

## 2015-2016 Retired Employee Benefits Summary

### Requirements for Retiree Health Insurance

For employees in active service on August 31, 2003, the following requirements apply:

- ✓ At least 5 years of benefits eligible state service credit, 3 of which must be with The University of Texas System (UT)
- ✓ At age 55 or meet the Rule of 80 (years of creditable service plus age equals or exceeds the number 80)
- ✓ The last place of state employment prior to retirement is UT, and
- ✓ Retire under TRS, ERS, ORP, or any other federal or state program to which the institution has made employer contributions

For employees hired September 1, 2003 and after, the following requirements apply:

- ✓ At least 10 years of UT benefits eligible service credit
- ✓ Age 65 or meet the Rule of 80 (years of service credit plus age equals or exceeds the number 80)
- ✓ The last place of state employment prior to retirement is UT, and
- ✓ Retire under Teacher Retirement System of Texas (TRS), Employee Retirement System (ERS), or the Optional Retirement Program (ORP) or any other federal or state program to which the institution has made employer contributions.

Note: ORP retirees must complete the **Optional Retirement Program Declaration of Retirement form**. Distributions from your ORP account are not required.

### Insurance Benefits for Retirees of UT Southwestern Medical Center

A benefits-eligible employee who retires at the end of the last month in which the employee was actively employed and enrolls in the insurance plans as a retiree may maintain medical, dental, vision, and long-term care coverage in force on the last day of employment. Voluntary life coverage may be maintained at \$7,000, \$10,000, \$25,000 or \$50,000, if eligible.

#### • Annual Enrollment and Family Status Changes

Retirees will receive notification of annual enrollment changes and will be able to make changes to plan and coverage levels. Mid-year changes may be made within 31 days of a qualified family status change, i.e. marriage, change of spousal employment. The changes made must be consistent with the qualifying event. Written documentation supporting the qualifying event must be provided.

#### Medical, Prescription, Dental and Vision Coverage

#### • Retiree Medical Plan

UT retirement eligible employees may retire and continue to receive full premium sharing for medical coverage and 50% premium sharing for dependent medical coverage. Premiums for dental, vision and life insurance continue at the same rates that apply to active employees.

The UT Select Preferred Provider Organization (PPO) plan is a UT System self-funded comprehensive plan including physician, hospitalization, prescription and behavioral health services, administered by Blue Cross/Blue Shield of Texas.

- In Network benefit: Office visit co-pay of \$30 (Family Care Physician) or \$35 (Specialist). Non-office services: 80% coverage after \$350 deductible. Claims payment based on allowed fee schedule; no balance billing if in-network providers are utilized.
- Out of Network: After \$750 annual deductible, plan pays 60% of allowable amount. Insured is responsible for 40% of the allowable amount. Any charges over the allowable amount are the patient's responsibility.
- If residing outside of Texas, New Mexico or Washington, D.C., after \$350 annual deductible, plan pays 75% of allowable amount. Insured is responsible for 25% of the allowable amount. Any charges over the allowable amount are the patient's responsibility.
- UT Select Prescription Drug Program through Express Scripts.
- Tobacco Premium Program\*: Monthly cost of \$30 per month per individual UT Select Medical participant, age 16 and over, who has used tobacco products in the past 60 days, up to a family maximum of \$90/month.

#### • Prescription Drug Program

|  |                | Preferred    | Non-Preferred |
|--|----------------|--------------|---------------|
| \$100 annual deductible per person                           | <u>Generic</u> | <u>Brand</u> | <u>Brand</u>  |
| Retail Network Pharmacy co-payments (up to a 30 day supply): | \$10.00        | \$35.00      | \$50.00       |
| Mail Order co-payments (90-day supply):                      | \$20.00        | \$87.50      | \$125.00      |

Questions? Please email [Retiree@UTSouthwestern.edu](mailto:Retiree@UTSouthwestern.edu) or call 214-648-9830.

## 2015-2016 Summary for Retiring Employees (continued)

### ➤ Health Plans and Medicare

The UT System urges all retired employees and dependents to **enroll in Medicare Parts A (hospitalization) and B (physician services) when they become Medicare eligible**. Retired employees, soon to be retired employees or their dependents that are eligible for Medicare must have Medicare Parts A and B to receive the maximum benefits available from the UT Select Plan. **If not enrolled in Medicare, the retiree will be responsible for paying the charges that Medicare would otherwise have paid for the retiree and their dependents**. UT System does not recommend retirees enroll in Medicare Part D (the prescription drug program). If a retiree is enrolled in both UT Select and Medicare Part D, prescription benefits do not coordinate. Only one of the prescription plans will pay.

