

Option Transfer Policy Change Notice

and Questions & Answers

For NYSHIP Enrollees with Retiree Benefits

Effective October 1, 2003 the New York State Department of Civil Service implemented a more flexible health insurance option transfer policy for NYSHIP enrollees with retiree benefits. We believe this will better meet your needs.

NYSHIP enrollees with retiree benefits* are now permitted to change health insurance options at any time during the year; however, once an option change is made, another one may not be made until twelve months later. This replaces the policy that allowed option changes only during the 30-day Option Transfer Period at the end of each year.

Although very few NYSHIP enrollees with retiree benefits change health insurance options each year, the new policy gives you more time to consider factors affecting your health insurance option, and will allow those retirees who are in NYSHIP Medicare Advantage HMOs to better coordinate changes to and from those options. If you decide to change options, you will be able to make that change at a time that suits you best.

The twelve-month period between option transfers will continue to be waived under the following circumstances:

- You are enrolled in an HMO and you move permanently out of that HMO's service area; or
- You move to a new permanent address and your new area is served by a NYSHIP-approved HMO that did not serve your previous home area.

Keep in mind that, except for the circumstances listed above, **you will be permitted only one change during a twelve-month period.**

Please see the attached questions and answers for further details about this change in policy and how it might affect you.

If you have additional questions, call the Employee Benefits Division at 518-457-5754 (Albany area) or 1-800-833-4344.

*NYSHIP Enrollees with Retiree benefits include: Retirees, Vestees, Dependent Survivors and Enrollees Covered Under Preferred List Provisions of New York State Government and Participating Employers and COBRA enrollees with their NYSHIP benefits.

Questions and Answers About NYSHIP Option Transfer for

NYSHIP Enrollees with Retiree Benefits

Q. Will I receive information about the health insurance options available under NYSHIP?

A. Yes. In the fall of each year the Department of Civil Service will mail you the Choices booklet. This booklet describes the various health insurance options that are available under NYSHIP in your area for the upcoming year. It will also include premium rates.

Q. How will I find out about changes in the cost of coverage (rates) for next year?

A. As soon as NYSHIP health insurance rates are finalized, you will receive information about the cost of coverage for the upcoming year. You should receive this information by early December.

Q. If I decide to change my health insurance option, what do I need to do?

A. If you decide to change your health insurance option, you must notify the Department in writing by completing and mailing an Option Transfer Request form. If you are transferring into an HMO you must send the new HMO a completed Notice of Intent to Enroll in an HMO form. Also, if you are Medicare-primary and enrolled in a NYSHIP Medicare Advantage HMO you must complete an Enrollment Cancellation form and send it to the HMO you are leaving. All of these forms will be included in the Choices booklet you will receive later this year. You can also call the Employee Benefits Division at 518-457-5754 (Albany area) or 1-800-833-4344 and request the necessary forms.

Q. Under this new policy, what will be the effective date of my option transfer?

A. The effective date of your option transfer must be the first day of a month. The Option Transfer Request form will ask you for the month you want your change to take effect. Please sign and submit the form to the Department at least 30 days prior to the requested effective date of your change in coverage. Please remember that if you are Medicare-primary and enrolled in a NYSHIP Medicare Advantage HMO, the change in coverage requires coordination with Medicare. Therefore, please request a change into or out of one of these HMOs at least 30 days in advance. If you have questions, please call the Employee Benefits Division at 518-457-5754 (Albany area) or 1-800-833-4344.

Q. Will option transfer information and forms be available on the Internet?

A. Yes. As soon as they are ready for printing, the Choices booklet, rates and forms for changing options will be available on the Department of Civil Service Web site, www.cs.state.ny.us. Click on "Employee Benefits," then on "Choosing a Health Plan?" However, to change your plan, you must mail in the forms. Since your signature is required, we cannot offer this service online at this time.

Q. If I change options in the middle of this year and my benefits change or the cost of the coverage I have selected increases for next year, will I be able to change options again effective January 1 of next year?

A. No, except in the circumstances described in the enclosed letter, effective immediately, you will be permitted to change options only once during any twelve-month period. For example, if you change options effective July 1 of the current year you will not be eligible for another option change until July 1

of the next year. Therefore, if a particular benefit or the cost of coverage is an important consideration for you, you may want to postpone a decision about changing options until you know what your benefits and cost will be for the next calendar year.

Q. If I change options in the middle of the year, and must meet a deductible for certain out-of-network benefits, will I have to meet the full amount even though I'm only in that plan for part of that year?

A. Yes. An annual deductible is for the calendar year.

Please remember: If you are not interested in changing your health insurance option or if the Empire Plan is the only option available to you in your current area of residence, you do not have to take any action.