

# **Chapter 10**

## **Health Insurance**

### **Coverage and**

### **Related Benefits**

**New York State Department of Civil Service, Employee Benefits Division**  
**518-457-5754 or 1-800-833-4344 (United States, Canada, Puerto Rico, Virgin Islands)**

[www.cs.ny.gov/employee-benefits](http://www.cs.ny.gov/employee-benefits)

**We gratefully acknowledge the cooperation of the New York State Department of Civil Service who provided the information contained in this chapter, and who are entirely responsible for its contents.**

The New York State Health Insurance Program (NYSHIP) provides health insurance benefits to State employees through The Empire Plan or NYSHIP-approved Health Maintenance Organizations (HMOs). As you plan for retirement, you have important decisions to make about these benefits. This guide outlines these decisions and answers many benefit questions such as:

*What must I do before my retirement date?*

*What choices must I make before I leave the payroll?*

*Am I eligible to continue health insurance after I retire?*

*How do sick leave credits affect the cost of my health insurance?*

*How does Medicare affect my NYSHIP coverage?*

*Can I continue other benefits such as life insurance, dental and vision care?*

*What happens to my dependents' benefits if I predecease them?*

## ***ELIGIBILITY FOR HEALTH INSURANCE BENEFITS IN RETIREMENT***

***You must meet three eligibility requirements to continue New York State Health Insurance Program (NYSHIP) coverage for yourself and your eligible dependents after you retire. You must meet all three eligibility requirements.***

**Minimum Service Period:** First, you must have completed a minimum service period, which 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 will retire.

**Note:** All New York State agencies count as the same employer for this requirement.

If you **last entered state service** on or after April 1, 1975, you must have at least **10 years** of NYSHIP benefits-eligible State service or at least 10 years of combined NYSHIP benefits-eligible service with the State, one or more Participating Employers (such as the Thruway Authority or Metropolitan Transportation Authority) and/or Participating Agencies (such as towns or school districts) that participate in NYSHIP.

If you **last entered state service** before April 1, 1975, you must have had at least **five years** of NYSHIP benefits-eligible State service, or at least five years of combined NYSHIP benefits-eligible service with the State, one or more Participating Employers (such as the Thruway Authority or Metropolitan Transportation Authority) and/or Participating Agencies (such as towns or school districts) that participate in NYSHIP.

**Note:** The service period does not need to be continuous. An employee will meet this requirement even if there are breaks in service, as long as the service minimums referenced above are met. In addition, “benefits-eligible service” means a period of employment during which you were eligible for NYSHIP coverage at the employee share of the premium.

**Retirement system requirements for retirement and NYSHIP requirements for continuation of health insurance in retirement are different.** For example, some employees with five years of full-time service, or its equivalent, can vest their pensions. However, in order to continue your health insurance coverage as a retiree, most retirees must have 10 years of NYSHIP benefits-eligible service. See the following information on continuing your coverage as a vestee and read your NYSHIP documents for complete information.

Not all employment counts toward achieving eligibility for health insurance in retirement. For example, periods of less-than-full-time employment will count toward the requirement only if you were eligible for NYSHIP health insurance with an employer contribution during that employment. Not all Participating Agency or Participating Employer service counts. Periods of leave without pay, when you are required to pay the full cost of your health coverage, do not count.

Talk with your Health Benefits Administrator (HBA) early in your planning for retirement to make sure that you meet the service requirements for health insurance as a retiree. **Ask your HBA to assist you with calculating your service time.**

**Qualify for Retirement:** 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 Retirement System

[NYSLRS], which comprises the Employees' Retirement System [ERS] and the Police and Fire Retirement System [PFRS] or the New York State Teachers' Retirement System [NYSTRS]) or any of its political subdivisions.

If you are not a member of a retirement system administered by the State or a New York State political subdivision, or you are enrolled in the State University of New York Optional Retirement Program with a plan sponsor such as TIAA, you must satisfy **one** of the following conditions:

- Meet the age requirement of the New York State and Local Retirement System (NYSLRS) retirement tier in effect at the time you last entered service.
- Be qualified to receive Social Security disability payments.

**Enrollment in NYSHIP:** Third, you must be enrolled in NYSHIP as an employee or as a dependent at the time of your retirement. For example, if you were on leave and canceled your health coverage, then retire, you would not be eligible for health coverage as a retiree.

If you are not currently enrolled in NYSHIP but wish to establish eligibility for coverage as a retiree, you must be enrolled prior to the date you retire. You may be subject to a late enrollment period of five biweekly pay periods. You will not be able to defer your retiree coverage if you are not enrolled prior to your retirement.

If you are enrolled in NYSHIP as a dependent, ask your HBA about use of sick leave accruals as well as other provisions, such as deferred health insurance coverage, that may affect you.

