



INFORMATION ANNOUNCEMENT

Andrew M. Cuomo
Governor

RoAnn M. Destito
Commissioner

2015 NYSHIP Opt-out Program

The New York State Health Insurance Program (NYSHIP) will again offer the opt-out program for plan year 2015. This program allows eligible employees represented by CSEA, PEF, NYSCOPBA, Council 82, and Management/Confidential (M/C) employees, who have other employer-sponsored group health insurance, to opt-out of their NYSHIP coverage in exchange for an incentive payment.

If the other employer-sponsored group health insurance coverage is through employment other than employment with the Executive, Legislative, or Judicial Branch of New York State government, including the State University of New York, then the employee may opt-out of NYSHIP under the program provisions. If the other coverage is through another State employee or retiree, the employee is **not** eligible for the opt-out program.

All employees planning to participate in the opt-out program for 2015 including those currently enrolled must sign-up for the program by **January 16, 2015**. The opt-out program does **not** automatically renew each year.

Opt-out Program Requirements

In order to be eligible for the opt-out program and to receive the incentive payment enrollees must:

- Provide plan information and attest to having other employer-sponsored group health insurance coverage in effect as of the opt-out effective date; and
- Either participated in the opt-out program for the 2014 plan year or have been enrolled in NYSHIP continuously and in their own right, as a state employee, on April 1, 2014 or on the date first eligible for NYSHIP if that date is after April 1, 2014 through the end of the year for all periods of time for which the employee is eligible for employee-share premiums.

Employees who are not currently enrolled in the opt-out program or NYSHIP cannot enroll in the opt-out program for the 2015 plan year.

Employees Currently Participating in the Opt-out Program

The opt-out program does **not** automatically renew each year. NYS employees who currently participate in the opt-out program will receive a notice from the Department of Civil Service Employee Benefits Division and must submit a [PS404 Health Insurance Transaction Form](#) and a [PS409 Opt-out Attestation Form](#) in order to continue in the opt-out program for the 2015 plan year. Opt-out payments will end with the last bi-weekly payroll check for plan year 2014 for all employees who fail to submit the required documents during the annual option transfer period which ends on December 31, 2014.

Incentive Payments for the Opt-out Program

The annual incentive amount for opting out of NYSHIP coverage is \$1,000 for individual coverage or \$3,000 for family coverage. The incentive payments will be prorated and reimbursed through the employee's biweekly paychecks throughout the year (payable only when an employee is on the payroll and meets the requirements to be eligible for the State to contribute to the cost of NYSHIP coverage).

The incentive amount will be credited to the employee's bi-weekly payroll check and will be treated as taxable income. The bi-weekly incentive amounts will be \$38.47 for opting out of individual coverage (\$1,000/26 paychecks) or \$115.39 for opting out of family coverage (\$3,000/26 paychecks).

Incentive payments to employees participating in the opt-out program for 2015 will begin at the same time the plan year's rate changes.

Opting-out for Employees Currently Enrolled in NYSHIP

Employees who are currently enrolled in NYSHIP and wish to participate in the opt-out program must elect to opt-out during the Annual Option Transfer Period and must complete a [PS409 Opt-out Attestation Form](#) and a [PS404 NYS Health Insurance Transaction Form](#).

Opting-out for Newly Eligible Employees

Only employees as noted below are considered newly eligible for the Opt-out Program:

1. An employee who is newly eligible to enroll in NYSHIP and wishes to participate in the opt-out program must make the election during the applicable 42 or 56 day waiting period for health insurance (e.g., a newly hired employee).
2. An employee newly working in a position eligible for benefits (e.g., changed from working 30% to 60%).
3. An employee who is newly eligible for the opt-out program as the result of a change in negotiating unit (this only applies if the prior negotiating unit does not offer opt-out) may elect to participate in the program within 30 days of the effective date of the negotiating unit change (e.g., changed from NYS Police Investigators Association (PIA) represented enrollee to a NYSCOPBA represented enrollee).

An employee who is transferring from one state agency to another is not newly eligible unless the employee was previously working in a non-benefits eligible position, or in a bargaining unit not eligible for the opt-out program. A newly eligible employee must complete both a [PS409-Opt-out Attestation Form](#) and a [PS404-NYS Health Insurance Transaction Form](#) in order to participate in the opt-out program.

Changes Affecting Opt-out Program Eligibility

1. An employee loses eligibility for participation in the opt-out program during any period when:
 - The employee is no longer employed in a benefits eligible position; or
 - The employee no longer meets the requirements for the state to contribute to the cost of NYSHIP coverage; or
 - The employee is no longer in a position assigned to a negotiating unit eligible for the opt-out program.

If an employee loses eligibility for the opt-out program temporarily because of being off the payroll, experiencing a reduction of hours, or being on leave, the employee will automatically resume participation in the opt-out program for the remainder of that year upon regaining eligibility.

2. An employee receiving the incentive for opting out of family coverage whose last dependent loses NYSHIP eligibility, will only be entitled to the Individual incentive payment, effective on the date the dependent loses eligibility.
3. Employees who enrolled in family coverage between April 1, 2014 and the end of the 2014 plan year are only eligible for the higher incentive payment for 2015 if they had a qualifying event and applied on a timely basis. Otherwise, the employee is only eligible for the individual incentive payment.
4. If the employee is no longer eligible for other employer sponsored group health insurance coverage he/she is no longer eligible for the opt-out program.

Re-enrollment in NYSHIP

Employees who participate in the opt-out program may re-enroll in NYSHIP during the next annual option transfer period. To re-enroll in NYSHIP coverage at any other time, employees must experience a qualifying event, such as a change in family status (e.g.; marriage, birth, death, or divorce) or loss of the other employer sponsored group health insurance. Employees must complete a [PS404 Form](#) within 30 days of the date of the qualifying event and provide proof of the qualifying event, or the re-enrollment will be subject to NYSHIP's late enrollment rules. See the [NYSHIP General Information Book](#) found on the NYS Civil Service website at www.cs.ny.gov for details on late enrollment waiting periods.

Retirement while In the Opt-out Program

Participation in the opt-out program is considered participation in NYSHIP for purposes of establishing eligibility for NYSHIP coverage in retirement. Retirees are **not** eligible for the opt-out program, so participation terminates when the employee's eligibility for NYSHIP coverage as an active employee ends.

Instructions for submitting Forms to the BSC for the 2015 Opt-out Program

For employees of agencies that are BSC HR customers, the forms should be submitted to the BSC Benefits Unit by emailing them to BSCBenefitsAdmin@ogs.ny.gov, faxing to (518) 457-1879, or mailing to OGS-BSC Human Resources Benefits Unit, 50 Wolf Road, 3rd Floor Albany, NY 12232.

If you have any questions regarding the opt-out program, please reach out to the BSC benefits unit at BSCBenefitsAdmin@ogs.ny.gov or call (518) 457-4272, Option 2, and then Option 3. If you are an employee in an agency that does not receive HR services from the BSC, please contact your agency's Human Resources Office. For a list of current BSC HR customer agencies, please visit the BSC Website at <http://bsc.ogs.ny.gov/content/our-customers>.

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For more information visit the BSC website or contact the BSC today!

Email: bsc@ogs.ny.gov

Tel: (518) 457-4272

Website: <http://bsc.ogs.ny.gov>