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## 1099-R Form and 1095-B reminder

### Tax-time prep

Tax season is around the corner. Here is a refresher about tax-time forms related to your retirement and health care benefits.

### Annuity distributions

Form 1099-R shows distributions (gross earnings) from your annuity and the taxes that were withheld.

You should receive the form in the mail by early February. You can view it through your ERS OnLine account starting January 15. To view or print your form in ERS OnLine, look for "My Payroll Information" on the Retiree homepage, and click "1099-R Summary." You can also access your 1099-R forms from the past three years.

If you did not register your ERS OnLine account before you retired or within 90 days after, call ERS at (866) 399-6908, TTY: 711.

If you do not receive a copy of your Form 1099-R by February 15, you can find it in your ERS OnLine account or call (866) 399-6908, TTY: 711 to request another copy be mailed to you.



### Have you moved this year?

Make sure ERS has your current mailing address by December 31 to ensure your 1099-R form goes to the right place. Do this through your ERS OnLine account or call (866) 399-6908, TTY: 711.

## Newly retired?

If you retired in 2022 and opted for a partial lump-sum payment in addition to your monthly payment, you will get two 1099-R statements. If you are retired from another system, such as Teacher Retirement System of Texas, contact that system directly with questions about tax forms.

*Continued on page 3*

## Mental health support and resources

If you or a loved one has feelings of anxiety, stress, isolation or depression, you're not alone. Nearly one in five Americans reports the pandemic has made a significant impact on their mental health. Here are some resources that may help.

### Screening for depression, outpatient care

For those enrolled in the HealthSelect<sup>SM</sup> Medicare Advantage Plan preferred provider organization, you have access to an annual depression screening with \$0 copayment. The screening must be done in a primary care setting that can provide follow-up treatment and/or referrals. Participants also have access to outpatient mental health care services. Please refer to your Evidence of Coverage (<https://retiree.uhc.com/content/dam/retiree/pdf/ers-ma/2023/2023-ERS-MA-EOC-13546.pdf>) or call (855) 853-0453, TTY: 711 for more information.

*Continued on page 4*





## Message from the executive director

### Celebrating accomplishments and continuing our important work

It's a tradition at ERS to take time in the first quarter of each fiscal year to celebrate our achievements of the past year and discuss activities in the current year.

Fiscal Year 2022, which ended on August 31, was especially challenging in many ways, but also a year of important advancements. Most critically, the main ERS retirement plan is back on the path to actuarial soundness. As I've written before, this is primarily due to ongoing "legacy" payments the state is making to the Retirement Trust Fund each year, in addition to the regular percent of payroll they contribute to the Fund annually. We got the first of these legacy payments in Fiscal Year 2022 and are grateful for this significant commitment from the state to the retirement plan.

In addition to the first legacy payment, FY22 saw another key development in restoring the ERS retirement plan: new retirement benefits for state employees starting work on or after Sept. 1, 2022. Many ERS staff worked throughout the last year to have systems in place for this new retirement group, whom we call Group 4. Although their benefits will be calculated differently, Group 4 will still have access to a pension with annuity payments that last their entire lives after they retire. Since Fiscal Year 2023 began on Sept. 1, we've welcomed about 5,000 new members into Group 4.

We've tried to be very open about the staffing and customer service challenges we've had in the post-pandemic world. While we remain short staffed in departments throughout ERS, we've managed to bring a number of new employees on board in a relatively short time. Last year, when the extent of workforce issues became clear, we began enhancing our hiring practices and streamlining customer service processes. We still have a number of positions to fill and more work to do, but we have made real progress over the last few months.

We will maintain our focus on customer service improvements and staffing in FY23, even as we continue and begin other projects. This fiscal year, we expect to award a contract to upgrade our benefits administration system. The current system offers a lot of self-service functionality for you, including the ability to initiate beneficiary updates and review 1099-R information. However, the current system is not as user-friendly as more modern systems. We have much complicated work ahead of us, and the upgrade is still

a few years away. When completed, it will greatly increase efficiencies within ERS and make it easier for you to use these online features.

Another big project in FY23 is adjusting the investment allocations for the ERS Retirement Trust Fund. Investment earnings are critically important to the Fund. They pay about 60% of your annuity check every month. (The rest is from a combination of your contributions and the state's contributions over your career.) We carefully invest Trust assets across a variety of investment types, or asset classes. This allows the Fund to grow steadily without too much risk, while ensuring we have enough cash to pay about 100,000 annuity checks every month. Every few years, the ERS Board of Trustees and Investment Advisory Committee look at our asset allocation—that is, how much of the Fund we invest in each asset class—and make adjustments as needed. Following an asset liability study in FY22, the investments team is working now to achieve the new allocation targets. You can learn more about the asset liability study and other ERS investment activities by reviewing information presented in the August 2022 Board meeting: <https://ers.texas.gov/about-ers/ers-board-of-trustees/2022-august-board-meeting>. In addition, you can find ERS' monthly investment reports at <https://ers.texas.gov/About-ERS/ERS-Investments-overview/Performance>.

