



# New York State Volunteer Firefighter Cancer Benefit Program

## General Information about NYS General Municipal Law Section 205-CC (the Law)

### Background of the Cancer Benefit Program (the Program) sponsored by FASNY, AFDNYS, NYSAFC and NYSAC (the Associations)

- Q1. Why did the Associations partner to create a cancer benefit program for eligible NYS volunteer firefighters?
- A1. The Associations participated directly in the drafting and negotiation of the Law. As part of that work, the Associations identified the need for a consistent and clearly communicated program for eligible NYS volunteer firefighters. Working with Willis Towers Watson, the Associations approached the insurance market to identify possible insurance carrier partners. Upon completion of a broad Request for Proposals, the Associations chose Hartford as its partner.
- Q2. Is the Association Program available for all eligible NYS volunteer firefighters?
- A2. Yes.
- Q3. Is the Association Program the only source of insurance compliant with the Law?
- A3. No. The Law allows for other sources of insurance provided they are approved by the New York State Department of Financial Services as being compliant with the Law.

### Purpose of the Law

- Q4. What is the purpose of the Law?
- A4. It provides volunteer firefighters with monetary assistance in the event they are diagnosed with cancer. The initial intent was to provide a VFBL benefit but this would have resulted in an estimated increase of a 150% to VFBL costs. While negotiating the language of the legislation, many self-insured counties stated the extreme cost increase would force them to drop VFBL



coverage. This was the case in Pennsylvania, where more than half the claims are denied as insurers aggressively challenged those claims. The New York State Assembly and Senate worked with the fire service and the localities to craft a bill which would provide extensive coverage but meet the cost needs of the localities.

Q5. Why does the Program only cover volunteer firefighters with five years of active interior firefighting service?

A5. First, when addressing the cancer legislation with policy staff in the Assembly, the issue of a cancer study focusing solely on volunteer firefighters was raised. Although there have been numerous studies relating cancer to firefighting, those studies have only addressed career firefighters who are all interior rated. The policy staff expressed concerns that if the position of the volunteer fire service was to have the same status as career firefighters, the bill should be narrowly tailored to mirror the coverage provided to them. Secondly, working with leading experts on occupational cancer, it was determined that exposure to a toxin would generally take at least five years before a blood form of cancer would be diagnosed. These two issues resulted in the bill being narrowly tailored to mirror the career firefighter provisions and to meet the likely health issues associated with cancer and volunteer firefighting.

Q6. What is the effective date of the coverage under the Law?

A6. Coverage begins on January 1, 2019. The insurance market will require time to develop insurance products that conform to the Bill. New York State will also require time to further assess the cost if there are dramatic changes in the insurance markets.

Q7. Who pays for volunteer firefighter coverage under the Bill?

A7. The Law requires that a fire district, department or company provide enhanced cancer disability benefits for each of its eligible volunteer firefighters. This can be accomplished one of two ways: by the purchase of an enhanced cancer disability insurance policy, or by the governmental (taxing) authority having jurisdiction (AHJ) over the fire service agency certifying in writing that it will fund all claims made by or on behalf of eligible volunteer firefighters. The Law and the OFPC Regulations enacted thereunder make the AHJ liable to pay for cancer disability claims if enhanced cancer disability insurance is not obtained. Since the liability would ultimately fall upon the AHJ were there to be a decision not to purchase enhanced cancer disability insurance (or a an inadvertent failure to procure coverage), the AHJ should provide for the payment of the insurance premiums that relieve the AHJ of its liability in this regard.

## Compliance with the Law

Q8. How do I know if my fire service entity is required to comply with the Law?

A8. In the most basic terms, if your entity – fire district, department or company – utilizes volunteer firefighters, then your fire service entity is subject to the Law.



