September 2026

NEW NYSHIP BENEFITS FOR 2027

For NYS (active employees represented by CSEA, PEF and UUP; UCS justices, judges and nonjudicial employees; M/C designees; the Legislature; all retirees), Participating Employers and Participating Agencies

As a result of collective bargaining and new legislation, certain health and dental benefits are changing on January 1, 2027.

NEW YORK STATE
Department of Civil Service
New York State Health Insurance Program

New York State Department of Civil Service, Employee Benefits Division, Albany, New York 12239 • nyship.ny.gov

Premium Share Changes

CSEA, Legislature, M/C, PEF, UUP, UCS and NY Retirees*

Salary Grade	NYS Share of Premium	Your Share of Premium
Salary grade 13 (or job rate equivalent)** or lower	88% of Individual 73% of the difference between Individual and Family	12% of Individual 27% of the difference between Individual and Family
Salary grade 14 (or job rate equivalent)** or higher	84% of Individual 69% of the difference between Individual and Family	16% of Individual 31% of the difference between Individual and Family

Previously, the higher State contribution rates only applied to salary grade 9 and lower.
These new shares apply to both The Empire Plan and NYSHIP HMOs.

* Retirees based on salary grade 13 as of January 1, 2027. Eligible retirees will receive a letter in the mail with new contribution rates.

** UUP-represented members should refer to their contract for specific amounts.

Non-Network Benefits for The Empire Plan

New reimbursement rates and limits for certain types of non-network benefits are outlined ahead. If your non-network provider bills more than the reimbursement rate, **you will be responsible for the difference**.

The Empire Plan only reimburses non-network providers **once you have exceeded your non-network deductible**. You are also responsible for applicable coinsurance.

By contrast, when you use a network provider, you typically only pay a small copayment or receive services at no cost to you. Find network providers at nyship.ny.gov.

The Empire Plan

The Empire Plan is a comprehensive health insurance plan for New York State's public employees and retirees. Its network and non-network benefits are collectively bargained by unions and negotiating groups.

Benefits are provided through four component programs, each of which is administered by an insurance carrier:

- The Medical/Surgical Program is administered by UnitedHealthcare. It covers medical and surgical services.
- The Hospital Program is administered by Anthem Blue Cross. It covers hospitalization, hospital-related expenses and hospice care.
- The Mental Health and Substance Use (MHSU) Program is administered by Carelon Behavioral Health. It covers mental health, addiction and substance use services.
- The Prescription Drug Program is administered by CVS Caremark. It covers prescription drugs.

Upcoming changes to program benefits are outlined ahead. Unless otherwise noted, these changes are effective January 1, 2027.

Medical/Surgical Changes

- No copayment will be applied for lab work when you use UnitedHealthcare's Preferred Lab Network (currently includes Quest Diagnostics and Labcorp).
- All covered services provided at a network urgent care center will be subject to a single $30 copayment.
- Non-network acupuncture services will be subject to a limit of 15 visits per calendar year. Non-network benefits are available up to $125 per visit subject to deductible and coinsurance. There is no change to network benefits.
- Non-network medical massage services will be subject to a limit of 15 visits per calendar year. Non-network benefits are available up to $125 per visit subject to deductible and coinsurance. Medical massage is only available as a non-network benefit.
- The allowed amount for reimbursement of non-network benefits will be based on 150% of the Medicare Physician Fee Schedule. The rate will correspond to the provider's level of licensure and the specific service provided.

Hospital Changes

- No hospital program copayment will be charged for outpatient hospital services received at a hospital-owned or -operated extension clinic.
- If you receive covered inpatient or outpatient care at a non-network hospital, reimbursement will be capped at a percentage of the average contracted network rate.*
  - Effective January 1, 2027, reimbursement will be based on 135% of the contracted network rate.
  - Effective January 1, 2028, reimbursement will be based on 130% of the contracted network rate.
  - Effective January 1, 2029, reimbursement will be based on 125% of the contracted network rate.

  For covered outpatient services received at a non-network hospital, once the annual coinsurance maximum has been reached, all other services under this provision will be paid, subject to network-level copayments, up to the allowed amount.

Mental Health and Substance Use Changes

- If you use a non-network provider, reimbursement limits will be based on 150% of the Medicare Physician Fee Schedule rate in effect on the date of service. The rate will correspond to the provider's level of licensure and the specific service provided.
- For services received at a non-network facility, reimbursement will be based on the MHSU Program administrator's average network contracted rate.*
  - Effective January 1, 2027, reimbursement limits will be based on 600% of the average contracted network rate.
  - Effective January 1, 2028, reimbursement limits will be based on 500% of the average contracted network rate.
  - Effective January 1, 2029, reimbursement limits will be based on 400% of the average contracted network rate.

Reminder—you have guaranteed access to network benefits under the MHSU Program. If there are no network providers in your area, you will receive network-level benefits if you call the MHSU Program's Clinical Referral Line at 1-877-769-7447 (press or say 3) to arrange your care with an appropriate provider.

* Using the higher of the statewide rate or the NYC/Manhattan rate, based on rates in effect the previous October 1.

Prescription Drug Changes

You will no longer be able to request a medical exception for certain hyperinflated drugs excluded from the drug formulary.

Hyperinflated drugs have prices that far exceed their clinical value and the cost of other options—many of which are available and more affordable over the counter.

