

Brooklyn HealthWorks

Overview for Brokers



Overview of Brooklyn HealthWorks

- Private-label Healthy NY plans launched in 2004 by the Brooklyn Chamber of Commerce in partnership with the New York State Department of Insurance
 - GHI EPO product (no PCP designation or referrals required to see network doctors or specialists)
- Available to small businesses with a physical location in Brooklyn
- Offers basic medical and hospitalization benefits with prescription drug coverage
 - Some State mandated benefits excluded
- Lower premium rates than other small group plans because of an indirect and direct premium subsidy
 - Direct premium subsidy currently amounts to 19% of monthly premiums
 - Permanent State funding secured in 2006
- Major differences with Healthy NY:
 - Optional group rider available to reduce 3 large inpatient co-payments
 - 1099 workers accepted
 - No option to opt out of drug coverage
 - No high-deductible/HSA option
 - No requirement that employers contribute 50% of premiums

Eligibility Requirements

Businesses may decide to offer Brooklyn HealthWorks coverage to all or some employees

- May establish coverage classes based upon conditions pertaining to employment (geographic sites of employment, earnings, method of compensation, number of hours worked, and occupational duties, such as owner/non-owner and manager/non-manager)

To qualify for Brooklyn HealthWorks, businesses must:

- Have a physical location in Brooklyn
- Employ 2-50 workers within employment groups offered coverage
 - Businesses with multiple locations or business entities in Brooklyn may collectively provide coverage to more than 50 workers as long as no single site has more than 50 workers
- Not have provided comprehensive health insurance during the last 12 months to employees who will be offered coverage
 - Or contributed less than \$75 per month per employee
- Have 30% of employees who will be offered coverage earning \$40,000 or less per year (adjusted annually on July 1)

Participation Requirements

To participate, businesses must:

- Offer coverage to all employees working 20 hours per week or more and earning \$40,000 or less per year
 - May also offer coverage to temporary workers and those working less than 20 hours per week
- Enroll at least 50% of eligible employees
 - Employees who have coverage through another source (spouse, public health insurance, etc.) count towards satisfying the 50% requirement

Brooklyn HealthWorks Benefit Package Overview

- Physician services
- Inpatient and outpatient hospital services
- Outpatient surgical facility charges
- Blood and blood products in connection with surgery or inpatient hospital services
- Physical therapy and home health care following surgery and/or a hospitalization
- Maternity care
- Well-child visits and necessary immunizations
- Adult preventative health services and immunizations
- Pre-admission testing
- Diagnostic x-ray and laboratory services
- Equipment, supplies and self-management education for diabetes treatment
- Therapeutic services, consisting of radiological, chemotherapy and hemodialysis
- Emergency services
- Prescription drugs (\$3,000 maximum per person, per calendar year)
 - Maintenance drugs must be obtained by mail

Overview of Services Not Covered by Brooklyn HealthWorks

- Mental health services
- Alcohol and substance abuse treatment
- Chiropractic coverage
- Hospice care
- Ambulance
- Durable medical equipment
- Dental and vision
 - Low cost options available upon request

2 Plan Options Available

- “Total” Plan
 - Same co-payment schedule as Healthy NY
- “Max” Plan
 - Optional rider available that eliminates 3 large inpatient co-payments for entire group

“Total” Plan Overview

Service	Co-Payment/Deductible Amount
Inpatient hospital services	\$500 co-pay
Surgical services	20% or \$200 co-pay
Maternity care (delivery)	20% or \$200 co-pay
Outpatient surgical facility	\$75 co-pay
Emergency services (waived if admitted to hospital)	\$50 co-pay
Prenatal services	\$10 co-pay
Well-child visits/Immunizations	NONE
All other services	\$20 co-pay
Prescription drug benefit (Maximum benefit of \$3,000 per individual per calendar year)	<ul style="list-style-type: none"> • \$100 deductible per calendar year • \$10 co-pay for generic drugs • \$20 co-pay for brand name drugs plus the difference in cost between the brand name drug and generic equivalent

