UTDBP3052 - Employee Insurance and Benefits

Policy Statement

General

UTD sponsors or participates in several insurance and benefit programs which are intended to assist all University employees in the attainment of their personal insurance and security goals at costs lower than would normally be available on an individual basis. These programs include:

- Hospitalization and Medical Insurance
- Dental Insurance
- Vision Care Insurance
- Group Accidental Death and Dismemberment Insurance
- Group Term Life Insurance
- Long Term Disability Insurance
- Unemployment Compensation Insurance
- Workers’ Compensation Insurance
- Premium Sharing
- Dallas Teachers Credit Union
- Payroll Savings (U.S. Savings Bonds)

Details for these programs are described in information made available by the U.T. System. Employees must read them carefully. If employees have questions regarding any of the insurance and benefit programs, or want to change existing coverage and benefits, they should contact the Human Resources Office.

Subsequent sub-topics within this subject will describe the various programs usually without referencing specific figures of cost to the employee, amount of coverage, interest rates, etc., due to their changing nature. Any such changes will be automatically conveyed to affected employees by the Human Resources Office when they occur.

Premium Sharing

Premium Sharing pays for part of the cost of medical and dental insurance premiums, unless the employee waives medical and dental coverages. In such instances, a portion of the Employee Only premium sharing amount may be applied toward optional life insurance and/or accidental death and dismemberment insurance costs.

This program makes it possible for employees to participate more completely in the above insurance plans, and by increased participation, stabilization of insurance rates is achieved at costs lower than would normally be available on an individual basis. Additionally, premium sharing is not a consideration for income tax purposes.

Who is Eligible

All employees appointed half-time or more for four and one-half months or more are entitled to receive the full amount of Premium Sharing.

How it Works

The University will make a contribution toward an employee’s insurance coverages. The amount of Premium Sharing is set by the General Appropriation Act. An employee who enrolls in group insurance, which costs more than the Premium Sharing amount, will have payroll deductions for the balance of the insurance premiums. If the employee
has premiums totaling less than the Premium Sharing, the University will pay the full cost of these premiums. Unused Premium Sharing, however, will not be refunded to the employee.

**Automatic Coverage**

Certain benefits will be provided to regular employees automatically upon employment. This is referred to as the automatic coverage package. Employees who do not enroll in any of the optional group insurance programs during their initial 60 days of employment will remain in automatic coverage, which is the application of Premium Sharing to a previously determined "benefit package."

An employee covered under the automatic coverage plan who elects coverage of his or her choice substitutes the selected coverage for the automatic coverage and shall not be covered concurrently under the automatic coverage plan and selected coverage plans.

Each employee should carefully consider all coverage and utilize the full amount of Premium Sharing. The Human Resources Office should be contacted for assistance as to how to best take advantage of Premium Sharing.

**Hospitalization and Medical Insurance**

**Benefit Year**

A benefit year is defined as beginning September 1st and ending the following August 31st.

**The Plan**

The U.T. System Self-Insured Health Plan is available to all regular UTD employees. The Plan covers basic hospital expenses and basic doctor expenses for an employee and eligible dependents. An employee may enroll as a member of the Plan within sixty (60) days of his/her initial regular employment. Those employees not enrolling within the sixty (60) day limit can do so later during the annual enrollment period; however, selection of some coverage after the initial sixty (60) days of employment may require Evidence of Insurability. Any employee enrolled in a medical plan is required to be enrolled in the dental plan, and vice versa. This requirement does not apply to the employee's eligible dependents. Coverage of dependent children may be continued to age twenty-five (25), except when a child is disabled, in which case coverage may continue indefinitely with approval of The U.T. System.

Booklets provided by the Human Resources Office provide information on UTD insurance plans. The information in the booklets should be read carefully.