**Note:** Participation in the New York State Opt-out Program while an active employee satisfies the requirement of enrollment. However, retirees may not continue to participate in the Opt-out Program.

***I am retiring because of a disability. How does that affect my eligibility for NYSHIP?***

If you have been approved for a disability retirement from a retirement system administered by New York State or any of New York State's political subdivisions, you have met the requirement of qualifying for retirement as a member of a New York State public retirement system. For an ordinary disability retirement that is not work-related, you must meet the minimum service requirement to be eligible for NYSHIP as a retiree. For a disability retirement resulting from a work-related illness or injury, the minimum service period requirement is waived. In either case, you must be enrolled in NYSHIP on the effective date of your disability retirement either as an employee or a dependent to be eligible to continue coverage in NYSHIP as a retiree.

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

If you have not continued your coverage while on leave or while in vestee or COBRA status and a retroactive disability 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 of the letter from the retirement system granting your disability retirement, and you must provide the Employee Benefits Division with a copy of your disability retirement approval letter.

If you do not apply in writing within one year, the Employee Benefits Division will not reinstate your coverage unless you provide medical documentation that you were unable to apply during that time. You may be responsible for paying retroactive NYSHIP premiums and/or be subject to a waiting period to reinstate NYSHIP coverage as a retiree once a disability retirement is granted. Contact the Employee Benefits Division for more information.

***Can I end my employment before retirement age and still be eligible to continue NYSHIP coverage?***

If your employment with the State ends before you are eligible to apply for a pension and you vest (secure rights to) your state pension, contact your HBA before your last day of work to determine if you are eligible to continue health insurance coverage as a vestee. You must have 10 years of NYSHIP benefits-eligible service and be enrolled in NYSHIP either as an enrollee or dependent at the time you leave the payroll.

If you are eligible to continue coverage as a vestee but do not elect this coverage or if you enroll as a vestee and fail to make the required premium payments, coverage for you and any dependents will be terminated permanently.

As a vestee, you must pay the full cost of the premium (both the State and employee share). You will receive a monthly billing statement. If you fail to make timely premium payments, your health insurance coverage may be canceled for nonpayment. You may not reenroll as a vestee at a later date and you lose your eligibility for coverage as a retiree.

**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 collect your pension. If your spouse or domestic partner is eligible for NYSHIP coverage in their own right, you may be able to continue coverage as a dependent under your spouse or domestic partner's NYSHIP policy. This is most likely a less expensive alternative to full share vestee coverage.

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

If you are eligible to retire and delay collecting your State pension, you may continue your NYSHIP coverage as a retiree if you meet the eligibility requirements. Ask your HBA about "constructive retirement." With this option, you must pay the health insurance premium (if any) directly to the Employee Benefits Division.

***RETIREE COST/SICK LEAVE CREDIT***

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

The amount you must contribute toward the cost of your health insurance coverage as a retiree will be based upon your salary grade (or equivalent) at the time of retirement. Retiree premium payments are collected monthly, rather than biweekly. You may be able to use accumulated sick leave accruals to reduce your monthly premiums.

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

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

Pension deductions usually begin once your eligibility for retiree benefits has been confirmed by the Employee Benefits Division. If the Employee Benefits Division does not have your pension information at the time your retiree benefits are confirmed, you will be billed directly each month for your share of the premium until deductions from your pension check begin.

It is important to pay your monthly bill until pension deductions begin or risk having your health insurance coverage canceled for nonpayment. If your coverage is canceled for nonpayment, you may later reenroll in coverage. However, in most cases, you will be subject to a three-month waiting period before coverage becomes effective.

***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 to reduce the cost of your NYSHIP premium — either The Empire Plan or a NYSHIP HMO.

Sick leave credit can be applied toward your NYSHIP premium only if you retire directly from active employment, Leave Without Pay status, Preferred List coverage or if you 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. Sick leave credits also cannot be applied to COBRA premiums.

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 they participate in the Income Protection Plan (IPP).

Most employees can use a maximum of 200 days (165 days for PBA and PIA) of unused sick leave to calculate sick leave credit. See your HBA for details. **Using your sick leave credit for health insurance will not affect the value of your sick leave for pension purposes.**

To estimate the value of your sick leave credit, see below or visit NYSHIP Online at [www.cs.ny.gov/employee-benefits](http://www.cs.ny.gov/employee-benefits). Choose your group and plan, if prompted. From the NYSHIP Online homepage, select Planning to Retire? and choose Sick Leave Credit Calculator.

