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Know your tax facts

1099-R Form and 1095-B reminder

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

What is a 1099-R?

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, <https://www.ers.texas.gov/my-account-login>, 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 your retirement, call ERS at (866) 399-6908, TTY: 711.

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.

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

What if I took a partial lump sum?

If you retired in 2023 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, contact that system directly with questions about tax forms.

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

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All retirees and dependents

Reminder: Express Scripts transition on Jan. 1

Don’t forget, beginning Jan. 1, 2024, Express Scripts and Express Scripts™ Medicare (PDP) will become the new third-party administrators for the HealthSelectSM Prescription Drug Program (PDP) and HealthSelectSM Medicare Rx, respectively. The current administrators, Optum Rx (non-Medicare) and UnitedHealthcare[®] (Medicare) will continue to manage the plans through Dec. 31, 2023.

ID cards have been sent

Express Scripts has sent welcome packets to all current plan participants. The packets contain two ID cards per household to use beginning Jan. 1, a mail order form and a plan guide with details of your prescription drug coverage along with the contact information for Express Scripts.



Will your coverage change?

The formulary will change on Jan. 1, meaning that some drugs might change tiers and participants might pay more or less for the same drug starting Jan. 1. In addition, Express Scripts could require prior authorization or step therapy for drugs that don’t need them under the current administrators. ERS is taking measures that will give participants time to work with their doctors to manage any changes.

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Message from the executive director

One of my favorite things about fall is the chance for ERS retirees to connect *in person* with our staff and plan administrators at a Fall Enrollment or Staying Connected fair around the state. I enjoyed meeting many of you at the fairs and learning how our retirement and insurance programs enhance your lives, as well as what ERS could do better to serve you. One way we are working to better serve you is through our growing wellness program.

When I first heard the saying “Youth is wasted on the young,” I was frankly too young to understand what that meant. Now I think I know... When I was young, I couldn’t appreciate strong health as much as I do as an older adult. Unlike in my youth, today I have to regularly exercise, stretch, eat and sleep well just to feel good from day to day.

That is why I feel passionately about the opportunities we offer – both through ERS and through your health plan -- to help you feel your best. In this issue of Your ERS Connection, you can read about some of the wellness benefits in your health plans, like SilverSneakers and Rally Coach in HealthSelect Medicare Advantage, and WellonTarget in HealthSelect of Texas. But did you know that ERS now has many virtual ways for you and your family to learn, be inspired and engage in healthy activities?

From free virtual fitness classes to podcasts and webinars, you can learn or do something new at your own convenience through your mobile device or computer.

To check out and join a fitness or meditation class online, visit and bookmark this webpage: <https://www.wellness.texas.gov/Challenge.htm>. These live classes are taught by state employees at different agencies, including ERS, the Office of Attorney General, Texas Department of Transportation and Health and Human Services Commission. The instructors are engaging and always provide modifications for anyone who may be new or building up their strength.

Our ERS webpage with wellness resources can take you to our virtual wellness classes (webinars), which are a great way to learn something new and feel connected to others. Visit and bookmark the ERS Wellness Resources page and select “Wellness Event Calendar” for an upcoming schedule of live webinars: <https://www.ers.texas.gov/Wellness>.

You might also enjoy listening to the ERS Walk & Talk podcast, hosted by Lacy Wolff, our coordinator for statewide well-being initiatives. These short podcasts may inspire you to try something new or do more of what feels good for you. Here is a link to Lacy’s debut podcast interview with Department of Public Safety retiree Gary Albus: <https://tinyurl.com/2j2bxbcx>

If you’d like to get monthly wellness news from ERS on your mobile device, text TXERS Wellness to 468-311 or scan the QR code:

I hope you learned something in this newsletter that will help you in your health goals for 2024 and beyond.



Porter Wilson

Annuity payment dates

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

Go to the ERS website and search “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 the Teacher Retirement System (TRS), the Texas County District Retirement System (TCDRS) or the Texas Municipal Retirement System (TMRS), contact that system for annuity payment dates.

