts A and B starting the first day of the month you turn 65 or become eligible as a result of disability. **Do not decline enrollment in Medicare Part A or Part B**. Retirees or dependents who are eligible for Medicare due to disability prior to age 65 must enroll in Medicare Part A and Part B and send the Employee Benefits Division a copy of their Medicare card.

If you are not receiving Social Security payments, *it is your responsibility to enroll* in Medicare Parts A and B for coverage primary to NYSHIP, even if you also have coverage as an active employee through another employer's group plan.



Contact Social Security for enrollment information. You can apply for Medicare online at www.socialsecurity.gov or by calling Social Security at 1-800-772-1213.

When you retire, NYSHIP becomes secondary to Medicare as soon as you are eligible for primary Medicare benefits. If you fail to enroll in Medicare or are still in a waiting period for Medicare to go into effect, you will be responsible for medical expenses that Medicare would have covered if you had enrolled when first eligible.

Therefore, since Medicare will be your primary coverage, you and your covered dependents must have Medicare Parts A and B in effect by the first day of the month in which each of you reaches age 65. Or, if the birthday falls on the first of the month, Medicare Parts A and B must be in effect on the first day of the preceding month.

For example, if your 65th birthday is February 1, 2012, your Medicare effective date would be January 1, 2012. Also, you and your covered dependents must have Medicare Parts A and B in effect before reaching age 65 if Medicare primary eligible because of disability or end-stage renal disease.

If you are enrolled in a NYSHIP HMO that offers a Medicare Advantage plan, upon becoming eligible for primary Medicare you and/or your covered dependents should automatically be enrolled in that Medicare Advantage plan if Medicare Part A and Part B are in effect. Check with the Medicare Advantage plan if you need to sign an enrollment application.

If you have questions about NYSHIP and your Medicare benefits, please call the Employee Benefits Division. See page 19 of this booklet for this phone number.

Will New York State reimburse me for my Medicare Part B premium?

Yes, because NYSHIP requires you to join Medicare Part B once you are eligible for Medicare primary coverage, the State reimburses you for the base Medicare Part B premium.

Medicare enrollees with a Modified Adjusted Gross Income (MAGI) above specified amounts must pay an Income-Related Monthly Adjustment Amount (IRMAA) in addition to the standard cost of Medicare Part B. If you are required to pay more than the base premium for your Medicare Part B coverage, watch for information from the Employee Benefits Division regarding IRMAA reimbursement.

If you and your dependents are enrolled in Medicare, each of you pays for your Part B coverage through Social Security deductions or direct payment if you are not receiving Social Security benefits.

New York State adds reimbursement for each primary Medicare-eligible person covered under your NYSHIP enrollment to your State pension check each month.

If you are paying for NYSHIP coverage by making direct payments each month to the Employee Benefits Division, reimbursement for the base cost is applied as a credit that reduces your monthly premium. If your Medicare credit is greater than your monthly insurance premium, you will receive a quarterly refund check from the Office of the State Comptroller.

Your NYSHIP premium does not change because you are enrolled in Medicare.

If your domestic partner enrolls in Medicare, regardless of age, send a photocopy of the domestic partner's Medicare card to the Employee Benefits Division, note the NYSHIP enrollee's Social Security number and request a monthly credit.

For more information on Medicare reimbursement and how Medicare affects NYSHIP benefits, see your *NYSHIP General Information Book*, *Medicare & NYSHIP*, other NYSHIP documents and your agency Health Benefits Administrator. Or, call the Employee Benefits Division at 518-457-5754 or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands).

Should I buy additional coverage to supplement my NYSHIP coverage?

Generally, additional coverage will not increase the benefits available to you. In fact, some types of coverage, such as non-NYSHIP Medicare Advantage plans and Medicare Prescription Drug plans, may actually decrease your benefits since they will replace your NYSHIP benefits. For example, if you are enrolled in a NYSHIP HMO Medicare Advantage plan, Medicare rules require your disenrollment from your NYSHIP HMO if you enroll in another Medicare Advantage or Medicare Part D plan. Enrollment in a freestanding Medicare Part D plan leaves you with only drug benefits and your traditional Medicare Part A and Part B coverage. So, be sure to understand the impact that other coverage may have on your NYSHIP coverage.