***How will my sick leave credit be calculated?***

Your sick leave credit is calculated by dividing the total dollar value of your sick leave by your actuarial life expectancy in months. The formula used to calculate your sick leave is as follows:

$$\begin{array}{ccccccc} \text{Hours of Unused Sick} & & \times & & \text{Hourly Rate of Pay} & & = & & \text{Total Dollar Value of} \\ \text{Leave} & & & & & & & & \text{Sick Leave} \end{array}$$

$$\begin{array}{rcccl} \text{Total Dollar Value of} & \div & \text{Life Expectancy in} & = & \text{Your Monthly Sick} \\ \text{Sick Leave} & & \text{Months} & & \text{Leave Credit} \end{array}$$

The result of this calculation is a lifetime monthly sick leave credit used to reduce your share of the monthly NYSHIP premium for as long as you are enrolled in NYSHIP. If the NYSHIP premium rises, the monthly premium you pay also may rise. Each year you will receive the publication entitled *NYSHIP Rates & Information for Retirees of New York State* to notify you of any changes to your monthly premium. In addition, you will receive a personalized sick leave credit insert with the annual *Rates & Information*, so 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.

If your monthly sick leave credit does not fully cover your share of the monthly premiums, you must pay the difference. Payments are remitted directly to the Department of Civil Service or taken via pension deduction. If the credit is equal to or exceeds your share of the monthly premiums, you will pay nothing. If the credit exceeds your share of the monthly premium, you will not receive the difference.

**Note:** Sick leave credit cannot be combined with or transferred for another employee's use. Only sick leave accrued by the enrollee (contract holder) may be used to reduce that same enrollee's (contract holder's) premium.

### ***CHOICES TO BE MADE BEFORE YOU LEAVE THE PAYROLL***

#### ***Can I defer my retiree health insurance coverage and the use of my sick leave credit?***

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 are enrolled in other health insurance coverage at the time of your retirement**. If you choose to defer health insurance coverage, you must make that election **before** your retirement date by completing Form PS-406.2, *NYSHIP Health Insurance Deferral Election*, and provide proof of your other coverage to your HBA. For assistance with deferring retiree health coverage, contact your HBA.

There may be advantages to delaying the start of your NYSHIP retiree coverage. During the period of deferment, you do not have to pay the NYSHIP premium. The value of your sick leave credit may be higher at the time you elect to begin your retiree coverage because it will be calculated when you are older. If you defer your coverage, you may reenroll in NYSHIP coverage at any time without a waiting period. Typically, reinstatements are effective the first of the month following the date of request.

If you have **family** coverage in effect at retirement and you die while your coverage is deferred, your spouse/domestic partner and any other eligible dependents who were covered at the time of retirement may be eligible to reenroll in NYSHIP coverage as dependent survivors. **They must write to the Employee Benefits Division requesting reenrollment in NYSHIP within 90 days of your death.** Eligibility requirements for your 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.

***How can I ensure that my dependent survivors can continue to use my sick leave credit toward their health insurance premiums if I die?***

Before you retire, you may specify that you want your dependent survivors to use your monthly sick leave credit toward their NYSHIP premium if you die. This is called the Dual Annuitant Sick Leave Credit Option. You do not have to have family coverage at the time of retirement to choose this option, but your dependents **must be enrolled** under your NYSHIP health insurance coverage at the time of your death. **Your sick leave election has no effect on your survivors' rights to continue NYSHIP health insurance coverage as dependent survivors. Only the amount of premium they are required to pay will be affected.**

If you choose the Dual Annuitant Sick Leave Credit Option, 70 percent of your sick leave credit will be used to offset your premium for as long as you live. Your eligible dependents who outlive you may continue to use 70 percent of the monthly credit to offset the cost of their NYSHIP premium.

For example, suppose your monthly sick leave credit is \$26.61. If you choose the Dual Annuitant Sick Leave Option, your monthly sick leave credit will be 70 percent of \$26.61, or \$18.63. The same amount (\$18.63 per month in this example) will be available to your dependents in the event of your death, as long as they remain eligible for NYSHIP and are enrolled as dependent survivors.

**Note:** The credit cannot be used to reduce COBRA premiums. It cannot be combined with your dependent's own sick leave credit, even if your dependent was also employed by the State.

To elect the Dual Annuitant Sick Leave Credit Option, submit Form PS-405, *NYSHIP Sick Leave Credit Option Election* to your HBA **before your retirement date**. If you do not indicate your choice before your retirement becomes effective, the full value of your sick leave credit (up to a maximum of 200 days for most employees or 165 days for PBA and PIA) will be applied to your premium automatically and no sick leave credit will be available to your dependent survivors. This means that your survivors may be eligible to continue their health insurance, but none of your sick leave credit will be available to offset their portion of the NYSHIP premium. For more information, refer to your *NYSHIP General Information Book*, or contact your HBA.

