

Healthy NY Program



“Health Insurance for the Uninsured”

Healthy NY Toll Free Phone No: 1-866-HEALTHY NY (1-866-432-5849)

Healthy NY Program Guidance

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1. The 2010 High Deductible Health Plan (HDHP) Amounts

The Healthy NY High Deductible Health Plan (HDHP) minimum annual deductible will increase as of January 1, 2010. The 2010 minimum annual deductible, as set by the Internal Revenue Service, will be \$1,200 for individuals and \$2,400 for families. Health plans are allowed and encouraged to offer more than one annual deductible amount as long as one product is available at the minimum annual high deductible amount for both coverage that includes prescription drugs and coverage that does not.

In the past, the Department has set a minimum annual deductible amount that exceeded the federal requirement, so that health plans did not have to change these deductible amounts each year to comply with the federal minimum. Going forward, we encourage health plans to submit this deductible to the Department as variable material in a rider to the contract. For health plans that currently use variable material for their HDHP deductible, changing the amount of the deductible will suffice. Health plans that do not use variable material will either need to submit a rider with this information as variable material, or change and submit existing contracts with regard to this deductible amount.

Amended contracts will be effective as of January 1, 2010. Members should be given notice no less than 30 days before this change goes into effect. This change will not reset the amount that current HDHP enrollees have already spent toward the deductible, unless the deductible was otherwise scheduled to reset on that date. Members' deductibles may not be reset until plan recertification or upon issuance of new coverage.

Note that for 2010, the maximum annual Health Savings Account (HSA) contribution is also being increased. Individuals with self-only coverage may contribute up to \$3,050. Families may contribute up to \$6,150. Also note that the maximum annual out-of-pocket amount for Healthy NY HDHP coverage will not change, but will remain at the current amount of \$5,250 for individuals and \$10,500 for families.

2. New Law: Continuation Coverage Extension to 36 Months

On July 29, 2009, Governor Paterson signed into law Chapter 236 of the Laws of 2009, which improves access to health insurance for New Yorkers by making state continuation coverage (“mini-COBRA”) available for a total of up to 36 months. Previously, the length of time that a person could have coverage pursuant to federal COBRA or state mini-COBRA depended on why the person lost coverage. Under the law, people eligible for federal COBRA or state continuation coverage may receive a total of up to 36 months of coverage, regardless of the reason for the coverage loss. This extension applies to Healthy NY small business and sole proprietor coverage.

3. New Law: Dependent Coverage Extension

Chapter 240 of the Laws of 2009 became effective September 1, 2009. The law allows a young adult who would otherwise be ineligible for coverage under a parent’s health insurance policy because of age to continue or obtain coverage under a parent’s policy under certain circumstances. The law has two distinct parts: the “Young Adult Option” and the “Make Available Option.” The young adult option permits eligible young adults through the age of 29 to continue or obtain coverage through a parent’s group policy. The make available option requires health plans to make coverage for dependent children through age 29 available if requested by the group or individual policy holder in all contracts that offer dependent coverage. If elected, this make available option increases the maximum age until which a young adult is considered a “dependent” under the policy or contract.

The young adult option will apply to Healthy NY coverage for small businesses and sole proprietors only. The make available requirement will apply to Healthy NY coverage for small businesses, sole proprietors and individuals.

4. How Medicare Eligibility Affects Healthy NY Applicants and Members

We frequently receive questions from health plans, applicants, and members regarding the effect of Medicare eligibility on Healthy NY eligibility. Please note that the Department issued a guidance memo titled “Healthy NY Guidance on Medicare,” which discusses this issue in detail. The memo can be found on the Healthy NY website at www.healthyny.com under the “Department Regulations and Guidance” tab. Please note that the impact varies for the individual versus the group product and also according to the size of the group.

5. New Guidebooks for Individuals and Small Businesses

New Healthy NY guidebooks/applications are available for individuals and small businesses. These have updated income levels. All publications are free and available in large quantities. Please call (518) 473-7594 to order publications.

6. Healthy NY Advertisement and Outreach

We have recently received several inquiries from health plans asking whether they are permitted to conduct advertising and outreach for Healthy NY. In the past, the Department has conducted advertising and outreach campaigns for the program; however, budgetary constraints have prohibited us from advertising for over two years. Plans are allowed and encouraged by the Department to advertise and promote their Healthy NY products.