

CONNECTIVE BENEFITS AND OTHER NEWS

Summer 2017 • Volume 22 • Number 2



Catherine A. Melvin elected to ERS Board of Trustees

Catherine Melvin of the Texas Department of Public Safety has been elected to serve on the six-member Employees Retirement System of Texas (ERS) Board of Trustees. She will fill the seat currently held by Brian Ragland of the Texas Department of Transportation (TxDOT). Her term will begin September 1, 2017, and will expire August 31, 2023. Melvin is Chief Auditor for the Texas Department of Public Safety and has more than 26 years of state service. She is committed to ensuring the stability of our retirement system and improving benefits and customer service for ERS members and their families.

Melvin garnered 35.1% of the vote to defeat three other candidates (listed below in official ballot order):

- Morgen Cuming, Texas Board of Professional Engineers 12.7%
- Benito Ybarra, Texas Department of Transportation 23.3%
- Jackie Dickerson, Texas Department of Criminal Justice 28.9%

ERS Executive Director Porter Wilson applauded the uptick in voters and thanked active and retired state employees for helping elect the next ERS Board member.

"ERS Board of Trustees make significant decisions that affect the benefits we receive – including approving the companies that help administer our benefits to deciding how the trust fund is invested on behalf of all members. This year, a greater number of people voted and that is something to feel good about," said Wilson.

ERS posted regular updates about the election on the ERS website at www.ers.state.tx.us/About_ERS/Board/Election/ and distributed an email announcement of the election results to subscribers of the ERS Board of Trustees Updates. Visit the subscription page at www.ers.state.tx.us/Customer_ Support/Subscribe/ to subscribe to these and other updates.

2017 Summer Enrollment for retirees not enrolled in Medicare

As in past years, Summer Enrollment has been divided into two-week phases to better serve our members. This year the Summer Enrollment phase for retirees not enrolled in Medicare will take place between Sunday, July 16 and Friday, July 28.

Retirees not enrolled in Medicare should plan to make benefit changes for themselves and their dependents during this time period. Any changes will be effective September 1, 2017.

You do not need to take any action if you choose not to make any changes to your current benefits. Your coverage will remain the same.

Note: During Fall Enrollment retirees enrolled in Medicare will be able to make coverage changes. Those changes will take effect on January 1, 2018.

This summer, retirees not enrolled in Medicare and their dependents can make changes to their medical, dental and vision coverage. They can also apply through evidence of insurability (EOI) to add or increase their life insurance.

Before Summer Enrollment, eligible retirees will receive a packet in the mail containing a Personal Benefits Enrollment Statement and information about benefit options.



Please remember: Dependents are in the same enrollment periods as the retirees or survivors through whom they have coverage.

For more information and a list of Summer Enrollment fairs and webinars, visit the ERS Summer Enrollment page at www.ers.state.tx.us/se/ or call (866) 399-6908 toll-free (TDD/TTY: (800) 735-2989 toll-free).

Executive Director's Corner Porter Wilson

As I write this column, there are still a few weeks left in the 85th Texas Legislature. It's too soon to say with 100% certainty what, if any, changes there might be to the health and retirement benefits ERS manages. However, it looks like it will be a good session for state retirees and employees, with no major changes to benefits.

The appropriations bill that passed both the Senate and House maintains current contributions to the retirement trust funds. That amount will keep the trust funds relatively healthy, but will not enable us to become actuarially sound. Based on that, we are still unable to give a cost-of-living adjustment (COLA) or 13th check to retirees.

The bill also includes sufficient funding to maintain retiree and employee health benefits without significant premium increases or any change to copays, coinsurance or deductibles. The state will still pay 100% of the monthly premium for eligible retirees. Retirees who cover dependents or who pay part of their own premiums may pay higher premiums in Fiscal Year 2018. But we expect the increase to be less than 2%. This would be a much smaller increase than in recent years.

I know even small premium increases can be difficult for some of our members and many retirees are eager for a COLA or 13th check. But there have been many challenges with the state budget this year. I believe maintaining reasonable benefits for retirees is a positive outcome given the current budget environment.

The legislative session gives us a chance to talk with legislators about the importance of health insurance and retirement annuities – not just for employees and retirees, but for the State of Texas as a whole. We had many good discussions at the Capitol this year. ERS was able to share information about the many ways we work to keep plan costs low, while still offering high-quality benefits and service. In turn, legislators have provided guidance for improving some processes. ERS will share more information on these changes after the session ends.

