



## **Frequently Asked Questions (FAQs)**

### **Regarding Changes to the VNS Health Management Services Organization (the “MSO”)**

#### **Q: What is happening with our Management Services Organization, the MSO?**

**A:** In January 2022 we created our Management Services Organization (MSO) and transferred Health Plan team members from utilization management, claims, grievance and appeals, authorizations and care management into the MSO.

On Saturday, December 16, 2023, most team members who are currently in the MSO will be transferred from the MSO back to our own Health Plan. A select number of employees will be transferred to other departments across VNS Health.

#### **Q: Why are we making this change?**

**A:** We created the MSO so that we could more easily expand our own Health Plan across state lines and sell benefits management, technology solutions and care management services to other health care organizations.

However, internal conditions and external market factors have slowed the sales cycle and limited our progress toward geographic expansion outside of New York.

Also, there are costs to manage the MSO and without any new contracts to offset those costs the complex structure is no longer necessary. We have learned from this process and in keeping with our growth mindset culture, are pivoting.

#### **Q: So, is the MSO going away?**

**A:** No. The MSO structure will remain in place, and we will continue to use it as the vehicle to sell solutions to other health plans when we have the opportunity.



**Q: Will team members who are transferred out of the MSO receive two W-2 forms for the 2023 tax year?**

**A:** No. Even though the effective date for this transfer is December 16, 2023, anyone who was in the MSO will get only one W-2 for the calendar year 2023. This is because for the pay period 12/16/23 – 12/29/23 your actual payment is made the first week of January 2024. So, at the end of 2024, you will also get just one W-2.

**Q: Who can team members contact if they have questions about this transfer?**

**A:** To make things as simple as possible for you, Human Resources will be managing all logistics related to the transfer. If you have any questions, please go to the HR Connect section that's on the Intranet and submit your question about this transfer to "AskHR". An HR team member will get back to you ASAP.

**Q: Will team members who are participating in the federal government's Public Service Loan Forgiveness (PSLF) program be impacted by this transfer?**

**A:** No. Employees who are currently in the MSO will now be employed by either the VNS Health or the Health Plan, both of which are "non-profit entities". So, this transfer will not impact your PSLF.

**Q: Will this transfer affect the health benefits that I'm enrolled in?**

**A:** No, this change will not affect your health benefits or your recent elections for the 2024 Open Enrollment.

However, if you are enrolled in an Anthem/Empire medical or HIP HMO options, you will receive a **new ID health card**.

Team members enrolled in an Anthem PPO option will receive two cards. The first card will reflect your 2024 medical election as well as Empire's name change to Anthem. However, since this transfer is effective after Open Enrollment has ended and once you are transferred you are no longer employed in the MSO, you will get a second Anthem ID card, showing you are now employed by either VNS Health Plans (still legally known as VNS CHOICE) or in VNS Health. You can continue to use your old ID health card until you receive your new card.



You will not receive a new prescription drug ID card from Express Scripts unless you are switching to-or-from the HSA-eligible PPO option for 2024.

**Q: Will this transfer affect the VNS Health retirement benefits that I'm enrolled in?**

**A:** No, this transfer will not affect any transferred employees' accounts in the VNS Health Retirement Savings Plan or any other VNS Health-sponsored retirement plans, other than employees who participate in the Executive Deferred Compensation Plan. (For more information on this, see the next question.)

**Q: I am enrolled in the VNS Health Management Services Organization Executive Deferred Compensation Plan (a nonqualified 409A plan). Will this transfer impact this plan?**

**A:** Yes, since the 409A plan is designated only for the for-profit MSO entity, you will no longer be able to defer compensation to this plan and your account balance will remain frozen in this account.

Instead, you will become eligible for the VNS Health Deferred Compensation Plan (a nonqualified 457 plan) that is designated for the non-profit entities (which include the Health Plan and VNS Health, the parent entity). Both plans are administered by Empower and you will need to enroll in the plan at <http://empowermyretirement.com/> by **Friday, December 22, 2023** to have your deferral start in January, 2024.

You will receive a separate communication from the VNS Health Benefits Department with additional instructions on how to complete this enrollment. If you have specific questions or concerns, please contact **Wayne Nemath**, Director, Benefits at [wayne.nemath@vnshealth.org](mailto:wayne.nemath@vnshealth.org) or at 917-922-8136.