

December 2024

CUSTOMER CARE

Benefits Committee Meeting



**Teacher Retirement System of
Texas**

1000 Red River Street
Austin, Texas
78701-2698

**TEACHER RETIREMENT SYSTEM OF TEXAS MEETING
BOARD OF TRUSTEES
AND
BENEFITS COMMITTEE**

*(Committee Chair and Members: Mr. Williams, Chair;
Ms. Allred, Mr. Ball, Mr. Rutherford and Ms. Sissney)*

*All or part of the December 5, 2024, meeting of the TRS Benefits Committee and Board of Trustees may be held by telephone or video conference call as authorized under Sections 551.130 and 551.127 of the Texas Government Code. The Board intends to have a quorum and the presiding officer of the meeting physically present at the following location, which will be open to the public during the open portions of the meeting: **1000 Red River, Austin, Texas 78701 in the TRS East Building, 5th Floor, Boardroom.***

The open portions of the December 5, 2024, meeting are being broadcast over the Internet. Access to the Internet broadcast and agenda materials of the meeting is provided at www.trs.texas.gov. A recording of the meeting will be available at www.trs.texas.gov.

AGENDA

December 5, 2024 – 10:00 a.m.

1. Call roll of Committee members.
2. Consider the approval of the proposed minutes of the September 2024 committee meeting – Committee Chair.
3. Receive an update and consider the following regarding TRS pension benefits program – Barbie Pearson:
 - A. Consider recommending to the Board acceptance of the Medical Board Meeting minutes of September 2024 meeting;
 - B. Consider recommending to the Board approval of Benefit Payments for September – November 2024; and
 - C. Benefit Services Operations update.
4. Receive an update and consider the following regarding TRS health insurance benefits program:
 - A. Receive an update on the TRS-Care Retirees Advisory Committee (RAC) meeting held on October 31, 2024 – Nancy Byler;
 - B. Consider recommending to the Board the appointment of a member to the Active School Administrator position on the RAC – Cristina Juarez; and

NOTE: The Board of Trustees (Board) of the Teacher Retirement System of Texas will not consider or act upon any item before the Benefits Committee (Committee) at this meeting of the Committee. This meeting is not a regular meeting of the Board. However, because the full Committee constitutes a quorum of the Board, the meeting of the Committee is also being posted as a meeting of the Board out of an abundance of caution.

- C. Receive an update on TRS-Care and TRS-ActiveCare health plans, including an update on TRS-ActiveCare annual enrollment and member and retiree engagement - Katrina Daniel, Meaghan Bludau and Cristina Juarez.
-
- 5. Receive an update on Member Satisfaction Survey results – Sunitha Downing and Dr. Rene Paulson, Elite Research.

Minutes of the Benefits Committee September 19, 2024

The Benefits Committee of the Board of Trustees of the Teacher Retirement System of Texas met on September 19, 2024, in the boardroom located on the Fifth Floor in the East Building of TRS' offices located at 1000 Red River Street, Austin, Texas, 78701.

Committee members present:

Mr. Elvis Williams, Chair
Ms. Brittny Allred
Mr. Michael Ball
Mr. John R. Rutherford
Ms. Nanette Sissney

Other TRS Board Members present:

Mr. David Corpus
Mr. John Elliott
Mr. James Dick Nance
Mr. Robert H. Walls, Jr.

Others who participated:

Brian Guthrie, TRS
Caasi Lamb, TRS
Don Green, TRS
Amanda Jenami, TRS
Barbie Pearson, TRS
Katrina Daniel, TRS
Heather Traeger, TRS
Katherine Farrell, TRS
Adam Fambrough, TRS
Monica Bernal, TRS
Suzanne Dugan, Cohen Milstein

Benefits Committee Chair, Mr. Elvis Williams, called the meeting to order at 8:45 a.m.

1. Call roll of Committee members.

Ms. Farrell called the roll. A quorum was present.

2. Consider the approval of the proposed minutes of the July 2024, Benefits Committee meeting – Chair Elvis Williams.

On a motion by Ms. Sissney, seconded by Ms. Allred, the committee unanimously approved the proposed minutes for the July 2024 Benefits Committee meeting as presented.

3. Receive an update and consider the following regarding TRS pension benefits program:

A. Consider recommending to the Board acceptance of the Medical Board Meeting minutes for July 2024 – Barbie Pearson;

Ms. Barbie Pearson recommended to the Committee to recommend to the Board acceptance of the Medical Board meeting minutes for July 2024.

On a motion by Mr. Ball, seconded by Mr. Rutherford, the committee unanimously voted to recommend to the Board acceptance of the Medical Board meeting minutes for July 2024.

B. Consider recommending to the Board approval of Benefit Payments for June – August 2024 – Barbie Pearson;

Ms. Pearson recommended to the Committee to recommend to the Board the approval of benefit payment for June through August 2024.

On a motion by Ms. Allred, seconded by Mr. Rutherford, the committee unanimously voted to recommend to the Board approval of benefit payment for June through August 2024.

C. Receive a Benefit Services Operational update – Barbie Pearson.

Ms. Pearson provided information on the workload through July 2024 with verbal updates for end of year estimates due to the timing of the meeting and the end of the fiscal year. She said as of August 31, the final numbers on retirements processed is a little over 26,000, a 15 percent increase over previous year. She noted the Benefits Estimate team created 89,000 estimates with a two day mailing average from the date of request. She reported \$12.9 billion in annuity payments were distributed for FY 24, a 6.4 percent increase from 2023. She said there was a 1 percent decrease, 28,000 less calls, which she attributed to the back office being current, creating less delays.

Ms. Pearson said for the reporting employers telephone interaction increased 23 percent and a 3.4 increase in emails. She reported the Senior Director roles were filled as of September 1. She said all vacancies will be filled by October or November. She noted the service level for this year was 90 percent for retirements, 2 percent higher than last fiscal year. In response to Mr. Williams inquiry, Ms. Pearson reviewed the strategy to address the first quarter retirement requests which historically have spiked in September and October.

Ms. Pearson concluded with changes to internal targets for fiscal year 2025. She said Benefit Estimates target was moved up from 90 to 95 percent in 31 days. For death claims acknowledged, she said, the previous target was 90 percent and will move to 95 percent in 14 days. The telephone calls answered was at 80 percent and she said it was moved to 90 percent within three minutes.

4. Receive an update and consider the following regarding TRS health insurance benefits program – Katrina Daniel and Monica Bernal:

A. Receive updates on TRS-Care and TRS-ActiveCare health plans, including an update on operations and customer service;

Ms. Katrina Daniel provided an overview noting the division they would highlight this meeting was Operations. She reviewed the extensive outreach efforts to retirees this year. She said the outreach is aligned with the Medicare enrollment period so retirees can make decisions about whether to remain enrolled, re-enroll or to drop. She reported there have been 22 retiree health fairs across the state scheduled and the attendance has been the best since 2017 when sweeping plan changes were made. She said they are also taking the opportunity to talk about the new dental and vision offerings which have been well received. Ms. Daniel reported there was an opening on the Retiree Advisory Committee with the nomination period open through November 4th.

Ms. Monica Bernal reviewed Health Operations division. She said the Member Enrollment and Eligibility team focused on all of the enrollment, the day-to-day reconciliation and coordinating with the health vendors. She reviewed the Member Service Operations team that interact with the members educating retirees on all of the health benefits available and the necessary information to make informed decisions regarding health insurance. She said this team also supports the health fairs that are occurring right now, manning the booths talking to members. The Member Ally team, she said, work the escalated issues that have complex health benefit cases. She covered the accomplishments in FY 24 for the Operations Division.

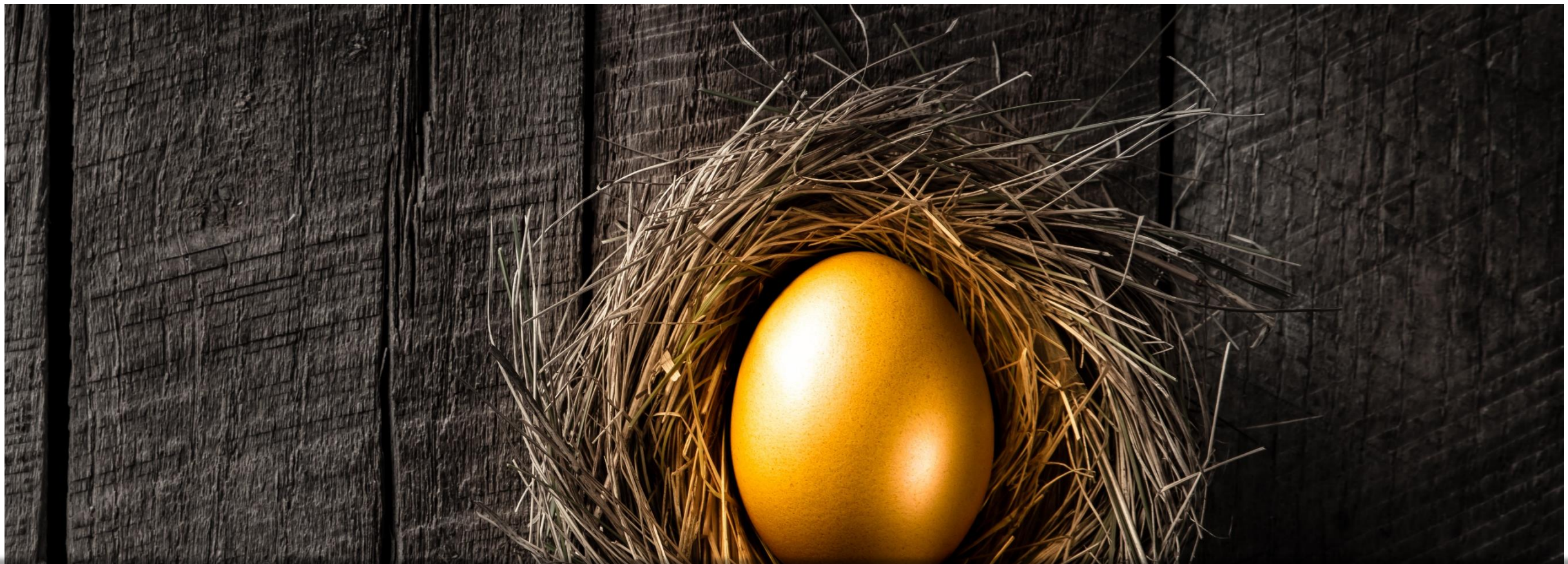
There being no more business before the Benefits Committee, the committee adjourned at 11:08 a.m.

Approved by the Benefits Committee of the Board of Trustees of the Teacher Retirement System of Texas on December____, 2024.

Katherine H. Farrell
Secretary of the TRS Board of Trustees

Date

TAB 3



Pension Benefits

Presentation Date: Dec. 5, 2024

Presented By: Barbie Pearson, Adam Fambrough and
Jennifer Gasior



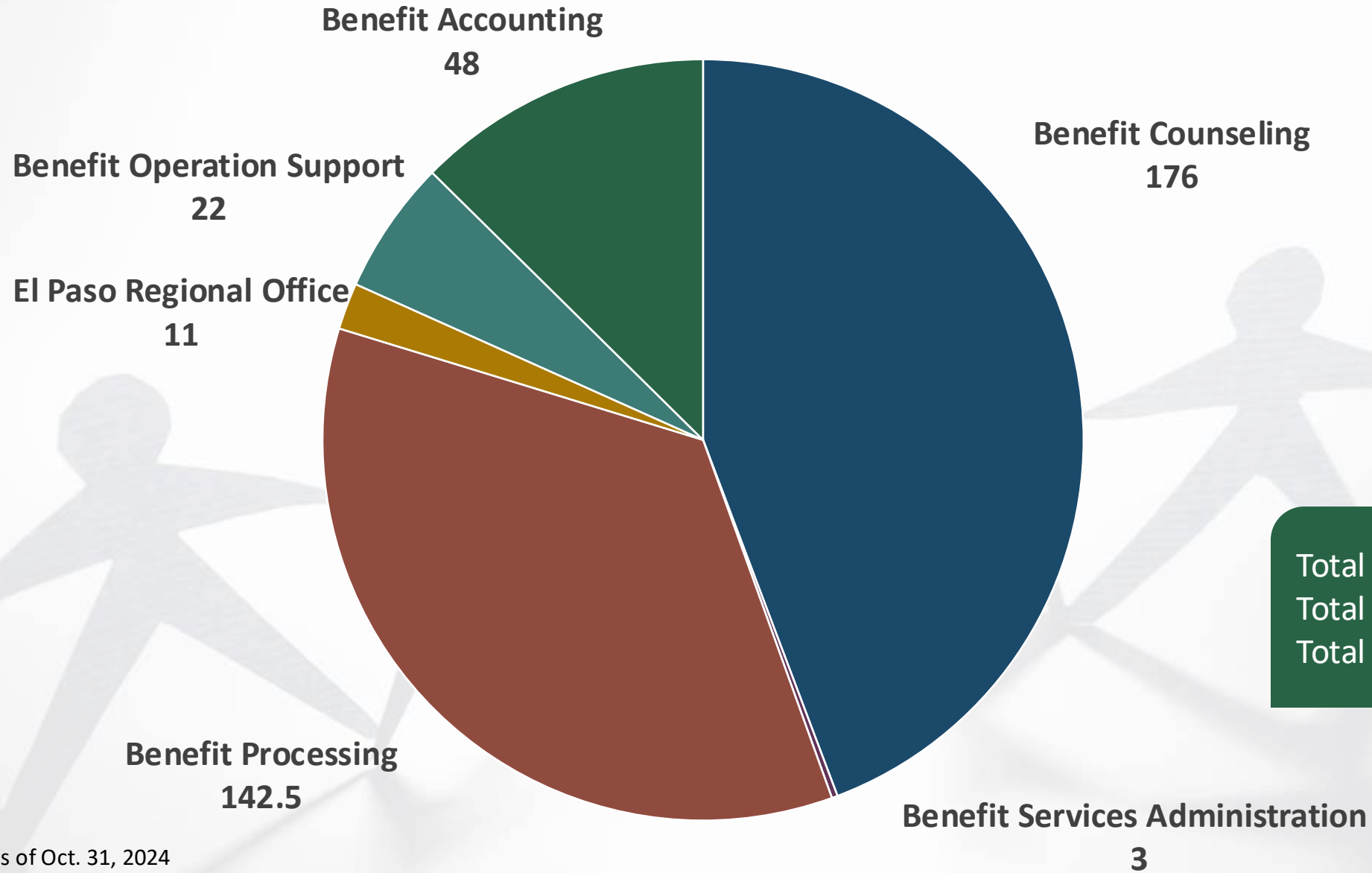
Agenda



- 1 Staffing
- 2 Member Transactions and Interactions
- 3 Member Services
- 4 Account Services
- 5 Benefit Operation Support
- 6 Accomplishments and Kudos