If you have questions, please call the Employee Benefits Division at 518-457-5754 or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands).

Other Benefits

How can I continue my dental and vision benefits after retirement?

If you receive dental and vision benefits through the State plan, you can continue them through the federal Consolidated Omnibus Budget Reconciliation Act (COBRA). Individuals or covered dependents eligible for COBRA may continue, for 36 months, certain benefits at group rates when coverage would otherwise end.

Vision coverage is available only through COBRA continuation of coverage for 36 months when you retire. Dental coverage is available through COBRA or the group direct pay dental plan for New York State retirees.

GHI administers the Direct Pay Dental Plan offered to New York State retirees. The benefits offered under this Plan are not the same benefits offered under the Preferred Dental Plan for active employees or the COBRA Plan offered to retirees. You should automatically receive an enrollment form and summary of benefits after you retire. If you do not, call GHI at 1-800-947-0101.

Employees who receive dental and vision benefits through a union Employee Benefit Fund may be eligible to continue coverage through that Fund under COBRA. These employees are also eligible for the direct pay dental plan at the end of the COBRA period. Contact your union Employee Benefit Fund for information.

You should receive an application for COBRA continuation of your dental and vision coverage automatically within 30 days of retiring. If you don't receive one, write to the Employee Benefits Division. Send your name, Social Security number, address, telephone number with area code and reason for requesting the application to:

COBRA Unit, Employee Benefits Division
State of New York, Department of Civil Service
Alfred E. Smith State Office Building
Albany, NY 12239

Employees represented by the Civil Service Employees Association and United University Professions should call their union Employee Benefit Fund.

When COBRA coverage ends after 36 months, can I continue my dental coverage?

If you choose to continue dental coverage after your COBRA coverage expires, you should receive a Direct Pay Dental Plan enrollment form at the end of the COBRA period. If you do not receive the form, call GHI at 1-800-947-0101 to request one.

If you wish to enroll in the Direct Pay Dental Plan, you must do so when you retire or at the end of your COBRA coverage. These are your only opportunities to enroll.

Note

Dental and vision benefits are not part of your NYSHIP health insurance and do not continue automatically. Sick leave credit cannot be used to reduce the premium for dental and vision benefits.

If I am enrolled in the State's long term care program, can I continue it after retirement?

If you purchased long term care insurance through NYPERL, the New York State Public Employee and Retiree Long Term Care Insurance Plan, your long term care insurance will continue without interruption after retirement and without any change in benefits as long as you pay your premium and have not exhausted your lifetime benefit amount. If you pay your long term care premium through payroll deduction, you will need to change your method of payment. If you have questions, contact NYPERL toll free at 1-866-474-5824.

If I had an Income Protection Plan (IPP), will it continue after retirement?

If you are not receiving IPP benefits when you retire, your coverage under the Income Protection Plan ends when you retire. Coverage ends on your last day on the payroll as an active employee.

If you are receiving IPP benefits when you retire, you will continue to receive benefits in accordance with the Income Protection Plan rules.

If I am enrolled in the M/C Life Insurance Plan, can I continue it after retirement?

You may continue your M/C Life Insurance as a retiree if you:

- Retire as a member of a New York State publicly administered retirement system,
- Are eligible to retire from a New York State publicly administered retirement system, but choose to defer receipt of your pension when you separate from service, or
- Are not a member of a New York State publicly administered retirement system, but on the date you separate from service you meet the age and service requirements of the retirement plan appropriate for you (if you had joined the retirement system when you were first employed).

If you are enrolled in the M/C Life Insurance Plan, you may choose to continue in the group program or convert to a standard direct-pay policy. If you choose to remain in the group program, you may continue both personal and dependent life insurance in retirement, subject to the age-related life insurance reductions. Your agency Health Benefits Administrator will give you information about continuing coverage or converting to a standard direct-pay policy.

If you are not eligible to continue participation in the M/C Life Insurance Plan, your life insurance coverage will terminate on the last day of the coverage period for which a contribution was made. At this time, you may be eligible to convert to a standard direct-pay policy with the carrier.

For more information, see your M/C Life booklet, request a copy from your personnel office or visit our web site at https://www.cs.ny.gov. Click on Employees, then on State Government Employees. Under Health Insurance and other Employee Benefits, select Life Insurance.

