


<p>Office of Employee Benefits</p> <p>Administrative Manual</p> 	TOBACCO PREMIUM PROGRAM	160
	INITIAL EFFECTIVE DATE: September 1, 2012	
	LATEST REVISION DATE: SEPTEMBER 1, 2018	
	PURPOSE: To describe the Tobacco Premium Program.	
	SCOPE: The University of Texas System participants in the UT SELECT and UT CONNECT Medical plans who are at least 16 years of age.	
STATUTORY AND ADMINISTRATIVE REFERENCES: Texas Insurance Code §1601.111		

1.0 INTRODUCTION

Section 1601.111 of the Texas Insurance Code authorizes UT System to establish premium discounts, surcharges or rebates for an individual who participates in UT System approved programs promoting disease prevention, wellness and health. The Tobacco Premium Program is a wellness initiative that provides an abatement of a tobacco use premium surcharge on UT SELECT and UT CONNECT Medical coverages to members who do not use tobacco products.

UT System cares about the health and well-being of its employees, retirees and their dependents. The UT SELECT and UT CONNECT Medical plans provide a variety of programs, tools, and resources, to promote a culture of wellness and to enable employees, retirees and dependents to take charge of their health and develop their own personal wellness program.

Because the use of tobacco is one of the leading preventable health risks worldwide and the use of tobacco is inconsistent with the culture of wellness, the Tobacco Premium Program was implemented as part of the UT SELECT and UT CONNECT Medical Plans.

2.0 DEFINITIONS

2.1 Tobacco Product

For purposes of this policy, a Tobacco Product includes any of the following:

- Cigarettes, including e-cigarettes and clove cigarettes;
- Cigars;
- Pipes;
- All forms of smokeless tobacco, including chewing tobacco, snuff, dip and any other products that contains tobacco; and
- Any other smoking devices that use tobacco such as hookahs.

2.2 Tobacco User

A Tobacco User is a person enrolled in the UT SELECT or UT CONNECT Medical plan, age 16 and above, who has used tobacco products listed in Section 2.1 within the past sixty (60) days.

3.0 TOBACCO USER DECLARATION

An Employee or Retired Employee who qualifies as a tobacco user or whose covered Dependent(s) qualify as a tobacco user, as defined in Section 2.2 of this policy, must declare whether he/she or their Dependents uses tobacco products. The declaration should be completed at the time of initial enrollment into the UT SELECT or UT CONNECT medical plan or any time during the year that a person begins to meet the Tobacco User definition.

- During the Annual Enrollment period, the Employee/Retired Employee will sign into their account in the *My UT Benefits* online enrollment system.
- At all other times, the Employee/Retired Employee will complete the appropriate section of the Tobacco User Declaration Form and submit to their institution Benefits Office. This form may be obtained at the Office of Employee Benefits online homepage or from their institution Benefits Office.

At the time a Tobacco User no longer meets the definition of a tobacco user; i.e., the person has not used tobacco products within 60 days, the person should submit a new Tobacco User Declaration Form and submit to their institution Benefits Office. This form may be obtained at the Office of Employee Benefits online homepage or from their institution Benefits Office

4.0 TOBACCO USER PREMIUMS

Members enrolled in the UT SELECT or UT CONNECT Medical plan will pay a monthly premium surcharge of \$30 per tobacco user per month beginning on September 1, 2012, or on the first of the month following the declaration, whichever is later.

Premium surcharges are based on three categories: Member \$30 per month; Spouse \$30 per month, and Child(ren) \$30 per month. The premium surcharge for dependent children is \$30 regardless of how many children in the household use tobacco or whether there are also dependent children that are not Tobacco Users. The maximum premium is \$90 per family per month.

The monthly tobacco user premium surcharge will be combined with the UT SELECT or UT CONNECT Medical premium and paid on a pre-tax basis.

5.0 EXCEPTION TO TOBACCO USER PREMIUMS

A Tobacco User who has been diagnosed with an uncontrolled health condition and whose physician advises against stopping the use of tobacco products should submit a statement from the physician (titled Physician Statement Form) which may qualify the Tobacco User to avoid paying the tobacco premium surcharge. A physician statement can be submitted any time throughout the year.

For Tobacco Users who qualify under this provision, the premium surcharge will be waived for coverage beginning the first of the month following submission of a physician statement form.

6.0 EFFECTIVE DATES

6.1 First Plan Year

The Tobacco Premium Program took effect on the first day of the 2013 UT SELECT Medical Plan Year - September 1, 2012. Declarations were required during the July 2012 Annual Enrollment period. For UT CONNECT, the TPP took effect on the first day the plan was offered, September 1, 2018, with declarations first required during the 2018 Annual Enrollment.

6.2 Tobacco Use at Initial Enrollment

A person who is a Tobacco User at initial enrollment into the UT SELECT or UT CONNECT medical plan, as defined in Section 2.2 of this policy, must complete the Tobacco Use Declaration Form. The effective date for the premium surcharge will be the first of the month following completion of the form.

6.3 Tobacco Use Begins During Plan Year

A person who becomes a Tobacco User, during the plan year must complete the Tobacco Use Declaration Form. The effective date of the premium surcharge will be the first of the month following completion of the form.

6.4 Tobacco Use Ends During Plan Year

A person who stops using Tobacco Products during the plan year must declare that they have not used Tobacco Products, by completing a paper Tobacco Use Declaration Form. The premium surcharge will cease to be assessed effective the first of the month following receipt by UT System of the completed form.

7.0 RESOURCES

OEB cares about the health of all UT employees, retired employees and dependents. To assist individuals in ending the use of tobacco products, the UT SELECT and UT CONNECT Medical plans offer numerous resources to assist with stopping tobacco use. Additional information about the TPP and Tobacco Cessation programs are available on the OEB website at www.utsystem.edu/benefits/medical/tobacco.htm.

8.0 MISREPRESENTATION

The Regents Rules of The University of Texas System and all System institutions' policies provide that System employees may be disciplined for failure to comply with System policies. The UT SELECT and UT CONNECT plan requirements are official policies of The University of Texas System. An employee who has been found to have violated the plan requirements by falsely certifying his or her tobacco usage can be subject to sanctions under the employing institution's disciplinary rules that may range from a reprimand to termination of employment. In addition, a plan member who intentionally fails to declare tobacco use to receive a reduced premium rate may face legal proceedings for repayment of premium discounts wrongfully obtained through misrepresentation and/or referral to the appropriate agency for investigation for insurance fraud.