

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

We gratefully acknowledge the cooperation of the New York State Department of Civil Service, Employee Benefits Division, who provides the information contained in this chapter and who is solely responsible for its contents.

As a State employee, the New York State Health Insurance Program (NYSHIP) provides your health insurance benefits through The Empire Plan or a NYSHIP-approved Health Maintenance Organization (HMO). As you plan for retirement, you have important decisions to make about your health insurance and other benefits. This guide explains 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 Requirement: 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 retired. **Note:** All New York State agencies count as the same employer for this requirement.

If you were **last hired** 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 were **last hired** 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.

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 (see previous information regarding last hired date) 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. 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 is comprised of 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-CREF, you must satisfy **one** of the following conditions:

- Meet the age requirement of the Employees' Retirement System retirement tier in effect at the time you last entered service, or
- 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 will 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 Health Benefits Administrator about use of sick leave accruals and the dual annuitant sick leave option, 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 publicly administered 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 a 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 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 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 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 (this one-year deadline applies if the date of your disability retirement was *not* granted retroactive to the last day you were enrolled in NYSHIP as an active employee, vestee or COBRA enrollee, 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. 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 (that is, 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 covered 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 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 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. 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?

For retirements 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 upon your salary grade (or equivalent) at the time of retirement. Retiree premium payments are collected monthly, rather than on a biweekly basis. 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, your share of the health insurance premium will be deducted from your monthly pension check, or you will be sent a monthly bill and remit 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, you will be billed directly for your share of the premium. Your first bill will include premiums due beginning with the point at which you were no longer paying as an active employee through the current billing period. You will then be billed on a monthly basis. Expect to be billed for several months before deductions begin.

When your pension check is finalized, the retirement system notifies the Employee Benefits Division and your pension deductions begin automatically. You must pay what you are billed until your deductions begin or you may be canceled for non-payment of premium. This could result in a break in coverage.

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

If you are eligible to use 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. **Note:** Using your sick leave credit for health insurance will not affect the value of your sick leave for pension purposes.

The result of the calculation is a lifetime monthly sick leave credit that is used to reduce your share of the monthly health insurance premium for as long as you remain enrolled in NYSHIP. Remember that premium rates are recalculated each year, usually effective each January 1. **If the retiree premium rises, the amount you pay may also rise.** To determine the amount you will pay, subtract your monthly sick leave credit from the new monthly premium, as reported to you in *NYSHIP Rates & Information for Retirees of New York State*, which is issued each time rates are changed.

Your sick leave credit is a lifetime credit and the value remains constant as long as you remain enrolled in NYSHIP as a retiree. You can use a maximum of 200 days (165 days for certain groups) of earned sick leave. See your HBA for details.

Note: *Sick leave credit does not apply to judges, justices, and other enrollees who are not entitled to accumulate sick leave.*

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.

Sick leave credit can be applied toward your Empire Plan or HMO premium only if you retire directly from active employment, Leave status, Preferred List coverage, or are approved for disability retirement retroactive to your last date of employment **and** your premiums are paid in full through your retirement date. 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, visit the NYSHIP Online portion of the Department of Civil Service web site at www.cs.ny.gov/employee-benefits. From the homepage, click on Planning to Retire?

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 have other health insurance coverage**. If you choose to defer health insurance coverage, you must make that election **before** your retirement date, by completing Form PS-406.2. For assistance with deferring retiree health coverage, contact your HBA.

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 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 for NYSHIP coverage at any time without a waiting period.

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 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.**

Dependent eligibility requirements for reenrollment are the same, whether retiree health insurance coverage is deferred or not.

How can I assure 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. If you want this option, you must request it in writing **before your retirement date**. 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. 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 option, your monthly sick leave credit will be 70 percent of \$26.61, or \$18.63. The same amount (\$18.63 a month in this example) will be available to your dependents as long as they remain eligible for NYSHIP and are enrolled as dependent survivors. **Note:** The credit cannot be used to reduce COBRA premium. 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 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 or 165 days for certain groups) 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.

Once you elect the Dual Annuitant Sick Leave Credit Option, you may not discontinue it. If your dependent(s) die 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
- have received Social Security disability benefits for 24 consecutive months, or
- have end-stage renal disease (permanent kidney failure) or
- have been awarded a Social Security disability benefit due to amyotrophic lateral sclerosis (ALS), more commonly known as Lou Gehrig's disease.

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:

1. If you or your eligible dependent is diagnosed with end-stage renal disease, Medicare becomes primary after an initial 30-month coordination period, regardless of whether coverage is provided under an active or retired employee contract.

2. If you are covering a domestic partner who is 65 or older, the domestic partner must be enrolled in Medicare Parts A and B when first eligible, regardless of your employment status.

In most cases, when you retire Medicare is the primary coverage for you and/or your dependents, if eligible, and therefore Medicare enrollment is required.

Requirements for enrolling in Medicare apply to both Empire Plan and 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 dependent is eligible for Medicare coverage that is primary to NYSHIP but fails to enroll when first eligible, **you will be responsible for the full cost of services that Medicare would have covered had the Medicare-eligible person been enrolled.**

When should I contact Medicare?

If you are planning to retire, and you or your spouse is 65 or older or eligible for primary Medicare coverage due to disability, contact your Social Security office *three months before* active employment ends to arrange for Medicare Parts A and B coverage.

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 domestic partner must be enrolled in Medicare at age 65 whether you are an active or retired employee.** If diagnosed with end-stage renal disease, you or your dependent must have Medicare Parts A and B in effect upon completion of the Medicare 30-month coordination period whether you are an active or retired employee.