A Web Site for You

Select Employees, then Planning to Retire?

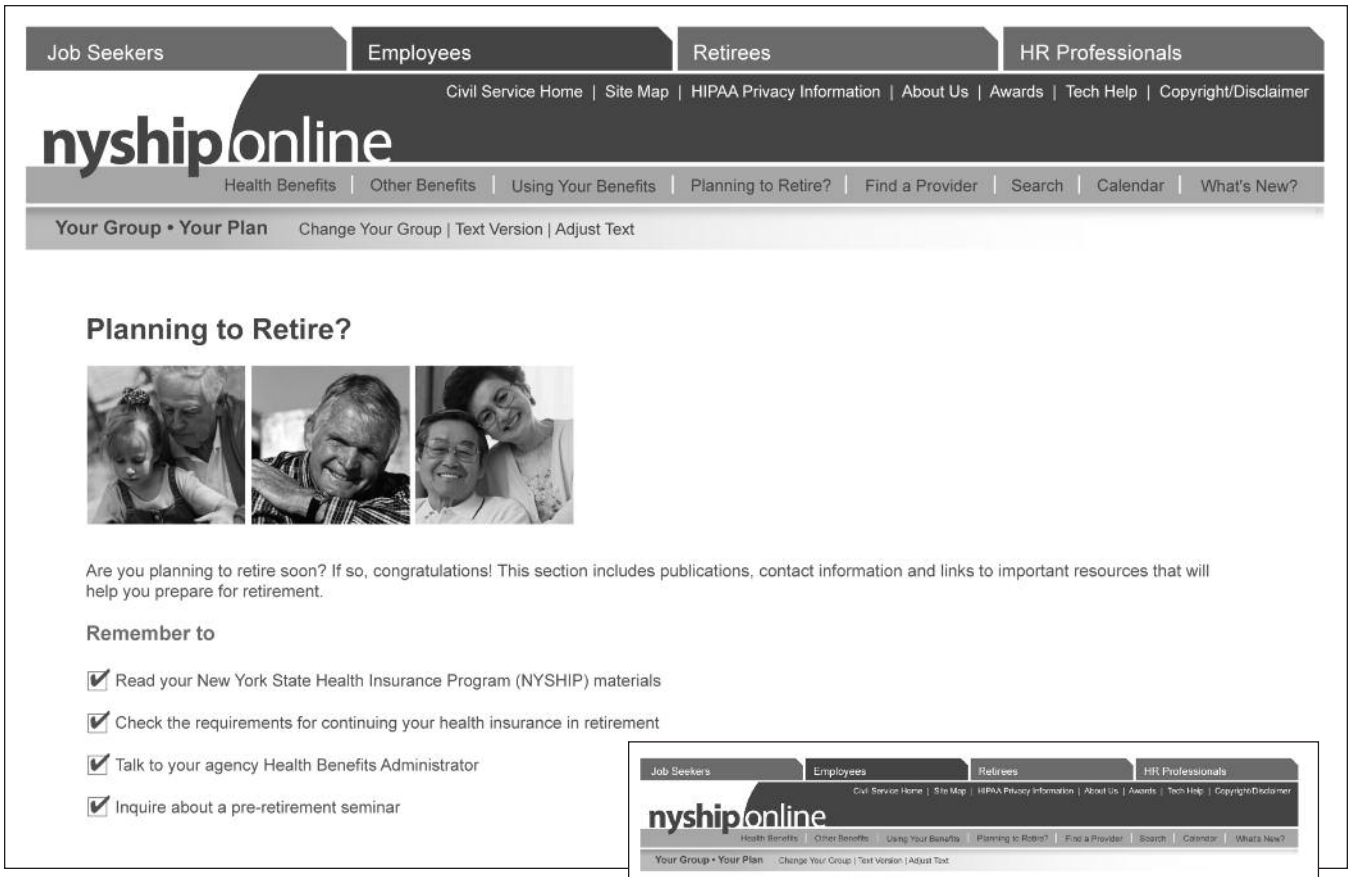
If you have access to the internet, visiting our web site is a great way to stay current with your NYSHIP benefits in retirement and with changes as they occur.

