

To: Julie Harlin, Speaker, Texas A&M University Faculty Senate  
From: Gregory Heim, Faculty Senate SEBAC Representative  
Date: May 9, 2018  
RE: Report from System Employee Benefits Advisory Committee (SEBAC) Meeting

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The May 7, 2018 SEBAC meeting reviewed the status of TAMUS medical plans, dental plans, other insurance plans, the EVIVE online service, and other wellness services offered to faculty, retirees, and their dependents.

### **Self-Insured Medical, Dental, and Optional Plans**

Generally, each SEBAC meeting focuses almost entirely on the financial condition of TAMUS medical, dental, and other benefit plans. (While I did attend the February 2019 meeting, the financial information from that meeting is now superseded by what follows.)

TAMUS benefits administrators report that the health plans continue to be in good financial shape, with a FY2019 subscriber count similar to that for FY2018. As of March 2019, the “per member per month” claims (i.e., healthcare costs) for the medical plans (aggregated across all plans) are improved. Moreover, the excess balance of funds (i.e., total premiums minus total expenses) was also fairly similar to 2018, with an excess of \$19.9 million. The dental plans exhibit similar patterns moving from FY2018 to FY2019, with per member per month claims lower and a slight growth in the excess balance of funds. As such, TAMUS benefits administrators judge the medical and dental plans are in good shape.

An actuarial consultant hired by TAMUS to study claims data reported that our growth in claims exhibits fairly low variability and a lower rate of growth compared to peer universities and institutions. When examining large claims (i.e., \$50,000+), the consultant judges that there are no alarming patterns – large claims distributions have been staying at fairly similar levels year-to-year.

From a prescription management perspective, TAMUS benefits administrators report that we have brought in additional income due to better management of retiree drug subsidies, the Prescription Care Management program encouraging patients to use generic equivalent prescriptions, and the SaveOn program.

Finally, benefits administrators do not expect any changes in premiums for FY2020 for A&M Care, A&M Care 65+, or J Plan. However, the Graduate Student Plan will see some changes, which department HR administrators will be learning about soon.

Further, administrators do not anticipate any FY2020 premium increases for the life insurance or AD&D plans.

### **EVIVE**

Administrators announced that we will hear about a change in the Health Assessment that is part of the \$30/\$60 monthly incentive for employee/employee+spouse. Going forward, to receive the monthly incentive, we will all either need to (a) fill out the MyEvoke general

health survey, which intends to refer us to benefit programs of interest to us, or (b) the WellOnTarget detailed health survey that we used to fill out in previous years.

According to Ellen Gerescher, Director of Benefits Administration, “This is about how we can help you,” and “We can’t help people become the best they can become without knowing a little more about them.” Ms. Gerescher is trying to communicate these surveys as a movement of TAMUS toward personalized medicine.

### **Wellness Exam “Deadline”**

TAMUS benefits administrators encourage everyone who wants the \$30/\$60 monthly healthcare incentive to get their wellness exam by June 30, in order for it to be in the benefits system by the September 1 pay period. You may find that your local healthcare champion will tell you that this is a hard deadline. Rather, even if you miss that date, your wellness exam will get processed as soon as feasible.

Look out for a “Tips for Getting Your Wellness Exam” flyer, which will have some wording for how to direct doctors’ offices about your necessity of obtaining the exam.

### **Tobacco Use**

For the tobacco user penalty/incentive, TAMUS will change the definition of “smoker” to include those who use vaping and e-cigarettes. Presently, 16% of TAMUS employees admit to smoking. This revised question will get pushed out via Workday.

### **Retiree Sub-Committee**

SEBAC has developed a new subcommittee that will focus on the healthcare and wellness benefits of retired faculty and staff.

### **Wellness Champions**

Based on questions I asked about poor variety of wellness services available for those who do not have chronic illnesses, but who still want to optimize health, nutrition, and wellness, Blue Cross Blue Shield (BCBS) representatives kept mentioning Kourtney Bassett (kbassett@tamu.edu; 979-862-7418). Kourtney can help you identify:

- WELLNESS WORKS! (wellness.tamu.edu; wellness@tamu.edu) Programs (e.g., fitness, financial resources, ergonomics evaluation, parenting resources)
- Specialized nutritional counseling services
- Specialized healthcare providers for active/athletic adults

The BCBS representatives mentioned that many of these specialized nutrition and health services should be covered under BCBS.

### **Legislative Actions**

SB12, which has been passed by both chambers and is waiting on the Governor’s desk to be signed, will make the TRS actuarially sound by increasing the percent contributions that TAMUS and other state agencies must pay into TRS for employees. Over the next five years, the TAMUS will need to increase its contribution rate by about 2% in total. In the short run, this SB12 law will not affect the contribution rate that present employees pay into TRS.