

In this issue

- 2 Message from the Executive Director
- 3 Veal named CIO
Annuity payment dates
- 4 Walk your way to better health
More ways to make fitness fun
- 5 Meet ERS' new trustee
Don't forget the flu vaccine
- 6 Staying Connected
fairs
Discount Purchase Program



Medicare-eligible retirees

Fall Enrollment begins November 1

The annual benefits enrollment period for Medicare-eligible retirees in the Texas Employees Group Benefits Program (GBP) is November 1 through November 19. You may make changes to dental, vision and life insurance coverage for yourself and your eligible dependents during this period. All changes are effective January 1, 2022. (Medicare-enrolled retirees can make changes to their health coverage any time of the year, including during Fall Enrollment.)

What's new for Plan Year 2022

There are no significant changes in premium rates, coverage or plan administration for Plan Year 2022.

If you are a former HMO plan participant who transitioned to the HealthSelectSM Medicare Advantage Plan preferred provider organization (MA PPO) or HealthSelectSM Secondary on September 1, you can choose to switch health plans during Fall Enrollment or any time of the year. You must submit your Medicare Beneficiary Identifier (MBI) to ERS to enroll in the HealthSelect MA PPO. You can do this through your ERS OnLine account or by calling ERS toll-free at (877) 275-4377. View the Health Plans Comparison Chart in your Fall Enrollment packet or online to learn about the differences between the two plans.

Former HMO participants

Find answers to frequently asked questions about the transition to your new plan at <https://www.ers.texas.gov/What-s-Happening-Now/hmos-departure>. See links to FAQs for Medicare-eligible and non-Medicare retirees on the right side of the page.

Watch for your enrollment guide in the mail

ERS will send you a Fall Enrollment packet in mid to late October with information about your benefits. You also can visit the Fall Enrollment page on the ERS website to view the Fall Enrollment guide, premium rates and information from plan administrators.

Benefits enrollment for retirees and survivors not yet eligible for Medicare ended in July. Any retiree or survivor can change any of their benefit elections within 31 days of a qualifying life event (QLE), or they can opt to end or reduce coverage at any time.

Continued on page 2



News from the 87th Texas Legislature

Lawmakers move to support retirement fund, health care benefits

During the regular session of the 87th Texas Legislature last spring, legislators passed a new state law to bolster the ERS Retirement Trust Fund and other bills that will positively affect participants in ERS insurance programs. Read a summary of key developments below and see additional details in the handout "87th Texas Legislature Sets Retirement Plan on Path to Solvency" (<https://ers.texas.gov/About-ERS/ers-organization/legislative-activity-related-to-ers/87th-legislative-handout-final>).

Continued on page 3



Message from the Executive Director

Rebuilding a sustainable Trust Fund

While COVID-19 may have made the 87th Texas Legislature a different experience for all involved, it didn't prevent lawmakers from acting on a key issue impacting ERS and the state employees and retirees it serves. Notably, new legislation will provide billions of dollars to shore up the ERS Retirement Trust Fund.

Signed into law by Governor Greg Abbott in June, Senate Bill 321 also creates a new retirement benefit for future state employees, a move that will further help sustain the Trust Fund over the long term. You can read details about the legislation in "Lawmakers move to support retirement fund, health care benefits" on page 1 of this newsletter and on the ERS website at <https://ers.texas.gov/about-ers/ers-organization/legislative-activity-related-to-ers>.

I commend our legislators and the Governor for taking this critical step to restore the Trust Fund to health. Their investment in our state workers and retirees is an investment in Texas. I'm grateful to the bill's authors and legislative staff who worked to get the legislation passed. Our ERS governmental relations team and consulting actuaries also worked tirelessly to provide lawmakers with the information they needed to examine all options and propose a solution that will benefit all state employees—current, past and future.

In addition to this substantial boost to the retirement fund, the Legislature maintained funding for insurance benefits for state employees and retirees. This is good news given the uncertainty of the pandemic. Of course, state appropriations are only part of the equation when it comes to keeping your insurance benefits affordable. By aggressively managing health plan quality and costs and encouraging plan participants to make smart choices about their care, we hope to be avoid increases in premium rates for the next two years.