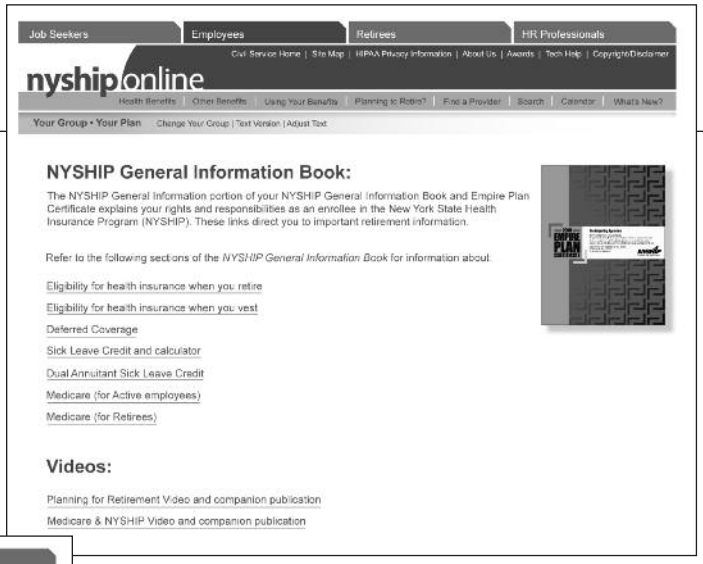
Check out NYSHIP Online, the New York State Department of Civil Service Employee Benefits Division web site, at https://www.cs.ny.gov.

For retirement information, select Benefit Programs and follow the prompts to access NYSHIP Online.

You are now in the NYSHIP Online section of the site. Select Planning to Retire? for a convenient list of links to important resources similar to what is in this booklet, including:

- Eligibility for health insurance when you retire
- Deferring coverage
- Sick leave credit and calculator
- Dual annuitant sick leave credit
- Medicare for retirees





Your *NYSHIP General Information Book* is available online.

In these sections, you can access many Empire Plan publications.

Achieve

Your Next Steps

Contact your agency Health Benefits Administrator

- Make sure you meet the minimum service requirements for continuing benefits in retirement. For health insurance, be especially sure to check any part-time or local government service that may count as qualifying service if you need it.

If you do not meet the requirements to continue coverage, COBRA or a direct-pay policy will allow you to continue health insurance benefits for a limited time period. Read the chapters about COBRA Continuation of Coverage and Changing from NYSHIP to a Direct-Pay Conversion Contract in your *NYSHIP General Information Book*. Talk with your agency Health Benefits Administrator if you have questions.

- If you meet the requirements but do not want your health insurance to continue after you retire, notify your agency Health Benefits Administrator.
- Make sure the information on your enrollment record, such as dates of birth, spelling of names, and addresses, is accurate and up to date.
- Ask your agency Health Benefits Administrator to explain the benefits you will have as a retiree, especially if there are any differences from your employee coverage.
- Discuss the dual annuitant sick leave credit (through which your sick leave credit can be applied toward your surviving dependent's premium), if you have accrued sick leave.
- Be sure to discuss deferred health insurance coverage as an alternative to cancellation.
- Ask for the latest publications about health insurance and other benefits information available to retirees.
- Ask if there is a pre-retirement seminar you can attend.

Contact your Social Security Administration office

If you or a dependent is already age 65 or over, call your Social Security Administration office three months before you retire to enroll in Medicare Parts A and B. You must have Medicare Parts A and B in effect when you retire. (Medicare becomes primary to NYSHIP on the first day of the month following a "runout" period of 28 days after the last day of the last payroll period for which you were paid.)

After you retire, when you or a dependent reaches age 65 and is newly eligible for Medicare, NYSHIP requires you to have Medicare Parts A and B in effect on the first day of the month in which you reach 65, or the first day of the previous month, if your birthday falls on the first day of the month. Plan to sign up three months before turning 65.

Regardless of age, Medicare Parts A and B provide coverage that is primary to NYSHIP when you retire if you or your dependent is qualified to receive Social Security Disability Insurance after 24 months or develops end-stage renal disease after the 30-month coordination period.

You must enroll in Medicare Parts A and B when first eligible for **primary** Medicare benefits. You will be reimbursed monthly for the premium you pay.

