


|   |   |                   |
|---|---|-------------------|
| <p>Office of Employee Benefits</p> <p>Administrative Manual</p>  | <p><b>EVIDENCE OF INSURABILITY PROCESS (EOI)</b></p>  | <p><b>270</b></p> |
|   | <p>INITIAL EFFECTIVE DATE: September 1, 2003</p>  |                   |
|   | <p>LATEST REVISION DATE: September 1, 2010</p>  |                   |
|   | <p>PURPOSE: To provide guidelines for administering the Evidence of Insurability process when required to add or increase Employee Group Insurance Program coverage</p> |                   |
|   | <p>SCOPE: Employees, Retired Employees and Dependents of The University of Texas System</p>   |                   |
|   | <p>STATUTORY AND ADMINISTRATIVE REFERENCES:<br/>Texas Insurance Code, Chapter 1601</p>  |                   |

## 1.0 EVIDENCE OF INSURABILITY (EOI)

Evidence of Insurability (EOI) is an application process in which past and present health information of an applicant is provided to the Carrier in order to determine eligibility for insurance coverage. Applications are either approved or denied based on the information requested and received. Approval by the Carrier is not guaranteed.

## 2.0 WHEN EOI IS REQUIRED

EOI **is required** when an active Employee or Retired Employee applies to:

- 2.1 enroll in or add Dependents to UT SELECT coverage after the initial period of eligibility (first 31 days of employment or retirement), or after a Dependent's first 31 days as an eligible Dependent (see Section 3.0 of this policy for a description of exceptions to this requirement);
- 2.2 enroll in UT SELECT after having previously waived medical coverage in the University of Texas (U.T.) group insurance program when initially eligible;
- 2.3 enroll in Short Term Disability or Long Term Disability coverage during Annual Enrollment (Retired Employees not eligible);

- 2.4 enroll in Voluntary Group Term Life coverage greater than three (3) times annual salary as a newly eligible Employee;
- 2.5 increase Voluntary Group Term Life coverage following a qualified Change in Status event;
- 2.6 increase Voluntary Group Term Life coverage during Annual Enrollment;
- 2.7 elect Spouse Voluntary Group Term Life coverage for an Employee's spouse greater than \$10,000 (i.e., the additional amounts of \$15,000 or \$40,000);
- 2.8 elect Spouse Voluntary Group Term Life coverage of \$3,000 for a Retired Employee's spouse (EOI is required if all requirements listed in Policy 230, Section 3.3 are not met).
- 2.9 re-enroll in UT SELECT, disability or Voluntary Group Term Life coverage following a break in coverage resulting from non-FMLA Leave Without Pay (Retired Employees not eligible); or
- 2.10 enroll the Employee or Retired Employee and any eligible Dependents in Long Term Care coverage.

### **3.0 WHEN EOI IS NOT REQUIRED**

**EOI is not required** when an active Employee or Retired Employee applies to:

- 3.1 add a Dependent to UT SELECT coverage as a result of a Medical Support Order (MSO);
- 3.2 enroll in health coverage as an Active Employee transferring from another state sponsored group health plan (e.g., Texas A&M System, Employees Retirement System of Texas) to a U.T. plan without a break in coverage;
- 3.3 enroll in or add Dependents to UT SELECT coverage during the first 31 days of employment or retirement;
- 3.4 enroll in or add a Dependent in UT SELECT during Annual Enrollment or following a qualified change in status event during the plan year, if proof is provided that the Dependent had other group coverage in effect within 63 days prior to the beginning date of Program enrollment;
- 3.5 re-enroll in UT SELECT, disability and Voluntary Group Term Life coverage following a break in coverage resulting from FMLA Leave Without Pay (Retired Employees not eligible);
- 3.6 add Dependents to UT SELECT due to an approval for the Health Insurance Premium Program Reimbursement Program (HIPP);
- 3.7 enroll in or add Dependents to dental or vision coverage;
- 3.8 enroll in Short Term or Long Term Disability or Voluntary Group Term Life coverage during the first 31 days of employment (Retired Employees not eligible);