Annuity Dates

- Dec. 29, 2023
- Jan. 31, 2024
- Feb. 29, 2024

Possible changes in annuity amounts for Medicare-eligible retirees

Retirees eligible for Medicare will see a change in their annuity checks if they made new benefit elections during Fall Enrollment. Even if you didn’t make changes, you might have a different net annuity amount beginning in January if any of the following applies to you:

- You pay a premium for your or a dependent’s coverage in HealthSelect Medicare Advantage. Premiums in that plan will increase Jan. 1.
- You are enrolled in the DeltaCare USA dental health maintenance organization. Premiums in that plan will return to 2022 levels on Jan. 1, after a slight decrease in 2023.
- You are enrolled in Optional Term Life Insurance and moved to a new age bracket before Jan. 1, because you had an age-based premium increase.
- Changes to federal income taxes change how much is withheld from your annuity each month. (See “Know your tax facts” in this issue.)

To learn more, see the Plan Year 2024 premium rates for Medicare-eligible retirees ers.texas.gov/PDFs/rates-py24/ratesheet-py24-final-accessible.

Federal tax withholdings could change your annuity in 2024

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. If your annuity amount changes in 2024, check the tax withholdings. ERS cannot provide tax advice but a tax advisor can help you make decisions about your tax withholding.

Form 1095-B: proof of medical coverage

Form 1095-B contains information to prove that you (and any covered dependents) had medical coverage in 2023. You no longer need to provide the IRS with a copy of Form 1095-B during tax season. Your GBP health plan provider or, if you're enrolled in Medicare, the Centers for Medicare and Medicaid Services (CMS) will send this information to the IRS electronically.

If you want a copy of your Form 1095-B to keep with your tax or insurance records, you can get one from your health provider.

HealthSelectSM of Texas plan participants: If you participated in HealthSelect of Texas or Consumer Directed HealthSelectSM in 2023 and were not enrolled in Medicare, you can get a copy of Form 1095-B online through your Blue Access for MembersSM account <https://mybam.bcbstx.com/>. Or, you can request a paper copy be mailed to you by calling Blue Cross and Blue Shield of Texas (BCBSTX) at (800) 252-8039 (TTY: 711). (Please note: All covered dependents will be included on one form; your Blue Access for Members account will not show a separate form for each of your dependents.)

Medicare enrollees: If you are 65 or older and were covered by Medicare Part A for the entire calendar year, CMS will provide the IRS with proof of your medical coverage. If you enrolled in Medicare for the first time, you had Medicare Part A for part of the year, or you are under age 65 with Medicare, CMS will send you a copy of Form 1095-B. If you want a copy of Form 1095-B from Medicare, call (800)-MEDICARE or (800) 633-4227; TTY (877) 486-2048.

For more information

For more information about Form 1095-B, visit ERS' Form 1095-B FAQs webpage (ers.texas.gov/Contact-ERS/Additional-Resources/FAQs/Form-1095-B). You can find additional information on ERS' Form 1099-R FAQs webpage (ers.texas.gov/Contact-ERS/Additional-Resources/FAQs/Getting-your-Form-1099-R) and the federal tax withholding on monthly annuity payments webpage (ers.texas.gov/Contact-ERS/Additional-Resources/FAQs/Changes-to-Federal-Tax-Withholding-on-Monthly-Retirement-Payments).



Add resistance to your workout to stay strong

According to the *American Journal of Preventive Medicine*, regular strength training can help manage blood pressure, blood sugar and blood cholesterol levels. It also helps prevent and control heart disease and type 2 diabetes. Plus, it's shown to improve the symptoms of arthritis. Adding a little resistance to your regular fitness routine can help you build strength, stay independent and more.

Read about four health benefits of strength training for older adults at <https://www.ers.texas.gov/news/add-resistance-to-your-workout-to-stay-strong>.



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

Jan. 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.

See annual deductible and coinsurance amounts on either the Health Plan Comparison Chart or the Medicare Health Plan Comparison Chart (for Medicare-enrolled retirees). Find these charts on the ERS website: ers.texas.gov/PDFs/Summer-Enrollment/2023-summer-enrollment/2023-se-health-comparison (retirees not eligible for Medicare) and ers.texas.gov/PDFs/rates-py24/py24-health-plan-comparison-chart-medicare-eligible (Medicare-enrolled retirees).

HealthSelect Medicare Rx (Medicare-enrolled participants)

If you are currently (before Jan. 1) taking a medication that ...

... is not in Express Scripts' formulary, you will have the option to get a one-month transition refill. When that one-month refill runs out, you will have to get an alternative medication or pay more for the current drug.

... does not require prior authorization or step therapy now, but will starting Jan. 1, you will have the option to get a one-month transition refill. When the one-month refill runs out, the drug will require prior authorization or step therapy.

