



## TEXAS TECH UNIVERSITY™

### Operating Policy and Procedure

#### **OP 64.11: Insurance Coverage of Graduate Student Employees**

**DATE:** September 14, 2020

**PURPOSE:** The purpose of this Operating Policy/Procedure (OP) is to define guidelines for handling graduate student employee insurance pursuant to the [Texas Employees Group Benefits Act, Title 8, Chapter 1551, Insurance Code](#).

**REVIEW:** This OP will be reviewed in June of odd-numbered years by the Assistant Vice President for Human Resources and the Chief Payroll Officer for Payroll & Tax Services with substantive revisions forwarded through administrative channels to the Vice President for Administration & Finance and Chief Financial Officer.

#### **POLICY/PROCEDURE**

##### **1. Eligibility**

Employees employed in the occupation titles of Graduate Assistant (043906), Teaching Assistant (040371, 040471), Research Assistant (040630), Graduate PT Instructor (040372, 040472), or Graduate Residence Hall Assistant (043908) for 50 percent or more time for four and one-half months or more will be considered eligible for participation in the Group Benefits Program. Health insurance coverage will be subject to a 60-day waiting period.

Such employees who are appointed 50 percent time or more for a duration of less than four and one-half months but who receive a reappointment that extends the employee's employment for a period of four and one-half months or more will be considered eligible as of the effective date of the reappointment. Health insurance coverage will be subject to a 90-day waiting period.

After the initial period of eligibility, evidence of insurability (EOI) restrictions apply to certain optional coverage and approval is not guaranteed. Application for enrollment through EOI is available only during the summer enrollment period.

Employees who are enrolled in insurance and who are employed during the summer months in a status that normally would not be eligible for insurance will retain eligibility provided they would have been eligible for a between-term leave status.

A person employed for less than one-half time in a position requiring graduate student status and who is also employed in some other status for a total FTE of 50 percent will be considered eligible if such appointments exceed four and one-half months.

Breaks in service for the balance of a partial month of pay will not affect a graduate student's eligibility, and it will be counted as time worked for determining insurance eligibility.

Employees who are on a between-term leave resulting from the business needs of Texas Tech University and who have not been separated from Texas Tech will be eligible to continue insurance coverage during such leave provided the employee makes timely payment of any premiums due.

A between-term leave is defined as a leave that starts after May 1 and ends on August 31 and is due to lack of work during this period. Any leave of absence outside this period must be reported as a leave without pay action on a *Personnel Action Form*.

## **2. Hiring Department Responsibility**

Departments are required to inform graduate student employees of their insurance eligibility on or before their first duty date.

Enrollment in optional insurance coverages must be completed during the first 31 days of employment. Enrollment in the health insurance must be completed during the first 60 days of employment.

## **3. Coverage Effective Date**

Health insurance coverage becomes effective the first of the month following 60 days of employment. Optional coverages become effective on the first active duty date only if entered into ERS online on or before that date. Otherwise, the optional coverages are effective the first of the month following the date of enrollment data entry into ERS online at [www.ers.texas.gov](http://www.ers.texas.gov).

## **4. Employer Premium Contribution**

Texas Tech makes an employer contribution toward the employee's health insurance. Insurance-eligible graduate student employees will receive an employer contribution of 50 percent of the premium cost for the employee only health coverage. The employer contribution toward dependent health coverage is 25 percent of the additional premium cost.

The proportionate share of the employer contribution attributable to an employee's salary paid from non-appropriated funds will be charged to the account funding the salary.

## **5. Enrollment Procedure**

Effective September 1, 1995, HealthSelect coverage for eligible graduate students is NOT automatic. Eligible graduate students must complete insurance enrollment forms or enroll online at [www.ers.texas.gov](http://www.ers.texas.gov).

Double coverage as a dependent or as an employee at Texas Tech or any other state entity is not permitted under the Texas Employee Group Benefits Act.

Enrolled graduate students will participate in the premium conversion plan. This plan will deduct the out-of-pocket premiums for eligible optional coverage before federal income tax and social security tax are applied to earnings. The favorable tax treatment places certain restrictions that allow changes to insurance coverage only with a qualifying life event.

Eligible employees should contact the Human Resources Office for detailed benefit booklets and/or additional information regarding available group insurance plans. Information is also available online at [www.ers.texas.gov](http://www.ers.texas.gov).

## **6. Payment Procedures for Premiums not Deducted or Past Due**

Employees who are in or expected to be in voluntary leave without pay status (do not work or receive pay) for a full month are not eligible to receive the state contribution unless the leave is classified as FMLA. These employees will be reported to the Employees Retirement System (ERS), which will be responsible for the collection of the total premium of all group insurance coverage, including the state premium sharing if applicable. The employee will receive a premium billing from ERS and should make prompt payment to avoid cancellation of all coverage.

Going on leave without pay is a “qualifying life event.” Employees may make changes to their insurance coverages and TexFlex elections that are consistent with the event effective the first of the month following the month the employee goes on leave without pay. An employee may change from FMLA to straight leave without pay status. The maximum period of eligibility while in a leave without pay status is 12 continuous months. When the maximum period of leave without pay is reached, all group benefits program coverage is automatically canceled.

If, for any reason, a premium for insurance coverage was not deducted from an employee's check, Payroll & Tax Services will notify the employee of premiums due in order to avoid cancellation of insurance coverage.

Because of strict payment deadlines imposed by ERS, only in rare instances will the Payroll & Tax Services Department make a catch-up deduction of the missed premium(s) from a future paycheck(s). Notification will be sent to the employee regarding premiums due.

The original of the above letters will be sent to the employee's home address, and a copy will be sent to the employee at the campus home department address.

If the payment is not received by the deadline, insurance coverages indicated in the letter must be canceled back to the start of the first month for which full premiums were not paid.

## **7. Authoritative Reference**

[Texas Employees Group Benefits Act, Title 8, Chapter 1551m Insurance Code.](#)

## **8. Right to Change Policy**

The insurance premiums, coverages, employer contribution amount, and eligibility are subject to change as determined by the Legislature and the Employees Retirement System of Texas.

Texas Tech University reserves the right to interpret, change, modify, amend, or rescind this policy, in whole or in part, at any time without the consent of employees.