These are only some of the projects we've taken on in Fiscal Year 2023. In just a matter of weeks, we'll be embarking on another legislative session, even as we keep up our efforts on many other special projects and day-to-day tasks. With the main retirement plan and health insurance funding in good shape, our primary focus for the upcoming session is restoring the financial soundness of the retirement plans for law enforcement and custodial officers and state judges.

As busy as the weeks and months ahead will be, I remain grateful for the opportunity to serve you. I wish you all the best this holiday season and in 2023!

Stay connected and, above all, stay well.

  
Porter Wilson

## Annuity payment dates

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

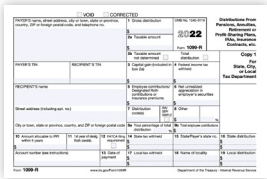
Go to Manage Your Annuity Payments ([ers.texas.gov/contact-ers/additional-resources/Manage-Your-Annuity-Payments](https://ers.texas.gov/contact-ers/additional-resources/Manage-Your-Annuity-Payments)) for instructions on changing your tax withholding, personal information and more.

If you are a retiree from another system, such as TRS, TCDRS or TMRS, contact that system for annuity payment dates.

### Annuity Dates

- December 30, 2022
- January 31, 2023
- February 28, 2023
- March 31, 2023





What's on your 1099-R?

- Total distributions from your ERS retirement account for the year.
- Taxable portion of your retirement benefit and amount of federal tax withheld.
- Non-taxable portion of your retirement benefit, if any.

Possible annual federal tax withholding table changes

Changes to the federal tax laws can affect your annuity payment. Federal tax withholding tables can change every calendar year, depending on action by Congress and/or the IRS. ERS is required to implement the IRS' changes to the tax withholding tables as soon as possible after the IRS releases the new withholding tables. A tax advisor can help you decide whether you should make changes to your tax withholding.

Proof of medical coverage

Form 1095-B is your proof of medical coverage; however, you do not need to submit this form to the IRS and you don't need it to file your return. Your health plan (or the Centers for Medicare & Medicaid Services (CMS) if you're enrolled in Medicare) will report this information to the IRS for you.

If you participated in a Texas Employees Group Benefits Program (GBP) health plan and were not enrolled in Medicare in 2022, your health plan provider will make a Form 1095-B available to you. Blue Cross and Blue Shield of Texas (BCBSTX) will mail a paper copy of the form to HealthSelect of Texas® plan participants (including Consumer Directed HealthSelect<sup>SM</sup> participants), who also can access it through their Blue Access for Members<sup>SM</sup> account.

Covered dependents do not get a separate Form 1095-B; you may provide them a copy for their records.

If you are 65 or older and were covered by Medicare Part A for the entire calendar year, you will not get a Form 1095-B. CMS reports your coverage to the IRS. You will get the form if you enrolled in Medicare Part A for the first time, you had Medicare Part A for part of the year or you are under age 65 with Medicare Part A. If you need a copy of the Form 1095-B from Medicare, call 1-800-MEDICARE (1-800-633-4227).

For more information

For more information about the Form 1099-R or federal tax withholding on annuity payments, go to the ERS FAQ page ([www.ers.texas.gov/Contact-ERS/FAQs](http://www.ers.texas.gov/Contact-ERS/FAQs)). Find the Annuitant Information FAQ under "Retirement." View FAQs about Form 1095-B under "Insurance" (Federal regulations (Affordable Care Act)).

Deductibles, out-of-pocket maximums reset Jan. 1

Medical deductibles, coinsurance reset

January 1 marks a new year and fresh start. The same is true for your prescription drug deductibles and any medical deductibles for your Texas Employees Group Benefits Program (GBP) health plans. You'll have to reach the deductible amount before the plan pays its share. Coinsurance and total out-of-pocket maximums also start over.

How do you know what your deductible is?

See deductibles and coinsurance amounts for each GBP plan on the Health Plan Comparison chart that came in your annual benefits enrollment packet earlier this year. You can also view the chart on the ERS website at <https://ers.texas.gov/Retirees/Rates>.