Farewell and welcome

In recent weeks we've welcomed two individuals to roles at ERS and celebrated the service of two others. Chief Investment Officer Tom Tull retired in August after more than two decades of working with ERS in a staff or advisory capacity. You can read about our new CIO, David Veal, on page 3. We also welcomed Trustee Neika Clark (see page 5) to fill the ERS Board seat Ilesa Daniels has held since 2015. I want to extend my heartfelt thanks to Tom and Ilesa for their dedication to our members and stakeholders. Although David and Neika are new to their roles, they bring first-hand knowledge of ERS and the programs and services we administer. I look forward to their insight and energy as we implement the new retirement benefit and navigate a post-COVID-19 world.

Reconnecting with retirees

Finally, I'm excited to share that as of this writing, we are planning to resume our Staying Connected retiree events this fall. We have missed this opportunity to visit with you in person and hear what is on your mind. If you live in the Dallas-Fort Worth, Houston or Austin areas, I hope you will join us. Watch for details on the ERS website.

Stay well,

Porter Wilson

Fall Enrollment begins November 1,
continued from page 1



Get answers to your benefits questions

Like last year, ERS and plan administrators will address Fall Enrollment questions in convenient online webinars. ERS and UnitedHealthcare also plan to host phone-in sessions about HealthSelect MA PPO and HealthSelectSM Medicare Rx.

Depending on conditions related to COVID-19, ERS plans to host a limited number of in-person Staying Connected retiree events in November. Plan representatives will be on hand to answer questions about your benefits. See page 6 for more information.

Find a schedule of enrollment and Staying Connected events in your Fall Enrollment guide or on the ERS website, and register at ers.texas.gov/Event-Calendars.

Retirement benefits and funding

Senate Bill 321 commits to additional annual payments to the Trust Fund above the state's regular percentage-of-payroll contributions, with a goal to pay down the Fund's current \$14.7 billion unfunded liability by 2054.

The law also calls for ERS to create a cash balance retirement benefit for new employees who start on or after September 1, 2022. Retirement eligibility and benefits for current employees and retirees will not change, but the change in benefits for future employees and the state's commitment to pay off the Fund's debt will ensure current and future retirees get the lifelong annuities they earned over their careers.

Health insurance

The Legislature maintained current funding for health insurance coverage for eligible participants in the Texas Employees Group Benefits Program (GBP). Because of this appropriation, as well as ongoing cost-saving measures, ERS hopes to avoid increasing premium rates or decreasing benefits in any of the GBP health plans for Fiscal Years 2023 and 2024.

Other laws related to insurance coverage will impact non-Medicare GBP plans. New requirements effective September 1, 2022, require HealthSelect of Texas® and Consumer Directed HealthSelectSM plans to cover in-network diagnostic imaging to detect breast cancer (including mammograms, ultrasound and MRI) at the same level as preventive screening. A second new law will limit formulary insulin costs for plan participants to no more than \$25 per prescription for a 30-day supply. These laws do not apply to the HealthSelectSM Medicare Advantage Plan preferred provider organization (MA PPO) or the HealthSelectSM Medicare Rx plan.

ERS governance

Retirees from state agencies will be eligible to serve as one of the three elected members to ERS' Board of Trustees. Previously only active state agency employees were eligible to run for a Board seat. See <https://ers.texas.gov/About-ERS/ERS-Board-of-Trustees/Trustees-Election-and-Appointments> to learn how trustees are elected or appointed.

Veal named CIO

New investment officer brings extensive public- and private-sector experience

ERS has named David T. Veal as its new chief investment officer. He replaces Tom Tull, who retired in August.

Veal brings more than 20 years of investment experience in both the private and public sectors. He previously served as chief investment officer for the City of Austin Employees Retirement System and as director of strategic partnerships & research with the Teacher Retirement System of Texas. From 2009 to 2012, he was global strategist & portfolio manager for emerging markets for ERS.



"David's impressive investment experience, coupled with his track record as an effective leader and skilled communicator, make him the perfect person to take the helm for the ERS investment team," said Porter Wilson, ERS executive director. ERS selected Veal following a nationwide search assisted by Korn Ferry organizational consulting firm.

Before moving to Texas in 2009, Veal spent 10 years as an equity research analyst with Morgan Stanley in New York. He graduated from Auburn University with honors and earned a Masters of Business Administration with high distinction from the University of Michigan. Veal also served for six years as a U.S. Navy Officer, where he was twice decorated with the Navy Commendation Medal.

