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# AGBP GUIDELINES

## DEFINITIONS:

**AGBP** - Adjunct Group Benefits Program through ERS (as indicated in SB 1370, 78<sup>th</sup> Legislature, Special Session.

**Back in Service** - Employment tenure “following a break in continuous teaching service at ACC.” This does not include an intermittent or short non-scheduled break (fall, spring, summer, etc.) during a normal academic year “due to insufficient student count” for any class during an academic semester

**Balance due** - Non-sufficient funds in the employee’s personal account indicating a negative balance. Balances must be fully repaid to ACC before next official AGBP enrollment. Collections will commence immediately upon GBP canceled insurance.

**Break in service or tenure** - A break in academic teaching tenure or cancellation of coverage due to NSF. *Example: A leave of absence for the academic year or failure to teach for a complete academic year represents “a break in service” regardless of reason.*

**Cancellation** - Cessation of GBP benefits for NSF conditions. No COBRA benefits available even if employee subsequently “terminates” at a later date through the GBP program.

**COBRA** - Continuation of coverage (health/dental) through ERS at employees’ expense (plus 2% administrative fee) due to “termination” of employment conditions as per Federal law.

**Date of Discovery** - Date “a critical qualification event” is discovered by ERS.

**Default** - No Response (intentional or unintentional) to initial AGBP enrollment notifications during August.

**EOI** - Evidence of Insurability (insurance company qualification by application, up to an including a health physical) required for any non-HMO insurance company in GBP.

**ERS** - Employee Retirement System of Texas provides Higher Education benefits through GBP.

**GBP** – (Group Benefits Plan) Health, Dental, Term Life, Basic Life, Short/Long Term Disability, AD&D and Tex Flex, available to Higher Education Institution employees.

**HR** - Human Resource Benefits Staff

**Non-ACC Check Months** - Months during which the employee does not receive an ACC check during non-working semesters.

**Non Compliance** - Not qualifying due to failure to meet 12 LEH per year or experiencing a break in continuous service with ACC (Leave of Absence, Leave without Pay, Military Duty, etc.)

**Non Eligible** - Not eligible to attain the 12 LEH per year “as determined by the respective Dean at any time during the fiscal year”

**NSF** - Non Sufficient Funds in the employee's personal account on the ERS payment due date. Any NSF shortages each month will have the first week (7 days) after payday (last day of the month) to be "paid in full" at the ACC Cashier's Office. Cancellation occurs upon ERS payment date (10<sup>th</sup> of month). Any service charges incurred while in an NSF status prior to the retro date will be the responsibility of the employee.

**Qualifying Life Event Change (QLE) or Post Hire Change** - Changes in family status during the year following initial enrollment which could impact insurance coverage and affect employee and family after AGBP enrollment. *Examples: birth, death, adoption, loss of coverage, loss of spousal coverage, change in financial status, etc.*

**Retro** - Return to last paid date

**Termination** - Separation from college for various personnel reasons (termination, transfer, change of employee status, cessation of employment, etc.). COBRA is available through ERS.

**Tex Flex** - Section 125 ERS pretax program for out of pocket health, dental, day care (child/adult) payments for pretax savings to the employee. Tex Flex is available to every eligible AGBP employee. *Note: Impact (positive or negative) on the employee's annual tax condition can occur depending upon whether the employee receives an ACC paycheck during each month of the academic year.* Non generation of an ACC check for any reason during the year will require payment of Tex Flex deposit(s) with "after taxed" funds and will continue to be the full responsibility of the employee as indicated by the Tex Flex contract. Full deposit of the Tex Flex funds either by payroll deduction or any other means can be accomplished at any time during the year by the employee.

## GUIDELINES

These guidelines are designed to implement The Board's approval for implementation of GBP benefits for ACC Adjunct Faculty effective on September 1, 2004 and to comply with Senate Bill 1370. Since these benefits are at the employee's cost, the employee will have until the end of Fiscal Year (August 31) to meet the requirement of "teaching 12 LEH in the year of coverage."

ACC assumes initial qualification of 12 LEH per year and will terminate upon "inability to meet" 12 LEH per year. All insurance calculations for salary driven GBP benefits will be based upon 12 LEH per year unless written confirmation is provided by the respective Dean before Sept 15 of each year or other official documentation is provided for a higher or lower annual salary.

HR Benefits is responsible for the enrollment (including midyear changes) and tracking of adjunct faculty on the plan. Business Services is responsible for the accounting of monies received and the reporting of monies in a timely manner for HR Benefits to monitor and pay ERS. HR is responsible for the monthly payments of premiums and transmittal to ERS. Business Services is responsible for the annual reconciliation of these AGBP funds for each ACC employee personal account. Excess funds annually will be refunded to the employee at the end of each fiscal year.