- Q9. Is New York State creating an insurance program at the State level?  
 A9. No. Insurance for the program will be provided only by private insurance companies licensed in the State of New York. Any company offering a program must be approved by the NYS Department of Financial Services.
- Q10. Has a compliant insurance program been established?  
 A10. Yes. FASNY, AFDSNY, NYSAC and NYSAFC assisted in developing a program that is compliant with the Law.
- Q11. Who determines if a fire district, department or company has complied with the provisions of the Law?  
 A11. The NYS Office of Fire Prevention and Control will determine the rules and regulations governing the cancer insurance coverage and what constitutes compliance.
- Q12. I've determined that my fire service entity is subject to the Law. How does it comply?  
 A12. There are two methods: First, insurance can be purchased via the Program that is in compliance with the Law or it can be purchased outside of the Program. The insurance offered under the program has been specifically created to conform with the mandates of the law. Any carrier offering coverage outside of the program must demonstrate formal compliance with the Law. Also, the district, department or company must confirm with the Office of Fire Prevention and Control that the insurance it plans to purchase complies with OFPC rules and regulations. Secondly, as an alternative, the law permits the authority having jurisdiction to certify that it will pay claims.
- Q13. Does the Law allow for different plan aspects to be offered?  
 A13. Yes. The Law defines a "minimum requirement". To the extent those requirements are met or exceeded will be determined by how an individual fire service entity chooses to meet their requirements.

### **Features of the Program Sponsored by FASNY, AFDSNY, NYSAC and NYSAFC**

- Q14. Is the Program compliant with the Law?  
 A14. Yes.
- Q15. Has the Department of Financial Services approved the plan design and rates marketed under the Program as compliant with the Law?  
 A15. The Department of Financial Services is reviewing both the plan design and pricing of the Program for compliance with the Law.
- Q16. Has the Office of Fire Prevention and Control approved the coverage offered by the Program as compliant with its rules and regulations in support of the Law?  
 A16. The Office of Fire Prevention and Control is reviewing the Program to confirm it is compliant with its rules and regulations in support of the Law.
- Q17. Is the Program available to all volunteer firefighters?



A17. A volunteer firefighter would be eligible for coverage under the Program if the following criteria are met:

1. The volunteer has served at least five years as an interior firefighter as evidenced by passing an OSHA compliant mask fit test each year; and,
2. Upon entrance into the volunteer service, the volunteer firefighter successfully passed a physical examination which did not reveal any evidence of cancer.

Q18. Must a volunteer firefighter have served for a period of time to be eligible?

A18. All firefighters must have served at least five years as an interior firefighter.

Q19. Will a firefighter who satisfied the five year service requirement prior to 1/1/19 in addition to the other eligibility requirements be covered under the Program as of 1/1/19?

A19. Yes.

Q20. If a firefighter satisfies the eligibility requirements after 1/1/19, when will their coverage be effective under the Program?

A20. Firefighters who satisfy the eligibility requirement after 1/1/19 will be added as a covered firefighter the month following satisfaction of the eligibility requirements.

Q21. Who is responsible for determining whether a volunteer firefighter is eligible for coverage under the Program?

A21. The authority having jurisdiction (AHJ) is responsible for determining whether a firefighter is eligible for coverage under the Program.

- For fire districts, the Board of Fire Commissioners is the responsible agency;
- For village fire departments, the Village Board is the responsible agency;
- For fire companies, outside of cities, villages, and fire districts, the Town Board is the responsible agency.

Q22. Should a municipal administrator ask a volunteer firefighter details about the results of their entry physical?

A22. No. That information is protected under HIPAA as personal health information. The respective AHJ will determine eligibility.

Q23. Who holds the firefighter records?

A23. In most cases it will be the AHJ.

Q24. What if a firefighter had a physical 10 years ago but has no record of it?

A24. In the absence of a record of the firefighter's entry physical, the AHJ will determine eligibility in the Program.

Q25. What are the benefits provided under the Program?