Staffing – Filled Positions



*Totals as of Oct. 31, 2024



Member Transactions and Interactions



973,636
Member
Transactions



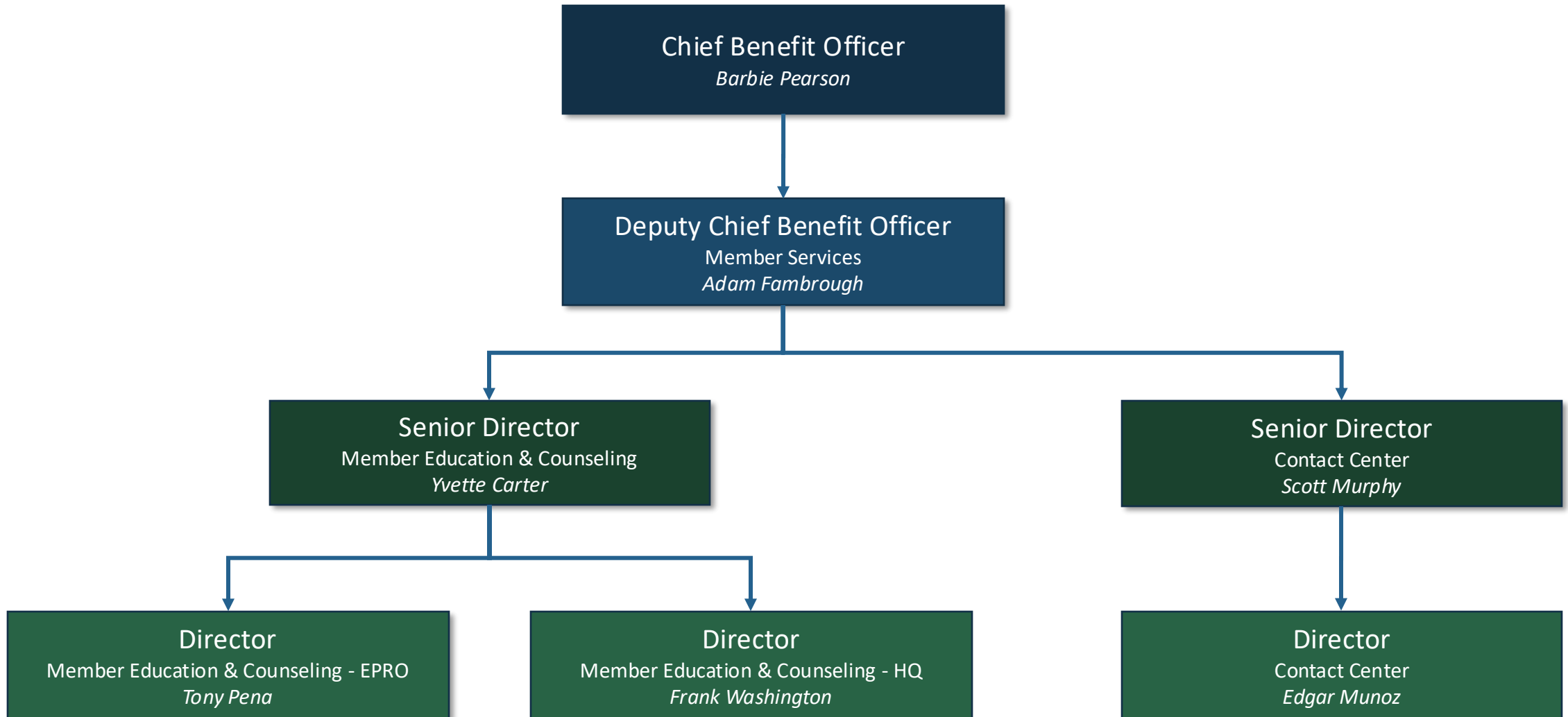
**54 Valid
Complaints***
(0.0027%)

1,024,394
Member
Interactions



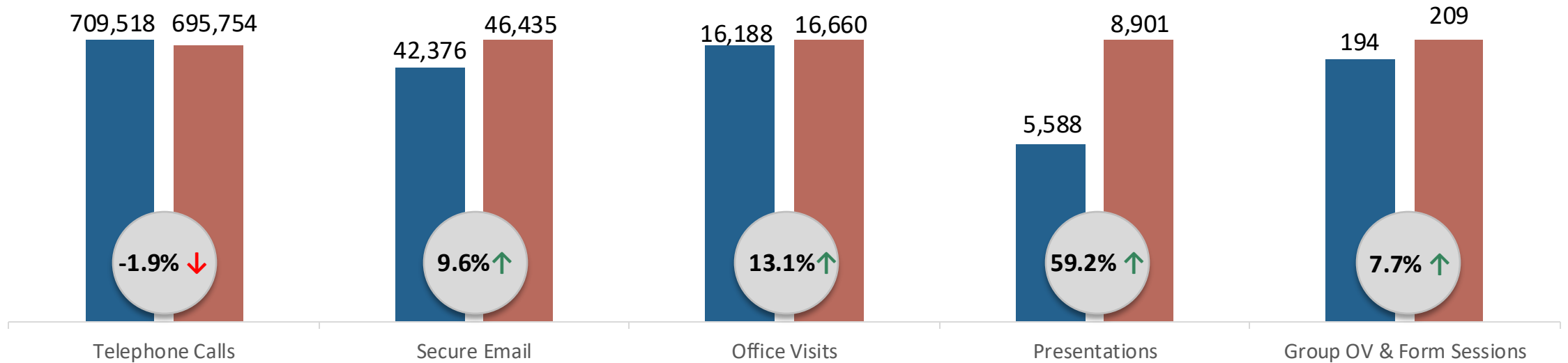
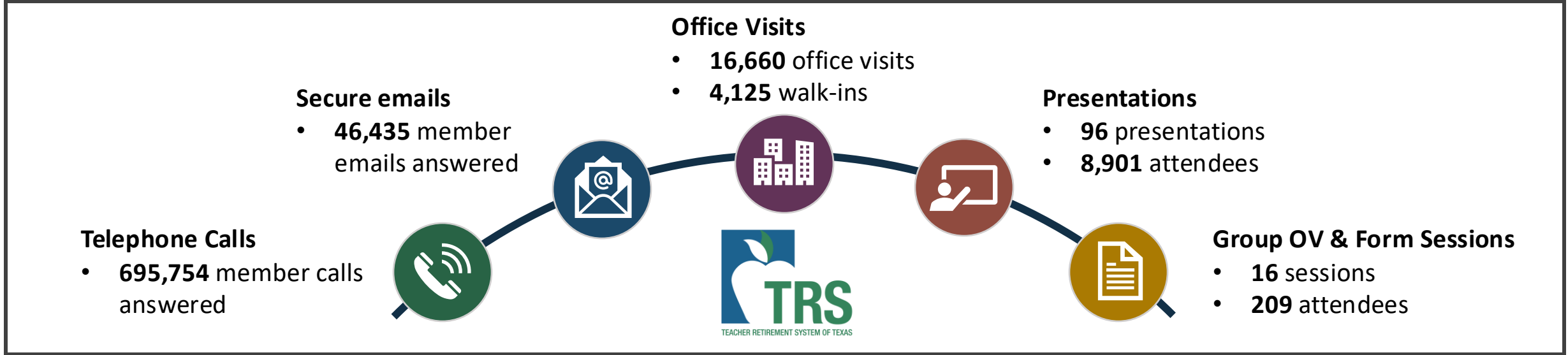


Member Services Organization Chart





Member Services





Member Services Objectives



Business Activity	Objectives	FY Target	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FYE 24
Telephone Calls	Calls answered within three minutes	80%	97%	90%	94%	98%	95%
	Average speed of answer (minutes/seconds)		0:18	0:49	0:27	0:12	0:27
Office Visits (Austin)	Number of office visits available annually	20,000	6,436	5,878	5,670	4,774	22,758
Conducted	In-Person		1,446	1,290	1,537	1,221	5,494
	Live Video		1,175	1,314	1,291	855	4,635
	Telephone		828	905	952	628	3,313
	Walk-Ins		398	341	384	366	1,489
Office Visits (El Paso)	Number of office visits available annually	5,000	1,984	1,584	1,344	939	5,851
Conducted	In-Person		454	347	411	409	1,621
	Live Video		247	270	277	186	980
	Telephone		197	145	165	110	617
	Walk-Ins		542	654	645	795	2,636



Member Services Excellence



Ensuring Positive Member Interactions

Member Feedback

- After Call Survey – 4.9 out of 5
- How Was Your Visit Survey – 4.9 out of 5

Employee Performance Management

- Quality evaluations
 - Phone calls and phone counseling sessions
 - In-Person Office Visit Observations
 - Benefit Presentation Observations
 - Planned – Evaluations of secure messages and virtual appointments
- Live Monitoring and Coaching





Member Services Initiatives

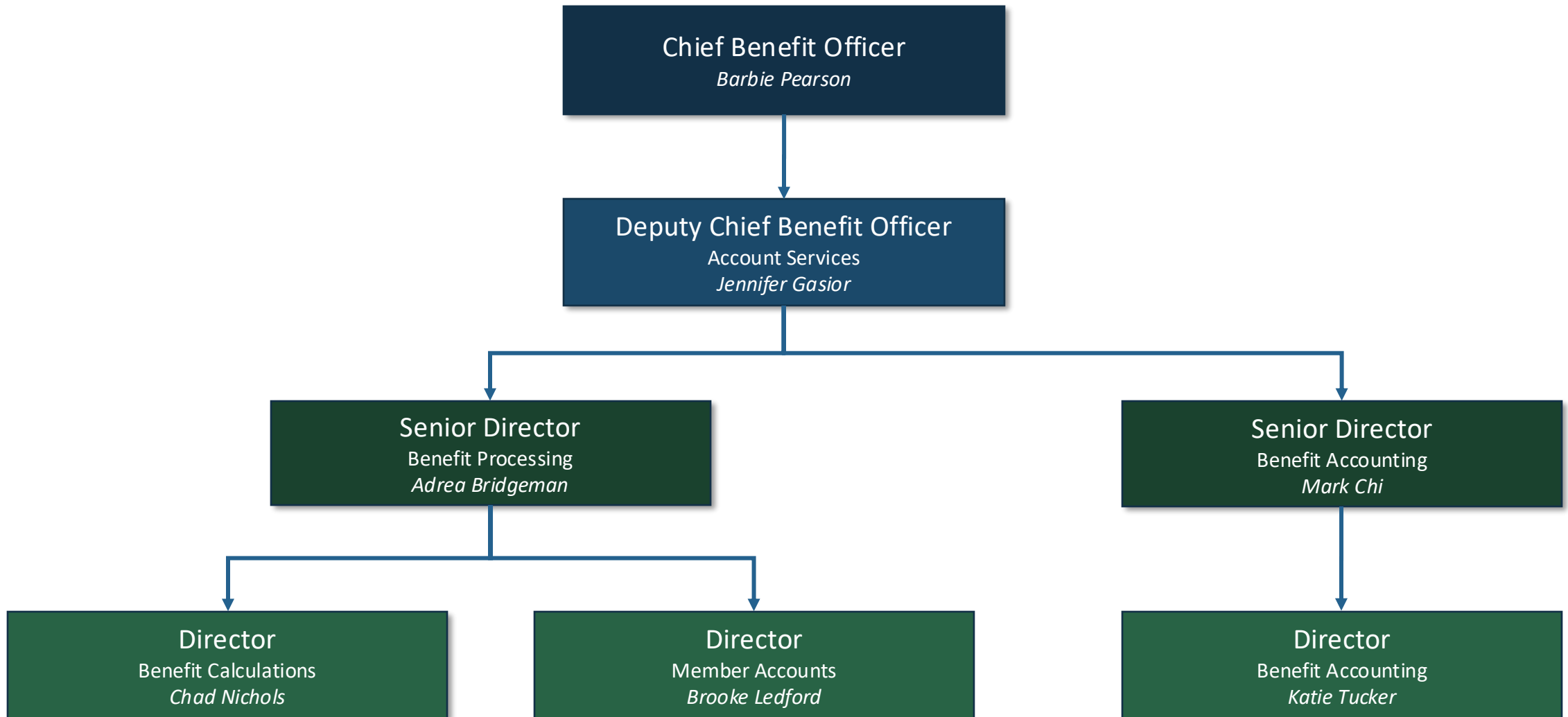


Improving the Member Experience

- 📞 Regional Office Project
- 📞 Redesigned automated phone system
- 📞 New knowledge base
- 📞 Automatic call summarization
- 📞 Employer Engagement Plan
- 📞 MyTRS



Account Services Organization Chart





Account Services



MEMBER
Focused

26,489
Retirements



89,474
Benefit
Estimates



15,322
Claims
Acknowledged



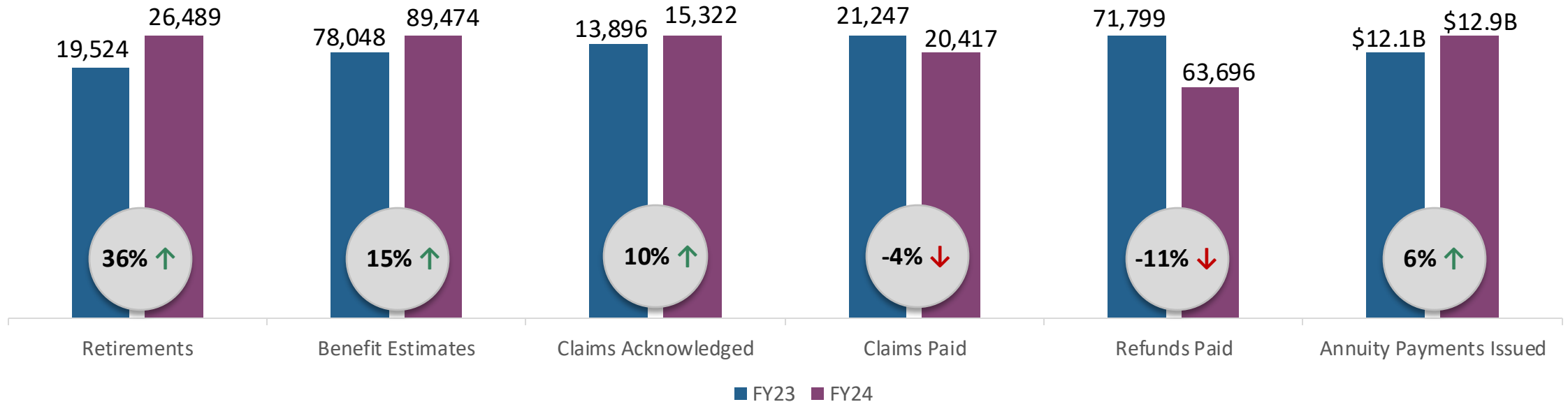
20,417
Claims Paid



63,696
Refunds Paid



\$12.9 Billion
Annuity
Payments Issued





Employer Customer Support



Employer Training
90 Sessions
4,772 Attendees



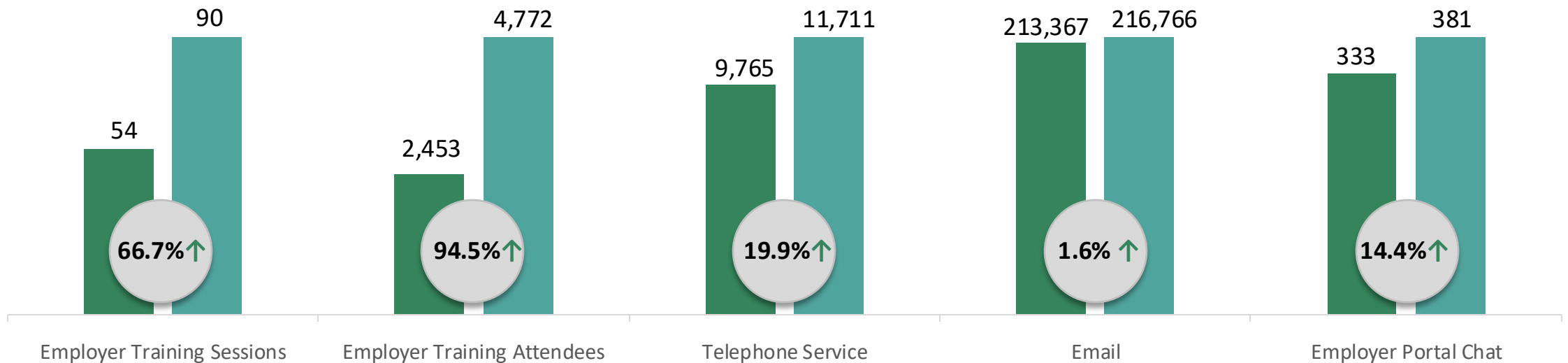
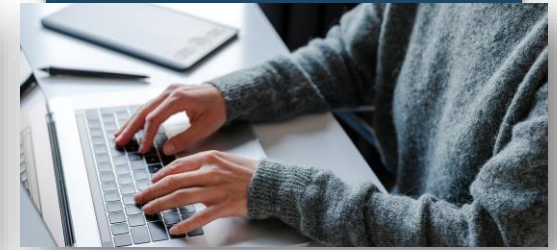
Telephone Service
11,711



