


<p>Office of Employee Benefits</p> <p>Administrative Manual</p> 	<p>PREMIUM SHARING FOR GRADUATE STUDENT EMPLOYEES AND PART-TIME EMPLOYEES</p>	<p>142</p>
	<p>EFFECTIVE DATE: SEPTEMBER 1, 2003</p>	
	<p>REVISION DATE: MAR. 2006; SEPT. 2006; SEPT. 2008</p>	
	<p>PURPOSE: To provide guidance for University of Texas institutions in applying the state law relating to eligibility of Graduate Student Employees and Part-time Employees for Premium Sharing</p>	
	<p>SCOPE: Eligible Graduate Student Employees and Part-time Employees of The University of Texas System enrolled in the Employee Group Insurance Program</p>	
<p>STATUTORY AND ADMINISTRATIVE REFERENCES: Texas Insurance Code, Chapter 1601</p>		

1.0 BACKGROUND

Section 1601.207 requires The University of Texas System (System) to contribute certain amounts (the state Premium Share) toward the the cost of coverage for participants in its uniform group insurance program coverage. These total amounts are designated in the General Appropriations Act. Chapter 1601 of the Texas Insurance Code provides that Employees working 40 hours or more a week are entitled to 100% of the state Premium Share required to cover the cost of the Basic Coverage Package and 50% of the premium cost for Dependent medical coverage. For Part-time Employees, including benefits eligible Graduate Student Employees, who are required to work at least 20 but less than 40 hours a week, the state Premium Share is generally limited to 50% of the total premium cost for the Basic Coverage Package for the Employee and 25% for eligible Dependents.

System is authorized to supplement the permitted state Premium Share for benefits eligible Graduate Student Employees and certain nurses, as long as the supplement is allocated from institutional funds that were not appropriated for state Premium Share purposes in the General Appropriations Act. No other supplementation is permitted. The purpose of this Policy is to provide guidance to the institutions in applying these state law provisions.

Important: Post Doctoral Fellows are not eligible for state Premium Share contributions. However, an institution may contribute institutional funds toward all or some of the premium cost of Program coverage for Post Doctoral Fellows, as long as the funds are not paid from funds designated by the Texas Legislature for state Premium Share purposes. Any such contribution made by an institution must be the same for all Post Doctoral Fellows.

2.0 BENEFITS ELIGIBLE GRADUATE STUDENT EMPLOYEES

2.1 Premium Sharing

If an institution employs a person who works less than 40 hours per week and is in a position that, as a condition of employment, requires the person to be enrolled as a student in graduate-level courses at the institution, the amount of state Premium Share is limited to 1/2 of the employer amount for a Full-time Employee as follows:

- 2.1.1** Not more than 50% of the premium cost of the Basic Coverage Package for a Graduate Student Employee; and
- 2.1.2** Not more than 25% of the premium cost of health coverage for covered Dependents of a Graduate Student Employee.

2.2 Additional Funding by Institution

This restriction does not prohibit a U.T. institution from contributing additional amounts to supplement the premium cost of Employee Group Insurance Program (Program) coverage for basic care coverage for Graduate Student Employees and their Dependents, as long as the additional monies are allocated from the institution's funds and not from funds appropriated for state Premium Share purposes.

3.0 PART-TIME EMPLOYEES

3.1 State Premium Share

If an institution designates an Employee as working at least 20 hours but less than 40 hours per week, the Employee is eligible to participate in the Program as a Part-time Employee. However, the institution may only make contributions from monies appropriated in the General Appropriations Act for the state Premium Share as follows:

- 3.1.1** Not more than 50% of the premium cost of the Basic Coverage Package for the Employee; and
- 3.1.2** Not more than 25% of the premium cost for the Employee's dependent medical coverage.

3.2 Exception for Certain Nurse Employees

Education Code 51.969 permits the president of a System health institution to designate nurses employed by the unit for patient or clinical activities who work less than 40 hours a week as full-time employees for purposes of qualifying for 100% of the state Premium Share. A medical and dental unit that has made such a designation may supplement the premium cost for basic health care coverage for such nurses and their dependents as long as the additional monies are allocated from the institution's funds and not from funds appropriated for state Premium Share purposes.

3.3 Additional Funding by Institution Prohibited

Funding in excess of the percentages described in this Policy is not permitted regardless of the source of the funds.

4.0 WAIVING COVERAGE

An eligible Graduate Student Employee or a Part-time Employee that chooses to waive the Basic Coverage Package is eligible to receive no more than 50% of the state Premium Share funds for a Graduate Student Employee or Part-time Employee (i.e., 25% of the Premium Sharing amount designated for a Full-time Employee) to apply to out-of-pocket premiums for optional coverage.

Note: Institutional funds used to supplement a Graduate Student Employee's Premium Share for basic coverage may not be applied to out-of-pocket premiums for optional coverage.

See Policy 140 for more information about waiving coverage.

5.0 LEAVE WITHOUT PAY

See Policy 140 of this Administrative Manual for information about an Employee in a Leave Without Pay status.

6.0 ADDITIONAL REQUIREMENTS FOR INSTITUTIONS THAT SUPPLEMENT THE STATE PREMIUM SHARE

Each institution is permitted to make its own decision as to whether to contribute supplemental funds for basic care Program coverage for Graduate Student Employees and in the case of a health institution, eligible part-time nurses. However, each institution must:

- 6.1** determine that sufficient local institutional monies are available to fund this additional expense;
- 6.2** in the case of Graduate Student Employees, apply the policy consistently as to each eligible Graduate Student Employees; and
- 6.3** in the case of nurses, each health institution that elects to utilize the exception in Education Code Section 51.969 must treat all of its clinical and patient care nurses who work at least 36 hours a week as full-time employees for purposes of leave, for longevity pay, and for premium payment for basic group insurance coverage. A health institution that wishes to set a policy that treats nurses who work less than 36 hours per week as full-time or otherwise deviate from this policy must obtain prior approval from the Office of Health Affairs.

Important: Part-time Employees, other than Graduate Student Employees and nurses specifically designated by a health institution as full-time employees pursuant to Education Code Section 51.969, are not eligible for additional premium contributions from the institution.