

**1. Title**

Group Insurance Premium Remittance

**2. Policy**

Sec. 1 Purpose. The purpose of this policy is to ensure that The University of Texas System's institutions timely remit the funds required to maintain the coverage provided under U. T. System's uniform group insurance program (UGIP), with the exception of the fully insured long term care insurance plan.

Sec. 2 Policy Statement. The Board of Regents has authorized the Chancellor to provide for the centralized planning, implementation, management, and administration of U. T. System's UGIP. The Chancellor has delegated this responsibility to the Office of Employee Benefits (OEB). U. T. System institutions and U. T. System Administration are appropriated funds to pay the employer's share of premium for employee and retired employee group insurance. They also deduct the U. T. System employee share of premium that the employee elects to pay on a pre-tax basis from salary and collect any premium to be paid by retired employees. Timely remittance of this premium is essential to permit the OEB to comply with its contracts for fully-insured employee group coverage and administration of its self-insured health plans as well as the cost of funding these plans. This policy defines the procedure that each institution must follow to ensure timely electronic remittance of these premiums.

Sec. 3 Group Funds. The OEB creates a Group Fund for each type of coverage offered by the U. T. System group insurance program, including the U. T. System self-funded health insurance plan; self-funded dental plan; and any fully-insured dental, vision, life, accidental death and dismemberment, health, short term disability, and long term disability plan offered as part of the U. T. System's UGIP.

Sec. 4 Payment Date. OEB sets a monthly Premium Payment Date as follows:

4.1 Monthly Billing. OEB runs a monthly premium billing for each institution and U. T. System Administration indicating the total amount of premium owed from any source for that month and notifies each institution and U. T. System Administration of the amounts to be paid for that month on the Premium Payment Date approximately three weeks in advance of the Premium Payment Date.

- 4.2 Authorization. Each institution's and U. T. System Administration's Chief Business Officer is responsible for enabling the Monthly Premium Remittances to be deposited into the appropriate Group Fund by the Premium Payment Date.
- 4.3 Delivery of Dataset. Each institution and U. T. System Administration must submit its intended Monthly Premium Remittance in the form of an electronic dataset to OEB at least two business days before the Premium Payment Date. The electronic remittance dataset serves as the only "source document" for summarizing the premiums to be paid by each institution and U. T. System Administration each month.
- 4.4 Anticipated Transfers. OEB provides the Office of Finance with a summary of the anticipated transfers from each institution.
- 4.5 Confirmation of Transfer. Each institution and U. T. System Administration must independently confirm the intended transfer amount with the Office of Finance.
- 4.6 Transfer Date. Each institution transfers the appropriate funds to the U. T. System Short Term Fund account on the Premium Payment Date.
- 4.7 Monitoring Responsibility. The Office of Finance monitors account assets in the U. T. Short Term Funds and makes payments as directed by OEB to cover the plans' premiums, administrative costs, and claims payments.

### **3. Definitions**

Group Fund - The fund created by the Office of Employee Benefits to receive all premiums to be paid for a particular coverage offered by the U. T. System's uniform group insurance plan.

Monthly Premium Remittance - The monies authorized by an institution or U. T. System Administration to be paid into the appropriate Group Fund to cover the cost of the premium owed by the institution or U. T. System Administration for the group insurance coverage elected by the institution's or U. T. System Administration's group insurance program participants.

Premium Payment Date - The date on which an institution's or U. T. System Administration's Monthly Premium Remittance is transferred to the appropriate Group Fund.

**4. Relevant Federal and State Statutes, Policies, and Standards**

[Texas Insurance Code, Chapter 1601, Uniform Insurance Benefits and Other Coverage for Governmental Employees](#)

**5. Relevant System Policies, Procedures, and Forms**

[Board of Regents' Rules and Regulations, Rule 30202, Section 3, Group Insurance Plan](#)

[UTS127, Office of Employee Benefits Administrative Manual](#)

[IFIS \(Integrated Financial Information System\)](#)

**6. System Administration Office(s) Responsible for Policy**

Office of Employee Benefits

**7. Dates Approved or Amended**

October 9, 2002

January 8, 2009

November 27, 2012