If you are moving when you retire

- Before you retire, notify your agency Health Benefits Administrator of any address or phone number change. Check with your agency Health Benefits Administrator to see if you need to change your health insurance option. You can also make certain enrollment changes, address changes or change your health insurance option by going to MyNYSHIP Employee Self-Service at https://www.cs.ny.gov/mynyship, a secure portion of the Employee Benefits Division's home page, NYSHIP Online.
- After you retire, to report certain enrollment changes, address changes or to change your health insurance option, go to MyNYSHIP Enrollee Self-Service at https://www.cs.ny.gov/mynyship. Or, write to:

  State of New York Department of Civil Service
  Employee Benefits Division, Benefits Administration Unit
  Alfred E. Smith State Office Building
  Albany, NY 12239

Be sure to sign your request and include your name, address and your Social Security number or Empire Plan identification number.

Resources

- Talk to your agency Health Benefits Administrator. After you retire, the Employee Benefits Division will serve as your agency Health Benefits Administrator. To speak to a representative, call 518-457-5754 or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands) regular business days between 9 a.m. and 3 p.m. Eastern time. Be prepared to give your Social Security number and date of birth.
- Medicare, which is administered by the Social Security Administration, can be reached at 1-800-MEDICARE (1-800-633-4227), or at the Medicare web site at www.medicare.gov for medical benefits and claims information. Call Social Security at 1-800-772-1213 to enroll in Medicare.
- The Department of Civil Service web site, https://www.cs.ny.gov, has current benefit information. Click on Benefit Programs, then NYSHIP Online.
- The *NYSHIP General Information Book* and *Empire Plan Certificate for Retirees, Vestees, Dependent Survivors and Enrollees covered under Preferred List Provisions* provides details on NYSHIP and coordination of benefits with Medicare.
- The *NYSHIP General Information Book for Retirees, Vestees, Dependent Survivors and Enrollees covered under Preferred List Provisions and enrolled in NYSHIP-approved Health Maintenance Organizations* and your HMO contract explain plan coverage.
- The *Planning for Retirement* video is available from your agency Health Benefits Administrator.
- *Welcome to EBD* helps you stay in touch with the Employee Benefits Division after you retire.
- *Retiree Health Insurance Choices* describes all NYSHIP options.
- *NYSHIP Rates and Information for New York State Retirees* lists the monthly premiums for NYSHIP health insurance coverage.
- *On the Road with The Empire Plan* is a handy guide to your Empire Plan benefits when traveling.
- *Back to Work for New York State* is for State retirees who return to work for New York State and want to understand their health insurance status.
- The *Medicare & NYSHIP* booklet and companion video explain how NYSHIP and Medicare work together to provide health benefits.

After You Retire

After you retire, the Employee Benefits Division (EBD) will serve as your personnel office to answer your health insurance questions and make enrollment changes. EBD works to keep you informed. However, you are responsible for reading and keeping track of the information we send to you.

Will I be told of changes and receive news about my health insurance?

NYSHIP publications such as *Empire Plan Reports* or *NYSHIP Health Maintenance Organizations Reports* as well as other important benefit information is mailed directly to retiree homes. Important certificate amendments and changes are often contained in these reports. EBD also mails enrollees option transfer materials including premium rates and *Health Insurance Choices* (to change your health insurance plan), the retiree benefit statement and other special announcements.

Although EBD mails option transfer materials in the fall when the next year's premium rates are announced, retirees can change options at anytime, as long as it is only once during a 12-month period.

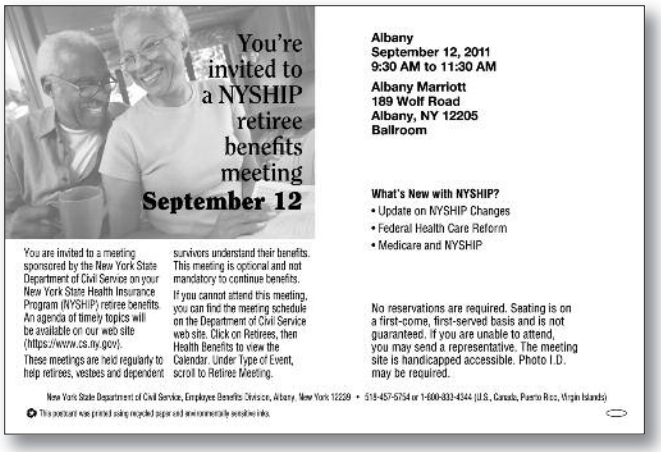
To receive NYSHIP mailings, be sure we have your current address and notify EBD of any changes that affect your enrollment records.

