

Fall 2013 • Volume 18 • Number 3

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## RETIREES HELP REFRESH ERS WEBSITE

When we wanted to make it easier for retirees to get information about benefits online, we went to the experts—retirees themselves. We asked a group of volunteers—including retirees and people just a few years from retirement—to come in and sit down at a computer. Then we gave them tasks to complete and asked them how hard it was to complete the task. Volunteers were asked to “think out loud” to provide insight into their thought processes as they navigated the site.

The effort was part of a website “refresh” that should make the site easier to use. Participants generally said they thought the ERS website was a good source of valuable information. The volunteers did find room for improvement, however, with website navigation and some of our calculators and comparison tools.

Task	Retirees found the task to be		
	EASIER than expected	SAME than expected	HARDER than expected
Navigate to ERS			
View Insurance Options			
Understand Medicare			
Change Personal Info			

Each silhouette represents one retiree volunteer.

When the volunteers were finished, our website partners went to work incorporating ideas from the tests. We found a few “quick wins” that we were able to change immediately, plus input that will help us make long-term changes that should make it easier for you to use the website down the road.

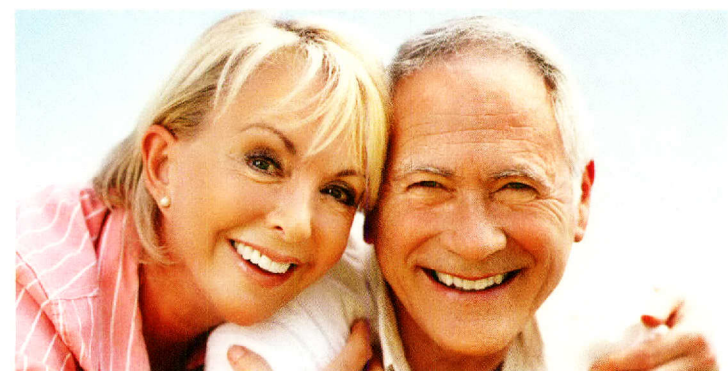
One of the volunteers for the project, Bob Eason, a retiree who worked at the Texas Department of Transportation, said the testing process went about how he expected it would.

“I don’t use the website that much,” Eason said, “except when something changes, or if I’m looking for a new study or seeing what the Legislature’s doing. But the proof will be in the pudding. If I can help make the site easier to navigate, it will be well worth the effort we all put in—the volunteers and ERS. Overall, I’m very positive about the process.”

Here’s a quick look at some of the changes we made:

- The sign in button is easier to find.
- Lists are easier to read.
- The news and search pages are easier to navigate.
- We removed color from headers that was making them look like web links.
- We removed clutter from benefits pages.

Go to [www.ers.state.tx.us](http://www.ers.state.tx.us) today and let us know what you think of the initial changes we made based on feedback from our retiree volunteers. You can send us an email from [www.ers.state.tx.us/Customer\\_Support/Email/\\_ERS/](mailto:www.ers.state.tx.us/Customer_Support/Email/_ERS/). The fully refreshed site should be available early in 2014.



### Are you prepared for Medicare?

In November, ERS met with many members close to age 65 to talk about Medicare and how it works with ERS benefits. ERS presented information about Medicare at fall enrollment events around Texas. If you weren’t able to attend, you can view the Medicare Preparation Presentation on YouTube at [www.youtube.com/ERSofTexas](http://www.youtube.com/ERSofTexas).



## EXECUTIVE DIRECTOR'S LETTER

ERS is lucky to have a great many active and engaged retirees participating in our programs. We really enjoy hosting Annual Enrollment and other events because they help us focus on the specific needs of our participants and their families.

We always come back energized and ready to incorporate your suggestions.

One change we've made is to hold a separate fall Annual Enrollment for Medicare-eligible retirees. Doing so simplifies enrollment for our participants in Medicare, because now they have the same plan year for Medicare and for Medicare Advantage health insurance plans.

We also listen to you when it comes to the performance of the third-party administrators that help manage our programs. We require each administrator to conduct an annual customer service satisfaction survey from a random sample of participants. We're pleased to say that our administrators receive very good marks, and we work with them to make changes when we see areas that need improvement.

For the HealthSelect Prescription Drug Program administered by Caremark, overall satisfaction for Plan Year 2013 was 95%. The mail service program had a 93% satisfaction rate.

The customer service satisfaction survey for the Humana Dental plans released in April 2013 reported a 98% overall satisfaction level.

