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August 22, 2024

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

Re: Calallen Independent School District Comparability with TRS ActiveCare Primary of Texas

Dear Mr. Guthrie:

We hope this letter finds you well. On behalf of Calallen Independent School District, we are pleased to submit the Comparability Report for the Teacher Retirement System of Texas (TRS). As the district's broker, Higginbotham Public Sector has worked to ensure that the data and analysis provided in this report meet the requirements set forth by Section 22.004 of the Education Code.

The report compares the district's current health benefits with the TRS ActiveCare Primary plan. Our goal is to ensure that the health benefits offered by Calallen Independent School District continue to provide security and stability for our educators.

We appreciate your review and consideration of this report and your dedication to the educators of Texas.

Sam McMahan
Director – Underwriting and Financial Analytics
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August 8th, 2024

Mr. Brian Guthrie
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Comparability Report Teacher Retirement System of Texas
1000 Red River Street
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# Benefit relativities between Curative and TRS ActiveCare Primary

## Background and Introduction

This letter is to attest to the benefit relativity between the Curative benefit plan as of August 2024 and Texas Retirement System (TRS) ActiveCare Primary of Texas Plan. This letter is meant for Texas school districts with the Curative health plan to satisfy Section 22.004 of the education code, which specifies that Texas school districts that do not participate in the Texas Retirement System (TRS) are required to report if their plans are comparable to the ActiveCare Primary of Texas plan.

## Benefit relativity comparison

The analysis finds that all Curative plan designs are significantly richer than that of the TRS ActiveCare plan design. The benefit relativities are as follows:

- Curative w/ Baseline Visit + Chiro – 1.000
- Curative w/ Baseline Visit – 0.993
- Curative w/o Baseline Visit – 0.556
- TRS – 0.584

These plans were compared across the following criteria –

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 can cover the assumed liabilities in the case of coverage provided through district self-insurance.

## Methodology and Reliance

I relied upon Milliman to develop the benefit relativities utilizing their proprietary pricing relativity model. These calculations were prepared using generally accepted actuarial methods and procedures. The information presented in this report is based on actuarial assumptions and reasonable expectations.

This letter was prepared for the sole purpose of supporting Texas school districts in comparing plan relativities between the TRS plan and the Curative plan, as required by Section 22.004 of the education code.

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