



## SOUTHERN TIER ENVIRONMENTS FOR LIVING

To: Medical Insurance Eligible Participants

From: Thomas Whitney, Executive Director  
Mark Wasiewicz, Human Resources Director *MW*

Date: September 27, 2012

Re: **Medical Insurance Information & Open Enrollment**

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As open enrollment rapidly approaches we want to share with you important information about your group medical insurance.

### What's happening....

1. Open enrollment changes are effective December 1, 2012. Open enrollment decisions must be made by mid November. More specific information is forthcoming soon.
2. As of this moment we do NOT have final rates for the 2012/13 plan year. We should have the rates no later than October 1st. Once we have the new rate information we expect to have our health insurance options and employee contributions rates on or around October 10th.
3. **Budget Buster!** - Right now we expect our rates to increase about 23% from last year. This increase would amount to approximately \$150,000 increase cost to the agency. Honestly, this is a "budget buster" for the agency.
4. Funding reductions continue: FMAP-Federal Medical Assistance Percentage 1.1% in the amount of \$50,000/ yr. Medicaid exempt income "take back" \$289,000 for fiscal year (FY) 2007-2008. This "take back" will continue for FY 2009, 2011 and 2012. In addition, this reduction will continue for the current fiscal year and future years. Moreover, other related business costs continue to increase i.e. workers' compensation.
5. As a result of funding reductions and exorbitant medical insurance rate increases; the rate increases will likely result in significantly higher employee contributions, especially for family plan participants. Employee contribution for family plans **may** increase to \$486 /month.
6. Despite the continuing funding reductions the agency continues it's commitment to fund our medical insurance benefits at the same budgeted amounts.
7. As always we are working hard to evaluate our medical insurance options including: obtaining competitive bids, evaluating different funding models,

and modifying existing plans. Our objective is to provide the best possible coverage for our staff members and families.

**Quick Facts**

- Annual **agency 2012** contribution for health insurance - \$663,000.00.
- Annual single plan **agency 2012** contribution - \$5,073.00.
- Annual family plan **agency 2012** contribution - \$12,296.00

**“What Can I do?”**

**Family plan participants take action now.** If you have family coverage and determine the employee contribution is unaffordable we strongly encourage you to consider alternatives. Alternatives include:

- Consider changing to spouse’s family plan, if applicable.
- Evaluate a New York State health insurance option. There are several NYS options available such as Medicaid, Child Health Plus, Family Health Plus and Family Health Plus Premium Assistance. The plan options vary contingent on family household size, participant’s ages, and income. We encourage staff members to evaluate these options in an attempt to obtain the best possible medical insurance solution for you and your family members.

**Helpful Information**

We have sent an Access NY Health Care application to all family plan participants. We encourage staff members to complete and submit the application ASAP to determine if you or any family members are eligible for a NY State health insurance option. Eligibility determination period is between 30 and 45 days.

We encourage you submit an application **BEFORE** we have our 2012/2013 rate information is release. You will be able to amend your application when our new rate information is available.

For more information please see - [http://www.health.ny.gov/health\\_care/family\\_health\\_plus/application.htm](http://www.health.ny.gov/health_care/family_health_plus/application.htm)

You may also call your county’s department of Social Services Medicaid Office for more information.

Cattaraugus County 716-701-3500	Chautauqua County 716-661-8200	Erie County 716-858-8000	Allegany County 585-268-9305
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