

31.02.01 Administration of Employee Benefit Programs

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Regulation Statement

This regulation provides further guidance for the members of The Texas A&M University System (system) with regard to employee benefit programs. Pursuant to Policy 31.02, *Employee Insurance and Retirement Benefits*, the chancellor, within the authority provided by the Board of Regents (board), delegates responsibility for the administration of the benefits for employees and retirees of the system to System Benefits Administration.

Reason for Regulation

This regulation is to assist employees and retirees in understanding and using their benefits and outlines administrative procedures which, to the extent possible, are the same from plan to plan and from member to member. In addition, this regulation ensures that the system's benefit plans are administered in accordance with Chapter 1601, Texas Insurance Code, and all applicable federal or state regulations.

Procedures and Responsibilities

1. PROGRAMS

Benefit programs for the system's employees and retirees include:

- (a) employee group health plans, including a self-insured preferred provider organization plan and other health plan options such as health maintenance organizations, with each plan including a basic life insurance provision;
- (b) optional benefit plans, such as vision, dental, life, dependent life, accidental death and dismemberment, long-term disability and long-term care;
- (c) retirement programs, including the Teacher Retirement System of Texas (TRS) and the Optional Retirement Program;

- (d) supplemental retirement plans, including the Tax-Deferred Accounts Program, the State of Texas Deferred Compensation Program and the Supplemental Optional Retirement Program;
- (e) Section 125 (Internal Revenue Code) plans, including the flexible spending accounts and pretax premiums; and
- (f) other employee benefit programs that the system may establish.

2. PROGRAM RESPONSIBILITY

2.1 It is the responsibility of System Benefits Administration to:

- (a) establish regulations, procedures and methods of operation to be used within the system for managing employee benefit programs;
- (b) negotiate, process for approval and execution, and administer contracts with third-party providers of employee benefit services;
- (c) issue plan summaries to employees enrolled in group insurance programs and maintain plan documentation, contracts and service agreements for each program;
- (d) oversee the maintenance of the master employee insurance files, including beneficiary designations for each insured employee, retiree and other covered individual;
- (e) ensure that all qualified claims filed under the group insurance plans that involve death, dismemberment or disability of an insured are paid;
- (f) monitor and mediate disputed claims and other benefit grievances, including those through the self-insured health/dental plan's problem review procedure;
- (g) act as general liaison for the system with state and federal agencies, including the Texas Higher Education Coordinating Board, TRS, Employees Retirement System of Texas and the state comptroller, in administering employee benefit programs;
- (h) provide leadership and direction to members as needed to help them perform their duties associated with employee benefit programs;
- (i) provide guidance and direction to the System Offices Budget/Payroll/Personnel Operations Center in the areas of benefit deductions and procedures;
- (j) ensure compliance with federal and state regulations and board policies;
- (k) ensure that a basic health plan and associated administrative practices comply with the Uniform Insurance Benefits Act for employees of The University of Texas System and The Texas A&M University System, Chapter 1601, Texas Insurance Code;
- (l) ensure that the benefit programs offered to employees satisfy any non-discrimination requirements of state or federal statutes;
- (m) ensure the system complies with all requirements of the Health Insurance Portability and Accountability Act (HIPAA) Privacy Regulation;
- (n) serve as administrator of any Internal Revenue Service qualified benefit plans that may be offered by the system; and

- (o) oversee the collection of and accounting for premium payments to all insurance carriers, third-party administrators and the self-insured health/dental plan.

2.2 With the exception of the duties to be performed by System Benefits Administration, member chief executive officers are responsible for the day-to-day management of the employee benefit programs within the members.

Related Statutes, Policies, or Requirements

Tex. Ins. Code Ch. 1601, Uniform Insurance Benefits Act for Employees

System Policy *31.02, Employee Insurance and Retirement Benefits*

Member Rule Requirements

A rule is not required to supplement this regulation.

Contact Office

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