“Max” Plan Overview

Service	Co-Payment/Deductible Amount
Inpatient hospital services	NONE
Surgical services	NONE
Maternity care (delivery)	NONE
Outpatient surgical facility	\$75 co-pay
Emergency services (waived if admitted to hospital)	\$50 co-pay
Prenatal services	\$10 co-pay
Well-child visits/Immunizations	NONE
All other services	\$20 co-pay
Prescription drug benefit (Maximum benefit of \$3,000 per individual per calendar year)	<ul style="list-style-type: none"> • \$100 deductible per calendar year • \$10 co-pay for generic drugs • \$20 co-pay for brand name drugs plus the difference in cost between the brand name drug and generic equivalent

Brooklyn HealthWorks Monthly Premiums for 2009*

Tier	“Total”	“Max”
Employee	\$235.04	\$249.46
Employee & Child(ren)	\$446.57	\$473.96
Employee & Spouse/DP	\$517.07	\$548.79
Family	\$693.35	\$735.90

Rates are guaranteed for a period of twelve months from the effective date of enrollment. Subject to final approval by the Department of Insurance.

Pre-existing Condition Limitation

- Pre-existing conditions are those for which you have received a diagnosis or treatment within the 6 months preceding application
 - Services **for that condition** may be excluded from coverage for up to 1 year
- If applicant had prior coverage and has not had a break in coverage lasting longer than 63 days, the waiting period will be reduced or waived

Brooklyn HealthWorks Provider Network

- GHI's Tri-state Network:
 - Over 91,000 doctors and specialists in New York, New Jersey and Connecticut
 - 142,000 provider locations in the tri-state area
 - Nearly all acute care hospitals in New York State
- To determine if a doctor will accept Brooklyn HealthWorks coverage, ask him or her directly or go to www.ghi.com and enter **“Healthy New York EPO”** as the plan

Brooklyn HealthWorks Pharmacy Network

- GHI Pharmacy Network
 - Use to fill first time and non-maintenance prescriptions
 - More than 40,000 pharmacy locations nationwide and 7,000 in the tri-state area
- Medco Health Solutions, Inc.
 - Mail order vendor which must be used for all maintenance drugs
 - 90 day supply for 2 co-payments

Frequently Asked Questions

- Can businesses with Healthy NY sign up for Brooklyn HealthWorks?
 - Yes, businesses with Healthy NY coverage through a non-GHI carrier may apply for Brooklyn HealthWorks at any time. Businesses with GHI Healthy NY coverage can only switch to Brooklyn HealthWorks during their annual renewal period.
- Can businesses offer coverage to employee dependents?
 - Yes, qualifying dependents include spouses, domestic partners, and children up to age 19 and full-time students up to age 25.
- Do businesses have to contribute to premiums for employees and their dependents?
 - No, but we encourage they contribute as much as possible.
- Can businesses offer coverage to seasonal workers and those working less than 20 hours per week?
 - Yes. If coverage is offered to these workers, a business may include their wages when determining eligibility.
- Is there a recertification process?
 - Yes, there is an annual recertification process.
 - Mid-year fluctuations in group size, wage levels and employee participation will not result in immediate termination of coverage.

How to Apply

- Obtain application materials by:
 - Visiting www.brooklynhealthworks.com
 - E-mailing Theresa Reyes at treyes@brooklynchamber.com
 - Calling Theresa Reyes at 718-943-3884
- Send completed applications and supporting documentation to:
 - Brooklyn HealthWorks
c/o Brooklyn Chamber of Commerce
25 Elm Place, Suite 200
Brooklyn, NY 11201-5826
- Fax/e-mail completed applications and supporting documentation to:
 - Brooklyn HealthWorks (Attn: Theresa Reyes)
718-237-4274 (fax #)
treyes@brooklynchamber.com
 - Original applications and supporting documentation must still be mailed or delivered to Theresa Reyes
- Applications received by 5pm on the 15th of the month may be processed for coverage beginning the 1st of the following month

Application Checklist

- Completed Application and Plan Selection Form
- Group Transaction Form for Each Subscriber
- Premium Check for 1st Month
 - Checks always made out to “Brooklyn HealthWorks”
- NYS-45 or Other Tax Documents
- New Business Letter of Certification
- Broker Information/BOR
- Employer Waiting Period for New Hires
- Late Paperwork Form
- Full-time Student Attestation
- Domestic Partner Paperwork
- Proof of Dependents w/Different Last Name