Email
216,766



Employer Portal Chat
381





Account Services Objectives



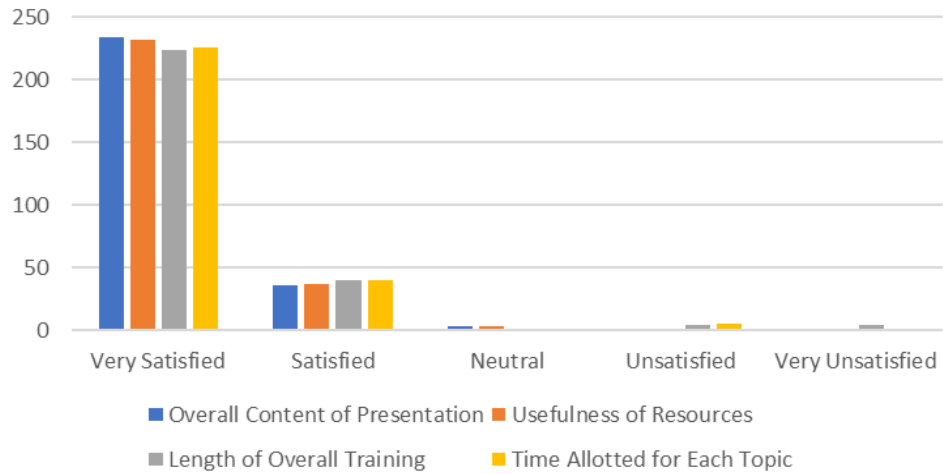
Business Activity	Objectives	FY Target	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FYE24
Refunds	Refunds validated within five business days of receiving final deposit and all paperwork	95%	100%	99%	100%	100%	100%
Benefit Estimates	Benefit estimates mailed within 31 days of request	90%	100%	100%	100%	100%	100%
Retirements	Retirees received first annuity payment on time	98%	67%	98%	96%	100%	90%
Death Claims (acknowledged)	Claims acknowledged within 14 days of receipt of death notification	90%	99%	99%	99%	100%	99%
Death Claims (payments)	Claims payments issued within 31 days of receipt of all required paperwork	95%	98%	99%	99%	100%	99%
Reporting Employer	Regular payroll reports completed by the end of each quarter (cumulative for fiscal year)	90%	97%	99%	99%	99%	99%



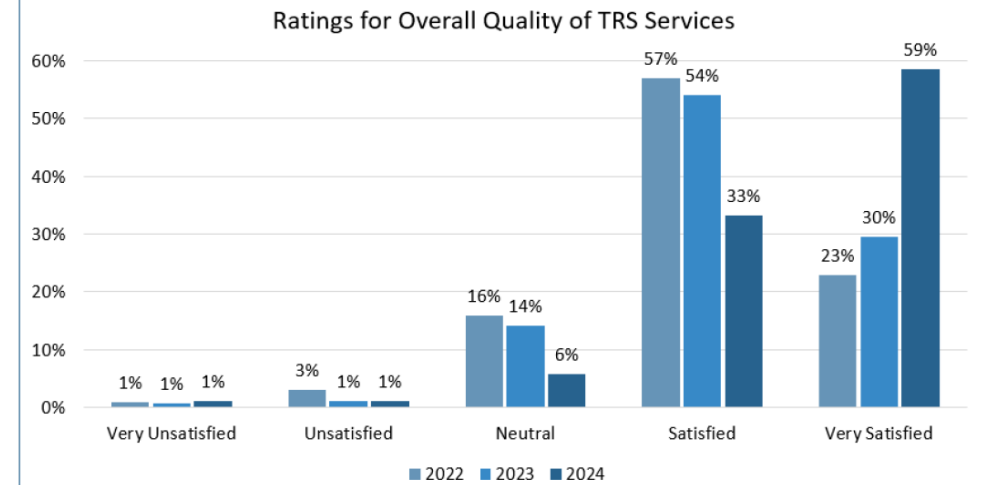
Account Services Surveys



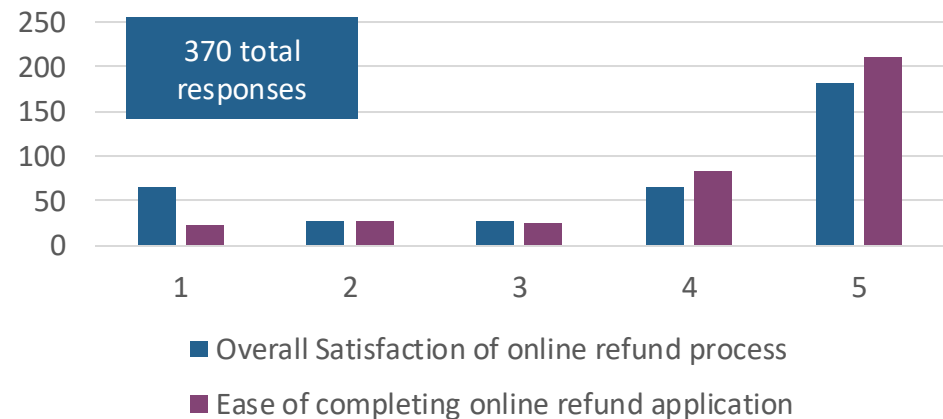
Point of Service Survey for RE Presentations



Reporting Employer Satisfaction Survey (RESS)



Refund Survey





Inactive Accounts



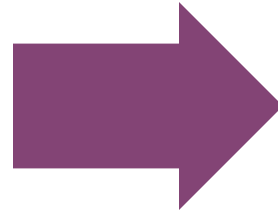
Background

TRS is required to make reasonable efforts to locate and notify members with inactive accounts or, if appropriate, the member's heirs of their entitlement to a return of contributions. TX Gov't Code § 825.502

The board of trustees adopted the Inactive Account Outreach Policy on Dec. 7, 2021. Policy requires staff to provide an annual update on outreach efforts.

September – December
2023

- 21,751 letters mailed



Results

- \$21,517,782 paid to 6,507 members



Account Services Initiatives



PBT and Data
Conditioning



Career path
development



Develop additional
training for Reporting
Employers (REs)



Process efficiencies



Expand online retirement
process



Develop, record and
publish RE training
sessions.

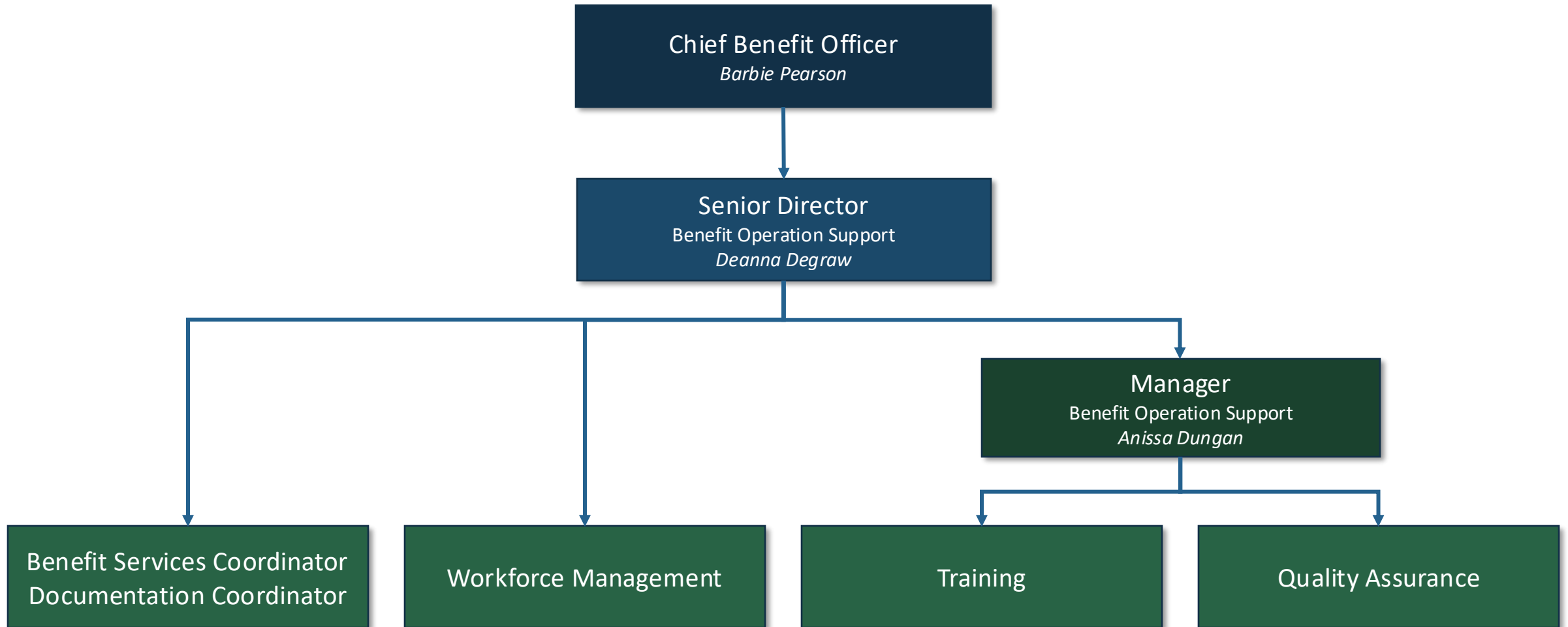


Improve RE resources
and publications
based on survey
results.





Benefit Operation Support Organization Chart





Benefit Operation Support



Foundational Training

- 8 Classes
- 87 Trainees
- 446 Knowledge-Base Updates



E-Learning

- 7 e-Learning
- 3 Micro e-Learns
- 84 Supplemental Materials



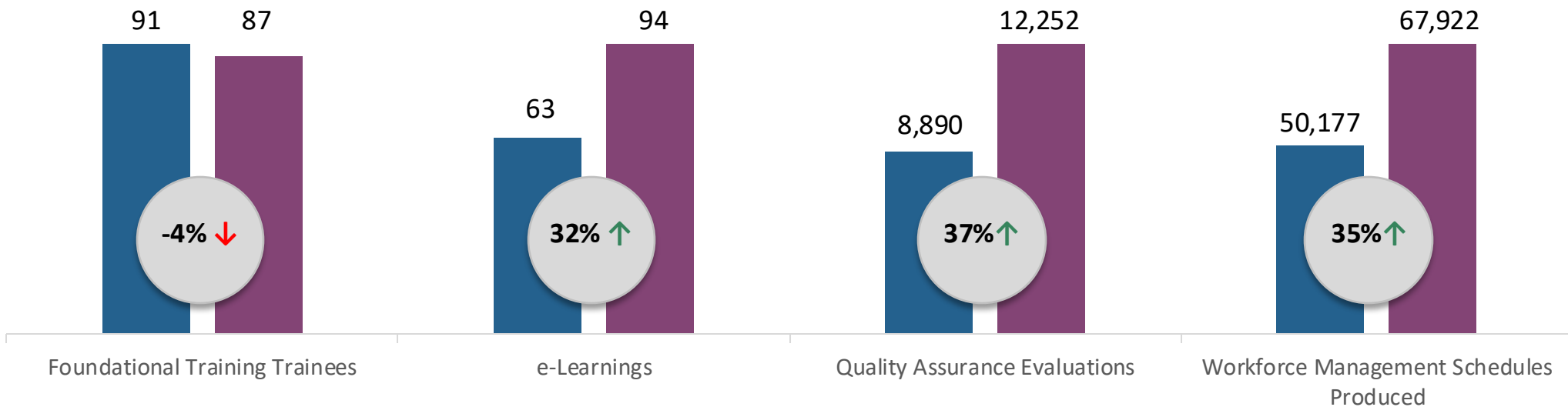
Quality Assurance

- 12,252 Call Evaluations
- 452 Virtual Office Visit Evaluations
- 493 Recording Requests



Workforce Management

- 67,922 Schedules Produced
- 62,757 Schedule Changes
- 1,845 Real Time Adherence Occurrences