EBD also posts employee benefit information, announcements, meetings and option transfer details on our NYSHIP Online web site at https://www.cs.ny.gov. Click on Benefit Programs, then NYSHIP Online.

Are there meetings or information sessions I can attend?

After you retire, you will be invited to retiree health benefit information meetings. EBD conducts these meetings in various locations throughout New York State during the year. An EBD representative will explain NYSHIP benefits and answer your questions.

Look for the retiree information meeting postcard that will be mailed to your home two to three weeks before a meeting is scheduled in your area.



The meeting schedule is posted on our web site at https://www.cs.ny.gov. Click on Benefit Programs and follow the prompts to access NYSHIP Online. Then choose Calendar. Under Type of Event, scroll to Retiree Meeting and under Time Period to view, choose the time period you would like to view. Then, click on Go Search.

You don't need a reservation to attend these meetings, but seating is first-come, first-served and may not be available for all attendees. All sites are handicapped accessible.

How does EBD protect my privacy?

The Employee Benefits Division safeguards your personal health information. The federal Health Insurance Portability and Accountability Act of 1996 (HIPAA) requirements affect every aspect of the New York State Health Insurance Program.

If, after you retire, someone contacts us on your behalf, we will require additional information before releasing your personal health information. You will have to submit a signed authorization form, or be on the line to provide verbal permission to speak with the caller, before we can release any information.

HIPAA details and the Division's authorization form are available on the New York State Department of Civil Service web site at https://www.cs.ny.gov. Click on Benefit Programs then NYSHIP Online. At the bottom of the screen, choose HIPAA Privacy Information.

If you have any questions or concerns, please call the Employee Benefits Division at 518-457-5754 or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands).

Important Terms to Know

- **COBRA (Continuation of Coverage)**
  The federal Consolidated Omnibus Budget Reconciliation Act, which entitles an individual or covered dependents to continue, for a limited period of time, certain benefits at group rates when coverage would otherwise end.
- **dependent survivor**
  Your dependents enrolled in NYSHIP at the time of your death become your dependent survivors.
- **Dual Annuitant Sick Leave Option**
  This option allows your dependent survivors to use your sick leave credit toward their NYSHIP premium. If you want this option, you must choose it before your retirement date. Your election reduces your sick leave credit to 70 percent.
- **Employee Benefits Division (EBD)**
  The Employee Benefits Division, State of New York Department of Civil Service, administers the New York State Health Insurance Program (NYSHIP). Call 518-457-5754 or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands) for NYSHIP information.
- **fee-for-service**
  A method of billing for health care services. A provider charges a fee each time you receive a service. The Empire Plan is a fee-for-service plan.
- **Health Maintenance Organization (HMO)**
  A managed care delivery system organized to deliver health care services in a geographic area. An HMO provides a predetermined set of benefits through a network of selected physicians, laboratories and hospitals for a prepaid premium. Except for emergency services, you and your enrolled dependents may have coverage for services received only from your HMO's network.
- **HIPAA**
  Under the Health Insurance Portability and Accountability Act of 1996, health plans such as The Empire Plan are required to protect the access to personal health information as well as the confidentiality of this information.
- **IRMAA**
  Medicare enrollees with a modified adjusted gross income (MAGI) in excess of specified amounts are subject to an Income-Related Monthly Adjustment Amount (IRMAA) to be paid in addition to the base cost of Medicare Part B.
- **MAGI**
  Modified adjusted gross income (MAGI) is the total of your adjusted gross income (income from taxable sources less tax deductions) and your tax-exempt income.
- **Medicare**
  A federal health insurance program that covers certain people who are age 65 or older, disabled persons under 65 or those who have end-stage renal disease (permanent kidney failure). Medicare is directed by the federal Centers for Medicare & Medicaid Services (CMS) and administered by the Social Security Administration.
- **Medicare Advantage plan**
  A health plan, such as a Medicare managed care plan or fee-for-service plan offered by a private company and approved by Medicare. The Medicare Advantage plan agrees to accept a fixed monthly payment for each Medicare enrollee. In exchange, the plan provides or pays for medical care needed by the enrollee. If you join a Medicare Advantage plan, you are replacing your original Medicare coverage (Parts A and B) with benefits offered by that plan. These benefits are set in accordance with Medicare's guidelines for benefits offered under a Medicare Advantage plan. Most Medicare Advantage plans include Medicare Part D drug coverage. The benefits under these HMOs are set in accordance with Medicare's guidelines for a Medicare Advantage plan.