... requires prior authorization or step therapy now (under UnitedHealthcare) and is in Express Scripts' formulary:

- If the drug will continue to require prior authorization or step therapy under Express Scripts, current coverage of the drug will be honored until the prior authorization or step therapy expires. After that, the drug will have to go through a new prior authorization or step therapy, and you might pay a different price depending on what formulary tier the drug is in.
- If the drug will be in Express Scripts' formulary and won't require prior authorization or step therapy, current coverage of the drug will be honored until the prior authorization or step therapy expires. After that, you can fill a prescription for the drug without prior authorization or step therapy, but you might pay a different price depending on what formulary tier the drug is in.

HealthSelect Prescription Drug Program (non-Medicare participants)

If you are currently (before Jan. 1) taking a medication that ...

... is not in Express Scripts' formulary, you will continue to have access to that drug under the current coverage until March 31, 2024. Beginning April 1, you will have to get an alternative medication or pay more for the current drug.

... does not require prior authorization or step therapy now, but would under Express Scripts, ERS will waive the prior authorization/step therapy requirement for that medication, even if you have to renew the prescription. (Note: If you aren't taking the medication before Jan. 1, you will have to get prior authorization or go through step therapy to start using it on or after Jan. 1.)

... requires prior authorization or step therapy now (under OptumRx) and is in Express Scripts' formulary:

- If the drug will continue to require prior authorization or step therapy under Express Scripts, current coverage of the drug will be honored until the prior authorization or step therapy expires. After that, the drug will have to go through a new prior authorization or step therapy, and you might pay a different price depending on what formulary tier the drug is in.
- If the drug will be in Express Scripts' formulary and won't require prior authorization or step therapy, current coverage of the drug will be honored until the prior authorization or step therapy expires. After that, you can fill a prescription for the drug without prior authorization or step therapy, but you might pay a different price depending on what formulary tier the drug is in.

Find a pharmacy

Use the "Find a pharmacy" tool and the "Price a medication" tool online to see your out-of-pocket costs. If you have questions, see the table below for whom to contact for your plan.

Your Plan	Now through Dec. 31, 2023	Transition to Express Scripts	Beginning Jan. 1, 2024
 (Not enrolled in Medicare)	Call: OptumRx toll-free at (855) 828-9834 (TTY: 711) 24 hours a day, seven days a week Web: express-scripts.com/employeesretirementsystemoftexas	Transition to Express Scripts	Call: Express Scripts toll-free at (800) 935-7189 (TTY: 711) 24 hours a day, seven days a week Web: HealthSelectRx.com
 (Retirees enrolled in Medicare)	Call: UnitedHealthcare toll-free at (866) 868-0609 (TTY: 711) ; 7 a.m. – 7 p.m. CT, Monday - Friday; 7 a.m. – 3 p.m. CT Saturday Web: express-scripts.com/ERSMedicareRx		Call: Express Scripts Medicare (PDP) toll-free at (866) 264-4676 (TTY: 711) 24 hours a day, seven days a week Web: HSMedicareRx.com

Don't forget:

Your \$50 per-person annual prescription drug deductible resets on Jan. 1 and could affect your prescription drug costs, even if your drug's tier in the formulary doesn't change. See the article "Deductibles, out-of-pocket maximums reset Jan. 1" for more information.

Register your account

Register for an account, depending on your plan, at **[HealthSelectRx.com](https://www.HealthSelectRx.com)** or **[HSMedicareRx.com](https://www.HSMedicareRx.com)** beginning Jan. 1.

Non-Medicare participants can join an Express Scripts Q&A webinar. (Page 6)

Reminder: Life insurance coverage decreases at 70

If you continued your Optional Term Life Insurance benefit into retirement, this is a reminder that coverage begins decreasing at age 70 while your premium rates continue to increase every five years.

Once you turn 70, the Optional Term Life Insurance you continued at retirement reduces to a percentage of the amount you had before you turned 70.

Age	Your coverage reduced to:
70-74	65%
75-79	40%
80-84	25%
85-89	15%
90+	10%

For example, at age 70, you will only receive 65% of the amount of coverage you elected before you turned 70. Your new coverage amount will begin the following Jan. 1 after your 70th birthday. The coverage amount will continue to decrease at the beginning of the Plan Year (Jan. 1) after your 70th, 75th, 80th, 85th and 90th birthdays, while the rate you pay will continue to increase. If your Optional Life insurance is set to reduce below \$10,000, ERS will automatically enroll you in Fixed Optional Life Insurance.