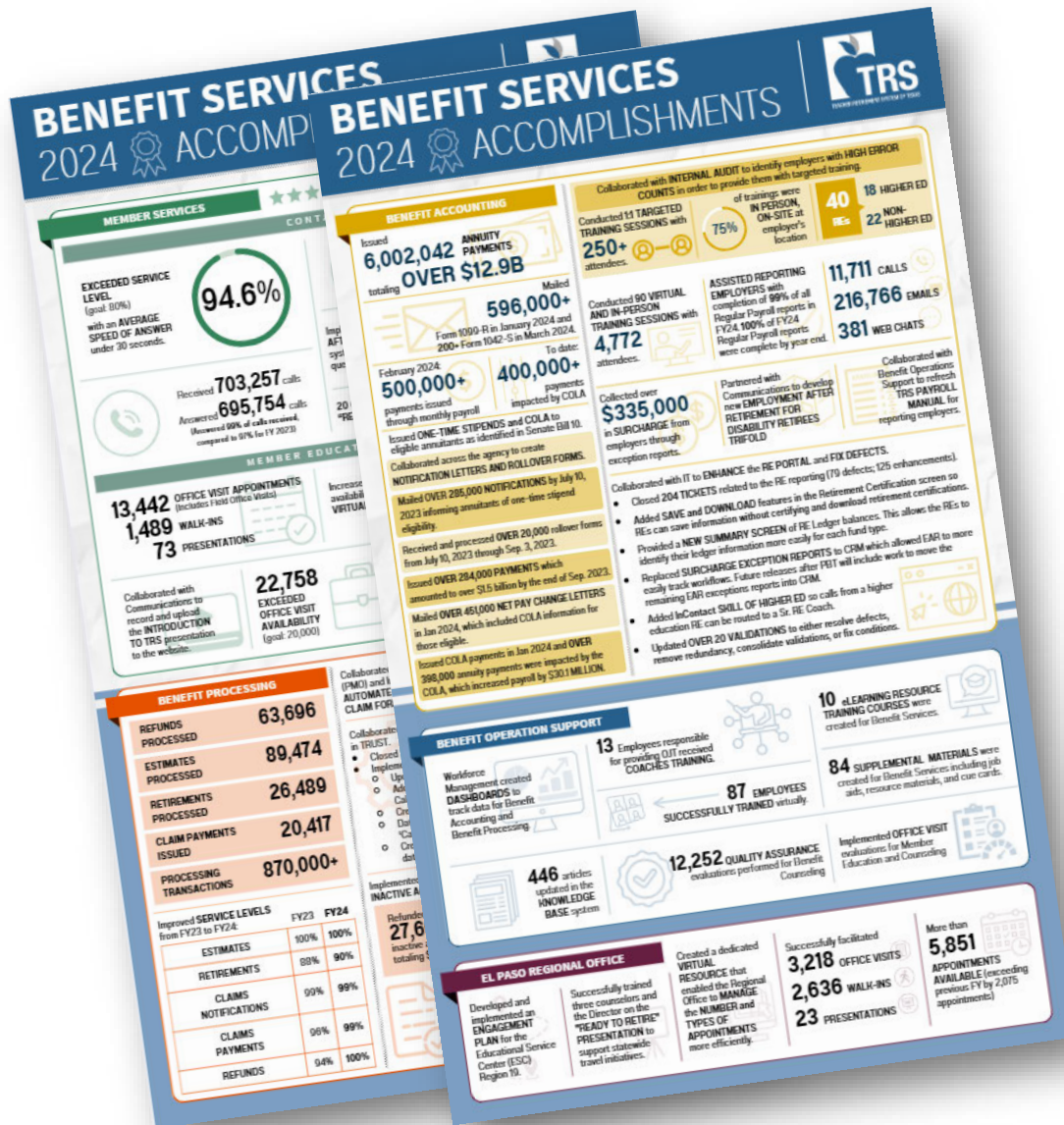
Benefit Operation Support Objectives



Business Activity	Objectives	FY Target	FY24 Q1	FY24 Q2	FY24 Q3	FY24 Q4	FYE24
Foundational Training	Provided pension benefits foundational classroom training for all new hires (cumulative)	100%	100%	100%	96%	100%	98%
Quality Assurance	Number of telephone interactions evaluated	5,000	3,160	3,152	2,936	3,004	12,252
	Number of virtual office visits evaluated	N/A	N/A	97	207	148	452



Accomplishments



Benefit Accounting

- Issued one-time stipends and COLA to eligible annuitants as identified in Senate Bill 10.

Benefit Operation Support

- Implemented Office Visit Evaluations for Member Education and Counseling.

Benefit Processing

- Completed FY24 Internal Refund Audit while maintaining service levels and receiving kudos from internal audit.

El Paso Regional Office

- Developed and Implemented an Employer Engagement Plan for the Education Service Center (ESC) Region 19 area.

Member Services

- Increased the availability of virtual appointments.



Staff Kudos and Compliments



Member Services

The counselor explained everything clearly and made it easy to understand. They were very good at helping soon-to-be retirees like me with the paperwork. The counselor was amazing at their job. I wish I could get them every time I called TRS.

The counselor was very helpful. They answered all my questions, and we filled out the packet together online. They were very patient, and I really appreciated them. I can enjoy the rest of my year knowing that all of this is done. They did a great job. Thank you so much!

The counselor was very patient and helpful. They not only helped me but also helped my sister and my wife. They took care of everything we needed and made sure we knew about things we hadn't even thought of asking.

The counselor's exceptional service needs to be acknowledged. They demonstrated exceptional customer service, were thorough, knowledgeable, and patient. I was struggling with making certain decisions, and they made things very clear for me.

Account Services

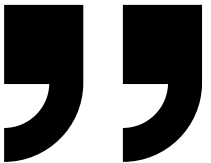
TRS was very professional, and each call was handled with honesty about my progress towards receiving my refund. I really appreciate the professionalism and straightforwardness.

Thank you so much for listening and finding ways to help.
(Regarding new retirement download feature)

It was very simple and easy to accomplish. I already received my check this past Friday. Much sooner than expected. Thank you so much!!

Great job! Quick and efficient process!

My experiences have been positive. My coach is great and always answers my questions in a timely manner.





MyTRS Demo



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Welcome to *MyTRS*!

[MyTRS](#) is the online access portion of the TRS website. The new portal offers a number of enhancements and self-service options. Whether you want to plan for retirement or keep track of your personal account, *MyTRS* is a helpful resource for all members.

MyTRS is available to eligible TRS members and annuitants who complete the registration process. When you register, you create your own unique user ID and password. At TRS, the security and safety of our members and their sensitive information remain a top priority. It's now more important than ever to make sure strong security measures are in place so that your information remains private. The upgraded system allows us to do just that. **Please note: If you had a *MyTRS* account prior to the launch in April 2022 and this is the first time you are visiting the new *MyTRS*, you must create a new username and password.**





Questions



TAB 4



TRS Health

Thursday, Dec. 5, 2024

Katrina Daniel, Chief Health Care Officer

Nancy Byler, Chair, Retirees Advisory Committee

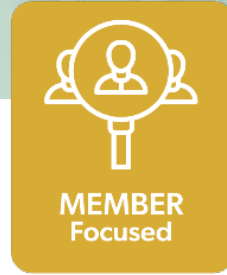
Meaghan Bludau, Chief of Staff, Health Division

Cristina Juarez, Manager of Health Engagement

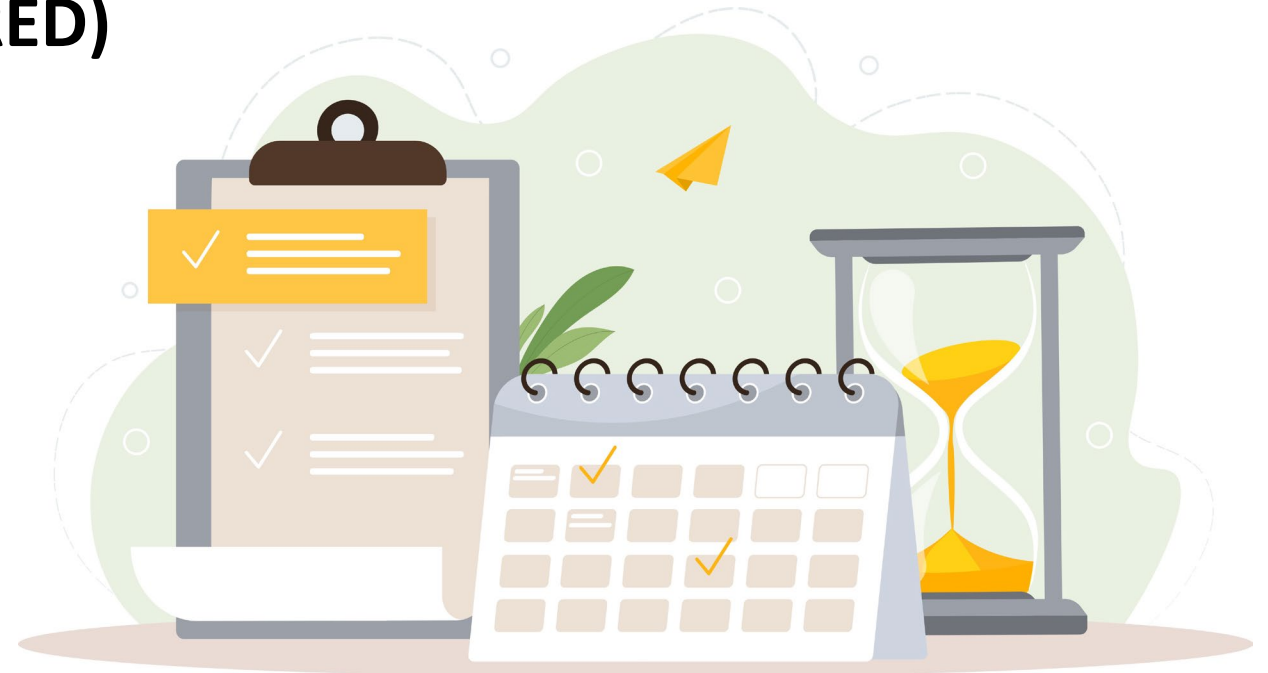




Health Agenda



- **Update on October Retirees Advisory Committee (RAC) meeting**
- **RAC Appointment (ACTION REQUIRED)**
- **TRS-Care Update**
- **TRS-ActiveCare Update**
- **Health Engagement Update**





October RAC Meeting Update

Nancy Byler, Chair, TRS-Care RAC



TRS-Care Retirees Advisory Committee (RAC)



TRS-Care RAC Meeting Update, Nancy Byler, RAC Chair – Oct. 31, 2024



Executive Updates and Health Care Updates



TRS-Care Operations and Engagement Updates



TRS-Care Dental and Vision Update



TRS-Care Medicare Plan Improvements





RAC Active Administrator Nomination

Cristina Juarez, Manager of Health Engagement



RAC Position up for Nominations



Nomination window: Sept. 10 – Nov. 4



One RAC position open immediately due to retirement

- Active school administrator



Criteria

- TRS member/retiree
- Volunteer experience
- Credentials, awards
- TRS-Care participation
- Geographic diversity
- Health benefits experience



Evaluation and Appointments

- Evaluation matrix
- Interview with TRS Health
- RAC appointments at December board meeting



RAC Nomination



- Active Administrator through Jan. 31, 2026.





TRS-Care Update

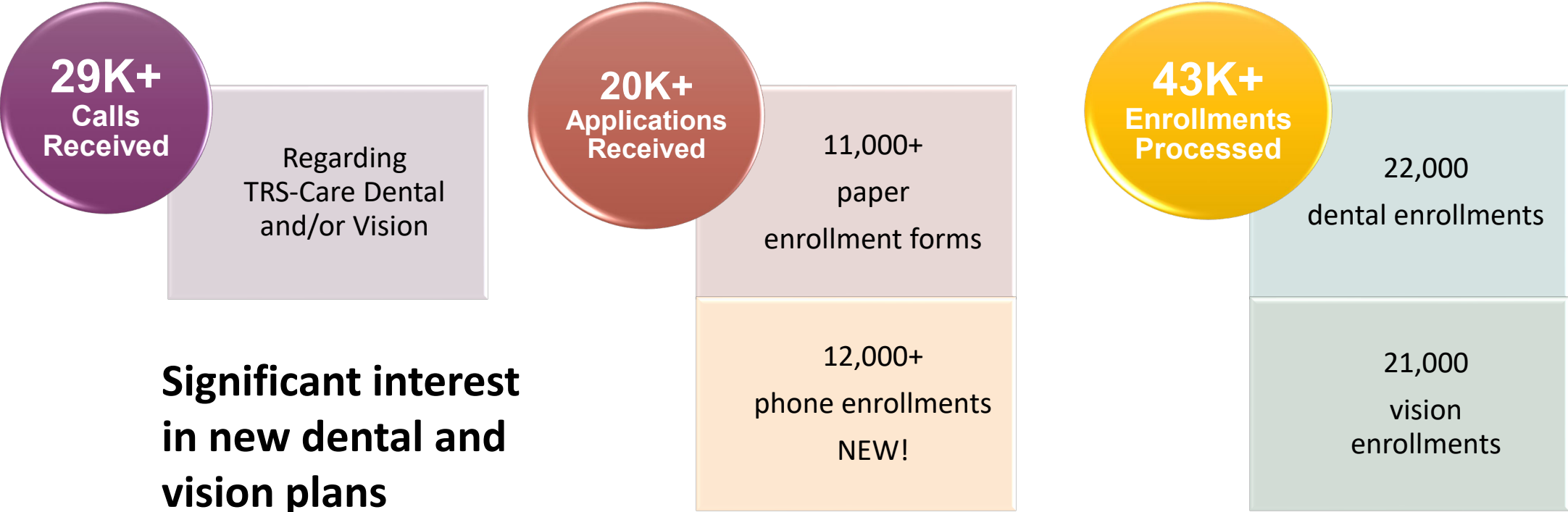
Meaghan Bludau, Chief of Staff, TRS Health



TRS-Care Dental & Vision Enrollment Update*



Retiree satisfaction with TRS health care services overall jumped by 26% in 2024.

