

## **TRS-Care Auto Enrollment Date was November 9**

based on Tim Lee, *Inside Line*, 11-8-17

As of November 9 TRS-Care participants who did not terminate their TRS-Care coverage have been auto-enrolled into the new Humana and SilverScript (CVS) health care plan. November 9 was the cutoff date for the enrollment TRS will submit to Humana, SilverScript (CVS) and the federal agency known as the Centers for Medicare and Medicaid (CMS). Some members of TRTA have expressed confusion about the meaning of that November 9 deadline. To be clear, TRS-Care participants are eligible to leave TRS-Care at any time\*. However, **if a participant did not notify TRS of their intent to terminate TRS-Care coverage by November 9, they will receive a TRS-Care Medicare Advantage and Part D ID card in the mail.**

If a participant finds that they have been enrolled into TRS-Care Medicare Advantage and Part D and wishes to leave the program, the participant should contact TRS. The participant should also contact TRS if they have already purchased another policy for themselves or their spouse. To reach TRS-Care, please call **1-888-237-6762**.

If the participant is a retiree and wishes to terminate TRS-Care coverage, they will need to request a specific form (**700B**), which must be customized and mailed to the participant from TRS-Care. To cancel TRS-Care by January 1, 2018, the form must be notarized and mailed back to TRS-Care. While the language on the form references a 14-day period, TRS will honor the termination date on the form as long as it is received before the termination date.

Form language: Termination will be effective [fill in blank] if my completed form is received by TRS-Care within 14 days of the date printed on this form. If not received within this 14-day period, termination will become effective on the first day of the month after it is received.

If the participant is terminating TRS-Care coverage for a spouse or dependent, they should send a signed letter to TRS clearly identifying whose coverage should be terminated and the date by which the coverage should be terminated. Retirees will not need a notarized form to terminate coverage for a spouse or dependent.

\*Under CMS rules, if a Medicare-eligible retiree decides to leave TRS-Care, the retiree has 63 days starting from January 1, 2018 to select a Medicare product from the individual marketplace with guaranteed issue status. It is important to note that if a participant leaves TRS-Care after the 63-day guaranteed issue period, they may encounter underwriting in the individual Medicare market. Learn more about the upcoming changes to TRS-Care by reading the TRS-Care FAQ.

## **Welcome to Foundation Month 2017**

Tim Lee, 11-6-17

The Texas Retired Teachers Foundation (TRTF) is the charitable arm of the Texas Retired Teachers Association (TRTA). TRTF is responsible for providing grants and assistance to active and retired educators. November is the month that TRTF hosts its donation drive known as Foundation Month. Watch Jamie Larson, TRTF's President, provide an update on TRTF's programs.

Foundation Month is a time to celebrate the charitable works TRTF has provided to educators throughout the year, and look forward to another year of selfless giving and life-changing work. TRTF has three primary charitable programs: Classroom Assistance Grants, A Helping Hand and Beginning Teacher Scholarships. Each of these programs is set to expand and improve in the coming year.

TRTF will provide 15 Beginning Teacher Scholarships in 2018, and each of these scholarships will be worth \$750. These scholarships aim to help new, first-time teachers with certification tests and classroom supplies. Interested parties may download the application at TRTA.org.

TRTF is doubling the number of Classroom Assistance Grants next year, bringing the total

number of grants given to 30. Each Classroom Assistance Grant is worth \$500. These grants are provided to active teachers seeking to improve their classrooms. Interested parties may download the application by visiting TRTA.org under “About us.” The application deadline for the Beginning Teacher Scholarships and Classroom Assistance Grants is March 15, 2018.

The “A Helping Hand” program is set to disburse \$17,500 in 2018 to retired educators in need. Since the program’s 2010 inception, “A Helping Hand” has given more than \$110,000 to 107 retired educators. 2017 has been a particularly difficult year for many educators, as the Texas coast was devastated by Hurricane Harvey. TRTF brought educators together to raise more than \$130,000 for victims of the hurricane through its Disaster Relief program. So far, TRTF has helped more than 450 educators with \$250 short-term grants and long-term grants in amounts up to \$1,000.