Any suggestions or corrections to these AGBP Guidelines should be emailed to Alisol Martinez at [avaldez1@austincc.edu](mailto:avaldez1@austincc.edu)

These Guidelines will be posted on the ACC Website.

**Disclaimer:**

These Guidelines can be amended by ACC at any time without prior notification of ACC employees to meet any Federal, State, local law or to maintain compliance with State law or any future ERS guidelines. A “good faith” attempt will be made to notify each employee by mail of any policy changes at their last known official address on file

All AGBP policies have been developed in “good faith” to comply with the SB 1370 law. Any future legal interpretations or changes of the law may require alteration of this policy and guidelines by the institution.

## **Adjunct Group Benefits Program (AGBP)**

### **I. Qualifications**

#### **A. Eligibility Requirements**

1. Adjunct Faculty Employee must have taught at least one (1) credit course at ACC during both fall and spring semesters for the prior three (3) consecutive academic years

And

2. Adjunct Faculty Employee must be scheduled to teach (or anticipated to teach) twelve (12) credit hours in the current academic year of AGBP participation

And

To retain GBP coverage with AGBP:

3. Adjunct Faculty Employee must have taught at least twelve (12) credit hours during previous academic year and have uninterrupted teaching tenure in future academic years to continue qualification for continued GBP coverage in the following academic year(s).

#### **B. Eligibility Determination**

1. HR Benefits has identified the qualified adjunct faculty employees that have taught (1) one credit course both fall and spring for the past (3) three years consecutive years.

Full compliance with IA3 will be determined by the Summer Session 2 by HR Benefits. Employees must have taught not less than 12 LEH for the year or be scheduled and reasonably able to complete more than 12 LEH (credit hours) by August 31. If unable to meet IA3, the employee will be advised of “non-compliance” by HR Benefits and AGBP will be terminated and funds balance returned to employee at last official address. COBRA will be offered through ERS within 60 days.

2. For the next academic year (and the future), Deans will be provided a list of potentially eligible Adjunct Faculty by the last week of July each year. When receiving the AGBP Qualification list from HR Benefits Department, Deans should review the twelve (12) hour academic requirement for each academic year for each employee. The Deans will be asked to identify “whether these employees will be teaching (or projected to teach) 12 LEH for the applicable academic year” and to verify “the potential of meeting this 12 LEH goal during the present academic year.” If the employee will not be able to meet this 12 LEH goal by Aug 01 of each academic year, the Dean should indicate such teaching limitations to HR-Benefits ASAP or as early as possible during the year to meet the SB 1370 law.
3. The Deans should return the list to HR Benefits by July 30. Failure to return the AGBP Qualification List will result in final numerical determination of qualification capability of 12 LEH in the present academic year by HR Benefits. Cancellation will occur at the point of employee non-compliance capability.
4. Department Deans should identify all Adjunct Faculty Employees who are not able to reach the twelve (12) hour academic requirement (IA2 or IA3) ASAP. Final determination date should be NLT August 1<sup>st</sup> of each academic.
5. If desired, the employee may consult with their respective Dean regarding the Fiscal Year schedule and “the potential for employment to meet the 12 LEH during the current Fiscal Year academic year.” The Dean should advise HR Benefits Manager by official email, if after personal discussion, it is determined by the Dean that the indicated employee “may teach 12 LEH in that year” and should be enrolled for AGBP benefits for the year until “not qualified (Non-eligible).” This notification will be kept on file in case of future audit. Notification by employee is not acceptable. If approved by the Dean, the employee must attend an orientation session.
6. Orientation begins during July of each year. For those employees deemed “not eligible” by their respective Dean, HR Benefits will provide a letter of non-eligibility to the employee’s last official address by Certified Mail on or before the last day of the academic year. Cancellation will occur on Date of Discovery and coverage will continue until the last day of the cancelled month, if sufficient funds are available for the monthly premium payment otherwise cancellation will be retro.