If a flat amount of protection for life best meets your needs, you may change your coverage during Fall Enrollment to the \$10,000 Retiree Fixed Optional Life Insurance benefit. The current cost is \$24.80 per month – and the coverage amount does not change with age. You can decrease your life insurance coverage any time during the year and do not need to wait for Fall Enrollment or a qualifying life event.

To learn more about the coverage and cost of your life insurance options, you can access the Retiree Benefits Book on LifeBenefits.com/plandesign/ers.

RSV vaccine is now available for adults 60 years and older

The respiratory syncytial virus (RSV) is a common respiratory virus. Although it usually causes only mild, cold-like symptoms, RSV can be serious. Older adults are more likely to develop severe RSV and need hospitalization.

There are two RSV vaccines licensed by the FDA for use in adults 60 years of age or older in the U.S. If you're 60 or older, your health care provider might recommend an RSV vaccination for you, especially if you have a weakened immune system, a chronic medical condition or if you live in a nursing home. If any of these apply to you, you might be at higher risk of severe RSV disease. The federal Centers for Disease Control and Prevention recommend a single dose of the RSV vaccine with no maximum age for getting the vaccine. Talk to your healthcare provider to see if the RSV vaccination is right for you.

Is the RSV vaccine covered by my health insurance?

Your plan	Medical plan	Prescription drug plan	Need help finding a provider/pharmacy?
Non-Medicare plans administered by BCBSTX			
HealthSelect of Texas[®], HealthSelectSM Out-of-State participants	Covered at 100% from an in-network provider	Covered at 100%; bypasses deductible	Blue Cross and Blue Shield of Texas Call a Personal Health Assistant toll-free at (800) 252-8039 (TTY: 711), Monday – Friday, 7 a.m. – 7 p.m. and Saturday, 7 a.m. – 3 p.m. CT.
Consumer Directed HealthSelectSM participants	Must meet deductible, subject to coinsurance	Must meet deductible, subject to coinsurance	OptumRx Call toll-free at (855) 828-9834 (TTY: 711), 24 hours a day, seven days a week until Dec. 31.
HealthSelect Secondary participants without Medicare	Covered at 100% from an in-network provider	Covered at 100%; bypasses deductible	Express Scripts (non-Medicare) Beginning Jan. 1, contact Express Scripts toll-free at (800) 935-7189 (TTY: 711), 24 hours a day, seven days a week.
Medicare plans administered by UnitedHealthcare			
HealthSelect Secondary participants with Medicare	Not Covered	Covered at 100%; bypasses deductible	UnitedHealthcare Call toll-free at (866) 868-0609 (TTY: 711); 7 a.m. – 7 p.m. CT, Monday - Friday; 7 a.m. – 3 p.m. CT, Saturday until Dec. 31.
HealthSelect Medicare AdvantageSM participants	Not covered	Covered at 100%; bypasses deductible	Express Scripts Medicare (PDP) Beginning Jan. 1, contact Express Scripts Medicare (PDP) toll-free at (866) 264-4676 (TTY: 711), 24 hours a day, seven days a week.

If you visit an out-of-network provider, out-of-network benefits will apply. (Please note: Some drugs obtained through BCBSTX may require prior authorization.)

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‘Tis the season to save

This winter, the Discount Purchase Program is here to make sure you’re ready for the season. Celebrate the holidays with these offers.

- Over 60% off and \$5 off your first in-store purchase with Sam’s Club
- Two free months of Apple TV+
- 70% off your first box of dog food and free delivery with The Farmer’s Dog

And if you are planning on the perfect vacation for 2024, The Discount Purchase Program has exclusive savings up to 60% off hotel rates. You can search over 225,000 hotels in the U.S. and around the world. Visit www.beneplace.com/discountprogramERS to save on these great deals and more.

**Express Scripts
Q&A Webinars**

If you are not enrolled in Medicare, you can join a HealthSelect PDP Q&A session (ers.texas.gov/Contact-ERS/Full-Events-Calendar) with Express Scripts to learn more about your coverage:

- Tuesday, Dec. 12 at 10 a.m. CT
- Wednesday, Dec. 13 at 2 p.m. CT
- Tuesday, Dec. 19 at Noon CT

Express Scripts was available to answer Medicare participants’ questions during Fall Enrollment.



Holiday schedule

ERS will be closed
Dec. 22-26 and Jan. 1.
Happy holidays and
best wishes for 2024!