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 the first of the month before the birthday if the birthday falls on the first of the month). Contact Social Security 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 Medicare to determine when Medicare becomes primary.

If you do not apply three months preceding the month of the 65th birthday, you may be subject to a waiting period before Medicare becomes effective. During that waiting period you will have a gap in your coverage that could be very costly for you.

If you or your dependent is eligible for Medicare coverage that is primary to NYSHIP, the State will reimburse you for the standard cost of Medicare Part B monthly premiums unless you are receiving reimbursement from another source.

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 may 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, his or her 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 they will enroll you in a Medicare product. Many plans will automatically enroll you in Medicare 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 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).

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

If you have any questions about your Empire Plan coverage, call 1-877-7-NYSHIP (1-877-769-7447), 24 hours a day, seven days a week (TTY: 1-800-863-5488). If you have questions about your HMO prescription drug coverage, call your HMO.

For information on Medicare benefits and claims, call 1-800-MEDICARE (800-633-4227). To enroll in Medicare, call Social Security 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 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 an HMO) change?

Your retiree benefits under The Empire Plan or a NYSHIP HMO may differ somewhat from those you received as an active employee. Ask your HBA for retiree information for The Empire Plan. If you are enrolled in an HMO, ask your HMO about retiree coverage.

You are eligible to change health insurance plans (options) at retirement (or any other time once in a 12-month period) if you meet criteria described in your *NYSHIP General Information Book*. Otherwise, you continue to have the same plan you had as an active employee. 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. If you are enrolled in a Medicare Advantage HMO, you must change to another plan as soon as you no longer live in your Medicare Advantage HMO's NYSHIP-approved geographic service area.

As a retiree, you are no longer held to the annual Option Transfer Period. However, you may only change health insurance plans (options) once during a 12-month period. You will receive information in the mail near the end of each calendar year, including summaries of all NYSHIP plans 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 again becomes effective. 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, State 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) are eligible for Medicare, NYSHIP will be primary to Medicare for you and for your Medicare-eligible dependents. (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 10 years of NYSHIP benefits-eligible service, NYSHIP protects your **enrolled** dependents in the event of your death. Your dependent survivors must send a copy of your death certificate to the New York State and Local Retirement System or the New York State Teachers' Retirement System, or to the Employee Benefits Division if you were not a member of a retirement system administered by New York State or you elected to pay your premium directly to EBD. **Note:** Choosing the Dual Annuitant Sick Leave Option is not a requirement for dependent survivor coverage.

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.

OTHER BENEFITS

Can I continue dental and vision coverage after retirement?

Dental and/or vision coverage is available through COBRA when you retire. Dental coverage is also available through the group dental plan for New York State retirees via GHI/EmblemHealth.

COBRA, the federal Consolidated Omnibus Budget Reconciliation Act, 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.

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

Send your name, 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 also choose to enroll in the GHI Preferred Group Dental Plan offered to New York State 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 the form, call GHI/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.

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 HMO, check to see whether hearing care coverage is part of your current benefits package. If your current HMO coverage includes a hearing benefit, you continue to be eligible for it as a retiree. Confirm with your 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?

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 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 IPP benefits when you retire, you will 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 retire as a member of a retirement system administered by New York State (such as the New York State and Local Retirement System or the New York State Teachers' Retirement System) or any of its subdivisions, or
- 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, or
- 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 HBA.

Here are some things to discuss:

- 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.
- 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 chapters on COBRA Continuation of Coverage and Changing from NYSHIP to a Direct-Pay Conversion Contract 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 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 to provide information about Deferred Health Insurance Coverage. This election must be made **before** your retirement date.*

* Proof of other coverage is required to defer your coverage and 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 over 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-primary enrollees and dependents must be enrolled in Medicare Parts A and B. (If applicable, 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 payroll period in which you retire.)

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. After you retire, when you or a dependent reaches age 65, Medicare goes into effect on the first day of the month of reaching age 65, or the first of the month prior to if the birthday is the first 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 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, Program Administration Unit, 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:

- Talk to your HBA. 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 web site, www.cs.ny.gov, provides information on retiree benefits under the Retirees tab on the homepage. Choose 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 medical benefits and claims information. Call Social Security 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 web site:

- 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 HMO contract (available from your HMO), provides details of plan coverage.

- *The Empire Plan At A Glance* for New York State retirees is a brief summary of your 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 service areas and premium rates of all NYSHIP options.
- The *Medicare & NYSHIP* booklet and companion DVD explain how NYSHIP and Medicare work together to provide health benefits.
- *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 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.

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 Health Benefits Administrator, 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**

2. I am eligible to collect a pension, or meet the retirement qualifications for my retirement system. **YES NO**

3. I am currently enrolled in NYSHIP. **YES NO**

4. I am sure that I am eligible to continue my health insurance as a retiree. **YES NO**

5. I know what to do to continue my health insurance coverage when I retire. **YES NO**

6. I know what my health insurance premium will be after retirement, and how I will pay it. **YES NO**

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**

8. I have tried to estimate my sick leave credit. **YES NO**

9. I have considered the benefits of Single Annuitant vs. Dual Annuitant sick leave credit, if applicable. **YES NO**

10. I understand how Medicare interacts with my NYSHIP coverage, and I, and/or my dependents, have contacted Social Security to enroll in Medicare, if eligible. **YES NO**

11. I know when, why and how I must vest my health insurance, if I so choose. **YES NO**

12. I understand what happens to my dental and/or vision coverage after my retirement. **YES NO**
