

Alvin Independent School District
Teacher Retirement System of Texas
2013-2014 Comparability Report #1

March 1, 2014

Alvin Independent School District

301 E. House Street

Alvin, TX 77511

281-388-1130

Alvin Independent School District

Alvin Independent School District offers four PPO plans and the links to the PDFs are below.

Schedule of Benefits

1. PPO 1750 with RX

<http://www.alvinisd.net/cms/lib03/TX01001897/Centricity/Domain/266/1750%20Plan%20Highlight.pdf>

2. PPO 1500 without RX

<http://www.alvinisd.net/cms/lib03/TX01001897/Centricity/Domain/266/1500%20No%20RX%20Card%20Plan.pdf>

3. PPO 1000 with RX

<http://www.alvinisd.net/cms/lib03/TX01001897/Centricity/Domain/266/1000%20Plan%20Highlight.pdf>

4. PPO 750 with RX

<http://www.alvinisd.net/cms/lib03/TX01001897/Centricity/Domain/266/750%20Plan%20Highlight.pdf>

Alvin Independent School District

Alvin Independent School District's premium rate sheet link is below.

Premium Rate Sheet

<http://www.alvinisd.net/cms/lib03/TX01001897/Centricity/Domain/266/BCBS%20RATES%202013-2014.pdf>

Alvin Independent School District

Alvin Independent School District Medical Plan Enrollment

Plan	Tier	Number Enrolled
PPO1500	Employee only	376
	Employee & Spouse	21
	Employee & Child(ren)	61
	Employee & Family	47
	Both District Employee & child(ren)	24
	Total	529
PPO1750	Employee only	487
	Employee & Spouse	78
	Employee & Child(ren)	122
	Employee & Family	143
	Both District Employee & child(ren)	80
	Total	910
PPO1000	Employee only	122
	Employee & Spouse	24
	Employee & Child(ren)	26
	Employee & Family	56
	Both District Employee & child(ren)	50
	Total	278
PPO750	Employee only	208
	Employee & Spouse	26
	Employee & Child(ren)	25
	Employee & Family	36
	Both District Employee & child(ren)	46
	Total	341
Total Enrolled		2058

Note 1: Enrollments as of February 28, 2014

Note 2: Total Enrollees is 2058

AISD REPORT #1

METHODOLOGY AND CRITERIA

TEC Section 22.004 was amended by the 80th Texas Legislature. The amended provision of Section 22.004 changed the Teacher Retirement System (TRS) and district responsibilities with regard to determining whether the district offers health care coverage to employees that is comparable to HealthSelect, the coverage provided to state employees. The amended provisions of Section 22.004 also specify certain reporting requirements. Each district that does not participate in TRS-ActiveCare is required to make a comparability determination and report compliance to TRS by April 1, 2014.

Each district is required to develop a methodology and criteria, which must take into consideration certain factors as specified in Section 22.004(b), to make the comparability determination. In determining if the district's coverage is comparable to the basic health coverage (HealthSelect), the following factors outlined in Section 22.004(b) must be considered:

- (1) the deductible amount for service provided inside and outside of the network;
- (2) the coinsurance percentages for service provided inside and outside of the network;
- (3) the maximum amount of coinsurance payments a covered person is required to pay;
- (4) the amount of co-payment for an office visit;
- (5) the schedule of benefits and the scope of coverage;
- (6) the lifetime maximum benefit amount; and
- (7) verification that the coverage is issued by a provider licensed to do business in this state by the Texas Department of Insurance or is provided by a risk pool authorized under Chapter 172, Local Government Code, or that the district is capable of covering the assumed liabilities in the case of coverage provided through district self-insurance.

The coverage must include major medical treatment but may exclude experimental procedure. In this subsection, "major medical treatment" means a medical, surgical, or diagnostic procedure for illness or injury. The coverage may include managed care or preventive care and must be comparable to the basic health coverage provided under Chapter 1551, Insurance Code. (HealthSelect at http://www.trs.state.tx.us/active.jsp?submenu=trs_activecare&page_id=/TRS_activecare/plans)

The law requires that the district prepare two reports:

Report 1: This report is based on the current group health coverage in effect during the current plan year. The report must include:

- a. Appropriate documentation of:

- (1) the school district's contract for group health coverage with a provider licensed to do business in Texas by the Texas Department of Insurance or a risk pool authorized under Chapter 172, Local Government Code;

OR

- (2) A resolution of the board of trustees of the school district authorizing a self-insurance plan for school district employees and of the school district's review of its ability to cover the liability assumed;

- b. the schedule of benefits;
- c. the premium rate sheet, including the amount paid by the school district employee;
- d. the number of employees covered by the health coverage plan offered by the school district;
- e. information concerning the ease of completing Report #2; and
- f. a compliance statement which states whether or not the school district provides health care coverage to its employees that is comparable to HealthSelect and whether it has complied with other requirements of Section 22.004 of the Education Code.

Report #2. The 2013-2014 Comparability Report Form is due to TRS by April 1, 2014. This form requires the district to respond to the following questions:

- a. Does your district offer employee health coverage that is comparable to HealthSelect?
- b. Is your district in compliance with all other requirements of Section 22.004 of the Education Code?

Report #1. Methodology and Criteria

In response to Report 1, item (e), information concerning the ease of completing Report #2, the following methodology and criteria was implemented to determine if the employee health coverage offered to district employees was comparable to the HealthSelect plan and if the district was in compliance with all other requirements of Section 22.004 of the Education Code.

1. The district reviewed the *TRS Certification Report and Comparability Study for Public School Employees' Health Coverage 2005-2006* (August 2006). In this report, districts were reported as "comparable" to the basic state plan if they offer at least one plan that compares favorably with the standard.
2. Base on Texas Administrative Code, Title 34, Part 3 Teacher Retirement System of Texas, Chapter 41- Rule 41.91 Certification of Insurance Coverage section [c], "comparable" means "similar, but not identical."
3. The district obtained a copy of the HealthSelect benefits at <http://healthselectoftexas.welcometouhc.com/assets/pdf/15023.O.ERS.BenefitsAaG.Actives.2014.pdf>

4. The current benefit levels under the HealthSelect plan were identified for each required factor outlined in Section 22.004.
5. A review of HealthSelect plans and AISD plans were compared.
6. Benefit levels by each plan were determined to be comparable to the HealthSelect benefit levels.
7. Completing report number two is relatively straight forward. However, the completion of report number 2 is predicated on the completion of report number 1 which requires meticulous examination of dissimilar plans and benefits which greatly complicates the process to get to report number 2.
8. Based on the comparison of benefit levels offered by the plans, each plan was determined to be comparable to the HealthSelect Plan. The evaluation determined the plans between HealthSelect and AISD to be comparable.
9. BlueCrossBlueShield of Texas is licensed to do business in the state of Texas was verified on the Texas Department of Insurance website.
10. Additional requirements of TEC Section 22.004 were reviewed by district staff.