

AUGUST 2021



RETIREE
EDITION



TRS NEWS



THE NEWSLETTER of the TEACHER RETIREMENT SYSTEM of TEXAS

TRS LEGISLATIVE UPDATE

The 87th Texas Legislature recently approved legislation that impacts TRS active members and retirees. Most notably the legislature passed HB 1585 – the TRS Sunset bill. In 2019, TRS underwent a statutory review by the Texas Sunset Advisory Commission (Sunset) to determine whether the agency operates efficiently, effectively and in the best interest of its members.

HB 1585, TRS Sunset Bill Major Provisions

OMBUDSMAN

Creates an ombudsman (“ombuds”) position designated by the TRS Board of Trustees for the purpose of assisting active and retired members. The ombuds will perform member protection and advocacy functions, and regularly submit a report to the board recommending changes to operations that would benefit members. TRS recently appointed its first-ever interim ombuds to further centralize TRS’ complaint resolution practices by building on existing processes. The pension fund already provides a variety of ways for TRS members to seek assistance with concerns or complaints, including its [Compact with Texans](#) page as well as several publicized telephone, email or online choices. To reach TRS’ ombuds, please email ombuds@trs.texas.gov or call **1-833-873-2331**.

EMPLOYMENT AFTER RETIREMENT (EAR)

12-Month Break in Service

Allows those who retired on or before Jan. 1, 2021 to return to work full time without a 12-month consecutive break in service and without forfeiting their annuity or paychecks. Those who retire after Jan. 1, 2021 will still be required to take a 12-month consecutive break in service in order to return to employment full time.

EAR VIOLATIONS: THREE STRIKES

Provides that if a retiree exceeds EAR restrictions, TRS will first notify the retiree of the violation with a warning and without the loss of annuity. If the retiree violates a second time, the retiree must pay back the lesser of what was earned for the month or the amount of their full monthly annuity. On the third violation and every violation thereafter, the retiree must forfeit their full monthly annuity.

***Note:** These provisions do not apply to disability retirees. Disability retirees have different limitations than service retirees. After one full, calendar-month break in service, a disability retiree may work up to 90 days per school year (September–August).*

ADMINISTRATIVE

Establishes 2033 as TRS’ next Sunset review.

PENSION APPEALS

Extends the appeal deadline to afford a member or retiree the same amount of time to file an appeal as TRS had to issue the determination or decision.

COMMUNICATION

Requires TRS to develop and adopt an outreach plan designed to assist each member of the system, and, as appropriate, the members’ employers, in effectively planning for the member’s retirement.

RETURN OF CONTRIBUTIONS

Requires TRS to develop a policy to locate and notify a member or the member’s heirs of their entitlement to a return of contributions, including sending certified letters and manual internet searches.

RETIREE HEALTH CARE PROGRAM

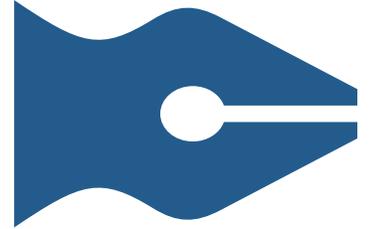
Requires TRS to develop and distribute materials to TRS-Care participants regarding their right to appeal a denial of an adverse determination to an Independent Review Organization (IRO), including the procedures for making the appeal to IRO and what assistance TRS can provide in navigating the procedures for appeal. Information regarding appeals for retirees and active members can be found online now at: https://www.trs.texas.gov/Pages/healthcare_news_202103_claim_appeal.aspx.

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Memo to Retirees

from
Executive Director
Brian K. Guthrie



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The Teacher Retirement System of Texas does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services. A copy of the complete TRS plan is available at the above address during normal business hours.

Greetings to our retirees,

I hope you're enjoying the summer season! As we continue to transition and serve our members, we strive to keep you updated with the latest information about agency operations. We continue to monitor health and safety conditions and further adjust as needed in order to fulfill our members' needs and requests.



NOW OPEN BY APPOINTMENT!