If you receive one of our satisfaction surveys, such as the upcoming survey for the HealthSelect Medicare Advantage Plan administered by Humana, I hope you will participate. Doing so can help improve the programs that affect you and your family. Visit us on the web at [www.ers.state.tx.us](http://www.ers.state.tx.us) or on Facebook at [www.facebook.com/ersoftexas](http://www.facebook.com/ersoftexas), two places where you can provide quick feedback on our programs and services. We look forward to hearing from you.



Ann S. Bishop

Sincerely,

*A S Bishop*

### Retirement Check Pay Dates Announced

ERS has announced retirement check pay dates from September 2013 through August 2014, as listed below. As a rule of thumb, 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.

#### 2013

Monday, September 30

Thursday, October 31

Friday, November 29

Tuesday, December 31

#### 2014

Friday, January 31

Friday, February 28

Monday, March 31

Wednesday, April 30

Friday, May 30

Monday, June 30

Thursday, July 31

Friday, August 29

### Hey Houston, Hey Dallas! Stay Connected!

ERS is coming to Houston and Dallas in early 2014 to host Staying Connected, a retiree event we've held in Austin in the past. The event has been so popular, we're also bringing it to H-Town and DFW. Come meet with ERS and third-party administrators for SilverScript, HealthSelect Medicare Advantage, and other important programs. We'll have dynamic speakers and door prizes. It's a great way to connect with your friends and former colleagues. A connected retiree is a happy retiree. Look for an invitation in the mail this winter.



# NOTICE OF CREDITABLE COVERAGE

**Keep this notice if you are 65 years of age and on Medicare.**

Important notice from the Employees Retirement System of Texas (ERS) about your Texas Employees Group Benefits Program (GBP) prescription drug coverage and Medicare Prescription Drug Coverage (sometimes called Part D)

Please read this notice carefully and keep it where you can find it. No action is required of you at this time.

Federal law requires ERS to send this notice to people who may be eligible for Medicare Prescription Drug Coverage and are enrolled in health insurance that is part of the Texas Employees Group Benefits Program (GBP) provided by the State of Texas. You have GBP prescription drug coverage through your GBP enrollment with HealthSelect<sup>SM</sup> of Texas, administered by UnitedHealthcare, or one of the other health plans offered by the State as of September 1, 2013.

This notice provides:

- Important information about your current prescription drug coverage.
- Answers that will assist you in deciding whether you should purchase the Medicare Prescription Drug Coverage.
- Contact numbers for more information.
- A document that you can use later to avoid a penalty for late enrollment in Medicare Prescription Drug Coverage.

## **Q. What is Medicare Prescription Drug Coverage (sometimes called Part D)?**

**A.** Medicare Prescription Drug Coverage is a prescription program that is available to people who qualify for Medicare Part A or Medicare Part B. Medicare Prescription Drug Coverage started on January 1, 2006.

## **Q. What is creditable coverage and does coverage provided through the GBP meet this definition?**

**A.** Yes. The prescription drug coverage offered by the GBP drug plan has been examined by ERS' consulting actuaries and is, on average for all plan participants, expected to pay out as much as standard Medicare Prescription Drug Coverage pays. It is therefore considered to be creditable coverage.

## **Q. Why is creditable coverage important to Medicare-eligible participants in the GBP?**

**A.** Since you have creditable coverage under the GBP, the Social Security Administration (SSA) has said that you will not have to pay a penalty if you join a Medicare prescription drug plan later. Each year, there is an enrollment period that allows people with Medicare to enroll in a Medicare prescription drug plan. Although you will have a chance to enroll every year, normally you would have to pay a penalty if you enrolled after your initial eligibility date. However, since you have creditable coverage under the GBP, you can choose to join a Medicare prescription drug plan later without a penalty.

## **Q. Should I enroll in Medicare Prescription Drug Coverage?**

**A.** Most Medicare-eligible participants in the GBP should NOT enroll in Medicare Prescription Drug Coverage since, for most people, the GBP prescription drug coverage will provide better benefits at a lower cost. If you qualify for financial assistance, you could benefit from Medicare Prescription Drug Coverage and you would get savings on premiums, copays, and coinsurance. If you think you might qualify for this assistance, you may want to enroll in Medicare Prescription Drug Coverage.

## **Q. How do I know if I qualify for financial assistance with Medicare Prescription Drug Coverage?**

**A.** Financial assistance is available to Medicare beneficiaries with incomes up to 150% of the Federal Poverty Level (FPL) and limited resources. The FPL is set each year. ERS does not make this determination or set the guidelines. To determine if you qualify for financial assistance with Medicare Prescription Drug Coverage, you should contact the SSA toll-free at 1-800-772-1213 (TTY 1-800-325-0778) or visit SSA online at [www.socialsecurity.gov](http://www.socialsecurity.gov).