Removing hyperinflated drugs from medical exception coverage eliminates wasteful spending while promoting clinically appropriate and cost-effective drug coverage.

This policy applies to certain drugs in the classes below:

- Pain relievers (analgesics)
  - Example: Coxanto 300 mg capsule (currently costs about $14,000 per prescription)
- Multivitamins, including specialty and prenatal vitamins
  - Example: Ziphex tablet (currently costs about $5,000 per prescription)
- Antidiarrheal probiotics
  - Example: Zelac capsule (currently costs about $5,400 per prescription)
- Corticosteroids (steroid medications)
  - Example: Rayos 5 mg tablet (currently costs about $8,000 per prescription)
- Musculoskeletal medications
  - Example: Ozobax DS 10 mg/5 ml solution (currently costs about $6,700 per prescription)
- Diabetes medications
  - Example: Metformin 750 mg (currently costs about $2,200 per prescription)
- Skin (dermatology) medications
  - Example: Adapalene pad 0.1% swab (currently costs about $3,800 per prescription)
- Iron and other blood-forming supplements
  - Example: Accrufer 30 mg capsule (currently costs about $800 per prescription)
- Antihistamines (allergy medications)
  - Example: Ryclora (currently costs about $250 per prescription)

Changes to Empire Plan Surprise Billing Awards for Providers

If you receive emergency care or certain services from a non-network provider that you did not choose, you are protected from surprise billing—generally paying only what you would have if the provider(s) had been in the Empire Plan network.

In these situations, The Empire Plan and the non-network provider mutually determine how much the plan should pay. If there is disagreement, the matter may be settled through a process called independent dispute resolution (IDR).

Award Limits for Providers

In some cases, IDR has led to provider awards that significantly exceed typical reimbursement amounts. To control costs and slow premium growth, New York State recently established limits on these awards.

According to the new law:

1. The provider submits their fee and The Empire Plan submits its allowed amount.
2. The IDR arbitrator must generally choose the amount that is closest to the 50th percentile of amounts allowed for the service among similar local providers.
3. The award amount is limited to the 80th percentile of amounts allowed for the service among similar local providers.

Disputes involving hospital-employed physicians are not subject to the new rules.

In addition, awards will not be given to non-network providers in any of the following cases:

- The Empire Plan issued a predetermination or preauthorization notice to the provider clearly identifying the covered services as non-network.
- You signed a written consent form indicating you knew the covered services were non-network.
- The Empire Plan demonstrates that the provider is in fact a network provider.

You Remain Protected

These changes do not alter surprise billing protections for patients. If you receive a surprise bill, submit a Surprise Medical Bill Certification Form.

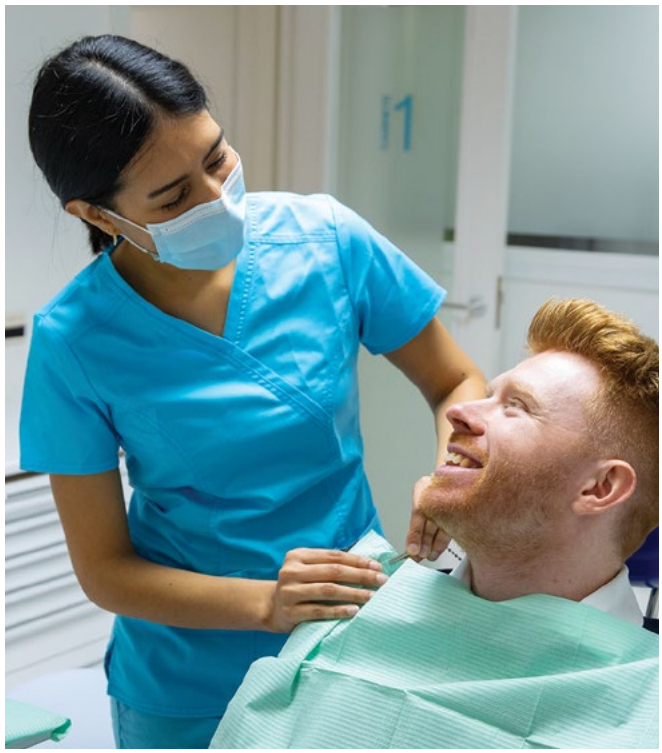
For more, see the Surprise Medical Bills page of the NYS Department of Financial Services website.

Remember, the best way to save yourself and the plan money is by staying in the network of providers and facilities.

New York State Dental Plan

PEF, M/C and PEs Offering the NYS Dental Plan

- The annual maximum per person per plan year for covered services with network and non-network providers will increase from $3,000 to $4,000.
- The lifetime maximum for orthodontics will increase from $3,000 to $4,000.
- Dental implant coverage will increase from $600 to $1,200 per implant.
- You can receive up to two routine examinations (oral exams and cleanings) from a network provider each year. These examinations do not count toward your annual maximum.
- Replacement or substitution of inlays and single crowns will be covered after three (previously five) years have passed since the appliance was inserted.
- The current reimbursement schedule for non-network services will increase by 10%.



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Please do not send mail or correspondence to the return address above. See the front cover for address information.

Department of Civil Service
New York State Health Insurance Program

Important health insurance information
for the enrollee, covered spouse and
other covered dependents

We encourage you to share this information with everyone covered under your plan.

New NYSHIP Benefits for 2027 – September 2026

New NYSHIP Benefits for 2027 AL2120

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