



August 12, 2022

Mr. Brian Guthrie
TRS Executive Director
Comparability Report Teacher Retirement System of Texas 1000
Red River Street
Austin, TX 78701-2698

Re: Killeen ISD Comparability with TRS ActiveCare Primary of Texas
Dear Mr. Guthrie:

Background

Per Section 22.004 of the Education Code, Texas school districts that do not participate in the Texas Retirement System (TRS) are required to report in even-numbered years if their plans are comparable to the ActiveCare Primary of Texas plan. BKCW has prepared this analysis.

There are several criteria that must be compared

1. The deductible amount for service provided inside and outside of the network.
2. The coinsurance percentages for service provided inside and outside the network.
3. The maximum amount of coinsurance payments a covered person is required to pay.
4. The amount of the copayment for an office visit.
5. The schedule of benefits and the scope of coverage.
6. The lifetime maximum benefit amount.
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 a district is capable of covering the assumed liabilities in the case of coverage provided through district self-insurance.

Methodology

The analysis was performed by BKCW. BKCW used the following methodology to assess the value of the plan as it relates to the TRS plans by actuarial value. BKCW has concluded when Killeen ISD plan is compared to current (2021/2022) ActiveCare primary and current (CY 22) KISD Plan D. We noted both plans are network only plans and that current KISD Plan 4 was the most similar to current AC Primary. AC Primary has a \$2500 deductible and \$8150 OOP maximum, and is an HMO PCP driven plan. KISD Plan D has a \$5000 deductible and \$7350 OOP maximum that does not require PCP designation and has a PPO tiered network. There are various copay differences as well. The estimated plan value of KISD Plan D is approximately +1.6% above AC Primary. BKCW has concluded that its value is within the +/-5% range allowed.

The criteria prescribed by Section 22.004 are met by 1.a. by contracting with a provider

licensed by TDI to do business in the state, United HealthCare, as well as the value within 5%.

Results and Conclusion

The results of the plan comparison are below.

Plan	Plan Value
ActiveCare Primary	1.000
Killeen ISD Plan D	+1.6%

The conclusion is that the Essential Option is within 5% of the ActiveCare Primary plan, and therefore Killeen ISD is in compliance with Section 22.004.

Sincerely,



Thomas A. Dorroh

BKCW Employee Benefits Consultant

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