

## Insurance for Astronomy Graduate Students with External Fellowships

(Shardha Jogee, Astronomy Department Chair, June 28, 2019)

*NB: This proposal was put forward by the Department Chair and discussed at the faculty and research scientist meeting on May 10, 2019. The proposal was put up for a Faculty and Graduate Studies Committee (GSC) vote on June 20, 2019, and received a strong vote in favor (Yes: 21, No:1, No Response:2). The new policy and process in this proposal are effective as of AY 2019-20.*

This proposal aims to establish a **well-defined policy and process for our graduate student fellowship holders to have access to the medical insurance they need, in particular employee insurance**. The proposal is based on data we have compiled and discussions with the graduate students, HR, CNS, etc. Points (1) to (6) below summarize the current situation and challenges. Point 7) outlines the core elements of the new policy and process.

- 1) A testament to the excellence of our graduate program is that an increasing number of graduate students (e.g. 11 in 2017-18, 11 in 2016-17, 5 in 2015-16) are winning competitive external full-year or multi-year graduate student fellowships from external funding agencies (e.g., NSF, NASA, the Department of Energy (DOE), the Department of Defense (DOD)), as well as the UT Graduate School (e.g., the Graduate School Continuing Fellowship, Harrington).
- 2) When a graduate student wins a full-year fellowship **it saves her/his research advisor a large amount of research funds** ranging from **\$49,768** (from startup funds and other funds free from IDC) to **\$71,845** (from grants that pay IDC), assuming the AY 2018-19 rates shown below:
  - Fall or Spring = \$10,500 (stipend) + \$4,518 (tuition) + \$4,153 (fringe benefits including insurance, assuming a rate of 39.55%) + \$8,279 (IDC rate of 56.5%) = \$27,450
  - Summer = \$7,000 (stipend) + \$1,659 (tuition) + \$2,768 (fringe benefits including insurance, assuming a rate of 39.55%) = \$16,947
  - Annual (Fall + Spring + Summer) cost = **\$49,768** (without IDC) or **\$71,845** (with IDC).

Even if the advisor had planned to have the student hold teaching assistantships (TAs) during Fall and Spring, she/he would still save the summer support amount of \$11,428 without IDC or \$16,947 with IDC.

- 3) Unfortunately, our excellent students winning external graduate fellowships **are put at a disadvantage in terms of medical insurance**. Students who are supported through teaching assistantships from UT/CNS or through graduate research assistantships (GRAs) from their advisor receive **employee insurance** (which costs \$7,178 for a single student and \$13,721 for a married student plus spouse for the 2018-19 plans shown in Table1), but students who hold external fellowships receive from the Graduate School

or from the fellowship agency (see Table 2) only a small supplement exactly equal to the amount they need to purchase **student insurance** (which costs \$2,504 for a single student and \$5,008 for a married student plus spouse for the 2018-19 plans shown in Table1).

- 4) While the exact medical costs of a student depend on his/her specific private medical condition, the feedback of student fellowship holders indicates that **the employee insurance plan provides significant advantages over the student insurance plan**. For example, on the employee insurance plan, copay costs for ER visits are often lower, the copay for many prescription drugs are lower, the coverage for rehabilitation, physical therapy and testing are significantly better; and the network of eligible specialists is generally more extensive. It is important for our fellowship holders to receive the insurance they need for their physical, emotional, and mental health.
- 5) In order for a fellowship holder to have an employee insurance plan, someone has to pay for the **significant Employee-Insurance-Gap** between the student and employee insurance. From Table 1, the annual value of the Employee-Insurance-Gap is
  - = Employee plan - Student plan
  - = (\$7178) - (\$2504) = **\$4,674 for a single student**
  - = (\$13,721) - (\$5,008) = **\$8,714 for a married student plus spouse**

We currently have no well-established policy and process for the fellowship holder to get the Employee-Insurance-Gap covered by the advisor or the department. Some fellowship holders are asking their advisor to pay the full Employee-Insurance-Gap and several advisors have done so. Some fellowship holders have said that they are not electing employee insurance, even if they need it, because they believe that their advisor has no funds or/and will not meet their requests favorably, or/and they are concerned about being asked questions about their private medical situation. Some fellowship holders come to the department for help and the department and advisor try to split the costs. Other fellowship holders do not even know the department can partially help and end up selecting student insurance because they believe it is the only option. Going forward, **it is important that we establish a well-defined policy and process for our fellowship holders to have access to the medical insurance they need.**

- 6) Any policy we establish will depend on who pays for the Employee-Insurance-Gap.
  - a) We have asked the CNS/Graduate School to cover the Employee-Insurance-Gap, but the current response from CNS is that this gap is best paid by the research advisor and program **since the advisor saves a large amount of funds when her/his student wins an external fellowship** (see point 2), while the Employee-Insurance-Gap is only \$4,674 for a single student.
  - b) In many departments across campus, the department does not contribute anything to the Employee-Insurance-Gap. While our department can try to help the advisor, **it**

**cannot cover the full Employee-Insurance-Gap of all fellowship holders.** The department has increased the Cox funds for graduate student support significantly in the last six years, and it currently spends **over \$119,000** of Cox funds for graduate student support (relocation fee, computers, TA gaps, Cox graduate excellence funds for travel (managed by the graduate advisor), summer fellowship, foreign student fees, insurance for fellowship holders, astroph pizza, professional development, recruitment funds). Of this budget, **only about \$15 K is for the EIG and insurance matters**, which is far less than we now need. For example, in 2018-19, the total cost of EIG was around **\$38,000 for the 7 fellowship holders** requesting employee insurance and it would have been **\$56,500 if all 11 fellowship holders** had requested employee insurance. In order to ensure that fellowship holders had access to employee insurance in 2018-19, the department had to step in at the last minute to ask research advisors to help pay half of the Employee-Insurance-Gap for their individual students.

c) As a compromise that lies between options a) and b), we propose **a joint advisor-department partnership** where the default is for the department and advisor to each pay half of the Employee-Insurance-Gap whenever possible.

