

MONTANA BOARD OF REGENTS OF HIGHER EDUCATION
Policy and Procedures Manual

SUBJECT: COMPENSATION

Policy 804.1 – Self-Insured Group Insurance Plan

Adopted: June 12, 1984; Revised May 20, 2011

Board Policy:

A. The Board of Regents hereby authorizes the commissioner of higher education (CHE) and the respective administrations of the campuses to establish a self-insured (administrative services only) group insurance plan. The plan will be administered by the CHE with the assistance of recommendations from an inter-unit advisory committee. The plan will be administered as an enterprise fund in the state fund structure contingent upon the group plan reserves being allowed to retain interest earnings.

B. All costs associated with the administration of the plan shall be paid from insurance premiums collected and interest earned on reserve balances. All other interest earned plus premium tax savings shall be credited to the plan reserves. Reserve balances shall be retained and carried over from year to year.

C. The CHE shall be authorized up to 5.0 full-time equivalent employees to provide administration of the plan. In no case shall administrative costs exceed the amount of premium tax savings that would be incurred under a conventional group plan plus any interest earned on reserves. It is the intent that the plan be more cost efficient than conventional insurance.

D. The CHE is authorized to approve the inclusion of component units of the Montana University System (MUS) campuses, such as campus-affiliated foundations, into the MUS self-insured group insurance plan, subject to an agreement between the CHE and the component unit setting forth the terms and conditions of such participation

History

(Item 43-901-R0684), Authorization to Establish a Partially Self-Insured Group Insurance Plan for Montana University System Employees Including All Authorized Affiliated Group Employees; Commissioner of Higher Education, June 12, 1984. (Rescinded); (Item 51-901-R0686), Authorization to Establish a Partially Self-Insured Group Insurance Plan for Montana University System Employees including all Authorized Affiliated Group Employees; Commissioner of Higher Education (Revised), June 20, 1986, April 26, 1990, November 18, 1999; Revised, (Item 131-111-1506), approved June 1, 2006. (Item 135-112-R0507) approved May 31, 2007; (Item 151-106-R0511) revised May 20, 2011.