- 3.9 enroll in Short-Term or Long-Term Disability within 31 days of a qualified change in status event (Retired Employees not eligible);
- 3.10 enroll in or add a Dependent for \$10,000 Voluntary Group Term Life coverage (Retired Employees not eligible);
- 3.11 add Spouse for \$3,000 Voluntary Group Term Life coverage if all requirements listed in Policy 230, Section 3.3 are met (applicable for Retired Employees only).
- 3.12 enroll in or increase Voluntary Accidental Death and Dismemberment coverage (Retired Employees not eligible); or
- 3.13 enroll in Voluntary Group Term Life and Voluntary Dependent Group Term Life coverage if the Employee was enrolled in an alternative U.T. System health institution life plan which is no longer available to the Employee, there is no break in coverage, and the person is not increasing the amount of coverage. See Policy 210 for more information.

## 4.0 EOI PROCESS FOR COVERAGE

### 4.1 Completion and Submission of EOI application

An applicant must complete the appropriate EOI application within 31 days of a qualifying Status Change event (see Policy 310 in this Administrative Manual for more information) or within the designated submission period associated with Annual Enrollment. During Annual Enrollment, the **My UT Benefits** online system will notify the Employee if EOI is required to enroll in or increase a coverage. During the plan year following a qualified Status Change, the employing institution Benefits Office should assist the applicant in determining if EOI is required for certain changes and communicate to the applicant the timeframe in which the application must be completed.

Except as noted below for Long Term Care coverage, the applicant can obtain an EOI application from the **My UT Benefits** website during Annual Enrollment or from their institution Benefits Office during the plan year. During Annual Enrollment, EOI applications for medical, life and disability coverage may be completed using **My UT Benefits** and submitted electronically directly to the Carrier. During the plan year the applicant should complete a paper EOI application form and mail to the Carrier.

Note: The EOI application for Long Term Care (LTC) must be completed manually and mailed to the LTC Carrier during Annual Enrollment and during the plan year following a qualified status change.

Once the EOI application is submitted, the Carrier may request that the applicant undergo a medical exam or lab tests or submit additional records. If additional information is requested, the applicant should understand that applications are held open for review for only a limited time and that the applicant must comply with such requests. The applicant can obtain information on the status of an application from the Carrier designated EOI contact listed in the OEB Benefits Library.

**IMPORTANT:** The applicant should understand that incomplete EOI applications have a significant impact on the Carrier's review process. Carriers have the right to return all incomplete EOI applications to the applicant for completion. The applicant will be notified in writing if their application is closed due to requested medical information not being submitted within the required time period or if the applicant voluntarily withdraws their application.

## **4.2 Applicant EOI Result Notification**

Approval or declination of an EOI application is communicated to the applicant in the following manner:

### **4.2.1 UT SELECT**

The Life Insurance Carrier sends the applicant a letter upon finalization of an EOI application review. The letter will indicate whether the application is approved or denied.

### **4.2.2 Voluntary Group Term Life**

The Life Insurance Carrier sends the applicant a letter upon finalization of an EOI application review. The letter will indicate whether the application is approved or denied.

### **4.2.3 Short Term Disability and Long Term Disability**

The STD and LTD Carrier sends the applicant a letter upon finalization of an EOI application review. The letter will indicate whether the application is approved or denied.

### **4.2.4 Long Term Care**

The Long Term Care Carrier sends the applicant a letter upon finalization of an EOI application review. The letter will indicate whether the application is approved or denied.

## **4.3 U.T. Institution Benefits Office EOI Result Notification**

### **4.3.1 UT SELECT**

The current Carrier that offers the Voluntary Group Life Insurance coverage is also the underwriter for the review and approval of EOI applications for enrollment in the UT SELECT plan. The carrier sends a weekly electronic report of approvals and denials to the OEB server. The designated contact within the institution Benefits Office is responsible for checking the report on the server. The report also includes indicators for files pended for additional information or of those closed for lack of response by the applicant.

The Carrier sends the applicant a letter for approval, denial, incomplete and withdrawal decisions. The institution Benefits Office also receives a copy of these notification letters.