Effective Aug. 2, in order to provide adequate social distancing in meeting rooms and waiting areas, we temporarily will no longer accept walk-in appointments. **Reservations are required for all counseling sessions.** In addition to in-person counseling sessions, we continue to offer appointments by telephone and through video conferencing. To schedule something soon, contact the telephone counseling center from 7 a.m. to 6 p.m. at 1-800-223-8778.

We remain focused on providing excellent customer service while maintaining a safe environment for our members and employees. **If you're not feeling well or are experiencing symptoms of illness, please reschedule your appointment or arrange for a virtual appointment. We'll be happy to accommodate any changes.**

Please visit our website for [more information](#) on steps we're taking and what you can expect while visiting us.

Lastly, this newsletter includes key takeaways from the 87th Texas Legislative Session. This information can help you stay up to date on adopted legislation that might impact you as a member. As always, watch our website and other communication channels as we share helpful resources with you.

Take care,
Brian

TRS Legislative Update *continued from page 1*

Pilot Regional Office

EL PASO REGIONAL OFFICE

SB 1 approves funding for a pilot office in El Paso, Texas. While TRS administrative operations, including the pilot office, do not receive general revenue funding, administrative operations are funded with pension assets.

The pilot office will allow us to better serve our members and reach them closer to where they live. In January 2020, TRS surveyed our active members and retirees to better understand their preferences, and a majority of 85% were in favor of counseling offices in strategic locations across Texas. TRS is working to allocate resources to open the pilot regional office in El Paso in late spring or early summer of 2022. If data suggests the pilot office is valuable to TRS members, TRS will consider establishing additional regional offices during the 2024-25 biennium.

Watch for more information in future newsletters on our website. You can also tune in to future board webcasts to follow the discussion. Find links to webcasts and all meeting materials at www.trs.texas.gov.

Active Employees

CHANGES TO EMPLOYEE CONTRIBUTION TO TRS PENSION FUND

SB 12, the TRS pension reform bill passed in 2019, gradually increased the contribution rate to the pension fund for active employees. The first phase of employee increases will take effect on Sept. 1, 2021. It will increase from the current 7.70% of salary to 8.00% in 2021 and finally 8.25% on Sept. 1, 2023.

Calendar Date	State	Public Education Employer	Active Employee
Sept. 1, 2021	7.75%	1.70%	8.00%
Sept. 1, 2022	8.00%	1.80%	8.00%
Sept. 1, 2023	8.25%	1.90%	8.25%
Sept. 1, 2024	8.25%	2.00%	8.25%

Retirees

TRS-CARE: RETIREE HEALTH CARE

SB 1 maintains funding to TRS-Care. Retirees and dependents will not see a premium increase or benefit changes in 2022. New contracts with UnitedHealthcare and Blue Cross and Blue Shield of Texas (BCBSTX) and diligent plan management also generated savings to the program. These methods support TRS’ ability to offer competitive benefits with stable prices.

ONE-TIME TRS-CARE REENROLLMENT FOR MEDICARE-ELIGIBLE

HB 2022 allows a one-time opportunity for certain Medicare-eligible retirees to reenroll in TRS-Care. Certain retirees who chose to leave TRS-Care between Jan. 1, 2017 and Dec. 31, 2019 will have a one-time opportunity to come back to TRS-Care on or before Dec. 31, 2023. TRS will provide additional information about eligibility and enrollment time frames later this summer. Check out www.trs.texas.gov/one-time-MA to keep up with updates.

EMPLOYMENT AFTER RETIREMENT (EAR)

SB 288 allows retirees to return to work in public education (K-12) without being subject to EAR limits and without requiring the employer to pay pension or health care surcharges if the position is related to mitigating student learning loss due to COVID-19. The position must be in addition to the normal staffing level at the public education institution, be funded wholly by federal funds for the purpose of COVID-19 relief and must end on or before Dec. 31, 2024. It does not apply to disability retirees or retirees returning to work in an institution of higher education. This temporary exemption is scheduled to expire Feb. 1, 2025.