## II. Enrollment

1. All potentially qualified AGBP Adjunct Faculty will receive notification of orientation sessions by July 1. Reminders to the employee's last official address will be sent after each weekly orientation session in to employees who have not attended nor submitted a waive form by mail.
2.
  - a. Adjunct Faculty Employees not interested in AGBP coverage may elect to waive coverage "in writing" by returning a Schedule/Waiver form to HR Benefits or by complete default (no response or action taken).
  - b. If "in default" (intentionally waiving by non response) they cannot not be signed up with GBP until the next qualifying year.
  - c. For the next year, if waived or "in default" the employee will need to be re-qualified for 12 hours (IA2). These individuals will need to go through the normal ERS process for GBP enrollment and may need to comply with the ERS 'Evidence of Insurability' process if applicable. Any State mandated delays for insurance are applicable until further notice.
3. Until further notice, Adjunct Faculty Employees interested in AGBP coverage must attend an ACC AGBP benefits orientation prior to enrollment of AGBP benefits each year. This applies for any subsequent enrollment in future years due to Disclaimer and premium collections for the first month of coverage of the next academic year.
4. Adjunct Faculty Employees interested in AGBP coverage must sign an "ACC Disclaimer" Form by August 31 of each year. Failure or refusal to sign an ACC Disclaimer Form will result in non enrollment for the year. Collected funds will be returned ASAP. Future enrollments will be delayed until the next qualifying year.
5. For all eligible employees electing to enroll in AGBP coverage will begin September 1 with any State mandated delays.
6. All Adjunct Faculty Employees enrolled in AGBP coverage will remain enrolled for entire fiscal year unless AGBP coverage is terminated due to separation or not teaching 12 LEH or cancelled for non payment (NSF). All employee initial enrollment changes must be completed during the August enrollment period, unless termination of employment with ACC occurs and no further funds can be collected by ACC.
7. For Qualified AGBP employees, Qualifying Life Events or Post Hire Changes can be made throughout the academic year as per ERS standards through HR Benefits.
8. Once enrolled in AGBP, future enrollments are assumed to be qualified until official notification of "non-qualification", break in service or failure to meet tenure or the required teaching of 12 LEH per academic year.

9. Disputes: All disputes for enrollment will occur within 30 days of initial enrollment. All disputes should be submitted to the Benefits Manager in writing. Research of applicable records will be completed within 10 days of receipt of letter. All disputes will be resolved according to ERS rules and future enrollments will occur under ERS and State guidelines.

### **III. Premium Payment to ACC Business Office**

1. **Premium Payments**

- a. Adjunct Faculty employees who qualify have the option to enroll in all available GBP coverage's including Tex Flex offered by ERS at the employee's cost.

2. **First Month Premium (Enrollment)**

- a. Adjunct Faculty Employees must pay the first month's premium at any ACC Cashier's office by (September 11) by personal check, cashier's check, money order, or cash (credit card not accepted) unless participant elects payroll deduction.

3. **Monthly Premiums**

- a. Adjunct Faculty Employees' monthly premium will be collected via payroll deduction (if receiving an ACC paycheck) or direct payment to any ACC Cashier's Office by the last day of each month. All payments to the Cashier's Office must be in check, cash, cashier's check or money order. Credit cards are not accepted until further notice.
- b. Adjunct Faculty Employees who do not receive adequate ACC monthly compensation by the last day of each the month in the academic year to cover all GBP "payments due," will have the first seven (7) calendar days of the next month to make a full payment to any ACC Cashier's Office. Payment must be made in check, cash, cashiers' check or money order. No credit cards accepted.
- c. Non ACC Check Months: During months when the ACC employee does not receive an ACC generated paycheck, it is the employee's responsibility to insure that the employee's personal account does not go to NSF by any means possible. It is recommended that if an employee anticipates not having a fully funded paycheck year (all 12 months of paychecks), that the premium payment choice be "deposit at the Cashier's office for the full year (12 months) in lieu of ACC payroll deduction."

1. Tex Flex accounts will have to be funded through after taxed personal funds during these non-paycheck periods due to the contractual status of the Tex Flex account.

Prepayment or payment in full of Tex Flex annual funding by personal funds or with a final ACC paycheck can be made at any time during the year by the employee.

## IV. Termination/Cancellation of AGBP coverage

1. AGBP coverage will be 'Terminated' for failure to fulfill "annual Eligibility Requirements" (teaching 12 LEH per academic year).
  - a. Adjunct Faculty AGBP coverage terminated after initial AGBP qualification and enrollment will qualify for COBRA
    1. HR Benefits will terminate coverage in the Datatel and ERS systems
    2. Upon termination, ERS will forward the appropriate COBRA forms to the employee's last official address within 60 days.
    3. Cobra payments should be made directly to ERS (and not ACC) until re-enrollment in AGBP.
2. AGBP coverage will be "Canceled" for Non-Payment [NSF] of the full monthly premium on the ERS billing date (less than full monthly premiums available on the ERS bill date).
  - a. If cancelled for NSF, the employee does not qualify for COBRA.
  - b. Subsequent "termination" in the future following an NSF cancellation will not subsequently qualify the employee for COBRA.
  - c. Adjunct Faculty whose coverage is cancelled for NSF must re-qualify the next fiscal year (based on guidelines in Section I) prior to re-enrolling in any AGBP or GBP coverage's. Future notification of qualification will occur in July of each year by a mailing to the employee's last official address.
  - d. Excess funds remaining in the employees' ACC personal account "after cancellation [or termination]" will be returned to the employee at the last official address by a payroll adjustment check generated by HR Benefits within 30-60 days or ASAP.
1. All terminations/cancellations will "retro" back to the last calendar day of the month for fully paid premiums.