**Filing Claims**

Medical, dental, and prescription identification cards are provided to a participating employee. These cards indicate the coverage selected and should be shown upon hospital admittance, when seeing a doctor, or visiting a dentist so that charges incurred will be properly filed for Plan benefits. Claims for benefits should be filed by the employee directly if the doctor or hospital is unable to file. Claim forms are available in the Human Resources Office.

**Other Considerations**

Consult the plan certificate booklet for information regarding subrogation and non-duplication (dual coverage/payment for the same illness or injury), filing for benefits, changes in an employee's family, leaving the Plan, death of a member employee, continuation of previous coverage, and termination of the Plan.

For information regarding coverage of retirees or disabled retirees, see "Hospitalization, Medical and Dental Insurance for Retirees" section.

**Health Maintenance Organizations**
A free-standing health maintenance organization (HMO) is offered to regular employees and their eligible dependents. For a co-payment per visit, HMO expenses range from routine doctor appointments to major surgery. Emergency services are provided for, with the understanding that the members must make use of hospitals and physicians affiliated with their particular HMO. An employee may enroll as a member within sixty (60) days of his/her initial employment. Those employees not enrolling within the sixty (60) day limit can do so later during the annual enrollment period. Consult the Human Resources Office for more detailed information.

Dental Insurance

A comprehensive dental program is offered to regular employees and their eligible dependents. An employee is provided dental coverage under the automatic coverage from the first day of employment. An employee may enroll eligible dependents in the dental plan within the first sixty (60) days of his/her regular employment. Those employees enrolled in the dental plan are required to be enrolled in a medical plan, and vice versa. This requirement does not apply to an employee’s eligible dependents.

The Dental Plan booklet which is available in the Human Resources Office should be consulted for specific benefit coverage and benefit year maximum per individual.

Hospitalization, Medical and Dental Insurance for Retirees

Group health and dental insurance coverages may be retained at the time of retirement provided the employee is eligible to receive a retirement or disability retirement benefit. Please see Retirement Plans, UTDBP3053.

Eligibility Criteria

An employee is eligible to retire and retain his/her group health and dental insurance coverages provided he/she meets the eligibility for retiree status.

1. Retirement Benefit: to be eligible to meet the definition of a retiree an employee must be eligible to receive a retirement benefit under one of the state retirement programs.
   1. The Teacher Retirement System of Texas (TRS) has a formula for determining eligibility for retirement benefits. All TRS participants must ordinarily meet this formula to be retirement eligible.
   2. Optional Retirement Program (ORP) participation is in lieu of membership in TRS. Therefore, the TRS eligibility standards for determining retirement are used for determining ORP retirement eligibility.
   3. An award letter from the Social Security Administration granting benefits under that program establishes eligibility.

2. Disability Benefit: to be eligible to meet the definition of a retiree, an employee must be eligible to receive a disability benefit under one of the state retirement programs.
   1. The Teacher Retirement System determines whether or not an employee qualifies for a disability benefit after reviewing medical documentation.
   2. Optional Retirement Program participants may qualify for retiree status due to a medical disability. Proof of such disability may be established by documentation such as a Social Security Administration award letter or a term-life insurance premium waiver.

Death of Employee

The covered retiree’s surviving spouse or surviving dependent child(ren), covered under a University-sponsored group health plan at the time of death of a retiree, may continue coverage under the group plan. However, the surviving dependents are not eligible for premium sharing.

Conversion Rights
A University retiree's eligibility for group health insurance shall cease upon the termination of retirement or disability. The retiree or disability retiree shall have the same conversion rights as an active employee upon termination of group coverage. The covered spouse or dependent child(ren) shall also have the same conversion rights.

**Group Life Insurance (Term Life)**

**The Plan**

The plan certificate booklet describes the Term Life Insurance Plan available to all UTD regular employees. This booklet should be read carefully. This policy provides term insurance up to four times an employee's annual or academic salary rate. It also provides certain total disability benefits. An employee may also purchase coverage for his/her dependents. An employee may enroll in this Plan within the first sixty (60) days of his/her date of regular employment without evidence of insurability. After sixty (60) days, evidence of insurability will be required. The employee is responsible for any expense incurred during the evidence of insurability process.