In the meantime, I'll say that I'm heartened by the commitment the legislature has shown to your benefits. I've worked for the State of Texas for most of my career, most of that at the Capitol. I know from experience your legislators value the work you did in your state careers. They show that, in part, through the benefits they provide.

Sincerely,

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Porter Wilson

Changes on the horizon

New website and email address

In late August 2017, the Employees Retirement System of Texas (ERS) will launch its redesigned website and new domain name. The new domain name will mean a new website address and new email addresses for ERS employees and other contacts at the agency.

The domain name will change to **ers.texas.gov** from **ers.state.tx.us**.



Why the change?

ERS is changing its domain name to be consistent with other State of Texas agencies. Texas.gov has been chosen as the primary outward-facing domain name for all state agencies.

We are changing the website to make it easier to navigate and find information. We evaluate and redesign the website every few years to keep it fresh and stay current with best practices.

What if I forget the new website or email address?

Don't worry if you forget, emails sent to an old address will automatically be forwarded to the new ERS address. The same is true if you type in the old website address: you will be automatically redirected to the new website.

Redesigned with you in mind

Periodically, ERS works with an independent third-party to conduct user testing of the ERS website. We use the results from those studies to update the ERS website with content and features that will better meet the needs of our members and stakeholders. We hope that you will find the updated site helpful and easy to navigate.



Look for more information, including tips for using the new website, in August.

Blue Cross and Blue Shield of Texas to become new health plan administrator

Beginning September 1, 2017, Blue Cross and Blue Shield of Texas (BCBSTX) will replace UnitedHealthcare as the plan administrator for HealthSelectSM of Texas. Consumer Directed HealthSelectSM and HealthSelect Secondary.

Note: This change affects only participants who are enrolled in one of these plans. If you are enrolled in HealthSelect Medicare Advantage (administered by Humana) or one of the health maintenance organizations (HMOs), this change will not affect you.

Few changes for most participants

A new website and customer care center will provide general information.

Visit the BCBSTX HealthSelect website at www.bcbstx.com/hs or call a Personal Health Assistant toll-free at (800) 252-8039, Monday - Friday, 7 a.m. - 7 p.m. CT, or Saturday, 7 a.m. - 3 p.m. CT. You can:

- get general information about plan benefits;
- · use the Provider Search Tool to find out if your current primary care physician (PCP) or other providers will be in the network as of September 1, 2017. When you use the provider tool be sure to select the specific plan in which you are enrolled;
- get help finding an in-network PCP or specialist if your current provider will no longer be in the network; and
- · nominate a provider to be added to the network.

Some doctors and other health care providers who are in the current UnitedHealthcare HealthSelect network may not be in the network after September 1. If you are receiving care for a chronic illness or an acute medical condition, for a limited period of time you may be able to continue to receive health care services from your current provider after September 1, 2017, even if the provider is no longer in the BCBSTX network. If this situation applies to you, you will need to fill out and submit to BCBSTX a Transition of Care form.

For more information, visit www.bcbstx.com/hs and click on Publications and Forms or call a BCBSTX Personal Health Assistant toll-free at (800) 252-8039.



Prescription drug coverage

UnitedHealthcare will continue to administer the HealthSelect Medicare Rx plan. For HealthSelect of Texas and Consumer Directed HealthSelect, OptumRx will continue to be the plan administrator for prescription drug coverage.

OptumRx will send new ID cards for prescription drug coverage before September 1, 2017.

Over the next several months, you can find information and updates at www.bcbstx.com/hs or by visiting the HealthSelect transition page on the ERS website at www.ers.state.tx.us/HealthSelect-administratorselected/.



2017 Staying Connected fairs

Join ERS in August or September for a 2017 Staving Connected retiree fair in the Austin, Dallas-Fort Worth or Houston area. We've lined up exhibitors to offer information about your benefits and other services that can help you make the most of retirement. You'll get the latest information on outcomes of the 85th session of the Texas Legislature.

If you live in the Austin, Dallas-Fort Worth or Houston area, look for an invitation in the mail in late July. Visit our online events calendar in late July for more information:

http://www.ers.state.tx.us/Events/Retiree-Fair/.

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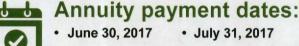
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• August 31, 2017 • September 29, 2017

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.

TRS retirees, please contact TRS for information on your annuity payment dates.

Get your money faster and safer: manage your annuity payments by visiting www.ers.state.tx.us/Customer_ Support/Online/Manage_Your_Annuity_Payments.

Moving?

Be sure to notify ERS to update your address and other contact information. ERS needs your current information

on file so you can receive information about your coverage and other important documents.