Employee Health Insurance Premium Contributions
For CSEA Employees with a Change in Salary Grade

Overview

The New York State Department of Civil Service (DCS) recently released information regarding New York State and CSEA having reached an agreement to amend the process regarding employee health insurance premium contributions to coincide with the timing of changes to an employee’s salary grade. With this recent change, instead of premium contributions changing annually for employees promoted or demoted, it will now change with the pay period in which an employee’s promotion or demotion occurs.

Please see the chart below which summarizes the CSEA employee share of cost based on pay grade level.

<table>
<thead>
<tr>
<th>Pay Grade</th>
<th>Individual Coverage</th>
<th></th>
<th>Dependent Coverage</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>State Share</td>
<td>Employee Share</td>
<td>State Share</td>
<td>Employee Share</td>
</tr>
<tr>
<td>Grade 9 and Below</td>
<td>88%</td>
<td>12%</td>
<td>73%</td>
<td>27%</td>
</tr>
<tr>
<td>Grade 10 and Above</td>
<td>84%</td>
<td>16%</td>
<td>69%</td>
<td>31%</td>
</tr>
</tbody>
</table>

Rate Change Information and Effective Dates

Per the agreement, the DCS Employee Benefits Division has performed the initial update to the premium rate qualifiers using the salary grade information in effect on May 1, 2013. Please note if a CSEA-represented employee has a salary grade or full-time equivalent annual salary change after May 1, 2013, and this change necessitates an adjustment to their premium contribution, the contribution will be adjusted to the beginning of the closest pay period of the promotion or demotion.

As a result, CSEA-represented employees who were promoted or demoted in the 2013 calendar year and whose grade level change necessitated a premium rate change have experienced an adjustment to their August 14, 2013 paycheck. For example, CSEA employees that were promoted and changed their salary grade from a Grade 9 or below to a Grade 10 or above, will see an additional health insurance deduction listed on their paycheck as “special before tax health adj”. A maximum of $100.00 may be deducted from each paycheck until the retroactive balance is paid in full. For CSEA-represented employees that experienced a demotion, changing their salary grade from a Grade 10 or above to a Grade 9 or below, will see a credit for the health insurance overpayment listed on their paycheck as “-special before tax health adj”. This amount was originally a before-tax deduction that is now taxable income.
In addition, the Employee Benefits Division will routinely monitor and perform updates to identify if employee salary grade changes require a change in premium rate contribution. Any necessary changes based on the table of grades and rates above will be reflected in subsequent paychecks.

If you have questions or concerns regarding this announcement, please contact the Business Services Center Benefits Unit at (518) 457-4272, or e-mail BSCBenefitsAdmin@ogs.ny.gov.

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

Email: bsc@ogs.ny.gov  
Website: https://bsc.ogs.ny.gov

Tel: 518-457-4272  
Fax: 518-486-9166

BSC HR Mailing Address:  
Corning Tower, 32nd Floor, Empire State Plaza  
Albany, NY 12242