

To: Andrew Klein, Speaker, Texas A&M University Faculty Senate  
From: Gregory Heim, Faculty Senate SEBAC Representative  
Date: November 25, 2019  
RE: Report from System Employee Benefits Advisory Committee (SEBAC) Meeting

---

The October 22, 2019 SEBAC meeting covered issues of interest to Faculty Senators and to the faculty and retirees of Texas A&M University. The meeting reviewed the status of medical plans, dental plans, life insurance plans, and wellness services being offered to faculty, retirees, and their dependents.

### **TAMUS Self-Insured Medical and Dental Plans**

System benefits administrators report that the TAMUS health plans are in good shape, with a FY2019 System subscriber count slightly larger than that for FY2018. Across the FY2019 period ending August 31, 2019, the total paid claims were below the total premium funds, leading to an excess of funds for medical insurance (across all plans) and dental (across all plans). Both sets of plans are continuing to follow funding trajectory patterns that were first initiated in 2016. In contrast to FY2018, the FY2019 excess funds were quite a bit smaller (i.e., \$24.9 million in FY2018 versus \$2.6 million in FY2019).

### **Life Insurance and AD&D Plans**

Benefits administrators reviewed the experience by coverage for the group of life insurance and accidental death and disability (AD&D) coverages offered via TAMUS. Across the life insurance plans, the incurred loss ratios appear reasonable for the plans (i.e., 73.1% on average across the plans), indicating that the plans are making reasonable profits, and therefore the plans are unlikely to have a premium increase. For the AD&D coverages, the Retiree Family Voluntary AD&D exhibited high incurred claims, leading to a 4.9% financial loss across the whole set of AD&D coverages.

### **EVIVE and Wellness Premium Incentives**

TAMUS Benefits Administration collects health assessment data for its covered population from its vendors (e.g., Blue Cross Blue Shield, Express Scripts, 2<sup>nd</sup> MD, MDLive) to identify recent healthcare patterns. Areas of concern include: cancer diagnosis increases, hypertension, diabetes, musculoskeletal consultations, and mental health/behavioral health consultations. These data were used to identify potential personalized tactics for enhancing individual and overall population health.

Based on the assessment findings, a new incentive checklist for employees was formulated. In November 2019, TAMUS will add new options for TAMU employees and spouses to get the \$30/month premium reduction. The new approach will offer a list of five personal options, out of which one can perform any two options from among the list.

### **Wellness Program**

A wellness program annual review was performed, based on the Prairie View, West Texas, Corpus Christi, College Station, and TTI campuses. From 2016 to 2019, improvements have

been observed in organizational aspects, lifestyle risk management, and medical care management. In particular, the review noted:

- Availability of more on-campus screenings.
- Availability of more physical activities and challenges.
- Increases in healthy eating, and some removal of less healthy snacks from vending machines and cafeterias.

### **Updates and New RFPs for Service Providers**

System benefits administrators mentioned the following issues:

- FY2019 changes:
  - The TAMU Employee Assistance Program (EAP) provider has changed from DeerOaks to ComPsych Guidance Resources ([www.guidanceresources.com](http://www.guidanceresources.com)).
  - TAMUS is using RDS to begin re-examining prior medical claims to identify potential savings.
- FY2020 RFPs that will occur:
  - RFP for overall healthcare plan administrator.
  - RFP for AD&D vendor.
  - RFP for consulting and actuarial services.
  - RFP for billing payment services.

### **Future Developments**

Next fiscal year, a preventive HIV pill will be offered as a zero co-pay under the graduate student insurance, but the pill is expensive, and because graduate students do not receive a state contribution, it is possible that the graduate student healthcare insurance premium may go up as a result.