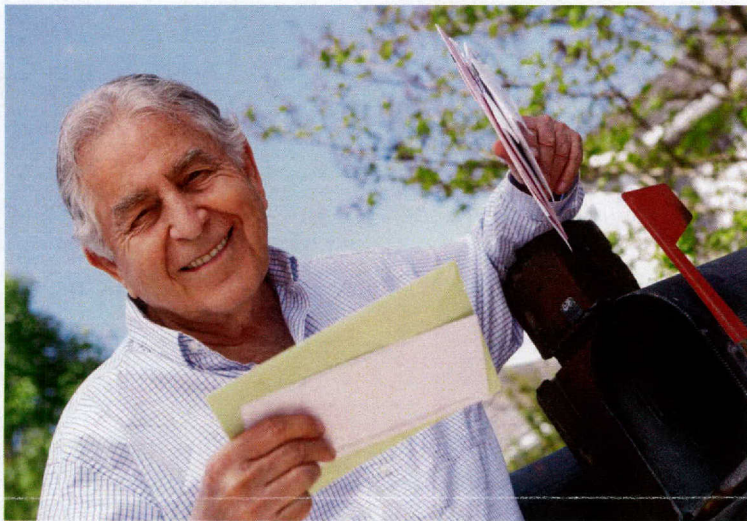




End-of-the-year reminder

Remember to update your personal information in your Employees Retirement System of Texas (ERS) account by January 3, 2018, to ensure you receive your important tax forms and other information.



Remember to look for your FORM 1099-R in the mail by February 15

By January 31, 2018, ERS will mail FORM 1099-R to anyone who received annuity payments from ERS in 2017. ERS provides this form for tax filing purposes and will mail it to the address on file as of January 3, 2018. If you don't receive this form by February 15, 2018, you may request that another form be mailed to you.

Your 2017 1099-R information will be viewable online starting on January 15, 2018.

To view your information online, follow these steps:

1. Visit www.ers.texas.gov.
2. Click the "My Account login" button in the upper right navigation bar.
3. Click the "Proceed to Login" button if you already registered for an online account or select "Register Now."
4. Confirm your mailing address by clicking the "Address and Eligibility Basis" link.
5. Click the "1099-R" link in the "My Payroll Information" section of your Retiree Home Page.

For more information visit the Form 1099-R frequently asked questions page at <https://ers.texas.gov/Contact-ERS/Additional-Resources/FAQs/Getting-your-Form-1099-R>.



Retirees to receive federal Form 1095-B from health plan providers

What is Form 1095-B?

Form 1095-B is a tax form you will get in the mail that proves you and your eligible dependents had the required medical coverage so you can report it on your 2017 tax filing and avoid paying any fines.

Form 1095-B is different from your 1099-R.

Health plan providers are required to report medical coverage enrollment information to the IRS and to issue federal Form 1095-B to each individual who received coverage under one or more of their plans.

The federal government requires individuals to report medical coverage they had during the previous year.

Who will get a Form 1095-B?

Current or former State of Texas employees and retirees who had medical coverage through the Texas Employees Group Benefits Programs (GBP) during Calendar Year 2017 (January 1 – December 31, 2017) will receive Form 1095-B.

When will I receive it?

You can expect to get your Form 1095-B by the end of February 2018. You should keep it with your tax records as supporting documentation. If you don't receive a Form 1095-B by the end of February, contact your health plan directly. You can find your medical plan contact information on the back of your medical ID card or by clicking on the provider link under the benefits programs section on the ERS homepage at www.ers.texas.gov.

Note: The Centers for Medicare & Medicaid Services (CMS) will send Form 1095-B to retirees enrolled in HealthSelectSM Medicare Advantage and KelseyCareSM Advantage. Retirees enrolled in a Medicare plan should contact CMS if you do not receive your Form 1095-B by the end of February.

Visit www.ers.texas.gov/Contact-ERS/Additional-Resources/FAQs/Form-1095-B for more information about Form 1095-B.



Executive Director's Corner Porter Wilson

Taking care of your health is one of the most important investments you can make. As we move into another holiday season and a new year, I hope you'll take time to invest in your own health and well-being.

If you are enrolled in HealthSelectSM of Texas, HealthSelect Secondary, HealthSelect Out-of-State or Consumer Directed HealthSelect, be sure to learn about your new wellness options offered through Blue Cross and Blue Shield of Texas (BCBSTX).