2. All accounts with a balance due will be placed into collection status immediately by the ACC Business Office.
3. Adjunct Faculty Employee benefits either terminated or cancelled will not be re-enrolled (or re-qualified) until the next fiscal year. The employee must re-qualify as described in Section 1 plus follow any ERS enrollment process procedures, up to and including Evidence of Insurability (EOI).

All terminations and cancellations are automatic on Date of Discovery. Coverage may or may not continue until the last day of the month depending upon funding status of the employees ACC personal account.

## **V. Reinstatement of AGBP coverage after NSF cancellation**

1. Prior to reinstatement of AGBP coverage's (for the following academic year) , the following criteria must be met:
  - A. Prior qualification of Section 1 A [previous year] without a "break" in service or teaching tenure at ACC
    1. Qualification criteria outlined in Section 1A3
  - B. Break in ACC teaching tenure (beyond the next academic year)
    1. Qualification criteria outlined in Section 1A1 and 1A2.
2. Prior to reinstatement of AGBP coverage's cancelled due to NSF, the following criteria must also be met before reenrollment in AGBP (in the subsequent academic year):
  - a. Any outstanding balance for prior AGBP premium billings in an unpaid or collections status must be paid in full to the Cashier's office.
    1. Payment of two (2) months of premiums must be paid "in advance" by money order, Cashiers' check or cash at the nearest ACC Cashier's office. Personal checks not acceptable.

## **VI. Reconciliation of Payments**

1. ACC Accounts Payable (Business Office) will provide weekly reports to HR Benefits of Adjunct Faculty employees who have paid by the last day of the month on each Friday in August for initial enrollment status.
2. Accounts Payable will notify HR Benefits on the first business day following the 7<sup>th</sup> calendar day of the subsequent month of any Adjunct Faculty that “has failed to pay the monthly premiums due.”
3. HR Benefits will notify the employee at the last official address by certified mail of “failure to pay” and that cancellation will occur by a specific date (10<sup>th</sup> of the month), retro to the last date of the previous paid month). All NSF fund conditions will be placed into collection immediately by the ACC Business Office.
4. HR Benefits will make the appropriate payroll adjustments in Datatel to refund any money due back to the employee in a timely manner at the employee’s last official address.
5. ACC Controller’s Office is responsible for monthly/annual reconciliations.

## **VII. Qualifications for Future Adjunct Faculty for AGBP**

1. ACC Adjunct Faculty members not initially currently qualified during current fiscal year will be required to qualify as per Section 1A1 and Section 1A2.
2. Notification of non-previously qualified AGBP employees will occur by July 01 of each year.

## **VIII. Transfer(s) to ACC**

1. Transfer to ACC from other Academic institutions participating in this GBP (SB 1370) program will require meeting the ACC Institution Section 1A1, Section 1A2 qualifications regardless of their

previous enrollment in the ERS GBP program as an Adjunct Faculty of that institution under this SB 1370 law.

2. Transfer to other institutions of ACC Adjunct Faculty qualified under this SB 1370 law (and institution's approval to participate) will be according to the "receiving institution's" policy and institution qualification for participation in their GBP (SB 1370) program. Enrollment in the ACC AGBP program does not guarantee any acceptance (or uninterrupted participation in the GBP) at any other institution other than ACC

## **IX. Exceptions**

1. Exceptions to the established AGBP policies and guidelines for personal reasons will not be granted in the future "to insure full compliance with SB 1370 as a result of any future audit by any applicable State of Texas agency.

## **X. Funding**

Until further notice, ACC Board of Trustees intends "to only offer, not fund" these AGBP benefits through ERS GBP for ACC Adjunct Faculty. This "offer" requires that the Adjunct Faculty choose a specific combination of benefits plus Tex Flex to meet their personal needs and fund such choices either by payroll deduction (if receiving an ACC paycheck) or by personal funds deposited at any ACC Cashier's Office before the applicable deadline date (last day of the month). Failure to adequately fund these personal premium payments regardless of reason will result in the immediate cancellation of these benefits to insure that ACC taxpayer funds are not utilized.

## **IX. Questions**

1. Policy and Procedures issues contact Susan Smith at (512) 223-7617
2. Enrollment/Benefits issues contact Alisol Martinez at (512) 223-7800