

New York State Retiree Health Insurance and Related Benefits: **Frequently Asked Questions**

Am I eligible to continue health insurance after I retire?

You must meet three eligibility requirements to continue NYSHIP coverage for yourself and your eligible dependents after you retire.

First, you must have completed a minimum service requirement:

- If you were hired before April 1, 1975, you must have at least five years of service in benefit eligible positions with NYS and/or a NYSHIP participating employer.
- If you were last hired on or after April 1, 1975, you must have at least 10 years of benefit eligible service.

Second, you must qualify for retirement as a member of a retirement system administered by NYS (i.e., ERS or TRS). If you are not a member of a retirement system or are enrolled in the Optional Retirement Program, you must meet the NYS ERS age requirement (age 55) or be qualified to receive Social Security disability payments.

Third, you must be enrolled in NYSHIP or be an enrolled dependent of someone who is enrolled in NYSHIP on your date of retirement.

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

If you are a member of ERS or TRS, you must meet the minimum service requirement for a disability retirement that is not work related, but the age requirement is waived. Both the age and minimum service requirements are waived for a disability retirement resulting from a work-related illness. If you are a member of the Optional Retirement Program or not enrolled in a retirement system, you must be qualified to receive Social Security disability payments to be eligible to continue your health insurance as a retiree.

Can I leave employment before retirement age and still be eligible to continue NYSHIP coverage?

You are eligible to continue NYSHIP coverage as a "vestee" if you have at least 10 years of eligible service. You will pay both the employee and employer shares of the premium until you turn 55, at which time you can enroll as a retiree and receive the employer share of the premium.

If I am eligible to retire but don't want to start collecting my pension, can I still have health insurance coverage?

Yes, you may continue your NYSHIP coverage under retiree provisions if you meet the eligibility requirements listed above. You will pay the health insurance premium (if any) directly to the Department of Civil Service Employee Benefits Division with this option.

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

Your premium cost for health insurance coverage is the same as that of an active employee. Currently, the State pays 90% of the cost of individual coverage and 75% of the additional cost for family coverage in the NYS Empire Plan. If you are enrolled in an HMO, the State will pay 90% and 75% of the premium, not to exceed the dollar amount it pays for the Empire Plan. You may be able to use sick leave credits to reduce your cost.

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

You will pay your share of the premium through deductions from your ERS or TRS pension check. It may take several months before your deductions begin; the Department of Civil Service will bill you in the meantime. The Department of Civil Service will bill you monthly if you are in the Optional Retirement Program or not enrolled in a retirement program.

How will my sick leave credit help pay my monthly share of the health insurance premium?

Your agency reports your rate of pay and unused sick leave balance to the Employee Benefits Division (EBD) of the Department of Civil Service, and EBD calculates the monthly actuarial value of your sick leave. While there is no minimum amount of sick leave credits you must have as a balance to be eligible for a "lifetime monthly credit", you can only use a maximum of 200 days of unused sick leave to calculate your credit. The result is a lifetime monthly credit that is used to reduce your share of the premium. Although the cost of your coverage may change, the amount of your monthly sick leave credit will remain the same throughout your lifetime.

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

This "lifetime monthly credit" is available to members of ERS/TRS & the Optional retirement program (ORP).

Can my dependents use my sick leave credit after my death?

You may specify that you want your dependent survivors to use your monthly sick leave credit after your death. This is called the Dual Annuitant Sick Leave Credit. You must choose this option before your last day on the payroll. You do not need to have family coverage at the time of retirement to choose this option.

Your sick leave credit will be reduced by 30% for as long as you live if you choose the Dual Annuitant Sick Leave Credit. Your dependent survivors may continue to use the same monthly credit to offset their NYSHIP premium.

Can I delay the start of my retiree health insurance coverage and the use of sick leave credits after I retire?

You may delay the start of your retiree health insurance and the use of your sick leave credit if you have other health insurance coverage. You must request a deferral of your coverage before your last day on the payroll.

Will my health insurance benefits change when I retire?

Your retiree benefits under the Empire Plan may differ slightly (i.e., co-payments). HMO coverage is the same in retirement.

Will my option (Empire Plan or HMO) change?

You may be eligible to change your health insurance plan at retirement or at any other time if you are enrolled in an HMO and you move outside the HMO service area. You must change to another plan as soon as you no longer live or work in your HMO's geographic service area.

As a retiree, you may change your health insurance plan at any time, but only once in a 12-month period. You will receive information about the plans available to you, and their cost, at the end of each calendar year.

Do I have to enroll in Medicare if I am enrolled in NYSHIP?

Yes, NYSHIP requires retirees to enroll in Medicare Parts A and B. Once you are both retired and eligible for Medicare (ie. at age 65) , Medicare becomes your primary insurance (Medicare pays first). Your covered dependents must also enroll when eligible. NYSHIP will not provide any benefits for coverage available under Medicare. If you/a dependent are eligible for Medicare coverage that is primary but fail to enroll when eligible, you will be responsible for the full cost of services that Medicare would have covered.

When should I enroll in Medicare?

If you are planning to retire and you/your spouse are 65 or older, contact your Social Security Office 3 months before active employment ends to arrange for Medicare Parts A and B. NYSHIP will no longer be your primary insurer soon after you retire. Your domestic partner must be enrolled in Medicare at age 65 whether you are an active or retired employee.

If you retire before you/your dependent reach age 65, Medicare becomes primary on the first day of the month in which you/your dependent reach age 65.

