



## Contributions to TRS-ActiveCare

TRS-ActiveCare has received several inquiries from participating entities regarding whether or not they can reduce the amount they are contributing toward the cost of their employees' TRS-ActiveCare coverage. While TRS-ActiveCare cannot advise participating entities on whether or not a reduction would impact a participating entity's compliance with the law, it may be helpful for participating entities to review the following information:

Section 1579.251, Texas Insurance Code, addresses the state assistance to TRS members of participating entities enrolled in TRS-ActiveCare. This assistance is in the amount of \$75 per month (\$900 per year) from the State.

Section 1579.252, Texas Insurance Code, addresses the separate and distinct assistance owed by participating entities to their respective TRS members enrolled in TRS-ActiveCare, stating that participating entities shall make contributions to TRS-ActiveCare as provided in Chapter 1581, Texas Insurance Code. Chapter 1581 specifies the participating entity maintenance of effort requirements, the minimum effort requirements, and how excess maintenance effort may be used:

1. Section 1581.051, Texas Insurance Code, specifies the maintenance of effort requirement for participating entities. Participating entities may find it helpful to refer to information on the [TRS website](#), which TRS provided in 2002 to assist participating entities with their maintenance of effort calculations. This template can be used to determine current maintenance of effort requirements.
2. Pursuant to Section 1581.052, Texas Insurance Code, participating entities must contribute a minimum of \$150 per month (\$1,800 per year) for TRS members covered by TRS-ActiveCare, the required minimum effort.
3. Lastly, Texas Insurance Code 1581.054 specifies that any excess maintenance of effort must be used only to provide employee compensation at a rate greater than the rate of compensation that the participating entity paid an employee in the 2000-2001 school year, benefits, or both.

It is important to note that the \$75 per month (\$900 per year) contribution from the State does not factor into the maintenance of effort calculations concerning the contribution from each participating entity. The \$75 State contribution is in addition to the required participating entity contribution.

TRS hopes this information is useful to TRS-ActiveCare participating entities. If participating entities need additional assistance in determining whether or not they are in compliance with the law, they should seek guidance from their own legal counsel.