SURCHARGES

SB 202 prohibits an employer from directly or indirectly passing the pension and health care surcharges on to the retiree. The pass-through prohibition will begin in the 2021-22 school year.

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Employers

CHANGES TO EMPLOYER CONTRIBUTION TO TRS PENSION FUND

SB 12, the TRS pension reform bill passed in 2019, gradually increased public employer contributions by school districts, charter schools and regional education service centers to the TRS Pension Fund.

The next phase of increases will take effect on Sept. 1, 2021. It will increase from the current 1.60% of salary to 1.70% in 2021 and finally 2.00% on Sept. 1, 2024.

Calendar Date	State	Public Education Employer	Active Employee
Sept. 1, 2021	7.75%	1.70%	8.00%
Sept. 1, 2022	8.00%	1.80%	8.00%
Sept. 1, 2023	8.25%	1.90%	8.25%
Sept. 1, 2024	8.25%	2.00%	8.25%

CHANGES TO TRS-ACTIVECARE

SB 1444 provides that districts:

- May choose to leave TRS-ActiveCare; however, districts must notify TRS by Dec. 31 of the year before the plan year they intend to exit;
- May only re-enter TRS-ActiveCare after a period of five years;
- Must stay in TRS-ActiveCare for five years if they choose to enter; and
- Cannot offer competing plans starting on Sept. 1, 2022.

TRS will host meetings with district leadership in the late summer and early fall to provide guidance and outline the provisions of the bill.

The bill also requires that education service centers establish a school district health advisory committee to study health benefit options for employees and issue a report by Nov. 1, 2022.

EMPLOYMENT AFTER RETIREMENT (EAR)

SB 288 allows employers to hire retirees to return to work in public education (K-12) without being subject to EAR limits and without requiring the pension or health care surcharges if the position is related to student learning loss because of COVID-19. The position would have to be in addition to the normal staffing level at the public educational institution, be funded wholly by federal funds for the purpose of COVID-19 relief and would have to end on or before Dec. 31, 2024. It does not apply to disability retirees or retirees returning to work in an institution of higher education. This would be a temporary exemption scheduled to expire Feb. 1, 2025.

EMPLOYER RESPONSIBLE FOR SURCHARGES

SB 202 prohibits an employer from directly or indirectly passing the pension and health care surcharges on to the retiree. The pass-through prohibition will begin in the 2021-22 school year.

TEACHER INCENTIVE ALLOTMENT

HB 1525 includes one provision impacting TRS which provides that increased compensation paid using funds received by the district under the teacher incentive allotment will be considered credible compensation for benefit calculation purposes.

Health Care

INSULIN COSTS

SB 827 caps insulin costs at \$25 per 30-day supply for TRS health plans. This bill takes effect for TRS-Care Standard on Jan. 1, 2022 and for TRS-ActiveCare on Sept. 1, 2022.

At the time of publication, legislation impacting TRS members were still under discussions during the first called special session of the Texas Legislature. Please visit the [TRS website](#) for the latest information.

New Security Enhancement Added to Your MyTRS Account

As we noted in our last issue of *TRS News*, we've worked to add a new security enhancement, called two-step authentication, to *MyTRS*. If you've logged in to *MyTRS* recently, you should have noticed this change to protect your member information.

Two-step authentication is another way to verify your identity upon logging in to your *MyTRS* account. The security measure requires you to enter a unique code, that TRS sends you, each time you log in. This step adds another layer of protection to make sure only you can access your online account.

Visit our [website](#) for more information on what to expect when logging in to *MyTRS*, creating a *MyTRS* account, and modifying your email address. It also includes a helpful list of frequently asked questions.

The safety and security of our members and their sensitive information remain a top priority. Thank you for your patience as we work to better keep your member account information safe and secure online.



Receiving Unexpected MyTRS Verification Emails

Are you receiving a number of unexpected *MyTRS* verification emails? If so, it's likely a result of previously registering your *MyTRS* account with a third-party financial application. These applications aggregate financial data from multiple sources such as your bank accounts, credit cards and retirement accounts.