Except for Consumer Directed HealthSelect<sup>SM</sup> (which has one deductible covering medical services and prescription drugs), each GBP prescription drug plan has a \$50 annual deductible. See medical plan deductibles below.

Medicare-eligible plans	In-network deductible	Out-of-network deductible
HealthSelect <sup>SM</sup> Medicare Advantage Plan, insured by UnitedHealthcare	None	None
HealthSelect <sup>SM</sup> Secondary, administered by Blue Cross and Blue Shield of Texas	\$200 per individual \$600 per family	\$200 per individual \$600 per family
Non-Medicare plans	In-network deductible	Out-of-network deductible
HealthSelect of Texas® and HealthSelect <sup>SM</sup> Out-of-State	None	\$500 per individual \$1,500 per family
Consumer Directed HealthSelect high-deductible plan	\$2,100 per individual \$4,200 per family	\$4,200 per individual \$8,400 per family





## ERS Board of Trustees election and call for nominations

### Retirees can run for the first time

ERS is preparing for the 2023 Board of Trustees election. Current employees, non-contributing members and retirees will be eligible to vote to fill the position currently held by Catherine Melvin, who was elected to the Board in 2017.

The ERS Board of Trustees makes key decisions regarding the valuable benefits for State of Texas employees and retirees. They also oversee the retirement trust funds, which invest state, agency and member pension contributions and the Texa\$aver 401(k)/457 Program.

Are you interested in serving on the Board? Following the passage of legislation in the 2021 legislative session, most ERS retirees can now run for a seat. Most state agency retirees who get an annuity from ERS are eligible to serve on the Board, although some exceptions apply. The candidate nomination period begins in March and voting begins in May. The candidate receiving the most votes will be the next trustee and serve a six-year term beginning September 1.

More information will be available soon. In the meantime, take a few minutes to learn more about the Board, the current trustees and their recent activities. There's a wealth of information—including trustee bios, presentations and video from past meetings, and more—in the Board of Trustees section of the ERS website at <https://ers.texas.gov/About-ERS/ERS-Board-of-Trustees>.

*Mental health support and resources, continued from page 1*

## Virtual behavioral visits

With virtual visits, you can connect with your provider by phone or video—in the comfort of your home. Licensed behavioral health professionals can provide treatment for:

- stress or anxiety,
- anger management,
- trauma and loss,
- addiction,
- depression and
- substance abuse.



Coverage may depend on your health plan benefits, so sign in to your health plan account or call the number on your member ID card first to learn what benefits may be available to you.

## Emotional support by phone or mobile app

Some emotional support programs, phone services and mobile apps such as Sanvello or Talkspace may be included with certain health plans. Sign in to your health plan account or call the plan at the number on the back of your ID card to learn about these types of programs available to you.

## Helpful numbers in an emergency

If you believe you need help right away – for yourself or a loved one – call 911 or use the emergency numbers listed here.

### **Substance Use Helpline: (855) 780-5955**

If you or a loved one are experiencing signs of addiction, call this confidential helpline to get support, guidance on treatment options, help finding a network provider and answers to your questions.

### **National Domestic Violence Hotline (800) 799-7233 (TTY: (800) 787-3224)**

Get help with crisis intervention, information and referrals to local services for victims of domestic violence and those calling on their behalf.

### **988 Suicide and Crisis Lifeline**

If you or someone you know is struggling or in crisis, help is available. Call or **text 988** toll-free or chat online at <https://988lifeline.org/chat/>. Both services are available 24/7 and offer confidential support, and prevention and crisis resources for you or your loved ones. For TTY users, use your preferred relay service or dial 711 then 988.

### **The Crisis Text Line**

The Crisis Text Line is a free resource available 24/7 to help you connect with a crisis counselor. You can either **text "Home" to 741741** or go online to [www.crisistextline.org/](http://www.crisistextline.org/) for more information.

## Questions?

If you have questions about your coverage or need assistance locating mental health providers, call United Healthcare® customer service toll-free at (855) 853-0453 (TTY 711), from 7 a.m. – 7 p.m. CT, Monday through Friday, 7 a.m. – 3 p.m. CT Saturday.

## Healthy holiday mindset: finding awe

By Lacy Wolff, ERS Health Promotion Administrator

When my 17-year-old came home from a recent trip to Fort Davis, he told me about a moment he had while stargazing. He said that looking at the night sky filled with millions of stars was so intense that he felt dizzy, small and overwhelmed. He also shared that this was one of the BEST moments of his trip. What my son was perfectly describing was the feeling of awe.