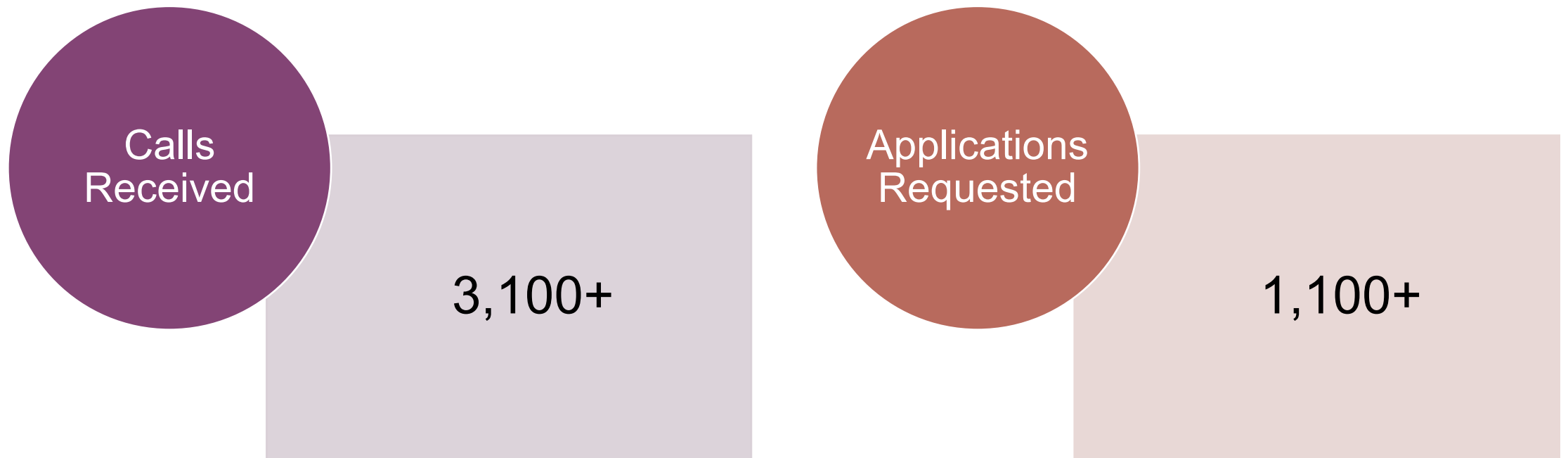


*Enrollment opened Oct. 1, 2024; data as of Nov. 10, 2024



Limited Time Enrollment Opportunity (LTEO) Update*

Growing enthusiasm in joining TRS-Care Medicare Advantage



*Enrollment opened Oct. 1, 2024; data as of Nov. 10, 2024

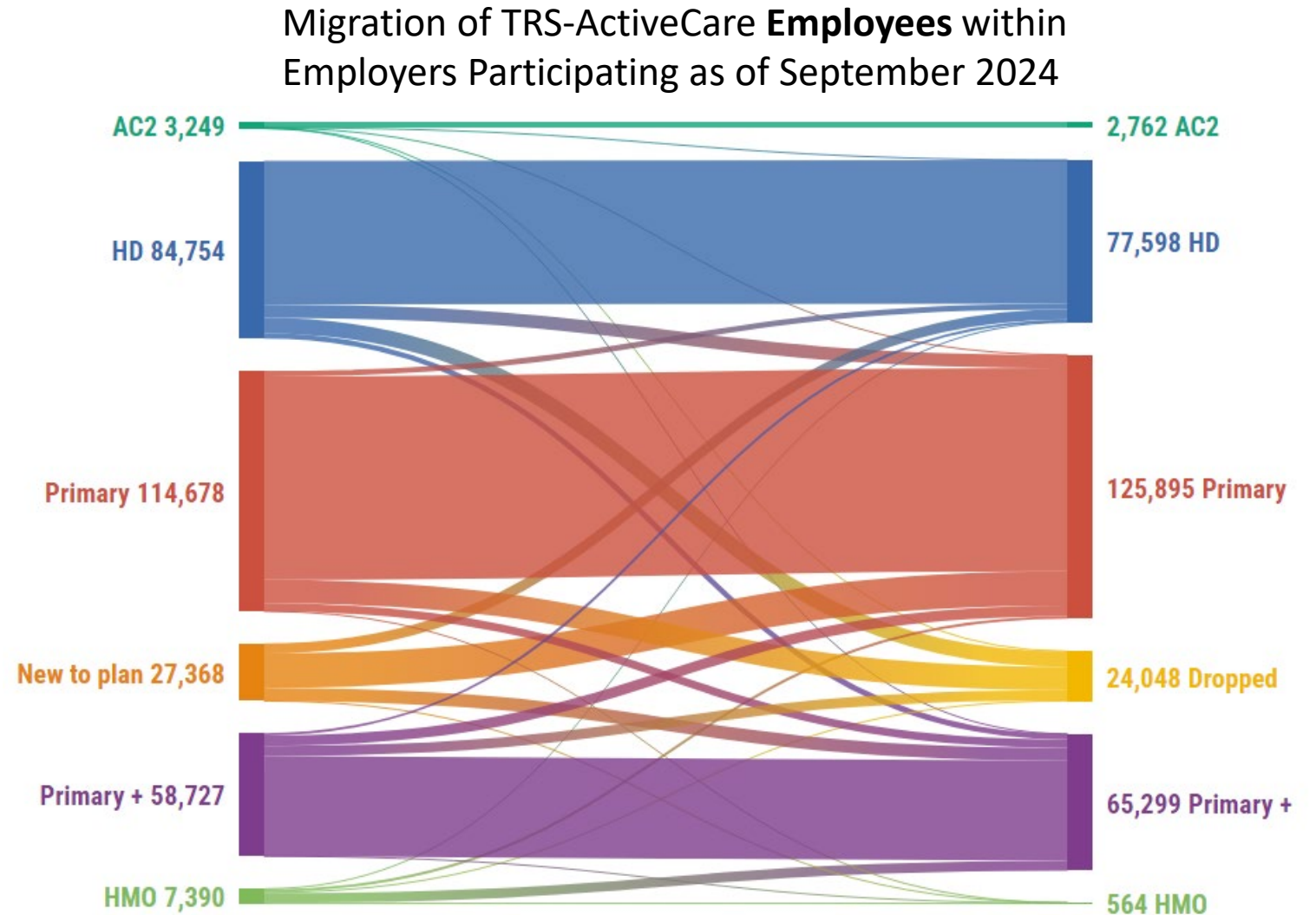


TRS-ActiveCare Update



TRS-ActiveCare Enrollment Update for Plan Year 25

- **Total membership increased by 1.2% to 424,000** in September 2024 due to change in employer participation
- **Primary and Primary+ participation increased by 10 and 11%, respectively; 82% of new enrollees** chose Primary and Primary+ plans
- **Reduction in participation in HD plan**, TRS' HSA-qualified high deductible plan
- **HMO participation reduced by 93%:** 80% migrated to Primary/Primary+ plans, 5% migrated to HD, only 8% dropped

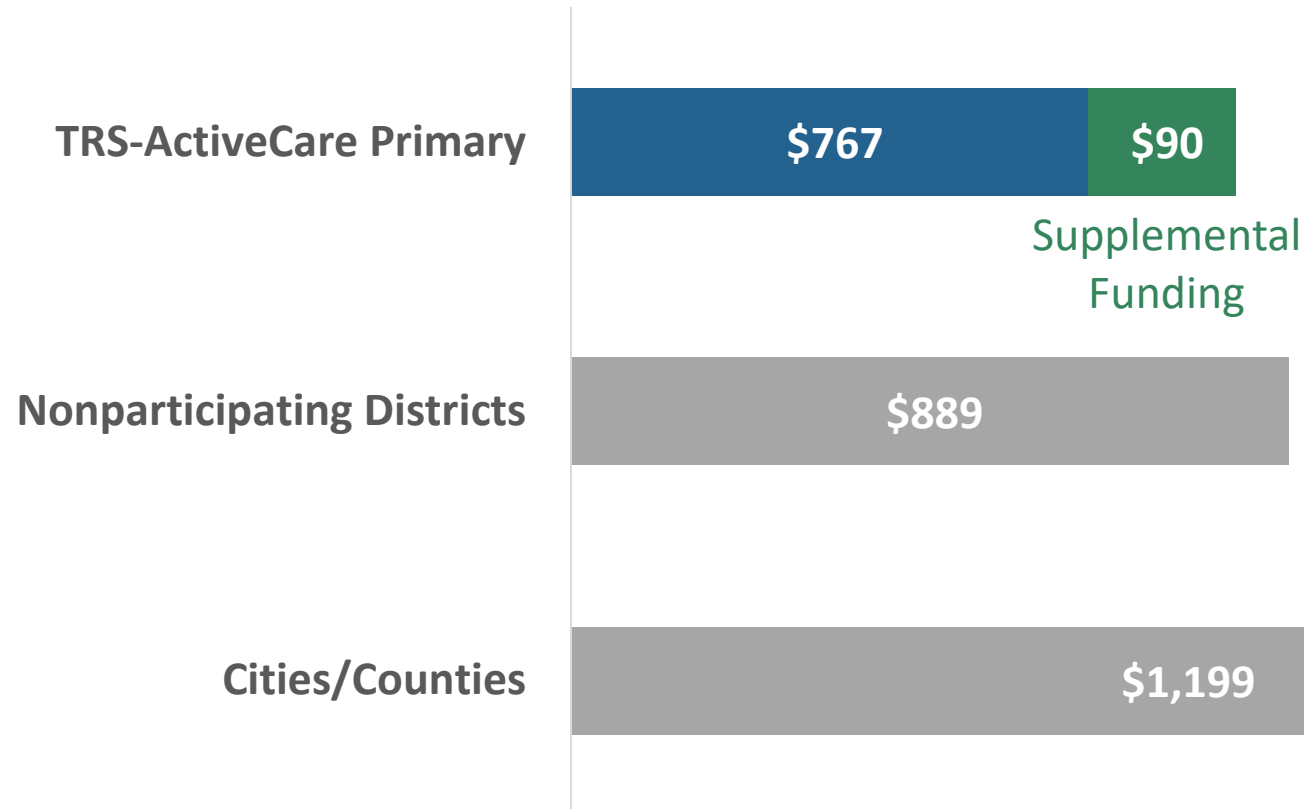


Migration of employees between August 2024 and September 2024 among districts participating for FY25. Image created with [flourish studio](#).



TRS-ActiveCare: TRS Delivers an Affordable Product to Employers

- TRS ActiveCare **Primary costs 14% less than similar coverage** in nonparticipating employers after premiums are reduced due to supplemental funding.
- With TRS-ActiveCare **Primary costs at 4% less on average even without supplemental funding**, TRS-ActiveCare is outperforming the market.



Employers are choosing to remain in and join the plan:

- Last year (Plan Year 2024): Retained 99% of employers and 100% of membership
- Current year (Plan Year 2025): Added 10 new employers, net increase in membership; 1 employer with 4 campuses left

Effective data Sept. 1, 2024

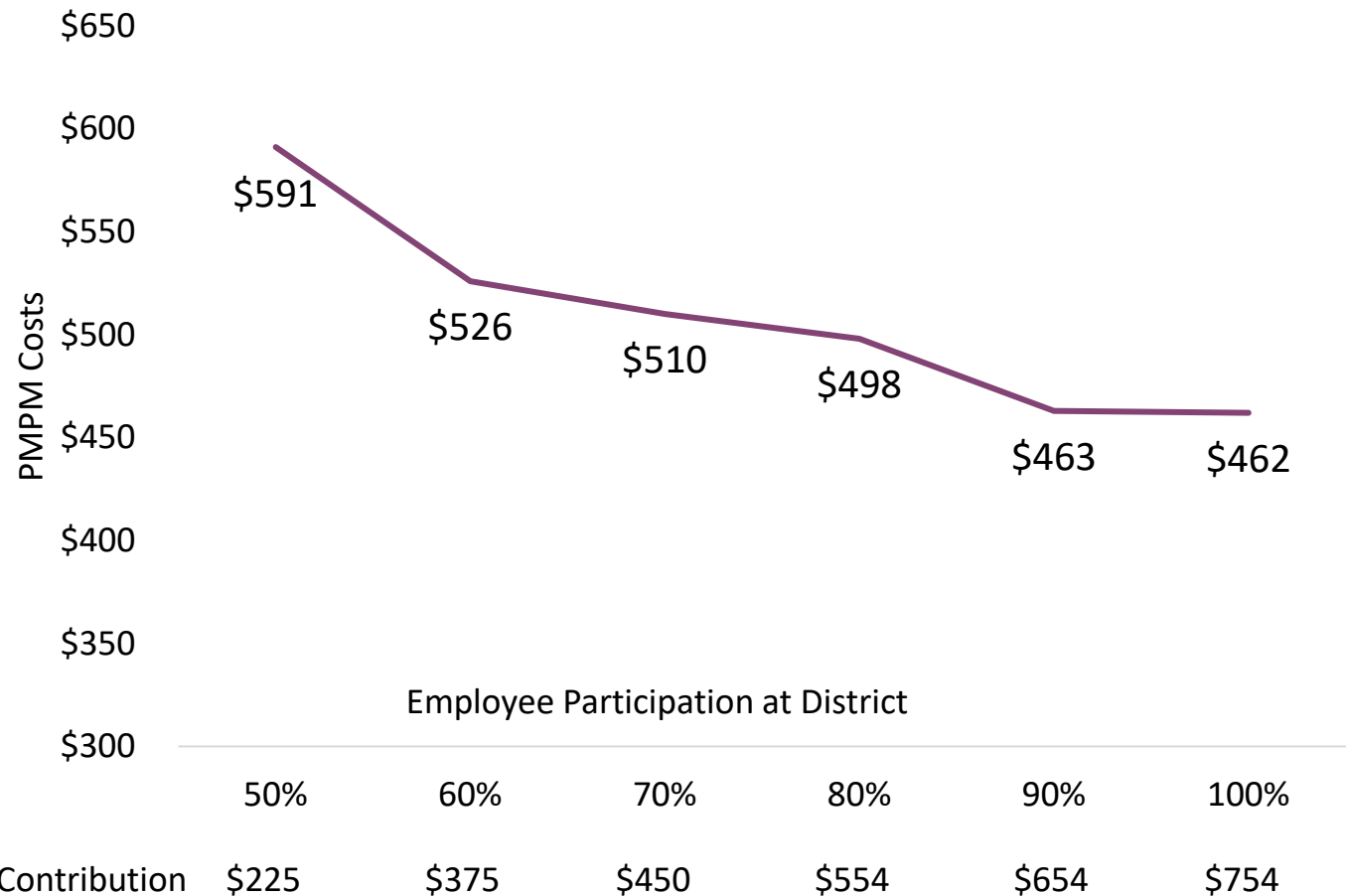


Higher Participation Means Lower, More Stable Costs

TRS Health continually analyzes factors that impact plan costs:

- Higher employee participation is associated with lower overall per member per month costs, as lower-cost members join the pool:
- **For every 1% increase in participation, per member per month costs are lower by \$2.41 on average.**
- The primary driver of participation is how much an employer contributes to their employees' health coverage:
- **Every \$10 more an employer contributes is associated with a 1% increase in participation.**

Medical Per Member Per Month Costs
by District Participation



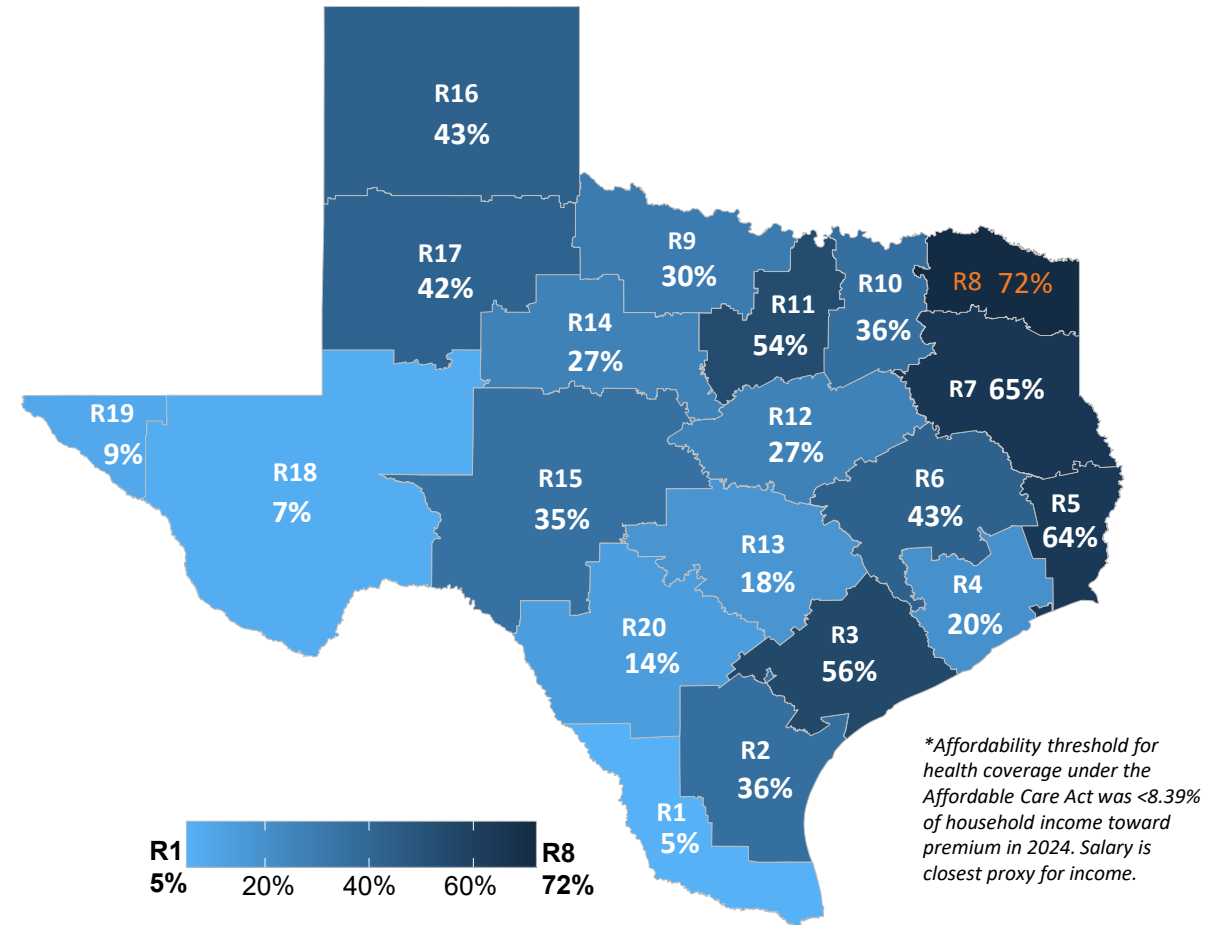


Affordability of Employee Contribution Remains a Concern

- In plan year 2024, employees paid **20% of salary for family premium** compared to **4% for public employees in the South**.
- Due to contributions, affordability is a major challenge for employees covering dependents: **37% of employees pay more than 8.39% of salary to cover children** in lowest-cost plan.
- **Minimum employer contribution of \$225 was set in 2001** and today is not adequate to cover employees with dependents.
- Supplemental funds limited gross rate increases below 10% on average in plan years 2024 and 2025. TRS requested \$450M in Legislative Appropriations Request to keep gross rate increases below 10% each year in FY 2026-27.