Once you elect the Dual Annuitant Sick Leave Credit Option, you may not discontinue it. If your dependent(s) dies before you, you will continue to have the 70 percent sick leave credit to offset your NYSHIP premium.

## ***MEDICARE AND YOUR NYSHIP COVERAGE***

### ***What is Medicare?***

Medicare is a federal health insurance program for people who:

- Are 65 or older.

OR, regardless of age:

- Have received Social Security Disability Insurance (SSDI) benefits for 24 months.
- Have completed Medicare's waiting period for up to three months due to end-stage renal disease (ESRD).



- Are receiving SSDI benefits due to amyotrophic lateral sclerosis (ALS)

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

**Yes. NYSHIP requires all enrollees to be enrolled in Medicare Parts A and B when first eligible for primary Medicare coverage (Medicare pays first, before NYSHIP). Your covered dependents must also be enrolled when first eligible for primary Medicare coverage.**

As an **active** employee, if you or your dependents are eligible for Medicare, it is in most cases secondary to NYSHIP coverage, so enrollment is **not** required.

**There are two exceptions:**

- Domestic partners: Regardless of the enrollee's employment status, Medicare is primary for a domestic partner age 65 and older.
- End-stage renal disease (ESRD): If you or your dependent is eligible for Medicare due to ESRD, contact Medicare at the time of diagnosis. Medicare becomes primary to NYSHIP when Medicare's 30-month coordination period is completed.

**If you and/or your dependents are eligible for Medicare when you are retired, Medicare will become primary to NYSHIP and therefore enrollment in Medicare Parts A and B is required.**

Requirements for enrolling in Medicare apply to both Empire Plan and NYSHIP HMO enrollees and dependents. Requirements for enrolling in Medicare also apply if you or your dependent has NYSHIP coverage and coverage under another employer plan.

**If you or your dependents fail to enroll in a timely manner, NYSHIP coverage for you or your dependents may be canceled, or you may experience a reduction in coverage as NYSHIP will not provide benefits for services Medicare would have paid if you or your dependents had enrolled.**

*When should I contact Medicare?*

If you are planning to retire, and you or your spouse is 65 or older or eligible for Medicare coverage due to disability, contact your Social Security Administration office **three months before** active employment ends to arrange for Medicare Parts A and B coverage. If you are receiving Social Security benefits you may automatically receive a Medicare card about three months before you become eligible for Medicare. It will show both Medicare Parts A and B coverage, with the option to decline Medicare Part B. Do not decline! Be sure to enroll in Medicare Part B or your NYSHIP benefits may be canceled or reduced.

NYSHIP will no longer be your primary insurer soon after you retire. Be sure you are enrolled in Medicare Parts A and B at that time. Your coverage as a retiree begins after a 28-day runout period of your active coverage. Medicare becomes primary the first of the month following this runout. **Your domestic partner must be enrolled in Medicare as of the first day of the month in which they turn 65 whether you are an active employee or retiree.** If diagnosed with end-stage renal disease, please

contact the Employee Benefits Division for more information about when you should enroll in Medicare Parts A and B.

If you retire before you or your dependent reaches age 65, Medicare generally becomes primary to NYSHIP on the first day of the month in which you/your dependent reaches age 65 (or if the birthday falls on the first of the month, Medicare will become effective on the first day of the month preceding the 65<sup>th</sup> birthday). Contact the Social Security Administration three months before the month in which you or your dependent becomes eligible to enroll in Medicare. If after you retire, you or your dependent becomes eligible for Medicare due to disability, you must enroll in Medicare Parts A and B when first eligible. Persons eligible for Medicare due to end-stage renal disease should refer to the NYSHIP *General Information Book* and contact the Employee Benefits Division to determine when Medicare becomes primary.

**If you do not apply three months prior to the month of the 65<sup>th</sup> birthday (or three months prior to the date of your retirement if you are older than 65), you may be subject to a waiting period before Medicare becomes effective. During that waiting period, NYSHIP coverage for you or your dependents may be canceled, or you may experience a reduction in coverage as NYSHIP will not provide benefits for services Medicare would have paid if you or your dependents had enrolled.**

### *Is there a cost for Medicare?*

In most circumstances, there is 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 Medicare Part A and may keep NYSHIP as their primary coverage for Medicare Part A benefits. If the Social Security Administration tells you that you must pay for Part A, contact the Employee Benefits Division.

Most Medicare enrollees pay a standard Medicare Part B premium amount set annually by the federal government. The Social Security Administration deducts the Medicare Part B premium from your monthly Social Security benefit. If you do not receive Social Security, you pay the Medicare Part B premium directly to the Centers for Medicare and Medicaid Services (CMS). If you pay Medicare premiums directly to CMS, be sure to make timely payments. Failure to pay premiums, will result in the cancellation of your Medicare coverage, which will significantly reduce your overall benefits and may result in the cancellation of your NYSHIP coverage.

