

YOUR BENEFITS YOUR WAY

Questions for Brokers

If you're looking to self-fund your own health plan, you'll want to understand the full picture. Along with reviewing our self-funding guide, we also suggest asking brokers these questions about the coverage they offer.



Prescription Coverage

- Does the plan offer specialty drug coverage?
- What drugs are covered and excluded by the prescription pharmacy benefits plan?
- Does the prescription drug coverage meet the needs of my employees?
- How is your formulary (list of drugs by tier) structured (open, closed formulary) and how does that affect my participants' costs?
- How do pharmacy rebates (both through medical and the pharmacy benefits manager) affect my plan?



Network Access

- What network options are included in the plan? Preferred Provider Organization (PPO), Health Maintenance Organization (HMO), Exclusive Provider Organization (EPO)?
- Who is responsible for directing participants' care? (physician-directed, open navigation)
- Does the plan you're being offered have referenced-based pricing, or an existing provider network for hospital services?
- How are out-of-network claims handled? (wrapper networks with shared savings, percentage of Medicare)
- Does the plan include maternity support programs?
- Are the facilities my employees use in network?
- Are the primary care providers and specialists my employees use in network?
- Does the plan include mental health benefits?
- Does the plan include virtual care coverage?



Claims and Customer Service

- What designated or dedicated resources are available to my district?



Premiums and Risk

- Does my district need to have a reserve established? Applicable to Administrative Services Only (ASO).
- Do I need to build out the staff necessary to handle health care administration?
- Does my district need stop-loss insurance with this plan? How can we secure a firm stop-loss rate for the next plan year? (ASO only)
- Can we lock in our liability for the next plan year?
- What are the trend assumptions (year-over-year inflationary increases) for the plan?
- Will I have additional charges not captured elsewhere such as shared savings, capitation charges, legal fees, and per claim fees?
- What is the median rate increase for districts like mine after one year with the plan?
- Would my district be subject to 'carve-outs' due to high-cost claims?
- What additional financial reporting requirements will my district have? How will these requirements affect my district's credit rating, future bond issuances, and interest rates?

FOR MORE INFORMATION

Send inquiries to healthcarecomm@trs.texas.gov. Scan the QR code to find out who your District Ambassador is and how to connect with them.