As the new third-party administrator of these plans, BCBSTX offers many ways for you to get and stay healthy.

- Work with a coach or enroll in self-managed courses to reach your nutrition, physical and stress management goals.
- Join a gym at reduced rates, and sign up for Blue Points to win prizes valued at up to \$99 per year just for logging your physical activity.
- Sign up for Real Appeal or Naturally Slim, two online weight loss programs offered at no cost to eligible participants and their covered dependents.

For more information, go to www.healthselectoftexas.com and click on "Health and Wellness/Incentives."

For those of you enrolled in HealthSelect Medicare Advantage, Humana continues to offer many popular wellness activities.

- With Silver Sneakers, you can go to the gym and sign up for fitness classes designed for every ability level.
- Go365 offers movie tickets, gift cards and other rewards for completing physical activities.

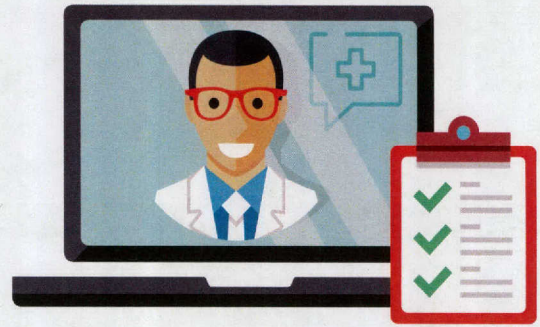
For more information, go to Extra Benefits at <https://our.humana.com/ers-medicare/> and click on "Learn about benefits."

Scott & White Health Plan, KelseyCare Advantage and Community First Health Plan also offer wellness programs – at no cost to you – to help you get and stay healthy. For more information, visit your HMO's website or give them a call. I hope you'll take advantage of these valuable benefits throughout the new year.

Have a safe and happy holiday season, and stay healthy!

Sincerely,

Porter Wilson



Virtual visits: a convenient way to see a doctor

Some HealthSelectSM participants can get the care they need for some urgent conditions without having to leave the comfort of home.

A virtual visit is a convenient option if you can't get to your doctor, you get sick while traveling or as an alternative to an urgent care facility.

If you are enrolled in HealthSelect of Texas or HealthSelect Out-of-State, there is no copay for this service when you use one of the two in-network providers listed below. Your visit is 100% covered for medical services.

Virtual visit providers diagnose and treat a wide range of non-emergency medical conditions, such as sinus problems, sore throat, pink eye and bronchitis. Virtual visits are not recommended for conditions that need an exam or test, complex or chronic conditions, or sprains, broken bones and other injuries that need bandaging.

Most virtual visits take 10-15 minutes and do not require a referral. You can choose between the following network provider groups that are available 24 hours a day, every day including weekends and holidays:



Doctor on Demand

- doctorondemand.com
- (800) 997-6196, TTY: 711

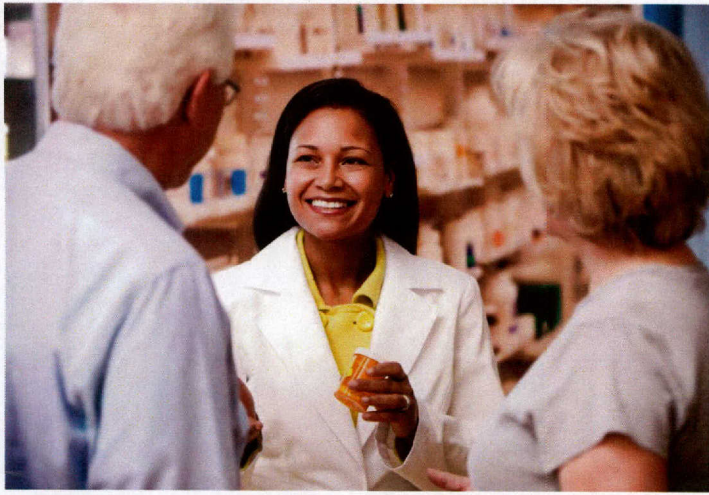


MDLive

- mdlive.com/healthselect
- (800) 770-4622, TTY: 711

If you need assistance or want more information about virtual visits, call a Blue Cross and Blue Shield of Texas Personal Health Assistant toll-free (800) 252-8039 (TTY/TDD: 7-1-1), Monday–Friday, 7 a.m.–7 p.m. CT and Saturday 7 a.m.–3 p.m. CT.