- A25. There are three separate benefits which are provided independent of each other:
1. The lump-sum benefit provides a payout for a diagnosis of cancer based upon the severity of the illness. For less severe forms of cancer, there is a lump-sum benefit of \$6,250. If the cancer is more severe, based upon the guidelines of the Law, there will be a lump-sum payment of \$25,000. This lump-sum is drawn from a pool of \$50,000 per firefighter which will be available if there is more than one cancer diagnosis over the volunteer firefighter's career.
  2. If the volunteer firefighter becomes totally disabled and unable to perform their duty as an interior firefighter as a result of cancer, the volunteer firefighter will be eligible for a monthly benefit of \$1,500, payable up to 36 months.
  3. In the case of death from cancer, the volunteer firefighter's beneficiary will be eligible to receive a death benefit of \$50,000.
- Q26. Does the income replacement benefit cover income earned in employment outside of the service?
- A26. No. The volunteer firefighter maximum benefit is a flat \$1,500
- Q27. If the volunteer firefighter is receiving disability benefits from other sources not privately purchased by the firefighter related to the cancer diagnosis under the Law, is the monthly benefit reduced?
- A27. Yes. The monthly benefit will be reduced based on the other sources of disability benefits so as not to exceed \$1,500 per month.
- Q28. If a firefighter owns a privately purchased insurance policy paying benefits in addition to those received under the program, would the Program monthly benefit be reduced?
- A28. No, provided the firefighter purchased a privately owned policy (not one offered on a group basis through their employer).
- Q29. For the multiple pay out under the lump-sum benefit, how much time must separate the two diagnoses to allow for more than one payout?
- A29. The firefighter must be symptom free for 180 days between diagnoses.
- Q30. If a firefighter dies within 30 days of filing a claim for the lump-sum benefit, would the benefit still be paid?
- A30. Yes.
- Q31. What is the maximum amount of benefits a firefighter would receive under the lump-sum benefit?
- A31. A firefighter may receive up to a maximum of \$50,000 under the lump-sum benefit payable either at \$25,000 for more severe cancers or \$6,250 for less severe cancers.
- Q32. Are fire districts, departments and companies required to continue coverage for eligible firefighters when they leave the fire service?



- A32. Yes. Compliance with the Law requires fire districts, departments and companies to continue the firefighter's coverage for the lump-sum benefit and death benefit for five years after separation from the fire service.
- Q33. May the firefighter take the benefits with them when they leave service?
- A33. Yes, after the five year extension and provided they have not exhausted their \$50,000 limit **while employed** or volunteering, the firefighter may continue the lump-sum benefit and death benefit provided they pay the premium to continue coverage.
- Q34. Is there an age limit to how long a firefighter may continue the lump-sum and life coverages?
- A34. No.
- Q35. Are the lump-sum and death benefits taxable at the state or federal level if the firefighter pays the premium to continue coverage?
- A35. No.

### Premiums for the Insurance Provided through the Program

- Q36. What is the estimated per firefighter cost for the Program?
- A36. Although not finalized, the estimated cost per firefighter is less than \$250 per year.
- Q37. Will the cost for each eligible firefighter vary by age, occupation, years of service tobacco use, or other distinctions?
- A37. No. The cost for each eligible firefighter will not vary under the Program.
- Q38. Is the State of New York paying for any of the local governments' costs for the Program?
- A38. No.
- Q39. How do I obtain a quote/proposal through the Program?
- A39. In August, the Program developed by the fire service associations will reach out to every NYS fire district, department and company to offer participation in the Program. The fire service entity will provide to the Program the number of eligible firefighters as of 1/1/19. The Program will then send back a formal proposal and quote. Local insurance agents will also have access to the Program quoting/proposal resources if a fire service entity wishes to work through a local agent.
- Q40. How is the premium calculated?
- A40. The premium is calculated based upon the number of firefighters. Each quarter the responsible fire service entity reports the number of eligible volunteer firefighters. That number is then multiplied by the quarterly rate and remitted.
- Q41. When are premiums due?
- A41. The Program works on a quarterly billing cycle. Those participating in the Program will receive an electronic invoice in January, April, July and October. Premium is due 30 days after receipt of the invoice. The premiums will be auditable on a quarterly basis to allow for addition of newly



eligible firefighters and to transition firefighters who are leaving the service to the five year continuation coverage.