## **Interim Charges for TRS Released**

Based on Tim Lee, *Inside Line*, 11-2-17

**The next Texas legislative session doesn’t convene until 2019, but the groundwork for future legislative action is already beginning.** The Texas Legislature recently released its interim charges for the Texas Senate and House of Representatives. The charges include issues pertaining to the Teacher Retirement System of Texas (TRS) pension fund and the TRS-Care retiree health insurance program. The charges will direct committees to study certain facets relating TRS, and the reports generated by the studies will help inform and guide policymakers in 2019. The Texas Retired Teachers Association (TRTA) expects the interim before next session to be very busy. **TRTA is focused on advancing our agenda of:**

- 1. protecting the defined benefit plan,**
- 2. securing a pension increase for retirees, and**
- 3. advancing new and innovative funding solutions to address the TRS-Care shortfalls.**

As always, TRTA will need your support to move our agenda, educate decision makers and influence the Legislature. Please stay tuned to the Inside Line

throughout 2018 as we keep you updated on these important issues. Below note the focus of each of the Interim committees.

### **House Committee on Appropriations**

The House Committee on Appropriations will study the long-term sustainability of the TRS-Care program. The committee will also consider options for funding this health care program, especially as it pertains to contributions being based on active employee payroll rather than the cost of health care. The committee will monitor how the bills passed by the Texas Legislature relating to TRS-Care are implemented during the interim. Two bills were passed relating to TRS-Care, H.B. 3976 and H.B. 30, and TRS has already used these bills as the blueprint for how it funds TRS-Care and organizes its participants benefits.

### **House Committee on Pensions**

The House Committee on Pensions is of the utmost importance in determining the future health and funding for the TRS pension fund. The committee has been charged with reviewing the state’s oversight of pension systems. Additionally, the committee will be responsible for making recommendations to enhance the state’s oversight of local pension systems.

The committee will evaluate the investment oversight of a number of state-run retirement systems, including TRS. It will identify the best practices made by the agency and make recommendations to strengthen the state’s oversight of the system. The health incentive programs within the group benefit programs at TRS will be reviewed and evaluated by the committee as well. The committee will be responsible for making recommendations on how to reduce expenditures through TRS-Care. Similar to the House Committee on Appropriations, the Pensions Committee will review the implementation of bills passed relating to TRS.

### **House Public Education Committee**

The House Public Education Committee will review the charter school system in Texas. It will consider the differences in charter and district contributions to

TRS on behalf of their employees and make appropriate recommendations to support the retirement benefits of all public school teachers.

### **House Select Committee on Opioids and Substance Abuse**

The House Select Committee on Opioids and Substance Abuse will monitor and prevent the abuse of prescription drugs provided through TRS-Care, as well as other state-administered programs. The committee will make a recommendation on the best practices.

### **Senate Finance**

The Senate Finance committee will monitor health care costs throughout the state agencies, including TRS. The committee will attempt to improve and reduce health costs within TRS-Care.

### **Senate Health and Human Services**

The Senate Health and Human Services Committee will compare alternative payment models with providers in Medicare managed care, which includes TRS. The goal of these models will be to identify ways in which TRS and the Employee Retirement System (ERS) can work together.

### **Senate State Affairs**

The Senate State Affairs Committee will examine and assess the TRS pension fund. It will review the different types of retirement plans, the actuarial assumptions used by TRS, TRS's investment practices and performance and the adequacy of financial disclosures. The committee will make recommendations to ensure public pension system retirees' benefits are preserved and protected. The committee is also charged with monitoring the implementation of legislative action on TRS from the past session. Specifically, the Senate will monitor the following: the implementation of House Bill 3976, relating to the administration of and benefits payable under the Texas Public School Retired Employees Group Benefits Act.

## **TRS-Care Communications**

Based on Tim Lee, *Inside Line*, 10-27-17

TRTA has received many calls about an October letter sent out by TRS to all Medicare-eligible retirees who currently are not in the TRS-Care Humana Medicare Advantage Level 2 program. The letter is meant as a "guaranteed issue" letter for a participant who needs to purchase a private Medigap supplemental insurance policy. Below the message from the TRS website:

"If you're currently enrolled in TRS-Care Standard 1, 2, or 3 or TRS-Care Medicare Advantage 3, both Federal and Texas law provide a 'guaranteed issue' right for individuals whose coverage (that is supplemental to Medicare) has terminated or ceased to provide benefits. TRS will provide you with a letter in October 2017 indicating that your current coverage is ending. You may be eligible to purchase a new Medigap policy without underwriting or preexisting condition exclusions anytime from the date you receive the October 2017 letter from TRS until March 4, 2018. You must provide the insurer with the letter that TRS issues to you in October 2017 in order to enroll in the Medigap policy on a guaranteed issue basis. If you don't qualify for the guaranteed issue right or you purchase Medigap coverage after March 4, 2018, you may be denied coverage or be subject to underwriting and preexisting condition exclusions.