Employee + Child Coverage:

In **ESC Region 8**, **72%** of employees pay more than 8.39% of salary for the lowest-cost plan



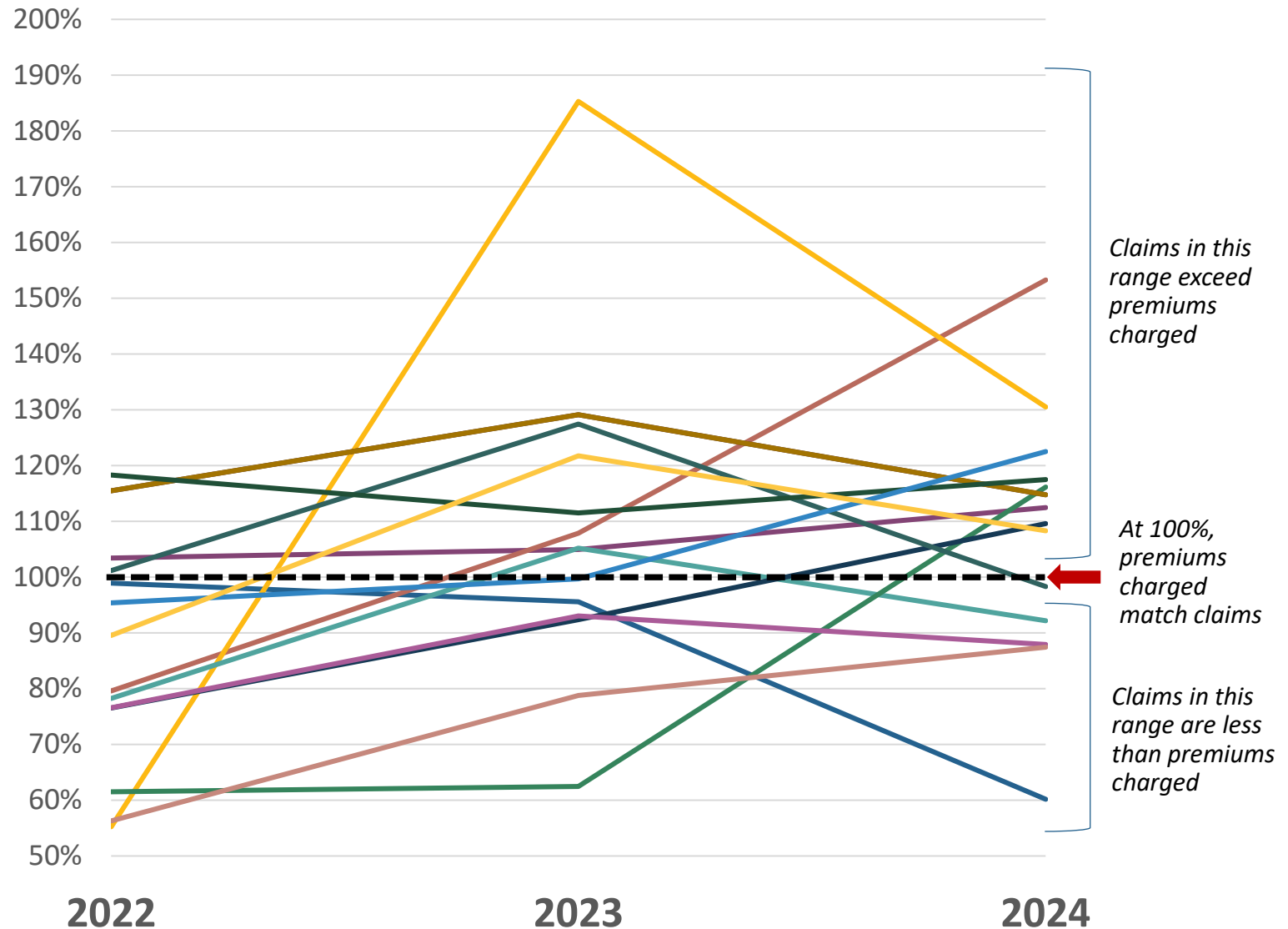


TRS-ActiveCare Provides Stability for Employers



The chart shows claims expenses as a function of total premiums charged for 13 participating employers that requested claims data for the purposes of shopping.

- There is considerable variation in claims year-to-year, regardless of the size of the employer.
- Employers outside TRS-ActiveCare need to plan for claims volatility by purchasing stop loss or funding reserves – costs employers in TRS-ActiveCare do not experience.





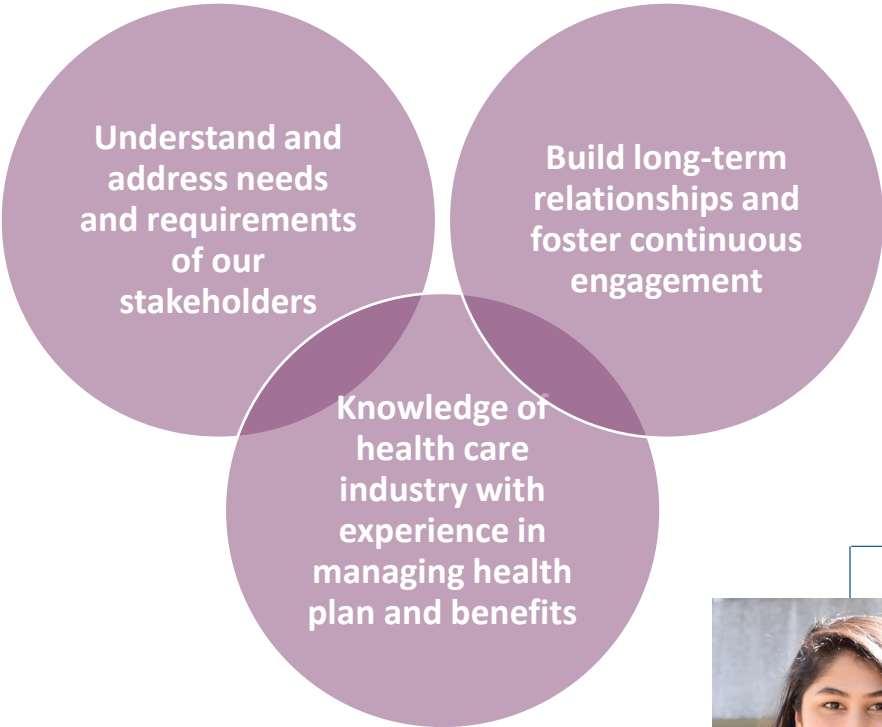
TRS Health Engagement Overview

Cristina Juarez, Manager of Health Engagement



Health Engagement Team:

We aim to deliver targeted, timely messaging that inspires action.



Combined Experience

- Health Care:
71 years
- Communications:
79 years



Cristina Juarez
Health Engagement Manager



Umme Salama Oan Ali
Sr. Health Engagement Implementation Specialist



Sarah Farley
Sr. Health Engagement Strategist



Jean Babin-Gibson
Sr. Health Engagement Specialist



Carly Yansak
Sr. Communications Specialist



Engagement Touchpoints




Timeframe - TRS-ActiveCare: Sept. 2023 – Aug. 2024; TRS-Care: Jan. 2024 – Oct. 2024

 **DIRECT MAIL**

- Targeted letters
- Plan materials
- ID cards
- Custom mailers

1.6M
DIRECT MAIL
PIECES



 **EMAIL**

11M
EMAILS

- TRS News
- Monthly issues of *The Pulse* e-newsletter
- UHC targeted emails
- BCBSTX targeted emails
- ESI targeted emails

22
TOUCHPOINTS
PER PARTICIPANT

14M
TOUCHPOINTS



MEETINGS

16K
ATTENDEES

- In-Person Health Education Fairs
- Virtual Webinars

 **PHONE/TEXT**

36K
PARTICIPANTS

- Welcome calls by UHC
- Text messaging campaign by BCBSTX

WEBSITE

860K
PAGEVIEWS

Pages with health care content on the TRS website as well as across our health vendors' websites



History of Messaging Significant Health Matters



2016–2018:

Funding Challenges Overhaul TRS-Care

- Risk of program closure
- Brokers drawing away retirees
- Continuous messaging to legislators and associations
- Restructured plans and revised rates and benefits

2019–2021:

SB 1444 & Regional Rating

- Closed loophole for competing employer coverage
- Moved TRS-ActiveCare from statewide to regional rating.
- Allowed districts flexibility to join/leave
- Communicated plan liberalizations for COVID-19 claims.

2023–2024:

Onboarded New Districts

- Allowed mid-year transitions
- Onboarded 10 new districts
- Outreach to districts considering to opt out

2024-Present:

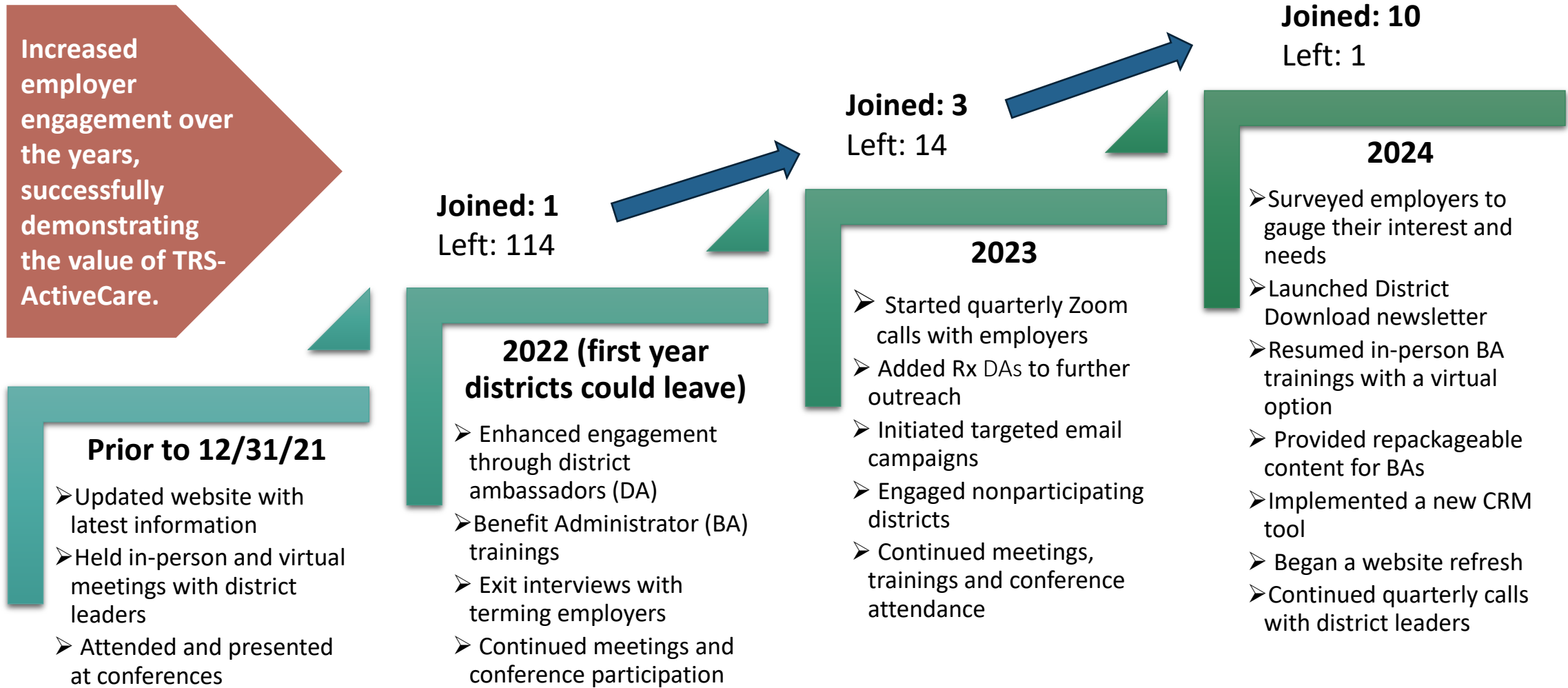
TRS-Care Enhancements

- Introduced new dental and vision plans for retirees
- Lowered premiums for Medicare retirees
- Offered limited-time enrollment for Medicare-eligible retirees.