Most Medicare enrollees with Medicare Part D coverage pay a standard premium amount set annually by the federal government. If you are covered under The Empire Plan with Empire Plan Medicare Rx coverage, or a NYSHIP Medicare Advantage plan, this premium is included in your NYSHIP premium.

In addition to the standard premiums for Medicare Parts B and D, Medicare enrollees with a higher Modified Adjusted Gross Income (MAGI) pay an additional Income-Related Monthly Adjustment Amount (IRMAA), a Medicare premium amount adjusted for their income, for Medicare Part B coverage and a separate IRMAA for Medicare Part D coverage.

Retirees with incomes below the MAGI threshold are not responsible for any additional premium. For details regarding the income levels and premiums associated with IRMAA, visit [www.medicare.gov](http://www.medicare.gov) or call Medicare at 1-800-MEDICARE (1-800-633-4227).

### ***Will NYSHIP reimburse me for my Medicare premiums?***

When Medicare is primary to NYSHIP, NYSHIP reimburses you for the standard Medicare Part B premium (excluding any penalty for late enrollment) and any IRMAA you must pay for Medicare Part B, unless you receive reimbursement from another source, or your Medicare premium is being paid by another entity on your behalf. **You are not entitled to reimbursement for any Medicare Part D IRMAA costs.** Failure to pay Medicare Part D IRMAA will result in the termination of your Empire Plan or Medicare Advantage plan coverage.

If you have Family coverage under NYSHIP, NYSHIP also must reimburse you for the standard Medicare Part B premium and any Medicare Part B IRMAA imposed for any Medicare-primary dependent, provided the dependent is not reimbursed by another source or the premium is not paid by another entity.

If you receive a pension check, any reimbursement for the standard Medicare Part B premium will be added to your pension check. If you make direct payments to the Employee Benefits Division, reimbursements will be credited toward your monthly NYSHIP premium payments. If your Medicare reimbursement exceeds your health insurance premium, you will receive a quarterly refund check for the difference from the Office of the State Comptroller.

If you and/or your dependent are subject to the additional IRMAA cost for Medicare Part B, please contact the Employee Benefits Division or visit our website for information and forms on IRMAA reimbursement.

### ***Can I enroll in more than one Medicare plan?***

**You can be enrolled in only one Medicare plan\* at a time.** Therefore, enrolling in a Medicare Advantage or Medicare Part D plan outside of your NYSHIP coverage will terminate your NYSHIP benefits for you and any covered dependents. If your dependent enrolls in a Medicare Part D plan or Medicare Advantage plan outside of NYSHIP, their NYSHIP coverage will be terminated.

\* If you are currently enrolled in another plan as a dependent or through private insurance, check with that plan before you become Medicare eligible to determine if the plan will enroll you in a Medicare product. Many plans will automatically enroll you in Medicare Part D or a Medicare Advantage plan when you become Medicare eligible. If you enroll in almost any other additional Medicare plan, even one that does not include a Medicare Part D plan, you will be disenrolled from your NYSHIP Medicare plan (including The Empire Plan or a Medicare Advantage plan, if enrolled through a NYSHIP HMO). If you have questions about enrolling in another plan, please contact the Employee Benefits Division.

### ***Who do I contact if I have more questions about Medicare?***

For more information on Medicare reimbursement and how Medicare affects NYSHIP benefits, see your NYSHIP *General Information Book, Planning for Retirement, Medicare & NYSHIP*, other plan documents and your Health Benefits Administrator.

If you have any questions about your Empire Plan coverage, call 1-877-7-NYSHIP (1-877-769-7447), (TTY: 1-800-863-5488). If you have questions about your NYSHIP HMO coverage, including prescription drug coverage, contact your NYSHIP HMO.

For information on Medicare benefits and claims, call 1-800-MEDICARE (1-800-633-4227). To enroll in Medicare, call the Social Security Administration at 1-800-772-1213. If you have any

questions regarding the coordination of Medicare with NYSHIP, call the Employee Benefits Division at 518-457-5754 or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands).

## ***CHANGES AFTER RETIREMENT***

### ***Will my health insurance benefits change because I retire? Will my option (The Empire Plan or a NYSHIP HMO) change?***

Your retiree benefits under The Empire Plan or a NYSHIP HMO may differ somewhat from those you received as an active employee. Retirees are billed once a month instead of over the course of 26 bi-weekly pay periods. Before you retire, contact your HBA about retiree coverage.