Documentation Requirements

Employment Classification	Employment Status Documentation	Current Income Documentation
<ul style="list-style-type: none"> •Regular Employees 	<ul style="list-style-type: none"> •Employee names on most recent NYS-45 	<ul style="list-style-type: none"> •Wages listed on most recent NYS-45
<ul style="list-style-type: none"> •New Employees 	<ul style="list-style-type: none"> •W-4 (updated NYS-45 must follow) 	<ul style="list-style-type: none"> •Letter from employer identifying name, hours, and salary of new employee (updated NYS-45 must follow) •Copy of most recent payroll stub
<ul style="list-style-type: none"> •1099 Employees 	<ul style="list-style-type: none"> •<u>For new 1099 employees</u>: Certified letter from CPA identifying name, hours, and salary of workers •<u>For new and existing 1099 employees</u>: Letter from employer identifying name, hours, and salary of workers along with a copy of most recent payroll stub 	<ul style="list-style-type: none"> •<u>For new 1099 employees</u>: Certified letter from CPA identifying name, hours, and salary of workers •<u>For existing 1099 employees</u>: IRS Form 1040 w/ Schedule C or Form 1099-MISC •<u>For new and existing 1099 employees</u>: Letter from employer identifying name, hours, and salary of workers along with a copy of most recent payroll stub
<ul style="list-style-type: none"> •Partnership •Limited Liability Partnership 	<ul style="list-style-type: none"> •Partnership Agreement •Filed Assumed Name Certificate •Filed Certificate of Organization •Filed Business License •Certified letter from CPA identifying partners 	<ul style="list-style-type: none"> •IRS Form 1065 w/ Schedule K-1 •IRS Form 1040 SE •IRS Form 1040 ES •Certified letter from CPA identifying wages
<ul style="list-style-type: none"> •Limited Liability Company operating as a corporation •C-Corporation •Personal Service Corporation •S-Corporation 	<ul style="list-style-type: none"> •Filed Assumed Name Certificate •Articles of Incorporation <u>or</u> Statement by Domestic Stock •Filed Certification of Qualification •Certified letter from CPA identifying partners 	<ul style="list-style-type: none"> •IRS Forms 1120, 1120 A or 1120 W (for C-Corp & Personal Service Corp) •IRS Form 1120 S w/ Schedule K-1 or 1040 ES (for S-Corp) •IRS Form 8832 (for LLC's treated as a Corporation) •Certified letter from CPA identifying wages
<p>Note: All tax documents must be signed by employers.</p>		

Employee Enrollment Application Reminders

- Make sure to add the names of all dependents seeking coverage
- Make sure to add date of birth and SS# for all employees and dependents and that all information is consistent across all forms
- Make sure that all transaction forms have an employee and employer signature

Waiting Period Reminders

- Make sure to add date of hire and length of waiting period and that the information is consistent across all forms
 - Waiting period may not exceed 45 days
 - If employer wants to cover employees immediately:
 - Check off “0 days” for waiting period on the new hire eligibility form
 - Check “Not Applicable” on all transaction forms and write in “0 days”

CPA Letter of Certification Reminder

Section III. Check one or both boxes below:

- The following new employee _____ is a bona fide employee who began working for this company on _____, works fulltime (20 hours or more per week), and will be shown on payroll tax documents, which can be reviewed by GHI on or after _____.

Adding and Terminating Employees from Coverage

- Businesses must add eligible new employees and dependents within 30 days of a qualifying event
 - Employees and dependents who do not sign up for coverage during this time period will have to wait until the group's enrollment anniversary
 - Effective date is the day an employee or dependent becomes eligible for coverage, e.g., date of marriage—not when the enrollment form is submitted
- Businesses adding employees before the 15th of the month are charged the full monthly premium
 - Businesses adding employees on or after the 15th of the month are charged nothing for that month
- Businesses terminating employees on or after the 15th of the month are charged the full monthly premium
 - Businesses terminating employees before the 15th of the month are charged nothing for that month

How Brooklyn HealthWorks Sales Leads Are Distributed

The Brooklyn Chamber of Commerce receives numerous inquiries from businesses asking about health insurance and Brooklyn HealthWorks. Resulting sales leads are distributed to:

- Brokers who are responsive to sales leads
- Brokers who pro-actively let us know the outcome of leads
- Brokers producing sales for Brooklyn HealthWorks
- Brokers who submit complete applications with all supporting documentation before the monthly deadline

Note: Chamber Members seeking insurance will be referred to a responsive broker who is also a Member.