Implementing vendor transitions every few years



Case Study: Messaging SB1444 & Regional Rating to Employers



SB1444 passed in the 87th Texas Legislative Session



Appendices

Fund Balances



Appendix: TRS-ActiveCare Fund Balance Projection Through 2027

TRS-ActiveCare Fund Balance Projection
Financial History and Projection through FY2027
as of August 31, 2024

Fiscal Year	Contributions							Expenditures					Ending Balance (Incurred Basis)
	State/District Contributions	Supplemental Appropriations	Employee Contributions	HMO Contributions	LTC	Other Income	Total Revenue	Medical Incurred	Drug Incurred (includes Rebates)	HMO Premium Payments	Administrative Costs	Total Expenses	
FY 2019	\$1,049,243,657		\$881,998,119	\$246,513,026	\$146,090	\$11,162,989	\$2,189,063,880	\$1,459,520,631	\$254,168,852	\$243,198,667	\$123,514,885	\$2,080,403,035	\$164,953,230
FY 2020	\$1,035,176,542		\$870,173,250	\$260,364,669	\$145,265	\$8,121,853	\$2,173,981,579	\$1,522,489,616	\$271,480,529	\$256,850,839	\$119,814,483	\$2,170,635,466	\$168,299,343
FY 2021	\$1,011,525,120		\$850,291,777	\$176,981,437	\$142,718	\$1,853,676	\$2,040,794,727	\$1,615,822,471	\$285,092,897	\$173,297,782	\$78,637,967	\$2,152,851,116	\$56,242,954
FY 2022	\$1,033,743,632	\$638,337,761	\$868,968,740	\$149,833,982	\$0	\$1,656,095	\$2,692,540,210	\$1,690,700,579	\$293,845,034	\$146,752,232	\$69,945,345	\$2,201,243,189	\$547,539,975
FY 2023	\$952,097,761		\$800,336,918	\$85,603,456	\$0	\$27,739,322	\$1,865,777,457	\$1,683,988,310	\$288,020,255	\$83,782,801	\$73,689,100	\$2,129,480,467	\$283,836,966
FY 2024	\$1,088,669,143	\$588,518,000	\$757,221,705	\$67,899,516	\$0	\$48,200,848	\$2,550,509,213	\$1,741,530,426	\$251,690,274	\$72,524,931	\$80,123,736	\$2,145,869,368	\$688,476,811
FY 2025	\$1,218,611,475		\$847,602,841	\$6,901,974	\$0	\$37,877,502	\$2,110,993,793	\$1,957,572,278	\$339,226,278	\$6,801,354	\$83,391,699	\$2,386,991,609	\$412,478,994
FY 2026	\$1,255,169,820		\$873,030,927	\$7,109,034	\$0	\$16,485,598	\$2,151,795,378	\$2,050,556,961	\$377,976,566	\$7,008,414	\$84,104,355	\$2,519,646,296	\$44,628,076
FY 2027	\$1,292,824,914		\$899,221,855	\$7,322,305	\$0	\$2,159,723	\$2,201,528,797	\$2,142,832,025	\$418,591,631	\$7,221,685	\$87,757,472	\$2,656,402,812	(\$410,245,939)

NOTES

- Invoice data through August 31, 2024
- Medical trend: 5% through FY24; reduced by 0.25% each year thereafter with a 4% minimum. Higher trend used in FY25 to account for new districts.
- Pharmacy trend: 8.5% through FY24; reduced by 0.25% each year thereafter with a 6% minimum. Higher trend used in FY25 to account for depressed claims in FY24 as a result of PBM switch.
- Prior to FY2018: State contributions are equal to \$75 PEPM. District contributions are equal to \$150 PEPM.
FY2018 and Forward: State/District Contributions are based on September actual contributions.
- Interest rate assumed in FY25 is 5.25%. Rate decreases by a factor of 25% each year with a minimum of 0.5%.
- Premium rate increases of 3% are assumed for all years after FY25.
- The ActiveCare Fund balance is managed to prevent a deficit through premium and benefit adjustments.

Appendix: TRS-Care Fund Balance Projection Through 2027

TRS-Care Fund Balance Projection Financial History and Projection through FY2027 as of August 31, 2024

Fiscal Year	Contributions							Expenditures			Ending Balance (Incurred Basis)
	Retiree Contributions	State Contributions	Supplemental Appropriations	Active Employee Contributions	District Contributions	Investment Income	CMS, Part D and EGWP Subsidies	Medical Expenses	Drug Expenses	Administrative Costs	
FY 2017*	\$373,229,610	\$328,063,352	\$15,559,552	\$213,241,179	\$191,057,800	\$5,225,993	\$195,396,219	\$807,831,048	\$734,805,874	\$51,885,051	\$368,737,886
FY 2018	\$488,069,004	\$425,625,726	\$394,600,000	\$221,325,377	\$266,061,322	\$10,930,281	\$183,159,406	\$840,420,584	\$669,082,906	\$50,430,879	\$798,574,633
FY 2019	\$517,965,033	\$437,189,334	\$73,641,562	\$227,338,454	\$273,110,251	\$25,046,771	\$321,106,153	\$688,148,611	\$648,749,351	\$45,051,884	\$1,292,022,346
FY 2020	\$499,057,861	\$468,330,999	\$230,756,971	\$243,532,120	\$292,411,364	\$25,396,789	\$317,440,892	\$659,668,989	\$668,307,637	\$44,654,785	\$1,996,317,930
FY 2021	\$533,592,849	\$481,564,562	\$5,520,343	\$250,413,572	\$299,803,511	\$9,226,940	\$311,771,512	\$604,926,549	\$705,239,916	\$38,802,284	\$2,539,242,470
FY 2022	\$399,788,260	\$506,388,630	\$83,000,000	\$263,328,449	\$315,688,282	\$13,499,534	\$288,606,867	\$551,595,432	\$694,534,457	\$45,475,384	\$3,117,937,219
FY 2023	\$477,018,666	\$533,605,088	\$0	\$277,468,284	\$334,703,238	\$151,354,211	\$354,575,016	\$590,029,372	\$714,251,845	\$52,615,305	\$3,889,765,200
FY 2024	\$469,319,251	\$558,086,044	\$0	\$290,204,743	\$351,169,597	\$202,197,475	\$395,494,793	\$607,212,304	\$690,449,243	\$41,929,243	\$4,816,646,313
FY 2025	\$386,816,537	\$569,247,765	\$0	\$296,008,838	\$341,548,659	\$160,794,709	\$557,512,517	\$614,893,469	\$935,896,752	\$50,910,304	\$5,526,874,813
FY 2026	\$338,355,427	\$580,632,720	\$0	\$301,929,015	\$348,379,632	\$136,253,709	\$611,473,548	\$646,633,790	\$1,006,832,781	\$52,283,565	\$6,138,148,729
FY 2027	\$340,957,723	\$592,245,375	\$0	\$307,967,595	\$355,347,225	\$112,396,986	\$651,487,005	\$722,755,258	\$1,080,943,724	\$54,738,533	\$6,640,113,123

NOTES

- * Invoice data through August 31, 2024
- * The purpose of this report is to project revenue and expenses on an incurred basis and should not be used as a projection of cash flow. Cash flow projections are usually less than incurred primarily due to a delay in receipt of federal subsidies.
- * State Contribution rate of 1.25%; District Contribution rate of 0.75%; and Active Contribution rate of 0.65% beginning 9/1/2017.
- * Medical trends: 7% through FY2024; reduced by 0.25% each year thereafter.
- * Pharmacy trends: 7% through FY2024; reduced by 0.25% each year thereafter.
- *Note that there was a prior period adjustment to retiree contributions FY2017. This number will not tie to the ACFR as the adjustment is reflected here.
- * 2% increase in payroll growth
- * Interest rate is set to match current returns and reduced by 25% a year with a floor of 0.5%.



PY 2024 TRS-Care Touchpoints



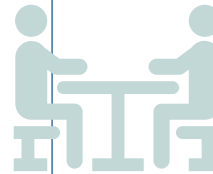
385K packets mailed to eligible members



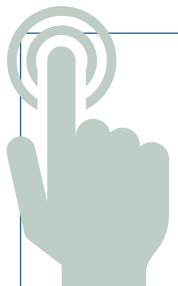
147K subscribers to monthly health care newsletter



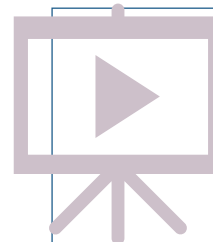
35 emails sent to **122K** recipients (~ 1 email per week)



45 in-person and virtual events with **13K** attendees



650K website views



73K views on **9** videos



PY 2023-24 TRS-ActiveCare Touchpoints



Employers



1500+ attendees for In-Person & Virtual Meetings



8K engagements with district ambassadors



75 emails sent to employers

Participants



3K+ attended benefit webinars



3M emails sent



200K website views

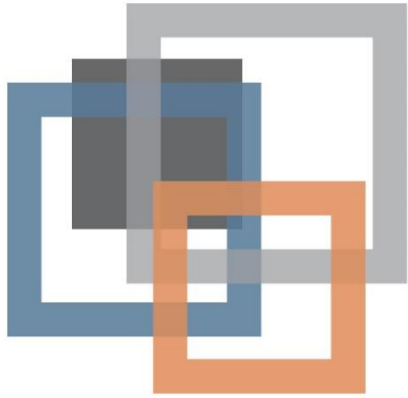
TAB 5



Enterprise Project Management

Presentation Date: December 5, 2024

Presented By: Sunitha Downing, Director of Enterprise
Program Management & Dr. Rene Paulson, Elite Research LLC



Teacher Retirement System of Texas

Member Satisfaction Survey

Rene Paulson, Ph.D.

December 5, 2024

ELITE
RESEARCH



Survey Process

- Administered by Elite Research, LLC
- Four-week collection in August 2024
- Online and phone survey
- Segmented on member status (active or retired), gender, age, and prior TRS contact within the last 60 months from the Customer Relationship Management (CRM) system
- Population: 250,306 active members and 321,332 retirees
- Sample: 150,326 active members and 72,000 retirees

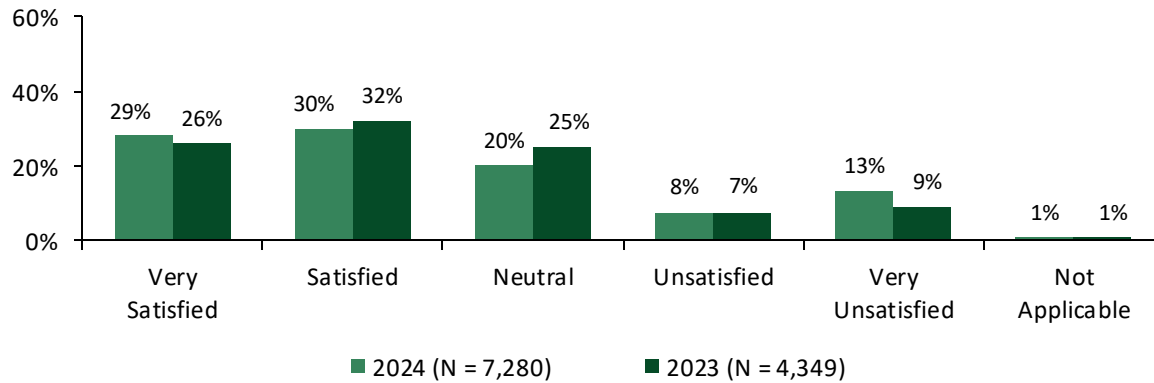
	Active	
	Member	Retiree
Collection method		
Email	6,896	6,966
Phone	93	52
SMS Text	341	180
Total	7,330	7,198



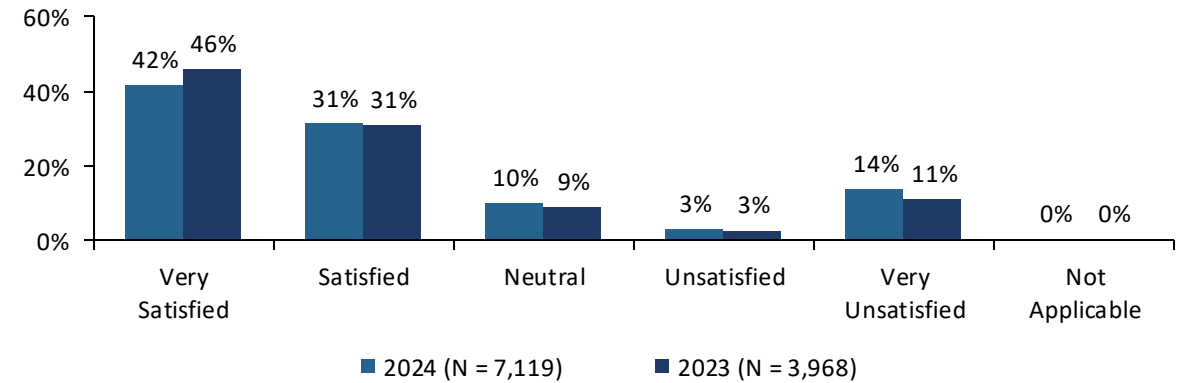
Overall Satisfaction

- Overall satisfaction with TRS consistent with previous years
- There was a minor decrease in retirees who reported being "Very Satisfied" in 2024 (42%) compared to 2023 (46%) along with a slight increase in combined dissatisfaction ("Unsatisfied" and "Very Unsatisfied") from 14% (2023) to 17% (2024)

Satisfaction with TRS Overall (Active Members)



Satisfaction with TRS Overall (Retirees)

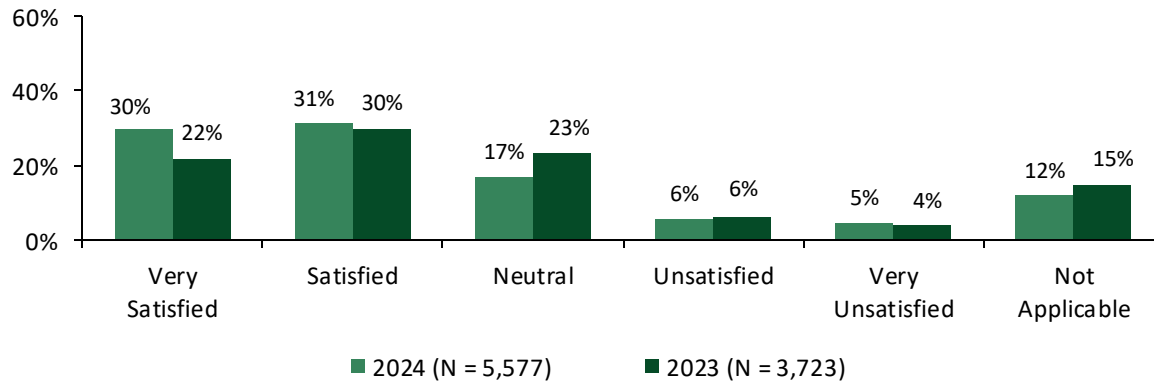




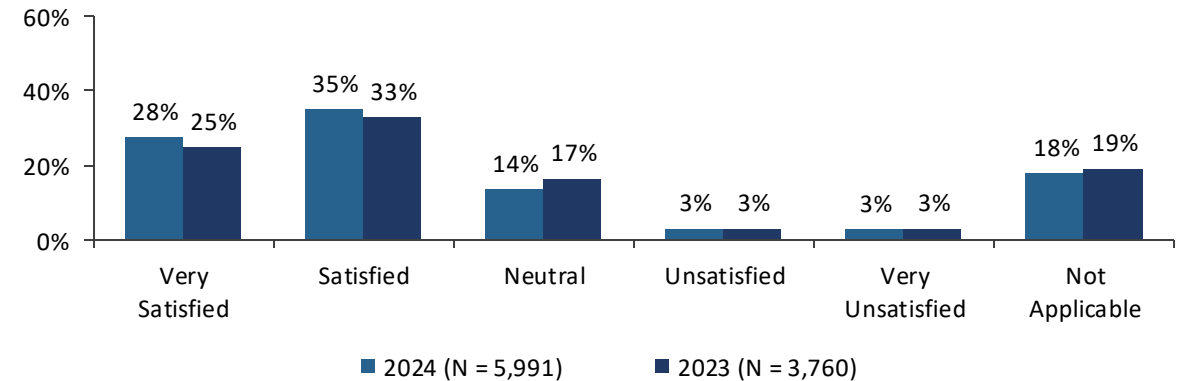
Satisfaction with Service Timeliness

- Active members reported greater satisfaction ("Very Satisfied" and "Satisfied") with service timeliness in 2024 (61%) over 2023 (52%)
- Retired members also reported greater satisfaction ("Very Satisfied" and "Satisfied") with service timeliness in 2024 (63%) over 2023 (58%)

