

# Benefit Briefs



Brought to you by System Benefits Administration

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## April SEBAC Summary

The System Employee Benefits Advisory Committee (SEBAC) met on February 8 to discuss a number of issues relating to System benefit programs and the legislative agenda in Austin.

### Legislative Activity Benefits plans

We are closely watching the actions of the Texas Legislature, in session through May. Due to the status of the state's budget, there is no question that funding received for employees and retirees to pay for health coverage will be cut.

Currently, higher education receives 95% of the funding for the Employees Retirement System (ERS) – the group that insures all public employees in Texas other than the UTS and A&M System. This percentage is likely to be lowered to 90%. Additional cuts in the State appropriation for the ERS, which would impact A&M System health plan costs, are also being discussed.

An additional bill calls for a tobacco-user surcharge of \$30/month for an employee and/or retiree and a covered spouse for health plan enrollees.

No additional funding will be provided for Federal Health Insurance Reform mandates including coverage for children up to age 26 and covering 100% of preventive services. For fiscal year 2011, the cost will be minimal, but for fiscal years 2012 and 2013, the cost is estimated to be from \$2.5 to \$2.9 million.

### Retirement plans

The legislature is also planning to reduce State expenditures by decreasing the state's retirement plan contributions. Current indications are that TRS contributions would decrease from 6.64% to 6% only for FY 12 but that ORP contributions would decrease to 6% for both FY 12 and FY 13.

### A&M Care plan design

A SEBAC subcommittee, consisting of SEBAC, human resource and fiscal office representatives, met to discuss whether the System could continue two A&M Care plans,

with one plan "supporting" the other. The 350 and 1250 plans are different in cost, but not very different in reimbursement levels. With trend in health care predicted to rise over 8%, adverse selection becomes a significant issue.

### Dependent Audit

The discussion then moved to the System-wide dependent coverage audit. Gallagher Benefit Services who already contracts with us for benefit consultative services, is providing a web site, a toll-free phone number, customer service, mailings and document review. The audit includes a 50% employee random sample. Letters were mailed at the end of March and responses will be accepted through mid-May. If documentation is not provided for a particular dependent, he/she will be dropped from all coverage effective May 31, 2011. All documentation and questions should be directed to Gallagher Benefit Services.

### Other voluntary plans

In other plan news, administration of the dental, vision and long-term disability plans are being rebid this year. State law requires that the plans be rebid at least every six years. After reviewing responses to the vision plan proposal, three were chosen to make finalist presentations and the business was awarded to EyeMed (see related article in this issue). Six companies responded to the dental bid and the finalists were United HealthCare, Delta Dental and MetLife. The Long-Term Disability bid proposal is still being reviewed.

### Comptroller's Office Data Disclosure

The Texas Comptroller's Office has announced that personal information relating to a large number of Texans was inadvertently disclosed on an agency server that was accessible to the public. Records of about 3.5 million people were erroneously placed on the server with personally identifying information, including files from TRS and several other agencies. The Comptroller states that there is no indication the personal information was misused.

The TRS records contained names and mailing addresses of individuals. They also included Social Security numbers and dates of birth. According to the Comptroller, all numbers were embedded in a chain of numbers and not in separate fields.

The Comptroller's Office has set up an informational website for individuals at [www.TXsafeguard.org](http://www.TXsafeguard.org) to provide additional details and recommended steps and resources for protecting identity information.

The Comptroller's Office has a special toll-free phone line, (855) 474-2065, for individuals to call with questions. The Comptroller's Office will also mail letters to all affected individuals.

## New Vision Carrier

The Vision plan was recently rebid in order to comply with the state requirement that benefit plans be rebid every six years. Eleven companies submitted proposals. The field was narrowed to three finalists and the contract was awarded, by a SEBAC subcommittee, to EyeMed Vision Care. EyeMed Vision Care coverage will be effective Sept 1, 2011. In addition to a small reduction in premium, EyeMed will enhance some of the current plan benefits.

- Materials copayment – reduced to \$15 copayment
- Contact Lens – fitting and evaluation is a separate benefit, not deducted from the contact lens allowance.
- 40% discount off additional eyeglasses once the annual benefit has been used.
- Out-of-Network Reimbursements:
  - Exam increase to \$50
  - Frame increase to \$75
- All enrolled members will receive a new member brochure including: two ID cards, a list of providers in your area and a summary of coverage.
- When a claim is submitted for you or a covered dependent, you will receive an Explanation of Benefits (EOB), detailing the charges and the amount EyeMed has paid.

More information on the plan will be available during annual enrollment. You can look for providers in your area by going to: [www.eyemedvisioncare.com](http://www.eyemedvisioncare.com). Choose the "Select" network in the drop down box. EyeMed will be working with us to expand their network.

## Legacy Planning Services

A new link on the Benefits Administration website under Minnesota Life can now be found concerning Legacy Planning Services. It offers information pertaining to end-of-life issues. The web link is <http://www.tamus.edu/assets/files/benefits/pdf/2011Section3-FYI-LegacyPlanning.pdf>

## Dependent audit

A random sample of employees across the System with dependent coverage is continuing through May 11. Information and questions are being handled by the Dependent Audit Center. This is a subgroup of Gallagher Benefit Services, a consultant with whom we have a contract and



a Business Associate Agreement. This agreement requires the company to treat all information as protected and imposes severe penalties for misuse of the information, as set out by the Federal government.

## New calculators on retirement website

This is the link to the calculators on the retirement website - <http://www.tamus.edu/offices/benefits/retirement/retirement-planning/>. They will assist you in estimating how much you will need financially to retire comfortably.

## Health Risk Assessment (HRA)

Do not forget about the \$50 credit toward your deductible for completing the Health Risk Assessment (HRA) which is located on the BlueCross BlueShield of Texas website ([www.bcbstx.com](http://www.bcbstx.com)).

## Smoking Cessation and Weight Loss Management

These two programs are made possible by BlueCross BlueShield of Texas. They offer personal coaches to help guide you to success, whether your goal is to quit smoking or to lose weight. Online tools and an audio library, along with discounts to wellness-related products and services can be found on the BCBS website.



In any weight loss program, portion control is very important when eating out at restaurants. Portions have increased over the years, so take half home for another meal. When dining at home, use smaller plates for main course dishes, and do not put the serving dishes on the table, rather put small portions on the plate and bring the plate to the dining table. And, one last suggestion from BCBS Weight Loss Management support, do not feel as though you must clean your plate!

## Allegra going over-the-counter and generic

The FDA has approved over-the-counter (OTC) use of Allegra<sup>®</sup> for adults and children two years of age and older. Allegra-D<sup>®</sup> will be available without a prescription at the pharmacy counter for use in adults and children 12 years of age and older. Generic OTC fexofenadine (Allegra) will also be available.



Allegra oral suspension will still be available as a prescription product for use in children six months of age and older for hives.