#### **4.3.2 Voluntary Group Term Life**

The Carrier sends a weekly electronic report of EOI approvals and denials to the OEB server. The designated contact within the institution Benefits Office is responsible for checking the report on the server. The report also includes indicators for files pending for additional information or of those closed for lack of response by the applicant.

The Carrier sends the applicant a letter for approval, denial, incomplete and withdrawal decisions. The institution Benefits Office also receives a copy of these notification letters.

#### **4.3.3 Short Term Disability and Long Term Disability**

The Carrier sends a weekly electronic report of EOI approvals and denials to the OEB secured server. The designated contact within the institution Benefits Office is responsible for checking the report on the secured server. The report also includes indicators for files pending for additional information or of those closed for lack of response by the applicant.

The Carrier sends the applicant a letter for approval, denial, incomplete and withdrawal decisions. The institution Benefits Office also receives a copy of these notification letters.

#### **4.3.4 Long Term Care**

The Long Term Care Carrier sends the applicant a letter of approval or denial for LTC upon finalization of an EOI application review. The Carrier sends the institution Benefits Office a generic denial letter exclusive of the applicant's medical history.

## **5.0 EFFECTIVE DATE OF EOI APPROVAL**

### **5.1 Annual Enrollment**

When an Employee completes an EOI application during the Annual Enrollment period, the effective date of coverage approved through the EOI process will be the next September 1, if the Carrier approves the EOI application prior to September 1.

If the Carrier approves the EOI application subsequent to September 1, the effective date of the new coverage will begin as described below in Section 5.2 of this policy.

## **5.2 Change in Status Event**

When an Employee completes an EOI application following a qualified Change in Status event during the plan year, the effective date of the new coverage will begin as follows:

- a) UT SELECT coverage may become effective either the date of the Carrier's approval or the first of the following month. The increased premium will begin on the effective date of coverage.
- b) Voluntary Group Term Life coverage will become effective the date of the Carrier's approval. The increased premium will begin on the first of the month following the date of approval.
- c) Disability coverage will become effective the first of the month following the date of approval by the Carrier. The increased premium will begin on the effective date of coverage.
- d) Long Term Care coverage will become effective the first of the month following the date of approval by the Carrier. The increased premium will begin on the effective date of coverage.

## **5.3 Medical Support Order (MSO)**

EOI approval is not required for an Employee to add a dependent child as the result of a court ordered MSO. The effective date of coverage for the Dependent shall be either the date of the MSO or the date the institution Benefits Office receives the court order, whichever is later.

## **6.0 APPEAL OF EOI DECISIONS**

### **6.1 UT SELECT**

Denial letters will include detailed instructions on how to appeal the decision of the Life Insurance Carrier. Appeals should be forwarded by the applicant to the address indicated within the denial letter.

### **6.2 Voluntary Group Term Life**

Denial letters will include detailed instructions on how to appeal the decision of the Life Insurance Carrier. Appeals should be forwarded by the applicant to the address indicated within the denial letter.

### **6.3 Short Term Disability and Long Term Disability**

Denial letters will include detailed instructions on how to appeal the decision of the STD and LTD Carrier. Appeals should be forwarded by the applicant to the address indicated within the denial letter.

## 6.4 Long Term Care

Denial letters will include detailed instructions on how to appeal the decision of the LTC Carrier. Appeals should be forwarded by the applicant to the address indicated within the denial letter.

## 7.0 QUESTIONS ABOUT EOI APPLICATIONS

Questions from institutions and applicants should be directed to the appropriate Carrier. If issues remain unresolved following discussions with the Carrier, please contact OEB at 512-499-4616.

## 8.0 APPENDIX

The Vendor Contact List and the EOI application are posted in the **SharePoint** site on the U.T. System Web site (**Available to U.T. institution HR Staff Only**):

- UT SELECT Medical / Life / Disability EOI Application

The following Long Term Care (LTC) EOI Applications are available on the LTC Carrier's public Web site at: <https://www.ltcbenefits.com/Enroll.asp>:

- Short-Form Application for active employees (other than new hires) and spouses of active employees
- Long-Form Application for adult children age 25 and older, retirees, parents, parents-in-law, grandparents, and grandparents-in-law and their spouses