

ERCOT Employee Benefit Plans and Associated Reviews and Audits ¹		
Plan/Service Provider	Description	Periodic Reviews
401(k) Plan Fidelity	Sec. 401 savings plan with all assets held by third-party trustee and managed by third-party administrator	Annual audit as required by Department of Labor; plan performance reviewed quarterly by outside investment advisor and by Benefits Committee
Medical/Dental/Drug CIGNA	Self-funded benefit with third-party administrator; limited group of employees (currently 20) eligible for retiree medical benefits	Claims processing/payment audited biennially; FAS106 actuarial evaluation performed annually for retiree medical benefits; usage monitored and analyzed annually by Gallagher Benefits Services and HR staff.
Medical Stop-Loss Insurance CIGNA		
Flexible Spending Plan CONEXIS	Sec. 125 plan with third-party administrator that has fiduciary liability; employee-funded, but ERCOT pays for administration	Claims data reviewed annually by administrator as part of IRS-required discrimination testing
Vision Care VSP	Fully insured product; premium based on flat fee per enrollee	Usage reviewed and analyzed annually by Gallagher Benefits Services and HR staff.
EAP Alliance Work Partners	Flat fee per employee	Usage reviewed and analyzed annually by Gallagher benefits Services and HR staff.
Short Term Disability CIGNA	Self-funded benefit with third-party administrator	Usage reviewed and analyzed annually by Gallagher benefits Services and HR staff.
Long Term Disability CIGNA	Fully insured product; premium based on aggregate salaries/wages	n/a
Term Life Insurance	Fully insured product ; premium based on aggregate salaries/wages	n/a
Long Term Care Insurance UNUM	Fully insured product; premium based on level of protection selected	n/a
AD&D Insurance	Fully insured product ; premium based on aggregate salaries/wages	n/a
Severance Plan	Self-funded and administered	None
Tuition Reimbursement Plan	Self-funded and administered	None

¹ERCOT's internal audit department performs an annual audit of compliance with operating procedures for the administration of compensation and benefits.