## **Q. Is Medicare Prescription Drug Coverage free?**

**A.** No. If you enroll in Medicare Prescription Drug Coverage, you will pay a monthly premium. The amount will likely increase each year. You will also have to pay the Medicare Prescription Drug Coverage deductibles and copays. Currently, the deductible may be as high as \$325, and may increase in the future.



**Q. How does Medicare Prescription Drug Coverage work?**

**A.** Medicare Prescription Drug Coverage is offered through private prescription drug plans that have been approved by Medicare. All Medicare prescription drug plans offer a standard level of coverage set by Medicare. Some plans might also offer more coverage for a higher monthly premium. If you enroll in a Medicare prescription drug plan, you will receive a drug card that you will present to your pharmacy to cover a portion of your prescription drug costs.

**Q. Will Medicare Prescription Drug Coverage have any effect on coverage provided under the GBP?**

**A.** Yes. It will have an effect if you are enrolled in either HealthSelect Medicare Advantage, administered by Humana, or KelseyCare Advantage. Medicare rules do not allow you to be enrolled in a Medicare Advantage plan and a separate Medicare Prescription Drug Coverage plan. If you enroll in a separate Medicare Prescription Drug Coverage plan, your coverage with the Medicare Advantage plan will be terminated. If you are enrolled in the regular HealthSelect program, there is no change in the medical or prescription drug coverage provided under the GBP as a result of Medicare Prescription Drug Coverage. You will still be eligible to receive all of your current medical and prescription drug benefits under the GBP whether or not you enroll in a Medicare prescription drug plan.

**Q. If I decide to enroll in Medicare Prescription Drug Coverage, do I have to drop my GBP coverage?**

**A.** No. You are not required to drop your GBP coverage. If you use your GBP drug card, you will pay the regular GBP deductibles and copays. You cannot use both your GBP drug card and a Medicare prescription drug card for the same prescription. However, Medicare rules do not allow you to be enrolled in a Medicare Advantage plan and a separate Medicare Prescription Drug Coverage plan. If you are enrolled in either HealthSelect Medicare Advantage or KelseyCare Advantage, your coverage with the Medicare Advantage plan will be terminated.

**Q. Will I have better prescription drug coverage if I have both Medicare Prescription Drug Coverage and my current GBP drug coverage?**

**A.** No. As noted in the previous question, if you are enrolled in either HealthSelect Medicare Advantage or KelseyCare Advantage, you cannot be enrolled in

a Medicare Prescription Drug Coverage plan. If you are enrolled in a different GBP plan, you cannot use both plans for the same prescription. You would have to choose whether to get a prescription filled under your GBP coverage or Medicare Prescription Drug Coverage. Medicare Prescription Drug Coverage does not coordinate benefits with your current GBP prescription drug plan.

**Q. Most GBP participants were encouraged not to enroll in Medicare Prescription Drug Coverage last year. What about future years?**

**A.** You do not need to sign up for Medicare Prescription Drug Coverage for Plan Year 2014. However, you should know that if you drop or lose your coverage under the GBP and don't enroll in Medicare Prescription Drug Coverage within 63 days after your current GBP coverage ends, you may be required to pay more to enroll in Medicare Prescription Drug Coverage later.

**Q. Where can I get more information?**

**A.** More detailed information about Medicare plans that offer prescription drug coverage is available in the *Medicare & You* 2014 handbook. You may have received a copy of the handbook in the mail from Medicare. The handbook is also available at the website below. You may also be contacted directly by approved Medicare prescription drug plans. You can get more information about Medicare prescription drug plans from the following places:

- Visit [www.medicare.gov](http://www.medicare.gov) for personalized help.
- Call your State Health Insurance Assistance Program. (See your copy of the *Medicare & You* handbook for their telephone number.)
- Call toll-free at 1-800-MEDICARE (1-800-633-4227). TTY users should call 1-877-486-2048.