**Coverage Provided**

Benefits Payable for Loss of Life: Life insurance is payable in the event of a death covered by the insurance carrier. Payment of benefits may be in a lump sum or installments to the designated beneficiary. An employee may designate anyone as a beneficiary and may change this designation at any time. Group Term Life benefits for covered dependents are payable only to the employee.

**Other Considerations**

All claims should be submitted through the Human Resources Office.

In the case of retirement or disability retirement, coverage may be retained in some instances.

Consult the Human Resources Office in all cases to make the necessary arrangements.

**Group Life Insurance (Term Life) for Retirees**

Employees participating in the Group Term Life Insurance Plan for The University of Texas System may, at the time of retirement, retain reduced group life insurance coverage after retirement, provided the employee has been employed continuously during the ten (10) years prior to retirement. If the employee has been employed for less than ten (10) years, he/she may retain a further reduced group life insurance coverage after retirement.

**Long Term Disability Insurance**

**The Plan**

The plan certificate booklet describes the income insurance plan for LTD available to all UTD employees who are employed half-time or more. This booklet, which is available from the Human Resources Office, should be read carefully. The Plan provides a monthly income for participating employees who are disabled by sickness or injury to the extent that they can no longer work for a living. An employee may enroll within sixty (60) days of date of regular employment with the University without evidence of insurability. After sixty (60) days, the insurance will become effective only upon satisfactory evidence of insurability.

**Coverage Provided**

The Plan guarantees to pay an employee sixty percent (60%) of his/her monthly basic salary (adjusted September 1 of each year) if that employee is not eligible for **other income benefits**. If the employee is eligible for **other income**
benefits, the Plan will pay the difference up to the sixty percent (60%) guaranteed. The Plan also includes a Disability Plus provision which pays an additional ten (10) percent of covered salary should an employee not be able to perform two or more activities of daily living such as bathing, dressing, toileting, transferring, continence, or eating.

Benefits will begin after an employee has been "totally disabled" (see the booklet for a definition of "totally disabled") for ninety (90) days, which does not have to be a continuous period. Benefits will stop when the employee recovers from the total disability, reaches the age for maximum duration of benefits, or dies, whichever occurs first regardless of when the disability was incurred.

Certain disabilities are not covered under the Plan. These exclusions are noted in the booklet.

**Group Accident and Dismemberment Insurance**

**The Plan**

This Plan provides benefits in case of accidental death and certain types of dismemberment, and all UTD regular employees eligible to participate. An employee may enroll within his/her first sixty (60) days of employment or at the period designated for annual enrollment. The plan certificate booklet describes the Accidental Death and Dismemberment Plan and should be read carefully.

**Amount of Coverage**

Eligible employees may elect accident insurance coverage for themselves from $20,000 to ten (10) times their annualized rate of pay, in multiples of $10,000. The Plan's maximum amount of coverage is one million dollars ($1,000,000).

An employee may also purchase coverage for his/her dependents for an amount up to one-half (1/2) the coverage selected for the employee. Coverage provided for the employee's spouse includes $4,000 for each eligible child. The spouse's coverage is reduced by the amount of each child's coverage. (NOTE: Single parents may ensure their dependent children by purchasing minimum "spouse" coverage.)

**Coverage Provided**

An employee may designate anyone as a beneficiary and may change this designation at any time. Death or dismemberment benefits for covered dependents are payable only to the employee.

This insurance does not provide coverage during periods of temporary layoff. If an employee is granted an official leave of absence without pay, he/she may elect to continue coverage by arranging with the Human Resources Office to make continued premium payments.

**Refusing Employment Offers**

An employee who refuses a bona fide job offer as set forth in this policy may be subject to termination (in accordance with UTD Policy & Procedure for Discipline and Dismissal, D8-100.0). If the employee is being reimbursed through WCI for lost time, then that benefit may also be forfeited.