Q42. Where are premiums sent?

A42. Fire districts, departments and companies participating in the Program will remit premiums to Willis Towers Watson. A consolidated premium will then be sent to the insurance carrier with an accounting of the number of volunteer firefighters covered under the Program.

Q43. If a firefighter satisfied the eligibility requirement and is covered under the benefit program and decides to become an exterior firefighter, are they no longer eligible for coverage?

A43. Once a firefighter satisfies the eligibility requirements of the Law, they are covered under the benefit Program until five years after separation from the Fire Service.

Q44. If a newly active firefighter serves three years with one department then moves to a second department and satisfies the eligibility requirements, which fire department pays the benefit premium for the firefighter?

A44. The firefighter's current authority having jurisdiction is the agency responsible for premium payment.

Q45. If a firefighter is covered under the Program for a number of years, then leaves the Fire Service for a period of time, and then returns to the Fire Service, do they need to re-satisfy eligibility?

A45. First, the firefighter would be eligible for the 5 year extension of the lump-sum and term life benefits. However, they would need to re-satisfy eligibility to be fully covered under the Program.

Q46. A firefighter leaves the service and his/her entity continues coverage under the five year continuation provision. The firefighter then returns to active service for a period of time. After a period of time, the firefighter leaves the service a second time. Would the firefighter's second continuation period be five years or the balance of continuation?

A46. Because the Law does not limit the number of periods of continuation, in the event a firefighter returns to active service after a period of continuation, the subsequent continuation period would be five years.

Q47. When a covered firefighter leaves one department and moves to another with *no break in service*, is the prior department required to continue coverage for five (5) years?

A47. The prior department is not required to continue coverage for five years for an eligible firefighter who simply moves to a new department without a break in service. The new department is required to pay premium for the eligible firefighter who transitioned to the new department. If the covered firefighter decides to end service with his/her fire department and not transition to a new department, the current fire department is required to continue coverage for the lump-sum and death benefit for *five years*.

Q48. When a covered firefighter leaves one department and moves to another with *a break in service*, is the prior department required to continue coverage for five (5) years?

A48. The prior department is required to continue coverage (lump-sum and death benefits) for five years for a eligible firefighter who ends service with his/her department during the break in



service. If the firefighter returns to the fire service, they are immediately eligible for coverage. The new department is required to pay premium for the eligible firefighter including the lump-sum, disability and death benefits. If the firefighter then decides to end service with his/her fire department and not transition to a new department, the current fire department is required to continue coverage for the lump-sum and death benefit for *five years*.

- Q49. Is a career firefighter who is also a volunteer firefighter eligible for two benefit Programs?  
A49. An eligible volunteer firefighter is ineligible for the benefits provided under the Law if that firefighter is already provided a paid firefighter benefit.

## Claims Administration and Management

- Q50. How does a firefighter submit a claim under the Program?  
A50. A firefighter must submit their claim directly to the benefits provider, typically an insurance carrier. First, they will contact the benefits provider for claim filing instructions and complete their part of the form. Second, they will supply the contact information of their fire district, department or company and attending physician. The benefits provider will contact the fire service entity to confirm eligibility of the firefighter and follow up with the attending physician for any necessary medical records.
- Q51. Is the Program involved in claim administration?  
A51. No. The carrier providing coverage will manage information received from the claimant, the fire service entity and medical records of the attending physician.

## Questions regarding the Program

- Q52. If I have questions regarding plan designs and rates, how do I contact the Program?  
A52. The Program will establish the following methods of communication with the Program:
1. A website will be created with detailed information about administration of the Program and all necessary documents including contracts, claim forms, FAQs, and instructions on premium remittance and claim filing;
  2. A call center is established to answer any questions via telephone toll free: (833) 678-1985;
  3. An email address is available to forward any written questions – [NYSVFB@willistowerswatson.com](mailto:NYSVFB@willistowerswatson.com)

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