- **Medicare reimbursement**
  Social Security deducts the Medicare Part B from your monthly Social Security check or bills you for Medicare Part B. New York State reimburses you for the Part B premium base amount. This does not include late enrollment penalties.
- **New York State Health Insurance Program (NYSHIP)**
  NYSHIP covers over 1.2 million public employees, retirees and their dependents. It is one of the largest group health insurance programs in the country. The Program provides health care benefits through The Empire Plan and NYSHIP-approved HMOs.
- **option**
  A health insurance plan offered through NYSHIP. Options include The Empire Plan and NYSHIP-approved HMOs within specific geographic areas. The Opt-out Program is also considered a NYSHIP option for eligible employee groups.
- **Participating Agency**
  A city, town, municipality or school district in New York State that participates in NYSHIP.
- **Participating Employer**
  A government agency in New York State such as the Thruway Authority or Metropolitan Transit Authority that is maintained and financed from special administrative funds and participates in NYSHIP.
- **pension eligible**
  Entitled to collect a pension from a publicly administered retirement system such as the New York State and Local Employees' Retirement System, the New York State Teachers' Retirement System or the New York State and Local Police and Fire Retirement System.
- **primary/Medicare-primary**
  A health insurance plan is primary when it is responsible for paying health benefits before any other group health insurance. Medicare becomes primary to NYSHIP (if you are not actively employed by New York State) when you turn 65, become disabled or have end-stage renal disease. A coordination period applies. Read NYSHIP plan documents for details.
- **retiree**
  A person who has been enrolled in NYSHIP as an employee and whose health insurance coverage continues after the end of active service under NYSHIP eligibility requirements. An employee must be covered by NYSHIP as an enrollee or dependent on the date of retirement for NYSHIP coverage to continue.
- **sick leave credit**
  The monthly actuarial value of your unused sick leave calculated at the time you retire, which is then applied as a credit toward your share of the cost of your health insurance premium.
- **vestee**
  A person who (1) has withdrawn from State 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 the employer for continuing health insurance in retirement; (4) has not yet met the age requirement for continuing health insurance in retirement.

Contact Information

If You Need to Call or Write

All NYSHIP Retirees

Employee Benefits Division
518-457-5754 or
1-800-833-4344
(U.S., Canada, Puerto Rico, Virgin Islands)
New York State Department of Civil Service
Alfred E. Smith State Office Building
Albany, NY 12239
https://www.cs.ny.gov

Social Security
1-800-772-1213
TTY 1-800-325-0778
Call to enroll in Medicare. Under NYSHIP rules, you/your dependents must be enrolled in Medicare Parts A and B as soon as you/your dependents become eligible for primary coverage under Medicare.
www.ssa.gov

Medicare
1-800-MEDICARE (633-4227)
TTY 1-877-486-2048
Call for Medicare benefits and claims information.
www.medicare.gov

Retirement Systems
Call about retirement checks and retirement system benefits.

NYS and Local Employees' Retirement System
518-474-7736 (Albany area)
1-866-805-0990
www.osc.state.ny.us

NYS Teachers' Retirement System
1-800-782-0289 (Recorded information) or
518-447-2666 (Albany area)
1-800-356-3128
www.nystrs.org

NYS and Local Police and Fire Retirement System
518-474-7736 (Albany area)
1-866-805-0990
www.osc.state.ny.us

TIAA-CREF
1-800-842-2733
212-490-9000 (Collect outside U.S.)
www.tiaa-cref.org

Empire Plan Enrollees

The Empire Plan
1-877-7-NYSHIP (1-877-769-7447)
For enrollee services, precertification and provider relations.
https://www.cs.ny.gov