GHI Appointment to Sell Brooklyn HealthWorks

- Brokers must be appointed by GHI to sell Brooklyn HealthWorks
 - Must also have a selling agent appointment on file with GHI
- Go to www.brooklynhealthworks.com (application and forms link) to download copies of GHI's selling agent agreement and appointment forms
 - Fax completed documents to GHI at 212-563-8560
 - For faster results, submit items to Brooklyn HealthWorks with your first case submission

Commissions

- Brokers are paid standard 4% commissions on the full premium amount—not the subsidized amount paid by small businesses
 - For example, while businesses pay \$235-249 for individual coverage and \$693-736 for family coverage, GHI pays commissions on the unsubsidized amounts of \$290-308 and \$856-909, respectively
- General agent over-rides are NOT available
- For questions about broker commissions, contact GHI at 212-615-4037 or 800-552-0103

Make Sure to Establish Section 125 Plans for Your Clients

- IRS Section 125 plans allow businesses to pay the cost of employee health insurance premiums on a tax-advantaged basis, i.e., without having to pay Medicare and Social Security taxes
- Employees are also able to receive premium payments from their employer tax free as well as pay for their portion of monthly premiums on a pre-tax basis

Even Employers Not Contributing to Premiums May Establish Section 125 Plans

- Employers not contributing to premiums still need to establish health insurance benefits in order for employees to receive small group rates and tax benefits
 - Employers must also process monthly premium payments on behalf of participating employees

Bottom Line: Section 125 Plans Make Health Insurance More Affordable for Businesses and Employees

- Employees may save between 15-35% on the cost of their health insurance (depending on their income tax bracket)
- Employees and employers will save 7.65% on the amount that employees pay in health insurance premiums, which represents their Medicare and Social Security tax savings

Section 125 Plans Need to Be Established Every 3 Years

- Free Section 125 Plans are available by going to:
 - http://download.brooklynchamber.com/ibrooklyn/BHWx/Section_125_Plan_Contacts.pdf
- Premium Only Section 125 Plans are available from HealthPass for only \$99!
 - <https://www.flexright.com/healthpass/popkit.cfm?CFID=17672&CFTOKEN=28520712>

Brooklyn HealthWorks is Available for Quoting on HealthConnect!

- Thanks to the efforts of the Office of Citywide Health Insurance Access (OCHIA), Brooklyn HealthWorks “Total” plan is available for quoting on HealthConnect.

Brooklyn HealthWorks Contact Information

- **Theresa Reyes – Manager**
 - treyes@brooklynchamber.com
 - 718-943-3884
 - Broker questions, new group submissions, claims management, sales
- **Dean Mohs – Executive Director**
 - dmohs@brooklynchamber.com
 - 718-943-3882
 - Broker questions, sales and marketing
- **Website Address**
 - www.brooklynhealthworks.com
- **Sherene Rodney – Account Representative**
 - srodney@brooklynchamber.com
 - 718-943-3896
 - Billing questions, sales
- **Marie Daniel – Account Representative**
 - mdaniel@brooklynchamber.com
 - 718-943-3866
 - Adding and dropping employees and dependents, annual recertifications, billing questions, sales
- **Mailing Address**
 - Brooklyn HealthWorks
c/o Brooklyn Chamber of Commerce
25 Elm Place, Suite 200
Brooklyn, NY 11201
- **New Fax**
 - **718-643-9707**



GHI Contact Information

- **GHI Services**
 - 800-624-2414
- **24-Hour Nurse Advice Line**
 - 877-444-7988
- **Website Address**
 - www.ghi.com
- **Commission Questions**
 - 212-615-4037
 - 800-552-0103
- **GHI Pharmacy Services**
 - 877-444-3614
- **Mail Service Pharmacy (Medco)**
 - 877-204-8150
 - www.Medco.com

