

January 25, 2024

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

Re: Keller 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. McGriff (MIS) has performed the required 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 of the cost of Keller's plans as compared with the comparable TRS ActiveCare Primary plan was performed on an aggregated basis – the total cost of the Keller's plans as compared to the total cost of the comparable TRS ActiveCare Primary plan.

The analysis was performed using a tool benefit comparison tool licensed for use by MIS by Claros. The tool is called Actuarial Assistant and is a group premium and rate setting model that is equipped to perform healthcare benefit relativity calculations. The tool can handle multiple benefit inputs, including in-network and out-of-network inputs. The criteria prescribed by Section 22.004 are readily compared using the Claros tool.

To satisfy requirements 1-6, MIS compared the Keller ISD High Option to the ActiveCare Primary and ActiveCare Primary+ plan using plan relativity analysis. Plan relativity compares overall benefits from one plan design to another. In the past TRS has required one offered plan to be within at least 5% of the ActiveCare Primary plan value to be considered as a viable alternative, or comparable.

### Results and Conclusion

The results of the plan comparison are below.

Plan	Plan Value
ActiveCare Primary+	1.0478
Keller Essential	1.0000
ActiveCare Primary	0.9605

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

Sincerely,



R. Edward Johnson, ASA, MAAA, ACA  
Consulting Actuary & Senior Vice President  
Direct (336) 291-1138  
[johnsonre@mcgriff.com](mailto:johnsonre@mcgriff.com)