You are eligible to change your NYSHIP option at retirement (or any other time once in a 12-month period). If you do not change your NYSHIP option at the time of retirement, you will continue coverage under the same NYSHIP option you had as an active employee.

There are certain events in which you may be eligible to change your NYSHIP option more than once in a 12-month period. Please see page 4 of your NYSHIP *General Information Book* for more information.

HMO enrollees: You **must** change to another plan as soon as you no longer live or work in your HMO's NYSHIP-approved geographic service area. This applies to Medicare Advantage plans as well.

As a retiree, you are no longer subject to the annual Option Transfer Period. However, you may only change your NYSHIP option once during a 12-month period unless you experience a qualifying life event. You will receive information in the mail near the end of each calendar year, including summaries of all NYSHIP options available to you and their costs.

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

After you retire, you may cancel your NYSHIP 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 becomes effective again. Upon reenrolling, you will receive the same monthly sick leave credit you had, if any, before you canceled your 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.

### ***If I have NYSHIP coverage as a dependent through my spouse/domestic partner, can I reinstate 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 at any time. Ask your HBA for a copy of Form PS-410, *NYSHIP Sick Leave Credit Preservation*, before you leave State service. This document preserves your sick leave information.

Notify the Employee Benefits Division in writing if a pending divorce or other change requires that you reactivate your NYSHIP coverage in your own name (and attach a copy of Form PS-410 if you will be enrolled as a retiree for the first time).

***If I return to State employment after I retire, how does this affect my NYSHIP coverage?***

If you return to work in a benefits-eligible position with a State agency and you or your dependent(s) is eligible for Medicare, NYSHIP will be primary to Medicare for you and for your Medicare-eligible dependent(s). (Exception: Your domestic partner is age 65 or older or you or your dependent is Medicare-eligible because of end-stage renal disease and no longer in the Medicare coordination period.)

During any period when NYSHIP coverage is primary to Medicare coverage, your reimbursement for the Medicare premium will stop.

If you begin working for an employer other than the State and continue your NYSHIP retiree coverage, Medicare pays primary to NYSHIP whether or not you have health insurance coverage through that other employer's group plan. Coverage through your current employer would be primary to Medicare and NYSHIP.

Ask your HBA for complete information and a copy of the NYSHIP publication *Back to Work for New York State* or call the Employee Benefits Division at 518-457-5754 or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands).

***DEPENDENT SURVIVOR COVERAGE***

***If I die, will my dependent survivors be eligible for health insurance under NYSHIP?***

If you had at least 10 years of service with a New York State public employer, NYSHIP protects your **enrolled** dependents in the event of your death. Your dependent survivors must send a copy of your death certificate to the Employee Benefits Division.

**Note:** Your qualified dependent survivors are eligible for dependent survivor coverage whether or not you choose Dual Annuitant Sick Leave Credit.

Dependent survivor coverage and eligibility limitations are explained in your NYSHIP *General Information Book*. Make sure your family knows to call the Employee Benefits Division for information on dependent survivor coverage.

***DENTAL AND VISION BENEFITS***

***Can I continue dental and vision coverage after retirement?***

In certain instances, dental and/or vision coverage is available through the federal Consolidated Omnibus Budget Reconciliation Act (COBRA) when you retire. Dental coverage is also available through the direct pay dental plan offered to New York State retirees by EmblemHealth.

COBRA entitles an individual and/or covered dependent to continue certain benefits at group rates for a limited period of time after coverage would otherwise end.

Effective January 1, 2024, dependents up to age 26 are eligible for dental and vision benefits regardless of student status. Active employees should see their HBA to enroll eligible dependents in dental and/or vision coverage. Retirees should contact the Employee Benefits Division for information on adding eligible dependents to their current COBRA dental and/or vision benefits.

## **COBRA**

M/C, PEF, NYSCOPBA, Council 82, PBA, PIA and APSU employees who receive dental and vision benefits through the State-administered plan will automatically receive information on continuing dental and vision coverage under COBRA.

If you are eligible for COBRA coverage and do not receive an application within 30 days of retiring, write to the Employee Benefits Division for an application.

Send your name, last four digits of your Social Security number, address, telephone number with area code and reason for requesting the application to:

COBRA Unit  
New York State Department of Civil Service  
Employee Benefits Division  
Albany, NY 12239

You must request continuation coverage under COBRA no later than 60 days after your coverage would otherwise end (or within 60 days from the date you are notified of eligibility for COBRA due to a reduction in your hours or termination of employment, whichever is later). If you do not continue coverage under COBRA, your employee dental and vision coverage will end 28 days after the last day of the last payroll period in which you worked.

Employees who receive dental and vision benefits through a union Employee Benefit Fund may be eligible to continue coverage through their union Employee Benefit Fund under COBRA. Contact your union Employee Benefit Fund for information and to find out when your benefits end.

