

STANDARD ADMINISTRATIVE PROCEDURE

31.02.02.M0.01 State Contribution for Group Insurance Premiums

Approved August 27, 1996

Revised January 26, 2010

Revised August 14, 2013

Revised September 9, 2020

Next Scheduled Review: September 9, 2025

Standard Administrative Procedure Statement/Reason

This SAP provides guidance on eligibility, responsibilities and the framework of the state contribution to group insurance premiums for employees and retirees of Texas A&M University.

Official Procedures/Responsibilities/Process

1. ELIGIBILITY

- 1.1 Employees who are hired or move into benefits-eligible positions must complete a waiting period before being eligible to receive the state group insurance premium contribution (SGIP). The SGIP eligibility date is the first (1st) of the month following the sixtieth (60th) day of employment in a benefits-eligible position. The waiting period is subject to changes by state and federal law.
- 1.2 Texas A&M colleges and departments are prohibited from providing supplemental payments to reimburse employees for the state contribution during the waiting period, unless the Texas A&M CEO determines that all new employees will be provided with supplemental payments for this purpose. Any reimbursements during the waiting period are considered taxable income to the employee.
- 1.3 An employee may not receive the state contribution for insurance premiums from two state institutions or agencies simultaneously.
- 1.4 Disabled employees, who are not of retirement age may qualify for the state contribution as a disability retiree. To qualify as a disability retiree, an employee

must be totally and permanently disabled and unable to perform the duties of the job along with meeting service requirements specific to their benefits-eligible employment date. Generally, disabled retirees with ten (10) years of creditable service, are entitled to the state contribution indefinitely or until no longer disabled. Those with less than ten (10) years of creditable service are only entitled to the state contribution for a period calculated by receiving one month of continuation for each month of service credit.

- 1.5 Working retirees will remain eligible for the state contribution based on their retiree classification.
- 1.6 Terminated employees who meet the age and service requirements for retirement and have an intact Teacher Retirement System (TRS) or Optional Retirement Program (ORP) account, should visit the Texas A&M System Benefits Administration website at <http://www.tamus.edu/business/benefits-administration/> or contact Human Resources to obtain information about retirement benefits, including eligibility requirements for the state contribution for group insurance premiums as a qualified retiree.
- 1.7 Eligibility for the SGIP during other periods (summer months, periods of unpaid leave of absences, etc.), are described in System Regulation 31.02.02.

2. AMOUNT

State law authorizes the system to contribute to the group health premiums of each benefits-eligible employee and retiree. For active employees, the contribution amount is determined based on the employees's health plan premium category and whether the employee works full-time or part-time. . For a Texas A&M University System retiree, the amount of contribution is based on the retiree's health plan premium category.

3. COBRA and Fellows

Survivors and terminating employees or dependents electing COBRA coverage are not eligible for the state contribution for group insurance premiums. Individuals who are eligible for coverage due a Fellowship that meets state requirements are not eligible for the state contribution for group insurance premiums.

Related Statutes Policies

Policy 31.02: *Employee Insurance and Retirement Benefits*

<http://policies.tamus.edu/31-02.pdf>

Regulation 31.02.02: Group Insurance Programs

<http://policies.tamus.edu/31-02-02.pdf>

Contact Office

For more information or clarification on this procedure, contact [Human Resources](#), Benefits Services at (979) 845-1718, or by email at benefits@tamu.edu.

OFFICE OF RESPONSIBILITY: [Human Resources](#)