**Unemployment Compensation Insurance (UCI)**

**The Program**

This Program, at no cost to the employee, provides financial aid to those employees who become unemployed through no fault of their own and who are actively seeking employment elsewhere while unemployed. A weekly
income is provided for a stipulated period of time, dependent upon the circumstances of termination. Coverage extends to all UTD employees and benefits payable to all former employees are through the Texas Employment Commission (TEC). Employees who are on contract to the University may not collect benefits for any weeks of unemployment between academic semesters if that employee has a contract for consecutive academic semesters.

Questions not answered in this policy statement should be directed to the Human Resources Office.

Eligibility Requirements

A former employee is eligible to receive benefits for any period of unemployment if he/she:

1. Reports to any employment office in accordance with TEC Regulations,
2. Registers for work,
3. Files a valid claim in accordance with TEC Regulations,
4. Is able to work,
5. Is available for work, which includes making an active search for work,
6. Serves a waiting period of one week, and
7. Has earned a sufficient salary during the base period to qualify. The base period is the first four (4) complete calendar quarters of the last five (5) complete calendar quarters immediately preceding a period of unemployment.

Benefits

Regular Benefits: The amount of unemployment insurance benefits for which an individual may qualify is determined by his/her earnings during the first four (4) of five (5) calendar quarters preceding a claim. The maximum number of weeks a person may draw regular benefits may vary.

Extended Benefits: Benefits are available equal to 50% of regular benefits during declared periods of high unemployment after regular benefits have been exhausted. Whether or not a person is eligible for extended benefits is determined by the unemployment rate among insured workers on a statewide or nationwide basis.

Program Administration

This program is administered through the Human Resources Office. To assure that all persons leaving University employment receive benefits for which they qualify, Human Resources must have complete information from the appropriate department administrator regarding the circumstances leading up to and resulting in the termination of an employee. A "checkout procedure" (see "Checkout Procedure", this Section), including completion of the Employee Separation form, is designed to provide Human Resources with the needed information.

Employing Department Responsibilities

Reducing University costs under this program requires that every department administrator and supervisor ensure the following actions be taken:

1. Obtain facts and maintain written records on all separations so that if claims for benefits are filed by a former employee, they can be properly protested when justified. Records should include performance, disciplinary activities, attendance, and reason(s) for termination,
2. Stabilize employment to reduce seasonal layoffs,
3. Assist in the "checkout procedure" to determine and properly document reasons for termination,
4. Analyze turnover experience to determine and eliminate problem areas,
5. Reduce or eliminate the use of extra employees during peak work periods,
6. Review work requirements to determine if several part-time employees could be replaced by one (1) or more full-time employees,
7. Carefully review applications of prospective employees to determine their abilities to handle the duties and
responsibilities required, and,

8. Notify the Human Resources Office immediately upon learning of an employee’s intent to terminate.

Employee Assistance Program

Employees appointed half-time or more for at least 4 1/2 months are eligible to participate in the University's Employee Assistance Program (EAP) at no charge to them or family members using the EAP. The University contracts with an outside firm to provide free counseling for assistance with personal problems, mental health problems, or problems with substance abuse. Visits to the EAP are confidential and brochures available through the Human Resources Office provide information on how to access the EAP.

Supervisors may wish to refer employees to the EAP when performance problems or behavior on the job dictates. EAP counseling sessions last approximately one hour and do not exceed four sessions per problem. Time off during regular working hours for self-referrals should be handled in the same manner as time for medical appointments.

U.T. Dallas and U.T. System administrators strongly support and encourage referrals to the EAP as a means of retaining the skills and experience of employees whose employment might otherwise be adversely affected due to performance problems resulting from personal issues.

Policy History

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Policy Links

- Permalink for this policy: http://policy.utdallas.edu/utdbp3052
- Link to PDF version: http://policy.utdallas.edu/pdf/utdbp3052
- Link to printable version: http://policy.utdallas.edu/print/utdbp3052