

Memorandum

Date: 8/12/08

To: Peter Flemings

From: Audrey Sawyer

Subject: INSURANCE FOR GRADUATE STUDENTS ON FELLOWSHIP

As you requested, I have summarized the health insurance situation for graduate students on fellowship below.

- UT does not recognize fellows as employees and does not provide UT Select health insurance to fellows.
- The Jackson School does not compensate fellows for health insurance because monthly fellowship stipends are greater than the combined value of an RA/TA stipend and health insurance.
- Graduate fellows have four options:
 1. Use their additional income towards COBRA. Note that this option is not available to graduate students who have never qualified for the UT Select plan (for example, first year students). COBRA for 2008-2009 costs \$392/month.
 2. Sign up for student health insurance. This option is much more affordable than COBRA (\$1119 for the long semester plus an additional \$93 for winter break and \$93 for summer break). However, the benefits are limited (\$100,000 maximum benefit for the year, \$1000 maximum prescription benefit for the year, etc). Also, this plan does not include dental or vision.
 3. Find outside health insurance. Note that I have not heard of any previous fellows who have chosen this option, probably due to the huge time sink involved.
 4. Forego health insurance. Note that this is not an option for international students.

Attachment: Spreadsheet that breaks down gross and net monthly incomes for TA/RA and Fellow positions

1 month - graduate wages

		TA/RA	Fellowship	
Gross Salary		1,841.00	2500	(gross difference = \$659.00/mo)
Longevity Pay		0	0	
Premium Sharing *		184.56	0	
Supplemental Premium Sharing *		184.56	0	
Total Additions		369.12	0	
Federal Tax	Single 0	208.54	283.19	--> best guess at the moment
Social Security		0	0	
Retirement		0	0	
Parking		0	0	
Health Insurance *	UT Sel-in area-EMP Only	369.12	374.3	
Dental Insurance *	Assurant Dental-EMP Only	10.05	10.25	
Vision Insurance *	Superior Vision-EMP Only	7.36	7.51	
Term Life Insurance *	10,000	0	0	
Accident Insurance *	10,000	0	0	
Long Term Disability Insurance		0	0	
Short Term Disability Insurance		0	0	
UTFLEX Medical/Dental		0	0	
UTFLEX Dependent Care		0	0	
Insurance Premium Redirect			0	
Total Deductions		595.07	675.25	
Check Amount		1,615.05	1824.75	(net difference = \$209.70/mo)