## **DENTAL PLAN FOR RETIREES**

As a retiree, you may choose to enroll in the EmblemHealth Direct Pay Preferred Dental Plan offered to NYS retirees. You should automatically receive an enrollment form after you retire. If you applied for dental coverage through COBRA, you should also receive this enrollment form at the end of the 36-month COBRA period. If you do not receive it, call EmblemHealth at 1-800-947-0101.

If you wish to enroll in the group retiree dental plan, you must do so at the time of your retirement or at the end of your COBRA eligibility. These are your only opportunities to enroll.

**Note:** Dental and vision benefits are not part of your health insurance and do not continue automatically. Also, sick leave credit cannot be used to reduce the premium for these benefits.

## ***OTHER BENEFITS***

### ***How can I continue hearing aid coverage after retirement?***

If you are an Empire Plan enrollee, a hearing aid benefit is part of the retiree Empire Plan benefits package.

If you are enrolled in an NYSHIP HMO, check whether hearing care coverage is part of your current benefit package. If your current NYSHIP HMO coverage includes a hearing benefit, you continue to be eligible for it as a retiree. Confirm with your NYSHIP HMO if this benefit changes upon eligibility for primary Medicare coverage.

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

The New York State Public Employee and Retiree Long Term Care Insurance Plan (NYPERL) expired on April 30, 2016. If you purchased long term care insurance through NYPERL prior to this date, 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 have questions, contact NYPERL toll free at 1-866-474-5824.

### ***If I was enrolled in an Income Protection Plan, will it continue after retirement?***

Your eligibility for enrollment under the Income Protection Plan ends when you retire. Eligibility ends on your last day on the payroll as an active employee.

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

### ***Can I continue life and accident and sickness insurance?***

If your position is assigned to a negotiating unit that provides life/accident and sickness insurance through a union Employee Benefit Fund and you have coverage under that program, contact your union Employee Benefit Fund for information about your right to continue that insurance.

If you are an M/C employee with accident and sickness insurance, there are no conversion rights for this coverage. You may not continue it when you retire.

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

You may continue your M/C Life Insurance as a retiree if you fall into one of the following categories:

- You retire as a member of a retirement system administered by New York State (such as the New York State and Local Retirement System [NYSLRS] or the New York State Teachers' Retirement System [NYSTRS]) or any of its political subdivisions.
- You are eligible to retire from one of the retirement systems listed above but choose to defer receipt of the pension when you separate from service.

- You are not a member of any retirement system administered by the State or its political subdivisions, but on the date of your separation from service you met the age and service requirements of the retirement plan appropriate for you if you had joined the retirement system at the time of first employment.

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

If you are enrolled in the group life insurance program for M/C employees, you may choose to continue in the program, cancel your coverage or convert to a direct-pay policy. If you choose to remain in the program, you may continue both personal and dependent life insurance in retirement, subject to the age-related life insurance reductions. Your HBA will give you information about continuing coverage, canceling your coverage or converting to a direct-pay policy.

### ***WHAT STEPS SHOULD I TAKE BEFORE I RETIRE?***

***Talk with your agency Health Benefits Administrator ( HBA).***

Here are some things to discuss:

- Make sure you meet the minimum service period requirements for continuing benefits in retirement. For health insurance, be sure to check if any part-time or local government service will count toward your minimum service requirement.
- 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 period of time. Read the section on COBRA Continuation of Coverage and Direct-Pay Conversion Contracts in your NYSHIP *General Information Book* and benefit materials. Ask your HBA for details.
- Make sure you are eligible to draw your pension or meet the retirement qualifications for your retirement system.
- Make sure you are enrolled in NYSHIP coverage in your own right or as a dependent.
- Make sure the information on your enrollment record, such as dates of birth, addresses and spelling of names, is accurate and up to date.
- Ask your HBA to explain the benefits you will have as a retiree, especially if there are any differences from your employee coverage.
- Ask your HBA about changes you are eligible to make to your plan such as changing your option or your coverage from Family to Individual.
- Ask your HBA to provide information about the Dual Annuitant Sick Leave Credit Option (through which your sick leave credit can be applied toward your surviving dependent's premium). The Dual Annuitant Sick Leave Credit Option must be requested before your retirement date.



- If you meet the requirements for continuing benefits in retirement, but do not want your health insurance to continue after you retire, you should defer your coverage. Ask your HBA for information about deferred health insurance coverage. This election must be made **before** your retirement date. **Note:** Proof of other coverage is required to defer your coverage and for calculation of your sick leave credit.
- Ask your HBA for the latest publications on health insurance and other benefits information available to retirees.