If you're currently enrolled in the TRS-Care Medicare Advantage 2 plan, you may apply for a Medigap policy at any time. However, the Medigap insurance carrier may decline to cover you or you may be subject to underwriting and preexisting condition exclusions because the 2018 TRS-Care Medicare Advantage plan is similar to your current TRS-Care Medicare Advantage 2 and Medicare doesn't provide for a guaranteed issue period for Medigap policies if you remain eligible for similar coverage after Jan. 1, 2018."

**TRTA issued an clarification of the above TRS statement as follows:**

## **Facts for Medicare-Eligible Participants**

Health care is a complicated business, especially for Medicare-eligible participants. TRTA understands that many of these insurance changes are confusing, as are all the rules and regulations regarding Medicare insurance options. We want to provide as much clarity as possible. Please read a few facts TRTA has compiled regarding Medicare below. TRS-Care is still a great deal for the majority of Texas retired educators. TRS-Care is a group plan with a relatively rich benefit package, and the price is reasonable when considering the level of benefits. However, as with any insurance program or changes to health care, especially when choices are being limited and costs are increasing, some retirees will look for other options for themselves and their dependents. Many choices are available for Medicare-eligible retirees, while fewer choices are available for retirees under age 65. As with any complicated purchase, please take the time to compare all the benefits and costs on an apples-to-apples basis if you decide to look for other options. Use this TRS document to help you when asking questions.

The rule regarding TRS-Care has always been that if you leave the program after the age of 65, you cannot re-enroll in the program. This is common practice with many group insurance plans and is meant to prevent “adverse selection.” Adverse selection is when the healthiest and least expensive participants in a program leave to pursue less costly insurance options and participants who are less healthy and need expensive care and treatment stay in the program, causing overall program costs to rise quickly. By keeping a large, diverse group in TRS-Care, the plan is better able to provide financial stability for the group of participants as a whole.

**If you choose to leave TRS-Care, and you are eligible for Medicare, you may need the “guaranteed issue” letter mentioned above if you choose a Medigap insurance supplement. The letter confirms that your current coverage is ending. You should not need the letter if you choose a private Medicare Advantage plan, as**

**these have annual open enrollment periods.** Again, please be very cautious when comparing benefits and costs between TRS-Care and alternative programs. Ask yourself if the deal offered in the alternative plan is worth leaving TRS-Care permanently. If you select a private insurance plan, ensure that your new plan begins on January 1, 2018 so you can maximize your current year insurance benefits.

**If you are staying with TRS-Care, you will be auto-enrolled and sent a new insurance card in November or December of this year.** TRS asked that you inform them by November 9 if you are leaving the program. This request is related to the auto-enrollment process if you are not in the TRS-Care Medicare Advantage 2 plan currently. **You may still exit the TRS-Care program after November 9, but you may receive health care cards and mailings from TRS because of the auto-enrollment process.**

In order to leave TRS-Care officially, you must contact them at **888.237.6762 ext. 6** and request a form to be sent to you by mail (no electronic copy is available). The form must be signed, notarized and sent back to TRS to decline the coverage and must be received before December 31, 2017 to avoid possible gaps in coverage or double-billing for insurance premiums.

TRS is attempting to make the auto-enrollment process as seamless as possible and deliver information to all affected members in a timely manner. TRTA will help facilitate information and help TRS in any way we can to provide TRTA members with answers to their most asked questions. TRTA is cognizant that its members have a wide-ranging interest in many subject areas, including TRS-Care and other issues such as cost-of-living-adjustments and the Windfall Elimination Provision. While many of the recent Inside Line updates have focused on the plight of retirees affected by the TRS-Care changes, rest assured that TRTA is working to create positive change in all areas concerning retiree benefits.