*NOTE: You may receive this notice at other times in the future, such as before the next period you can enroll in Medicare Prescription Drug Coverage, and if this coverage changes. You may also request a copy of this notice by calling ERS toll-free at 1-877-275-4377.*

**REMEMBER: KEEP THIS NOTICE.**

**If you enroll in one of the Medicare-approved prescription drug plans at a later date, you may need to submit a copy of this notice when you join to show that you are not required to pay a higher premium amount.**



## CERTIFY TOBACCO USE OR NON-USE

Don't forget—if you are eligible for Medicare and enrolled in any health insurance plan offered by the Texas Employees Group Benefits Program (GBP), you must certify that you and your dependents do or do not use tobacco by December 30, 2013. (Non-Medicare retirees were required to certify themselves and their dependents by August 31, 2013.) If you don't certify by the deadline, you will pay up to \$90 per household per month in Tobacco Use Premiums—even if you and your dependents don't use tobacco. You can find more information about the Tobacco User Premium, and resources for quitting tobacco, in the Medicare Retiree Annual Enrollment packet you received in the mail.

**If you've already certified yourself and your covered dependents, you don't need to do it again.** If you haven't, call ERS toll-free at (866) 399-6908 or:



1. Go **[www.ers.state.tx.us](http://www.ers.state.tx.us)** and click "sign in" (If you have not signed in before, you may need to register your account.)
2. Under My Insurance Information, click on Tobacco User Certification.
3. On the Tobacco User Certification page, check "yes" or "no" to indicate your status as a tobacco user or non-user, and do the same for your covered dependents.
4. Check the box that indicates you understand and agree to the conditions of tobacco certification.
5. Click Save.

You can also certify using the form included in your enrollment packet.

**NOTE: Even if you and your dependents don't use tobacco, you still must certify your status as non-tobacco users.**



## CHANGES REFLECTED IN RETIREMENT CHECK

If you receive a retirement check from ERS, premium changes for Plan Year 2014 for non-Medicare Advantage plans should have shown up in the payment you received at the end of September. Dependent health premium rates went up, while optional term life insurance rates stayed the same. Rates for the State of Texas Dental Choice Plan stayed the same, while rates for the HumanaDental DHMO increased slightly.

Also, if you have membership dues automatically deducted for an organization, such as the American Federation of State, County and Municipal Employees, those organization dues may have changed on September 1 and were reflected in your September 30 payment. If you have questions about dues, please call the organization, not ERS.

Remember, if you are Medicare-eligible and you make changes during the fall Annual Enrollment period, you will see those changes reflected on your January 31, 2014 payment. Dependent premiums for Medicare Advantage plans increase beginning January 1, 2014.

To see your next payment:

- sign in to your online account at **[www.ers.state.tx.us](http://www.ers.state.tx.us)**;
- click on View Payment under My Payroll Information; and
- view your payment.

If you have automatic withdrawal of insurance premiums from your bank account, your September withdrawal may have changed based on the Plan Year 2014 premium rates.





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# DISCOUNT

## Purchase Program

administered by BENEPLACE

### WE'LL SEND YOU THE BEST DISCOUNT DEALS

Get ready for the holidays with savings from the ERS Discount Purchase Program. Find great deals on cookware from Potsandpans.com and World Kitchen. Upgrade your kitchen appliances at Sears. Need gift ideas? Save on cards and stationery from Wishing Tree and gifts from Red Envelope. Send gourmet baskets from Cherry Moon farms, Godiva, or the Fruit Company. Save on these products and more at [www.discountprogramERS.com](http://www.discountprogramERS.com).

You can also get deals right in your email inbox. Go to [www.DiscountProgramERS](http://www.DiscountProgramERS), click on "retirees," and then click "Sign Up Now" in the top left-hand corner. Add [marketing@beneplace.com](mailto:marketing@beneplace.com) and [discount\\_programs@beneplace.com](mailto:discount_programs@beneplace.com) to your address book so the messages don't land in your junk mail folder.

You can opt out anytime—just click "unsubscribe" in any offer email you receive. And if you change your mind, signing up again is easy!

### PROGRAM OFFERS FREE IN-HOME ASSESSMENTS

If you are a HealthSelect Medicare Advantage Plan participant, you may receive a letter asking you to participate in an in-home health and well-being initiative offered by Your Home Advantage. The goal of the initiative is improve adherence to health management programs, which helps lower your healthcare costs and overall program costs. This is a legitimate program offered to you through Humana on behalf of ERS. The program is voluntary—if you agree to participate, a nurse practitioner will contact you to set up a visit.

### PLAN YEAR 2014 MEDICARE ADVANTAGE GUIDES ON THE WAY

If you are eligible for Medicare, you should have received Plan Year 2013 information from HealthSelect Medicare Advantage or KelseyCare Advantage in the mail. You will also receive your Plan Year 2014 documents between October and January. The mailings are closer together than usual because of the switch to the Calendar Year Fall Enrollment period. Next year you will only receive one mailing.