Veal oversees a team of 78 who help manage the ERS Trust's \$34 billion investment portfolio.

Upcoming annuity payment dates



September 30

October 29

November 30

ERS deposits or mails your annuity payment on the last business day of the month.

Go to Manage Your Annuity Payments (<https://ers.texas.gov/contact-ers/additional-resources/Manage-Your-Annuity-Payments>) for instructions on changing your tax withholding, personal information and more.

Staying in Motion!



Walk your way to better health



You probably know that walking is one of the simplest ways to stay physically fit as you age. Recent research indicates that brisk 40-minute walks three times a week also can support brain function and memory for those over age 60.

Next time you're tying on your walking shoes, you can take ERS Health Promotion Administrator Lacy Wolff along with you through the ERS Walk and Talk podcast.

Each episode features Wolff walking and talking with a health and wellness expert or inspirational guest. Recent topics include "The Key to Intrinsic Motivation," "Surprising Antidotes for Loneliness," and "The Link Between Physical Activity and Leadership."

"My goal is simple—to encourage people to take a break and do something good for their health above and below the neck," Wolff says.

ERS Walk and Talk is available on most podcast platforms, including Spotify and Apple Podcasts. New episodes are posted every other Friday. Find a link to the series and recordings of previous episodes on the ERS Wellness Resources webpage at <https://ers.texas.gov/Wellness>.



More ways to make fitness fun

Each health plan in the Texas Employees Group Benefits Program includes fun and convenient ways to help you stay fit.

Non-Medicare plans

If you're enrolled in HealthSelect of Texas®, Consumer Direct HealthSelectSM or HealthSelectSM Secondary, you can take advantage of the Fitness Program offered by Blue Cross and Blue Shield of Texas, the plans' administrator. The program offers unlimited access to a nationwide network of fitness centers, online fitness videos and virtual fitness classes. Participants pay a one-time enrollment fee (\$19, plus tax; no enrollment fee for digital-only membership) plus a monthly fee starting at \$10 for the digital-only option and \$19 for the fitness center option. No contracts are involved and you can cancel your membership at any time. Learn more at <https://healthselect.bcbstx.com/content/health-and-wellness-incentives/fitness-program>.

HealthSelect Medicare Advantage

Retirees enrolled in HealthSelectSM Medicare Advantage Plan, a preferred provider organization (MA PPO), can join SilverSneakers®, a nationwide program specifically for adults age 65 and older.

In addition to free access to thousands of gyms and fitness centers nationwide, SilverSneakers offers an on-demand library of workout and wellness videos, community classes and live virtual classes. Classes are for all abilities and range from low-impact exercises for flexibility and mobility, to cardio workouts and more. Many retirees who use the program say it's one of their favorite benefits in their health care plan.

Get started at www.SilverSneakers.com. Be sure to have your HealthSelect MA PPO ID card handy when enrolling.

Consult a health care professional before beginning any exercise program. Program availability varies by market. See your Evidence of Coverage for details. SilverSneakers is a registered trademark of Tivity Health, Inc. SilverSneakers On-Demand is a trademark of Tivity Health, Inc. © 2021 Tivity Health, Inc. All Rights Reserved.

HealthSelect
Medicare Advantage Plan

SilverSneakers
by Tivity Health

Neika Clark joins ERS Board of Trustees

Longtime state employee brings passion for frontline workers

Even as a young state employee 23 years ago, Neika Clark had her mind on retirement.

"I started seeing people retiring from state employment and thought, 'That's going to be me,' she says. "It was so exciting to see that."

As an incoming member of ERS' Board of Trustees, Clark wants her fellow state employees to share that feeling.

"I want them to be just as excited as I was," she says. While retirement may seem distant for many, it comes faster than expected, Clark says. That is why she wants state employees to be fully engaged in their benefits, including how to best take advantage of them and what they mean to their future.

A training specialist with Texas Health and Human Services Commission (HHSC) in Houston, Clark begins her six-year term on September 1. She will fill the seat held by Ilesa Daniels, whose term ends August 31.

A native Texan, Clark joined what was then called the Texas Department of Human Services as a clerk in August 1998, and progressed to jobs as intake screener, case manager/worker and Community Care Services Eligibility (CCSE) unit supervisor. In her current role, she prepares others to administer and deliver critical state services to older and disabled Texans.

