



SUBJECT: MEDICAL INSURANCE

- I. **PURPOSE:** To define qualifications for employee benefits of health and medical insurance.

- II. **POLICY:**
 - A. All qualified employees, their spouses, and their dependent children are provided with hospital and medical benefits, plus major medical coverage, through the University provider. Individual subscriber certificates are issued to each covered employee and should be referred to for answers to specific questions.

 - B. The following are the requirements to be qualified for participation in this Medical Insurance Program and for University participation in the premium costs of such program.
 1. Qualified for Participation in the Medical Insurance Program – Full University Participation in the Insurance Premiums is provided for employees who select the Blue Cross Blue Shield Valuecare network. Employees who select the Blue Cross Blue Shield traditional network are required to share in the cost of the premium with the University.
 - a. Full-time employees on a nine (9) month "contract" (or more) with academic rank and in a teaching position (faculty).
 - b. Three-quarter - full-time employees on a twelve (12) month "contract" (non-faculty).
 - c. Full-time employees on a nine (9) month "contract" (or more) (non-faculty).

 2. Qualified for Participation in the Medical Insurance Program - Pro-rated University Participation in the Insurance Premiums.
 - a. Half-time (or more) employees on a nine (9) month "contract" (or more) with academic rank and in a teaching position (faculty), who have been under "contract" for half-time (or more) for 27 consecutive, regular academic year months. The University will participate in the insurance premiums pro-rated (percentage of actual part-time work under "contract" to full-time work for the full "contract" period - nine (9) months.)



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- b. Half-time (or more) employees on a nine (9) month "contract" (or more) who have been under "contract" for half-time (or more) for 27 consecutive, regular academic year months. The University will participate in the insurance premiums pro-rated (percentage of actual part-time work under "contract" to full-time work for the full fiscal year - twelve (12) months.
 3. Not Qualified to Participate in the Medical Insurance Program.
 - a. Any employee who is not qualified for full or pro-rated University participation in the insurance premiums as stated in a. and b. above.
 - b. Any hourly and wage rated personnel.
 - c. Any employee under "contract" at less than one-half time.
 - d. Any employee whose full year's "contract" is for a "contract" period of less than nine (9) months.
 - e. Any employee under a "contract" period of less than nine (9) months where such employee is filling a position which is normally not covered by a "contract", or such position is normally less than full-time for the full fiscal year or academic year (whichever is applicable).
- C. The following is a list of eligibility provisions established by the University's medical insurance provider.
1. Employee as used in this policy means an employee who is employed 30 hours per week or more unless otherwise provided by the policyholder.
 2. Every such employee who is actively at work within the class or classes set forth in the application on the effective date of this policy shall become eligible for insurance on the effective date of this policy.
 3. Every such employee who shall become an employee within the class or classes set forth in the application after the effective date of this policy shall become eligible for insurance on the first day of active employment. Benefit-eligible employees may enroll in the University's medical insurance program within 30 days of the first



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day of active employment without providing proof of insurability. Employees who enroll 30 days after the first day of active employment will be considered late enrollees. Late enrollees must complete a health questionnaire and wait until the beginning of the next plan year (July 1) to enroll. Late enrollees will be subject to an eighteen month pre-existing waiting period.

4. Every such employee absent from work on the date he/she otherwise would become eligible for insurance shall become eligible for insurance on the date he/she returns to full-time active employment and has completed the required length of service.
 5. Dependent as used in this policy shall include only the following who are not eligible as an employee of the policyholder:
 - a. The employee's spouse.
 - b. Children covered at birth.
 - c. Unmarried dependent children to age 26. (UT State Code, Section 31 A - 22 - 61.5)
 - d. Children with disabilities - If a dependent child is mentally or physically incapable of earning a living on the date any coverage under the policy with respect to such child containing benefits based upon charges would terminate due to attainment of the specified age limit for children, and if within thirty-one days of such date the medical insurance provider receives due proof of such incapacity, then such specified age limit shall not operate to terminate such coverage under the policy with respect to such child so long as such child remains in such condition. This provision does not waive, alter, or extend in any respect, other than as stated above, any of the provisions, conditions, limitations, and exceptions of the policy.
 6. University participation in the premiums for the medical insurance program discontinues upon employee's date of resignation, termination, or full retirement.
- D. Employees with a change in family status must change their medical insurance coverage by notifying the Human Resource Department and



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completing the necessary paperwork within 30 days of any of the following events:

1. marriage or divorce
2. birth, adoption, or newly acquired guardianship of a child
3. death of a spouse or a dependent
4. change in status of employment
5. dependent status change

E. Where spouses are both eligible employees of the University (“Employee Spouses”), only one of the Employee Spouses may enroll their children for coverage as dependents. Upon termination of the Employee Spouse with Dependents (the spouse under whom dependent children are enrolled or “Original Employee Spouse”), coverage for all eligible dependents may be transferred to the Other Employee Spouse if:

1. The other Employee Spouse continues to be an eligible employee of the University; and
2. The Original Employee Spouse and/or Dependents continue to be eligible dependents of the Other Employee Spouse.

The date this transfer is effective is the date the Original Employee Spouse terminates employment or has a reduction of working hours, thus becoming ineligible (except for certain continuations of coverage). For transfer, an E-27 Change Form must be submitted by the Other Employee Spouse listing the names of all dependents (children and/or Original Employee Spouse) to be transferred from the Original Employee Spouse losing eligibility.