***Contact your Social Security Administration Office.***

If you or a dependent (other than your domestic partner) is already 65 or older or otherwise eligible for Medicare, call your Social Security Administration office three months before you retire to enroll in Medicare Parts A and B. Medicare-eligible enrollees and dependents must be enrolled in Medicare Parts A and B when Medicare becomes primary to NYSHIP. Remember, Medicare becomes primary to NYSHIP on the first day of the month after your active employer group coverage ends.

If Medicare eligibility is based on end-stage renal disease, Medicare becomes primary after completion of a 30-month coordination period, regardless of employment status. If you turn 65 during the coordination period, Medicare is still secondary to NYSHIP until your coordination period ends. Medicare goes into effect the first of the month following the month when you or a dependent turn 65, or the month prior if the birthday falls on the first day of the month. Plan to sign up three months before turning 65, or otherwise becoming eligible for primary Medicare coverage.

***If you are moving:***

- Before you retire, notify your HBA of any address, email or phone number change, and check with your agency to see if you need to change your health insurance option.
- After you retire, report enrollment and address changes by writing to: New York State Department of Civil Service, Employee Benefits Division, Albany, NY 12239.

***Where can I get more information?***

Here are some additional sources of information on continuing health insurance and related benefits in retirement:

- After you retire, the Employee Benefits Division will serve as your HBA. To speak to a representative, call 518-457-5754 or 1-800-833-4344 (U.S., Canada, Puerto Rico, Virgin Islands) on regular business days between 9 a.m. and 4 p.m. Eastern time.
- The Department of Civil Service website, [www.cs.ny.gov](http://www.cs.ny.gov), provides information on retiree benefits. Choose Retirees from the top navigation, then Health Benefits.
- Medicare, which is jointly administered by the Social Security Administration and the Centers for Medicare & Medicaid Services (CMS), can be reached at 1-800-MEDICARE (1-800-633-4227) for benefits and claims information. Call the Social Security Administration at 1-800-772-1213 to enroll in Medicare.

The following resources can be found on the NYSHIP Online portion of the Department of Civil Service website:

- The NYSHIP *General Information Book* for retirees, vestees, dependent survivors and employees covered under Preferred List provisions provides information on NYSHIP and coordinating benefits with Medicare.
- The *Empire Plan Certificate*, or your NYSHIP HMO contract (available from your NYSHIP HMO), provides details of plan coverage.
- The *Empire Plan at A Glance* for New York State retirees is a summary of Empire Plan benefits and responsibilities.
- Retiree *Health Insurance Choices* provides option transfer information and brief descriptions of all NYSHIP options.
- NYSHIP *Rates & Information for Retirees of New York State* provides information about service areas and premium rates of all NYSHIP options.
- The *Medicare & NYSHIP* booklet explains how NYSHIP and Medicare work together to provide health benefits. There is also a companion video for this booklet on our website.
- *Welcome to EBD* helps you stay in touch with the Employee Benefits Division after you retire.
- *On the Road with The Empire Plan* is a handy guide to 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.

## ***RETIREMENT CHECKLIST*** ***for Health Insurance***

As you approach retirement, it is useful to determine what you know, what you've done and what you need to find out or do.

Read each of the statements below and circle YES or NO based on your current understanding or knowledge of the situation. For each NO response, consult the text of this self-help guide, your HBA or the Employee Benefits Division to obtain an answer. You may want to use the same space to record other personal questions about this topic.

1. I have the minimum service time necessary to retire with health insurance benefits.

**YES NO**

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2. I am eligible to collect a pension or meet the retirement qualifications for my retirement system.

**YES NO**

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3. I am currently enrolled in NYSHIP.      **YES NO**
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4. I am sure that I am eligible to continue my health insurance as a retiree.

**YES NO**

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5. I know what to do to continue my health insurance coverage when I retire.

**YES NO**

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6. I know what my health insurance premium will be after retirement and how I will pay it.

**YES NO**

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7. I understand the process by which my unused sick time, if any, is converted to a credit and used to reduce my health insurance premium.

**YES NO**

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8. I have tried to estimate my sick leave credit.

**YES NO**

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9. I understand what changes I can make to my plan such as changing my option or my coverage from Family to Individual.

**YES NO**

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10. I have considered whether to choose the Dual Annuitant Sick Leave Credit Option.

**YES NO**

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11. I understand how Medicare interacts with my NYSHIP coverage, and I, and/or my dependents, have contacted the Social Security Administration to enroll in Medicare, if eligible.

**YES NO**

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12. I know when, why and how I must vest my health insurance, if I so choose.

**YES NO**

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13. I understand what happens to my dental and/or vision coverage after my retirement.

**YES NO**

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14. I understand my M/C Life Insurance benefits in retirement.

**YES NO**

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