



New York State Correctional Officers & Police Benevolent Association, Inc.

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TO: NYSCOPBA Chief Sector Stewards –
Southern Region and Mid-Hudson Region

FROM: Sharon Smith, Health Benefits Specialist

DATE: March 15, 2010

RE: Empire Plan/Blue Cross/Blue Shield Hospital Network
Empire Blue Cross/Blue Shield HMO

This memo is a follow-up to a letter members received from Empire Blue Cross/Blue Shield (affecting both the Empire Plan and their HMO product) concerning Stellaris Health Network (SHN) and contract negotiations (contract expires 4/1/10). Since no settlement has been reached to date, we felt it important to provide updated coverage information. Lacking an agreement, the following hospitals will no longer participate in either the Empire Plan or HMO network effective 4/1/10:

1. Lawrence Hospital Center (Bronxville)
2. Northern Westchester Hospital (Mt. Kisco)
3. Phelps Memorial Hospital Center (Sleepy Hollow)
4. White Plains Hospital Center (White Plains)

As a result, for members covered under the Empire Plan, except in cases of emergency, services provided by any of these SHN hospitals beginning April 1st will be covered out-of-network, as follows:

Services (other than cases of emergency) shall be reimbursed at 90 percent of charges and the member will be responsible for the additional 10 percent. There will be a combined annual inpatient/outpatient coinsurance maximum of \$1500 for enrollee, \$1500 for enrolled spouse/domestic partner and \$1500 for all dependent children combined for non-network hospital services. This coinsurance maximum cannot be combined with any coinsurance maximums for other Empire Plan components.

Covered outpatient services received at one of these hospitals effective 4/1/10 will be reimbursed at 90 percent of charges or a \$75 copayment, whichever is greater. The non-network outpatient coinsurance will be applied toward the \$1500 annual coinsurance maximum.

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Once the enrollee, enrolled spouse/domestic partner or all dependent children combined have incurred \$500 in non-network expenses, a claim may be filed with the medical carrier (United HealthCare) for reimbursement of the next \$500 in out-of-pocket expenses.

Empire Plan services received at a non-network hospital will be reimbursed at the network level of benefits effective April 1, 2010, under the following situations:

- cases of emergency;
- inpatient/outpatient treatment needed is only offered by one of these hospitals;
- access to a network hospital exceeds 30 miles or does not exist;
- for continuation of care for pregnancy or health risk; or
- for any services that were previously preauthorized.

Due to the terminations, the following may also occur:

- patients may be refused treatment for non-emergency services or elective treatment at SHN;

- although a hospital cannot refuse emergency treatment to a patient, once the patient is stabilized, the hospital might choose to transfer the patient to another hospital;

- patients may be required to make payment up front, before services are rendered by SHN;

- patients may be required to sign a guarantee of payment before receiving services which may include an outline of a payment schedule, as well as interest, that can be charged on any outstanding balance; or

- SHN will no longer be required to bill Empire Blue Cross/Blue Shield directly so enrollees may be responsible for filing claims to obtain reimbursement.

Attached is a list of in-network area hospitals members can continue to receive services from.

For members covered under the HMO, attached is a "Questions and Answers" sheet which explains how this change affects their coverage and provides a list of alternate in-network hospitals.

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Negotiations are ongoing and hopefully an agreement will be reached before the deadline; however, we felt it important to inform you of the non-network hospital benefits should the contract expire. If a settlement is reached, we will notify you immediately.

Should you have any questions regarding this information, feel free to contact me at NYSCOPBA, extension 236.

SS

Attachments

cc: NYSCOPBA Executive Board
NYSCOPBA Jt. Committee of Health Benefits