With a background as a trainer, it's not surprising that Clark views an informed employee as essential. As a trustee she hopes to raise awareness among employees and retirees about what ERS does and the benefits available to them. The challenge, she says, is reaching a population that is widely diverse in age, work environment and even geographic location.

Tools like email and the internet that are intended to make communicating easier aren't effective for some, she says. Others, particularly those in early stages of their career, can be so focused on their job that they "move right past information about benefits."

"Texas is a big state. Some things get lost in the shuffle," she says.

Clark says often when employees see the "why" behind the contributions they make to their benefits, it's easier for them to recognize their value. She knows that retirees will always hope for cost-of-living adjustments to their annuities. She also knows that when employees are deciding whether to cover family members through their plan or a spouse's employer-provided plan, they'll often opt for the competitive benefits provided by the state.

When she is not working, Clark stays busy with community service activities, often through her church. During the pandemic, she has enjoyed hosting virtual paint parties and holiday parties for older adults, complete with home delivery of supplies. She also enjoys cooking and trying out new recipes on her son, daughter-in-law and large extended family.

Clark says she wants to be a voice and advocate for frontline employees like herself and is beyond grateful for the opportunity to represent her fellow ERS members on the Board.

"I love people. I know people," she says. "I'm really excited to be able to connect people with ERS."

See details about trustee elections at <https://ers.texas.gov/about-ers/ers-board-of-trustees/trustees-election-and-appointments>.

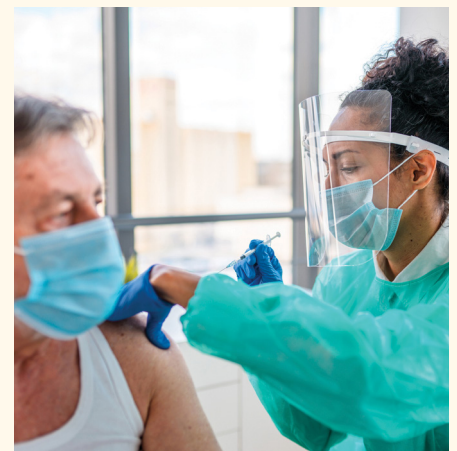


Don't forget your vaccine...

...Your flu vaccine, that is. COVID-19 vaccines may be getting all the attention, but the flu vaccine is still important, especially for adults age 65 and older. The Centers for Disease Control and Prevention recommends getting a vaccine in September or October to give flu-fighting antibodies a chance to work.

Check with your health care provider about getting your shot. Flu vaccines also are covered at 100% at in-network pharmacies that offer them. Wherever you get your shot, make sure the service is coded as preventive so you don't pay anything out of pocket.

And if you haven't gotten vaccinated against COVID-19 yet, it's a very good idea to do that, too—to protect yourself and others against a potentially deadly disease that is still very much with us. COVID vaccinations are available at no cost at many locations throughout the state.



View more information and locate in-network pharmacies on your prescription drug plan's website:

HealthSelectSM Prescription Drug Program (www.HealthSelectRx.com)

HealthSelectSM Medicare Rx (www.uhretiree.com/ers/home)

YOUR ERS CONNECTION

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Staying Connected retiree fairs

As in all odd-numbered years, ERS is planning our popular Staying Connected retiree fairs in the Austin, Dallas-Fort Worth and Houston areas this year. The events will coincide with Fall Enrollment, but they're open to all retirees, not just those enrolled in Medicare. If you live in or around Austin, DFW or Houston, check your mail for an announcement in the coming weeks. We'll also post information on the ERS website. If COVID rates increase, we could decide not to hold the fairs—in the interest of your health and ours—but we hope to see you in November!



Fall savings

Fall into the new season with featured deals from the Discount Purchase Program:

- 🔥 Save on gourmet food items and gifts from Harry & David.
- 🔥 Get discounts on cybersecurity and cloud storage services from McAfee.
- 🔥 Protect your furry family members with pet insurance from Nationwide.
- 🔥 Enjoy easy, healthy dinners with meal kits or fresh and ready meals from Sunbasket.

Find more seasonal offers on the Discount Purchase Program website at www.beneplace.com/discountprogramERS.