Contact Social Security 3 months before the month in which you/your dependent reach age 65. If you do not apply within the 3 months before your 65th birthday, you will have a waiting period before Medicare becomes effective. During the waiting period, you will have a gap in your coverage that could be costly.

If you retire before you/your dependent reach age 65 and begin receiving Social Security Disability, you/your dependent may become eligible for Medicare before reaching age 65. In this case, you/your dependent must enroll in Medicare as soon as you become eligible.

The State will reimburse you and your eligible dependent for the cost of Medicare Part B monthly premiums unless you receive reimbursement from another source.

May I cancel NYSHIP coverage and later re-enroll after I retire?

You may cancel your health insurance and later re-enroll. Under most circumstances, you are subject to a waiting period of up to 3 months before coverage becomes effective again. Upon re-enrolling, you will receive the same monthly sick leave credit as before you cancelled coverage.

Note: If you die after you cancel your NYSHIP coverage, your dependents will not be eligible for dependent survivor coverage.

My spouse and I are both NYS employees. I am eligible for NYSHIP coverage, but I am covered as a dependent on my spouse's plan. Can I reinstate my own coverage as a retiree?

Yes, you may re-establish coverage as a retiree at any time. Contact the Human Resources Benefits office for a Sick Leave Credit Preservation Form before you retire. Notify the Employee Benefits Division of the Department of Civil Service when you need to reactive your NYSHIP coverage in your own name.

Is my coverage affected if I return to State employment after I retire?

Returning to work affects NYSHIP and Medicare in different ways. If you return in a benefit-eligible position with a NYS agency, NYSHIP becomes primary for you and your spouse. (Medicare remains primary for your domestic partner unless your domestic partner is disabled.) Your Medicare reimbursement stops while NYSHIP is primary. If you begin working for an employer other than NYS, Medicare remains primary whether or not you have health insurance through that employer's group plan.

Are my dependent survivors eligible for health insurance after my death?

In most cases, NYSHIP protects your enrolled dependent survivors in the event of your death. Your dependent survivors must send a copy of the death certificate to the Employee Benefits Division of the NYS Department of Civil Service. They will receive extended coverage for 3 months after the month of your death. The last 2 months will be provided at no cost. Your eligible dependent children and your spouse/domestic partner (as long as he/she remains unmarried and does not enter into a domestic partnership) may continue their coverage after the extended benefits period ends. Coverage will end permanently if your dependents choose not to participate or fail to make the required payments.

Can I continue dental and vision coverage after retirement?

Vision coverage is available only through COBRA when you retire. Some unions offer a discount vision plan to their retiree members; contact your union for information. Dental coverage is available through COBRA or through the group dental plan for NYS retirees.

CSEA and UUP employees who receive benefits from a Union Benefit Fund should contact your Union Benefit Fund for information about continuing coverage. UUP employees also have the option of enrolling in one of several UUP retiree dental plans offered to retired members of UUP.

M/C, PEF, and Security employees who are enrolled in NYSHIP and receive dental and vision benefits through the State will automatically receive information on continuing dental and vision coverage under COBRA. Employees who are not enrolled in NYSHIP and receive dental and vision benefits through the State must write to the Employee Benefits Division of the NYS Department of Civil Service to request a COBRA application.

As a retiree, you may choose to enroll in the GHI Preferred group dental plan offered to NYS retirees. You automatically receive an enrollment form after you retire. If you choose COBRA, you also receive this form at the end of the 18-month COBRA period.

You must enroll in the group retiree dental plan at the time 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 health insurance and do not continue automatically. Sick leave credits cannot be used to reduce the premium for these benefits.

What steps should I take before I retire?

Talk with the Human Resources Benefits Office (call extension 4-4946) to set up an appointment at least 6-8 weeks prior to your projected retirement date to complete all necessary documents to process your retirement (including health insurance continuance if you are eligible). Make sure you meet eligibility requirements for continuing benefits in retirement and discuss your options as a retiree. You will need to make some decisions before you retire that will affect your continuing health insurance coverage for you and your dependents. If you plan on moving or relocating after you retire, please notify the Human Resources Benefits Office (call ext. 4-4941).

Contact your Social Security Office if you are eligible to receive Social Security benefits and/or if you are eligible for Medicare.

Where can I get more information?

Before you retire: Contact the Human Resources Benefits Office (464-4946).

After you retire: The Employee Benefits Division of the NYS Department of Civil Service becomes your benefits administrator. To speak to a representative, call 518/457-5754 or 1/800/833-4344 between 9 a.m. and 3 p.m. EST. Or write to them at the State Office Campus - Building 1, Albany, NY 12239.

Access the Employee Benefits Division web site: <http://www.cs.state.ny.us>. Click on Benefit Programs, then NYSHIP Online.

Your Planning for Retirement Health Insurance Coverage and Related Benefits provides information and explains your health insurance benefits in retirement and answers typical questions regarding retiree health insurance:

<http://www.cs.state.ny.us/ebd/ebdonlinecenter/reports/preret/preret08.cfm>.

Your NYSHIP General Information Book provides information on NYSHIP and coordinating benefits with Medicare:

<http://www.cs.state.ny.us/ebd/ebdonlinecenter/newgib/mc/index.cfm>.

Your Empire Plan Certificate or your HMO contract provides details of plan coverage: <http://www.cs.state.ny.us/ebd/ebdonlinecenter/certs/mc/index.cfm>.

Social Security can be reached at 1/800/772-1213 for information about your Social Security benefits and enrolling in Medicare: <http://www.ssa.gov/>

Medicare which is administered by the Social Security Administration can be reached at 1/800/633-4227 for information about medical benefits and claims: www.medicare.gov