Medical/Surgical Program
UnitedHealthcare
TTY Only 1-888-697-9054

Hospital Program
Empire BlueCross BlueShield
TTY Only 1-800-241-6894

Prescription Drug Program
UnitedHealthcare/Medco
TTY Only 1-800-759-1089

Mental Health and Substance Abuse Program
UnitedHealthcare/OptumHealth
TTY Only 1-800-855-2881

HMO Enrollees

If you are in a NYSHIP HMO, please refer to your HMO materials for current phone numbers and addresses. Or see our web site, https://www.cs.ny.gov. From the home page, click on Benefit Programs and follow the prompts to access NYSHIP Online. Then choose Health Benefits & Option Transfer. Select Rates and Health Plan Choices. Scroll to Choices for 2012, choose the HTML Version, and then Plans by County.

Aetna

Customer Service
1-800-323-9930
TTY – 1-800-654-5984
99 Park Avenue, New York, NY 10016
www.aetna.com

Blue Choice

Member Services
585-454-4810 or 1-800-462-0108
TTY – 1-877-398-2282
165 Court Street, Rochester, NY 14647
www.excellusbcbs.com

Capital District Physicians' Health Plan, Inc. (CDPHP)

Member Services
518-641-3700 or 1-800-777-2273
TTY – 1-877-261-1164
500 Patroon Creek Boulevard, Albany, NY 12206-1057
www.cdphp.com

Community Blue

The HMO of BlueCross BlueShield of Western New York
PO Box 80, Buffalo, NY 14240-0080
For information, call the nearest Member Services Office:
Buffalo
716-887-8840 or 1-877-576-6440
Olean
716-376-6000 or 1-800-887-8130
Jamestown
716-484-1188 or 1-800-944-2880
TTY – 1-888-249-2583
www.bcbswny.com

Empire BlueCross BlueShield HMO

1-800-453-0113
TTY – 1-800-241-6894
11 Corporate Woods Boulevard
PO Box 11800, Albany, NY 12211-0800
www.empireblue.com

GHI HMO

Kingston
1-877-244-4466
TTY – 1-877-208-7920
789 Grant Avenue, Lake Katrine, NY 12449 or
PO Box 4181, Kingston, NY 12401
www.ghi.com

HIP Health Plan of New York

1-877-861-0175
TTY – 1-888-447-4833
55 Water Street, New York, NY 10041
www.emblemhealth.com

HMO Blue

Excellus BlueCross BlueShield Central New York Region
1-800-447-6269
TTY – 1-877-398-2275
333 Butternut Drive, Syracuse, NY 13214-1803
www.excellusbcbs.com

Excellus BlueCross BlueShield, Utica Region
1-800-722-7884
TTY – 1-877-398-2275
12 Rhoads Drive, Utica, NY 13502
www.excellusbcbs.com

Independent Health

Customer Service
1-800-501-3439
TTY – 716-631-3108
511 Farber Lakes Drive, Buffalo, NY 14221
www.independenthealth.com

MVP Health Care

Customer Service
1-888-MVP-MBRS (687-6277)
TTY – 1-800-662-1220
PO Box 2207, 625 State Street, Schenectady, NY 12301-2207
www.joinmvp.com

Happy Retirement

You can enjoy a happy retirement if you plan ahead. With advance planning and informed decisions, you will create a successful and satisfying life.

This booklet is designed to help you with your retirement planning. Keep it as a handy reference and resource in your retirement.

Good luck!

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It is the policy of the State of New York Department of Civil Service to provide reasonable accommodation to ensure effective communication of information in benefits publications to individuals with disabilities. These publications are also available on the Department of Civil Service web site (https://www.cs.ny.gov). Check the web site for timely information that meets universal accessibility standards adopted by New York State for NYS agency web sites. If you need an auxiliary aid or service to make benefits information available to you, please contact the Employee Benefits Division at 518-457-5754 or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands).

This document is for information purposes only and does not contain a complete description of your benefits or imply Empire Plan coverage. Read your *Empire Plan Certificate* and *Amendments* and *Empire Plan Reports* for complete information.

Planning for Retirement 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 or a NYSHIP-approved Health Maintenance Organization.

NYSHIP
New York State Health Insurance Program

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