Note: If you are enrolled in HealthSelect Secondary or Consumer Directed HealthSelect, you need to meet your annual deductible before virtual visits are covered. After that, your copays will apply. Virtual visits are not available to Medicare Advantage or HMO participants.



When do my medical and prescription drug deductibles restart?

As another year comes to an end, it's important to remember that some medical and all prescription drug deductibles, as well as coinsurance maximums will restart in the new year.

Whether you and your family have a deductible, and the date it resets depends on your health plan.

What is a medical deductible and how is it different from coinsurance?

A medical deductible is the amount you pay for healthcare before your insurance plan starts to pay for your benefits. In other words, it's what you will pay up front. Coinsurance is your share of the costs of a healthcare service, such as lab tests, x-rays, and physical therapy.

Do I have a medical deductible?

If you are in Medicare and enrolled in:

- HealthSelectSM Medicare Advantage (administered by Humana) or KelseyCare Advantage HMO, you do not have a deductible.
- HealthSelect Secondary, administered by Blue Cross and Blue Shield of Texas (BCBSTX), you have a \$200 medical deductible for an individual, or \$600 for a family.
- A health maintenance organization (HMO), you do not have a deductible. However, you are still subject to the Medicare deductible.

If you are not in Medicare and enrolled in a HealthSelect plan administered by Blue Cross and Blue Shield of Texas (BCBSTX):

- HealthSelect of Texas (living and working in Texas), you do not have a deductible if you see in-network providers.
- HealthSelect Out-of-State (your address on file with ERS is outside Texas), you do not have a deductible if you see in-network providers.

- Consumer Directed HealthSelectSM, you have an in-network deductible of \$2,100 for an individual, or \$4,200 for a family for covered health services and/or prescriptions.

Note: These deductible amounts are based on using in-network providers. If you go out of network for care, you probably will pay higher – possibly much higher – out-of-pocket costs.

When did/does my medical deductible and coinsurance restart?

January 1, 2018 for all retirees enrolled in:

- HealthSelect Secondary,
- HealthSelect of Texas,
- HealthSelect Out-of-State and
- Consumer Directed HealthSelect

There is no medical deductible or coinsurance in HealthSelect Medicare Advantage or KelseyCare Advantage.

September 1, 2017 for non-Medicare eligible retirees enrolled in:

- Community First Health Plans,
- Scott & White Health Plan and
- KelseyCare powered by Community Health Choice.

How much is my prescription drug deductible?

There is an annual \$50 prescription drug deductible that resets on January 1. It applies to every person enrolled in any plan available through ERS, whether or not you are enrolled in Medicare.



Annuity payment dates:

- December 29, 2017
- January 31, 2018
- February 28, 2018
- March 30, 2018

Generally, direct-deposit annuities are sent on the last business day of the month and paper checks are mailed on the second-to-last business day of the month.

Retirees from another system, such as TRS, TCDRS or TMRS, need to contact that individual system for your annuity payment dates.

Get your money faster and safer: manage your annuity payments by visiting: www.ers.texas.gov/Contact-ERS/Additional-Resources/Manage-Your-Annuity-Payments.



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Discount Purchase ProgramSM

This year, make saving big your newest tradition! Visit your Discount Purchase ProgramSM for holiday deals, and find something for everyone on your list. Save 40% on Diamondback Bikes for the whole family. Shop the hottest tech from Samsung, HP, Dell and Sprint. Don't forget to protect those new devices – save 40% on a ShieldX2 case. Visit <http://communications.beneplace.com/ers/> for information on these deals, plus special savings on phone cases, tires and more.

Medicare Preparation Seminar

Are you prepared for Medicare?

Are you nearing Medicare eligibility? Want to know how it works? Attend a Medicare Preparation seminar and learn about Medicare and how it works with your Texas Employees Group Benefits Program (GBP). We want to answer your questions and help remove any uncertainty about your ERS benefits as you take this next step on your journey.

Register now to attend the following ERS Medicare Preparation seminar:

- January 24, 2018: 12:30 – 1:30 p.m. CT, University of Houston - Downtown

Check the events calendar at <https://ers.texas.gov/Contact-ERS/Event-Calendars> for dates to these and other ERS events.



Moving?

Please be sure to notify ERS to update your address and other contact information. ERS needs to have current information on file so you can receive information about your coverage and other important documents.