There is a growing body of research that shows that having the feeling of awe can be good for your health. During the holidays, when stress levels are high, taking some time to explore and search for awe everyday may help lower your stress and connect to your loved ones.

Awe is a feeling of deep respect, admiration and fear, in response to something grand, sublime and very powerful.

You may have remembered experiencing this feeling yourself while

- swimming in the ocean,
- stargazing,
- listening to music or looking at art,
- watching a child take their first steps or
- touring historic buildings, like our state's Capitol.

“Research has repeatedly found that experiencing something extraordinary may make us (and our worries) feel small. And not in a bad way,” said Richard Sima in a recent Washington Post article on this topic.

During the 2022 Virtual Wellness Fair, Kristen Huff J.D. shared that for her, finding awe in nature is an easy way to feel grateful, especially on days when feeling grateful may be difficult. She said that by simply going out on an awe-walk in her neighborhood she can find something that will create the feeling of awe—an old tree, a flower, a bee, a child riding a bicycle. Awe is easy to feel if we are paying attention to what is happening around us.

During the holidays this year, I hope you can take some opportunities to find awe in your everyday experiences.



### This retiree shares his tips for a healthy and happy post-work life

Now more than two years into his retirement, Naushad Ali is reaping the benefits of having planned for health and wealth to live his dream. Ali, 69, retired from ERS after 23 years in customer benefits management, and also from 21 years in the Navy. “Retirement has been fantastic,” he says. Read how he makes the most of it.

<https://www.ers.texas.gov/news/Naushad-Ali>



## Avoiding scams

Beware of holiday scams and give yourself the gift of a safe and festive season

It's understandable to want to get the best deals while holiday shopping, and to be charitable during the season. So don't let the scammers spoil the festivities and steal your spirit, money, data or worse.

Here are some tips on what to watch out for.

<https://www.ers.texas.gov/news/avoiding-holiday-scams>

**YOUR ERS CONNECTION**

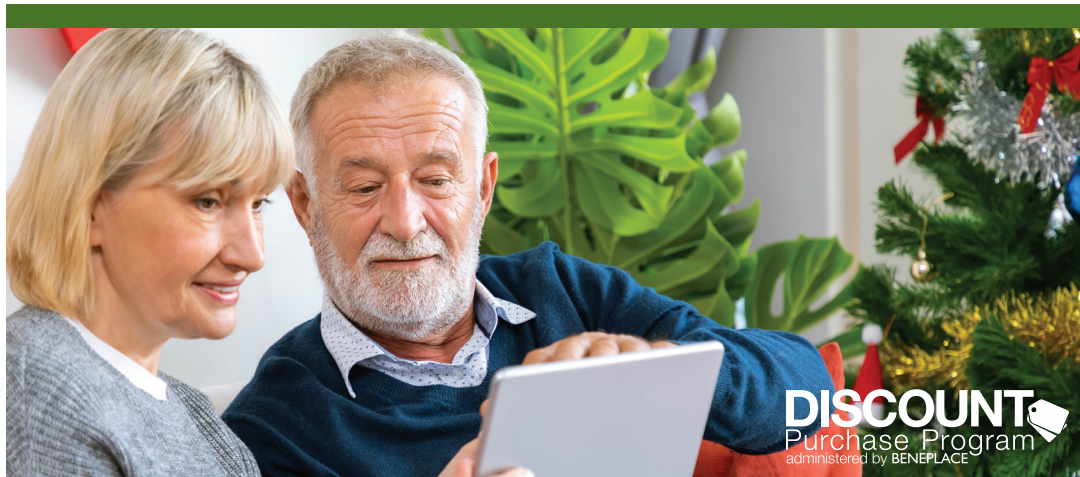
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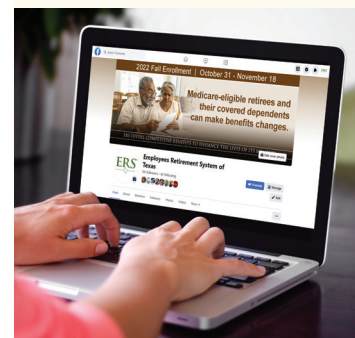


## Discount Purchase Program

Get gifts for you and your loved ones this holiday season by taking advantage of the Discount Purchase Program with these offers:

- Save up to \$35 off gate prices to Disneyland.
- Reward yourself with a new iPhone, MacBook, iPad or Apple Watch with preferred pricing on the latest Apple products and accessories.
- Savings on the hottest new movies with significant savings at AMC, Regal and more theaters across the US.

Find these offers and more at <http://www.beneplace.com/discountprogramers/>.



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