For more information about how the UT Select medical plan and Medicare coordinate coverage, please review the Retiree Benefit Guide available at [www.utsystem.edu/offices/employee-benefits](http://www.utsystem.edu/offices/employee-benefits) or contact the Employee Benefits and Retirement Division of the Office of Human Resources at (214) 648-9830.

### • Dental Plans

- UT Select Dental – Preventive services covered at 100% of allowed amount; 50% to 80% of allowed amount after \$25 annual deductible per person for minor and major restorative, endodontics, prosthodontics, oral surgery, and orthodontia. \$1,250 per person Annual Maximum. \$1,250 per person Orthodontia Lifetime Maximum.
- UT Select Dental Plus – Same plan design as UT Select Dental with coverage of 80-100% of allowed amount. \$3,000 per person Annual Maximum. \$3,000 per person Orthodontia Lifetime Maximum.
- DeltaCare USA Dental HMO – Selection restricted by residence address. Primary care dentist selection required. No claim forms. No deductible. Variable co-payments. No Annual Maximum Benefit. Services are not available outside of Texas.

### • Vision Plans

- Superior Vision plan provides routine eye exam with one pair of glasses or contacts annually. Discounts are available for other services.
- Superior Vision Plus plan provides the same benefits as the Basic vision plan, plus benefits for Progressive lenses, Polycarbonate lenses up to age 18, factory scratch coating, and ultraviolet coating.

### • UT Flex - Retirees are not eligible to participate in the UT Flex Flexible Spending Account.

### • Term Life Insurance Program

- All retirees with medical coverage receive a \$6,000 life benefit paid for by UT.
- Regular retirees may be covered with voluntary group term life insurance through Dearborn National in amounts of \$7,000, \$10,000, \$25,000 or \$50,000. If the retiree has a minimum of \$7,000, spousal life coverage of \$3,000 may be added. EOI is required if adding or increasing retiree voluntary group term life amounts or if adding spousal life.
- Faculty retirees covered with supplemental group term life insurance through The Standard Insurance Company may continue the lesser of the coverage in effect at time of retirement or \$500,000. Coverage may be reduced in increments of \$25,000 at time of retirement and may be reduced or discontinued during annual enrollment. If coverage is discontinued through The Standard Insurance Company, coverage may not be added again at a future time.

### • Long Term Care Plan

Nursing home and community-based care for employees, retirees, adult children, spouses, parents, and parents-in-law. Retirees may enroll in long-term care mid-year without a qualifying event. Evidence of Insurability (EOI) is required.

### PREMIUM PAYMENT

Monthly premium payment is made by auto draft from a checking or savings account. If there are insufficient funds in the account for the insurance payment, the retiree is notified in writing and a \$25 insufficient funds fee will be assessed. The long term care premium will be billed directly by CNA and payment should be returned directly to CNA.

### **Cancellation Policy:**

**Premium payments must be kept current. If full premium payment is outstanding for 60 days, all coverage except retiree only medical will be cancelled. Coverage may not be restored until the next annual enrollment period.**

### Monthly Premium for Medical, Dental, Vision and Tobacco

| Coverage Level          | UT Select | UT Select Dental | UT Select Dental Plus | DentalCare USA Dental HMO | Superior Vision | Superior Vision Plus | Tobacco Premium* |
|-------------------------|-----------|------------------|-----------------------|---------------------------|-----------------|----------------------|------------------|
| Subscriber Only         | \$0.00    | \$32.40          | \$55.85               | \$8.89                    | \$5.90          | \$9.00               | \$30.00          |
| Subscriber & Spouse     | \$244.10  | \$61.51          | \$106.06              | \$16.90                   | \$9.30          | \$14.08              | \$60.00          |
| Subscriber & Child(ren) | \$255.30  | \$67.80          | \$117.03              | \$18.68                   | \$9.52          | \$15.08              | \$60.00          |
| Subscriber & Family     | \$480.71  | \$96.40          | \$166.74              | \$26.67                   | \$15.10         | \$21.30              | \$90.00          |

\*Only applicable when enrolled in UT Select medical coverage.

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