**7) We propose the following policy and process, based on a joint advisor-department partnership, for our fellowship holders to have access to the medical insurance they need.**

- a) The fellowship holder will make an informed decision on whether she/he wants student insurance, employee insurance, or wants to stay on their parents' insurance. Fellowship holders are encouraged to consult the information put together by past fellowship holders and to consult our HR representatives before making a decision.
- b) The fellowship holder will communicate in writing to the Astronomy department chair and academic program coordinator the type of insurance she/he elects, such as student insurance, employee insurance, or parents' insurance.
- c) If a fellowship holder elects employee insurance and she/he is receiving the supplement for student insurance from the UT Graduate School or the agency granting the fellowship, then by default the Department and research advisor will each pay half of the Employee-Insurance-Gap. If the advisor truly has no funds (from grants, start-up funds, professorships, etc), the department will explore ways to cover the full Employee-Insurance-Gap.

**Table 1: Cost of Medical Insurance (2018-2019)**

Coverage Period	Student Insurance Plan Student Only (Domestic) <sup>a</sup> (1)	Student Insurance Plan Student + Spouse (Domestic) <sup>a</sup> (1a)	Student Insurance Plan Student Only (International) <sup>b</sup> (2)	Student Insurance Plan Student & Spouse (International) <sup>b</sup> (2a)	EMPLOYEE UT Select Medical (BCBS) Subscriber Only <sup>c</sup> (3)	EMPLOYEE UT Select Medical (BCBS) Subscriber & Spouse Cost <sup>c d</sup> (3a)	Cost Difference Between Student Plan and Employee UT Select Plan, Subscriber only (4)	Cost Difference Between Student Plan and Employee UT Select Plan, Subscriber & Spouse (5)
Monthly	209.00	417.33	209.00	418.00	598.14	1,143.47	389.14	726.14
Fall	954.00	1908.00	837.00	1,674.00	2,691.63	5,145.62	1,737.63	3,237.62
Spring	1,550.00	2072.00	1,036.00	2,072.00	2,691.63	5,145.62	1,141.63	3,073.62
Summer (3 mos.)	514.00	1028.00	631.00	1,262.00	1,794.42	3,430.41	1,280.42	2,402.41
Full Year	2504 <sup>d</sup>	5008.00	2,504.00	5,008.00	7,177.68	13,721.64	<b>4,673.68</b>	<b>8,713.64</b>

<sup>a</sup> <https://myahpcare.com/wp-content/uploads/UT-Austin-Voluntary-Premium-Cost-18-19.pdf>

3/18/19

<sup>b</sup> <https://myahpcare.com/wp-content/uploads/UT-Austin-Intl-ESL-VS-Premium-Cost-18-19.pdf>

<sup>c</sup> <https://hr.utexas.edu/current/insurance/health-insurance-rates>

<sup>d</sup> Cheaper, if purchased a year at a time

<sup>e</sup> UT premium sharing covers approx 50% of the cost for spouses and dependents

**Table 2: “Insurance Supplements” Provided by the Graduate School or the Fellowship Agency for Different Fellowships (2018-19)**

Fellowship (1)	Annual Stipend (2)	“Insurance Supplement” Provided by the Graduate School (3)	“Insurance Supplement” Provided by Fellowship Agency (4)
(a) Graduate School Continuing Fellowship	\$28,000	\$2,504	
(b) Donald D. Harrington Recruitment Fellowships	\$36,000	\$2,504	
(c) National Science Foundation (NSF) Graduate Research Fellowship (GRF)	\$34,000	\$2,504	
(d) NASA Earth and Space Science Fellowship (NESSF)	\$35,000	\$2,504	
(e) Department of Defense (DOD) National Defense Science and Engineering Graduate Fellowship	\$38,400	\$2,504	Up to \$1,200. Must apply for it.
(f) Department of Energy (DOE) Science Graduate Fellowship (SCGF) Program	\$36,000	0	DOE will reimburse for student insurance (up to \$2,504) via the Graduate School

<sup>a</sup> OGS Fellowship Letters / <https://gradschool.utexas.edu/finances/fellowships/graduate-school/continuing-fellowships>

<sup>b</sup> OGS Fellowship Letters / <https://gradschool.utexas.edu/finances/fellowships/graduate-school/recruitment-fellowships>

<sup>c</sup> OGS Fellowship Letters / [https://www.nsf.gov/funding/pgm\\_summ.jsp?pims\\_id=6201&org=DGE&from=home](https://www.nsf.gov/funding/pgm_summ.jsp?pims_id=6201&org=DGE&from=home)

<sup>d</sup> OGS Fellowship Letters / see Corbin Young email 01/18/19

<sup>e</sup> OGS Fellowship Letters / <http://www.ndsegfellowships.org/about>