Many times, third-party institutions have automation applications which log in to clients' accounts on a regular basis (e.g. daily, monthly, etc.). With two-step authentication now in place with *MyTRS*, this results in verification emails being sent to your email address on file with TRS.

A friendly reminder, as stated in the [MyTRS Security Statement](#), "You are responsible for ensuring your personal password remains secure, so you should not reveal your password to anyone." If you've shared your login credentials with an automated third-party entity so they can log in to your *MyTRS* account on your behalf, the login mechanism for that third-party will continue to fail, and you will continue to receive unexpected *MyTRS* verification emails. **TRS strongly encourages disconnecting from the third party and resetting your password as a security precaution.**

Update: TRS Lease Terminated as Part of Sale of Indeed Tower

TRS continues its commitment to secure a long-term space for its employees. In late June, the third-party sale of a new downtown Austin office tower freed the pension fund from its lease obligation.

Prior to the construction of Indeed Tower, TRS committed to a lease for its investment team. In February 2020, public concerns prompted TRS' Board of Trustees to vote to sublease the space. Today, TRS' Investment Management Division remains where it has been since 2009, at 816 Congress Ave.



In late June, the obligation to find a subtenant ended when the newly completed tower sold to a California-based real estate company, [Kilroy Realty Corporation](#). As part of the agreement between the seller's group (which included Principal Real Estate Investors) and Kilroy, TRS' lease was terminated, leaving the pension with no further obligations.

Next steps for TRS include continuing to look for the most efficient, long-term solution to best serve the needs of our growing number of active members and retirees, now at more than 1.6 million.

The board of trustees last discussed long-term facilities planning at its [July 2021](#) meeting (beginning on page 100). The board will keep discussing space planning options this fall.

Notice of Summary of Benefits and Coverage

SUMMARY OF BENEFITS AND COVERAGE (SBC) NOW AVAILABLE

An SBC provides an overview of the benefits and services your health plan covers and what you can expect to pay for these services by the end of the year. The SBCs are available for TRS-ActiveCare and TRS-Care Standard (excluding Medicare Advantage plans).

TRS-ActiveCare Participants: Find the SBCs for the TRS-ActiveCare 2020-21 and 2021-22 plan years through Blue Cross and Blue Shield of Texas (BCBSTX) at www.bcbstx.com/trsactivecare.

TRS-Care Standard Participants: Find the SBCs for the 2021 TRS-Care Standard plan at www.bcbstx.com/trscarestandard.

2022 SBCs through BCBSTX will be available in the fall.

If you have questions about your benefits or would like to request a paper copy of an SBC, free of charge, please call:

- TRS-ActiveCare (BCBSTX) Customer Service: 1-866-355-5999
- TRS-Care Standard (BCBSTX) Customer Service: 1-866-355-5999
- Hearing-impaired individuals should dial Relay 711

Have Questions?

For more information regarding TRS-Care enrollment and eligibility, please contact the TRS Health & Insurance Benefits Department at 1-888-237-6762.

For more information regarding TRS-ActiveCare enrollment and eligibility, please contact your Benefits Administrator.



Notice of Privacy Practices (NPP)

The NPP explains how TRS may use and disclose your protected health information, as well as your rights and the obligations of TRS with respect to that information.

You can access both (i) the current NPP and (ii) the recently revised NPP that will become effective on Sept. 1, 2021, at this link: https://www.trs.texas.gov/TRS%20Documents/notice_privacy_practices.pdf#search=notice%20of%20privacy%20practices.





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Miss a TRS Board Meeting? We've Got You Covered

Did you miss a previous TRS board meeting or do you want to revisit a specific discussion?

We provide access to on-demand viewing of board meeting webcasts. This allows you to watch previous presentations whenever you want!

Find references, website links and webcast archives that provide more information on board decisions at

https://www.trs.texas.gov/Pages/board_meeting_webcasts.aspx.