Satisfaction with Service Timeliness (Active Members)



Satisfaction with Service Timeliness (Retirees)





Satisfaction with Staff

- Satisfaction increased on all staff items for both active members and retirees from 2023 to 2024
- Friendliness is highest rating for combined satisfaction (“Very Satisfied” and “Satisfied”) for both active members and retirees in 2024
- Retirees rate Employee Courtesy, Knowledgeability, and Accountability higher in 2024 than active members

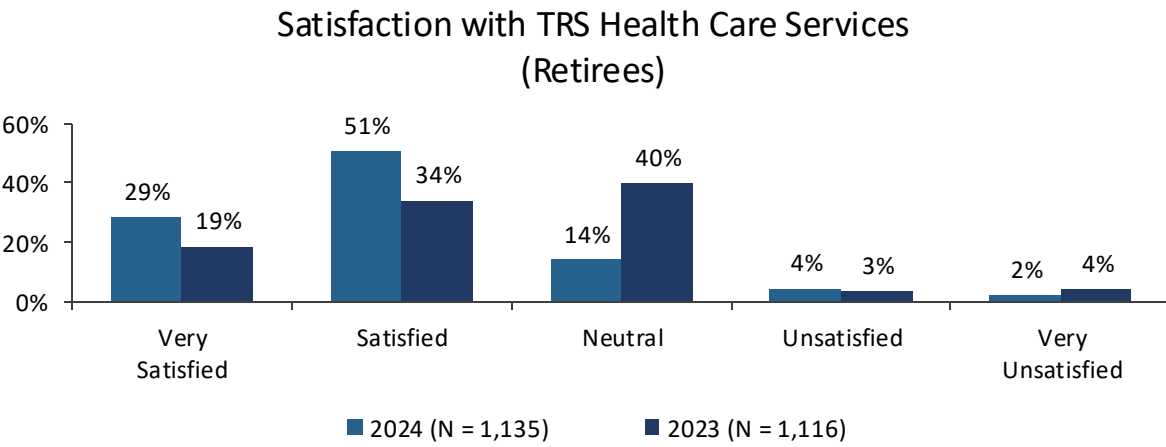
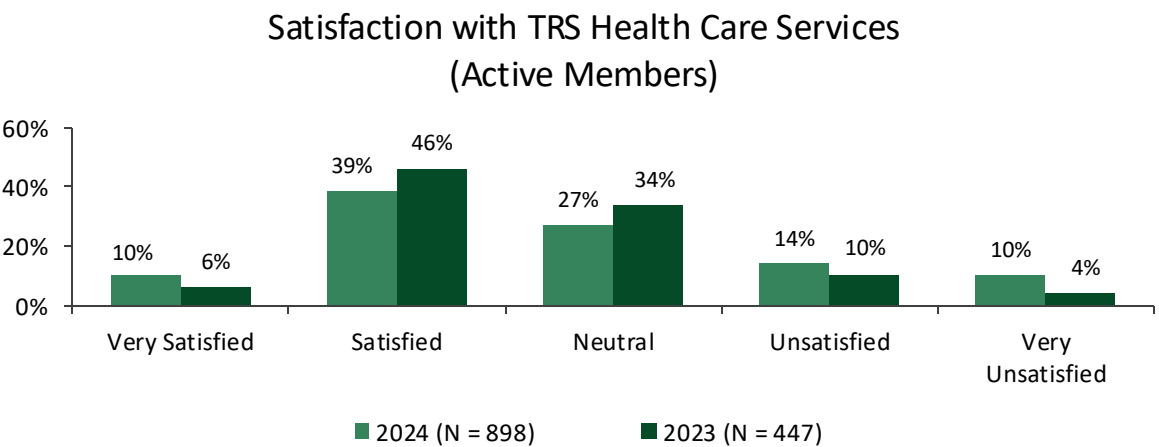
	Active Members		Retirees	
	2024	2023	2024	2023
Employee Courtesy	70%	63%	72%	68%
Friendliness	73%	65%	73%	69%
Knowledgeability	69%	62%	72%	68%
Self-identification	67%	61%	67%	64%
Accountability	62%	55%	64%	60%

Note: Percent "Satisfied" and "Very Satisfied" Combined



Satisfaction with TRS Health Care Services

- Increase in active members and retirees who rated “Very Satisfied” from 2023 to 2024
- Decrease in both active members and retirees who rated “Neutral” from 2023 to 2024
- Overall combined satisfaction (“Satisfied” and “Very Satisfied”) increased for retired members from 2023 (53%) to 2024 (80%)





Satisfaction with Communications

- All members rated higher combined satisfaction (“Very Satisfied” and “Satisfied”) with all items in 2024 than in 2023
- Retirees more highly rated Toll-free Telephone Access, Call Transfers, Access to a Live Person, Email, and Text Messaging than active members in 2024
- In 2024, more than half of both active members and retirees rated as satisfied with all except for Text Messaging (30% and 33%) and Call Transfers (45% and 47%)

	Active Members		Retirees	
	2024	2023	2024	2023
Toll-free Telephone Access	59%	52%	63%	61%
Average Hold Time	53%	44%	52%	49%
Call Transfers	45%	40%	47%	46%
Access to a Live Person	58%	49%	59%	56%
Letters	57%	49%	57%	56%
Email	62%	53%	67%	63%
Text Messaging	30%	28%	33%	30%

Note: Percent "Satisfied" and "Very Satisfied" Combined

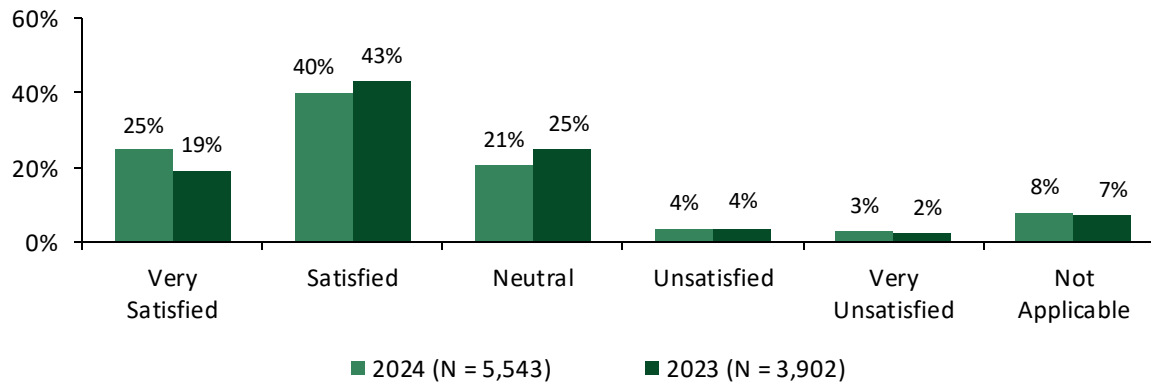
Q: How satisfied are you with TRS communications, including toll-free telephone access, the average time you spend on hold, call transfers, access to a live person, letters, email, and any applicable text messaging or mobile applications?



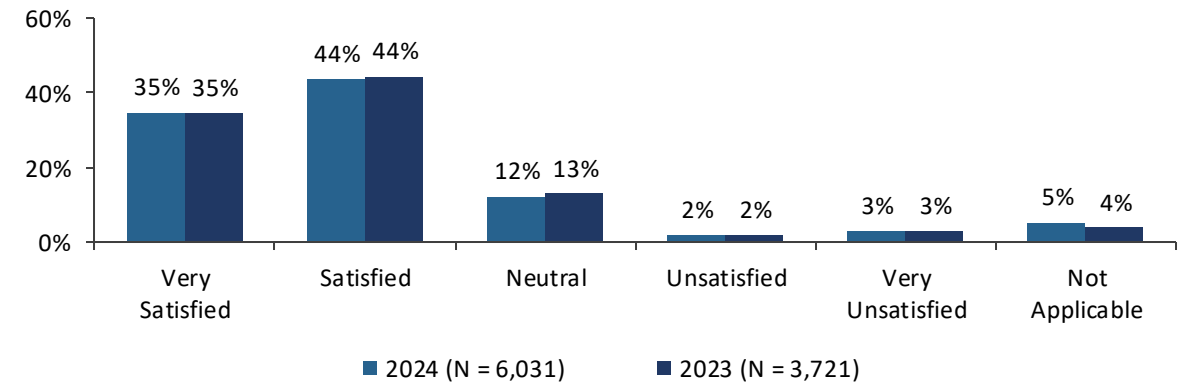
Satisfaction with TRS Brochures

- Members ratings of satisfaction with TRS brochures maintained consistent from 2023 to 2024
- More retirees satisfied in 2024 (79%) than active members (65%)

Satisfaction with TRS Brochures (Active Members)



Satisfaction with TRS Brochures (Retirees)





Satisfaction with Internet Site

- New question in 2024, no ratings in 2023
- Most members found the internet site easy to use with combined satisfaction ratings (“Very Satisfied” and “Satisfied”) 70% and 80%
- Retirees (79%) rated information accessibility with greater satisfaction (“Very Satisfied” and “Satisfied”) than active members (69%)

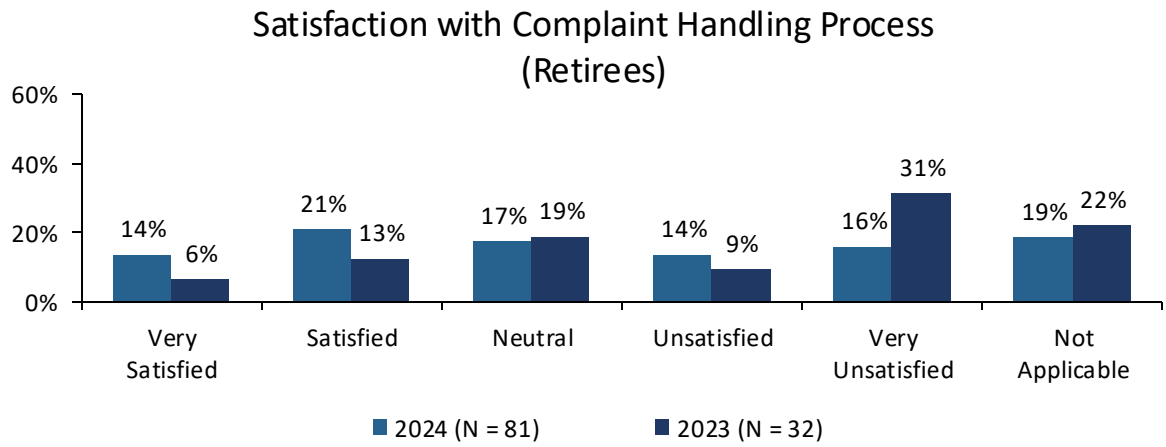
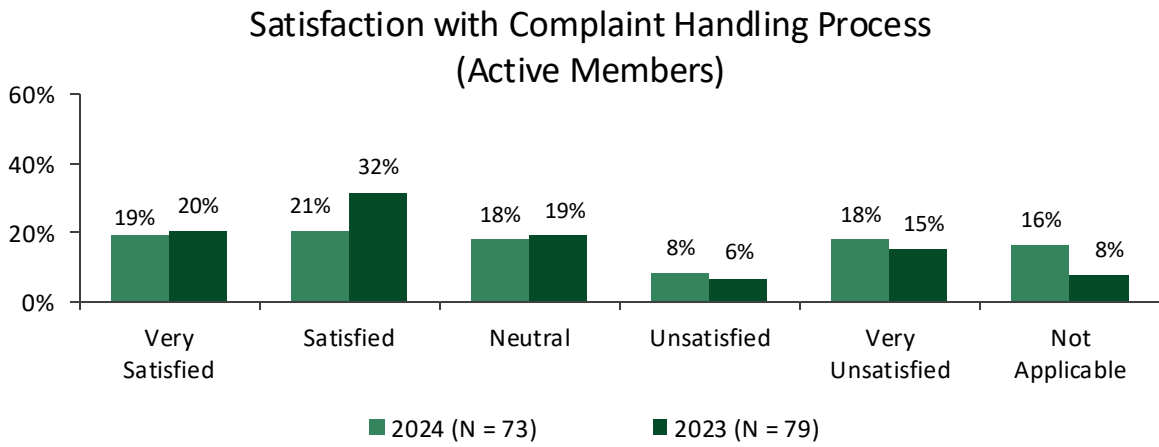
	Active Members		Retirees	
	2024	2023	2024	2023
Ease of use of the site	70%	0%	80%	0%
Mobile access of the site	49%	0%	57%	0%
Information on the location of the site and the agency	61%	0%	70%	0%
Information accessible through the site	69%	0%	79%	0%

Note: Percent "Satisfied" and "Very Satisfied" Combined



Satisfaction with Complaint Handling Process

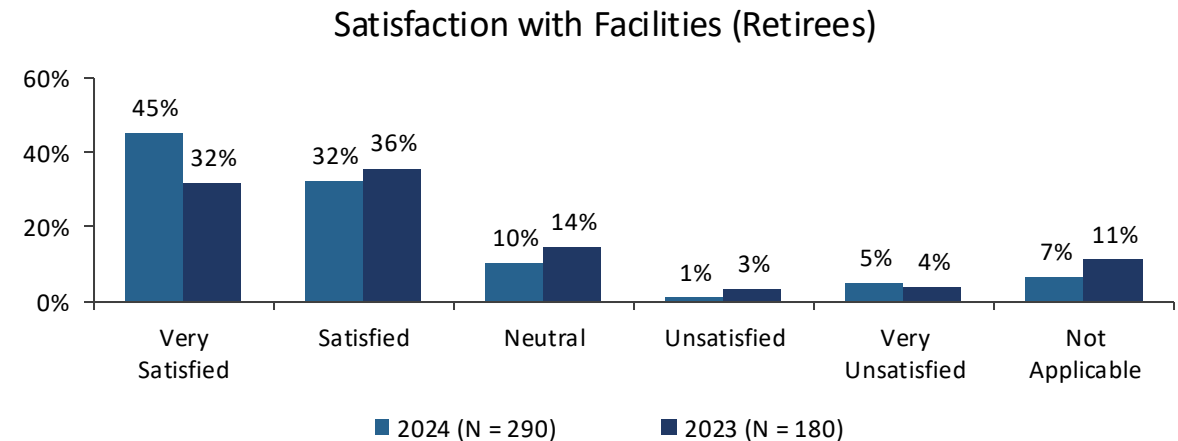
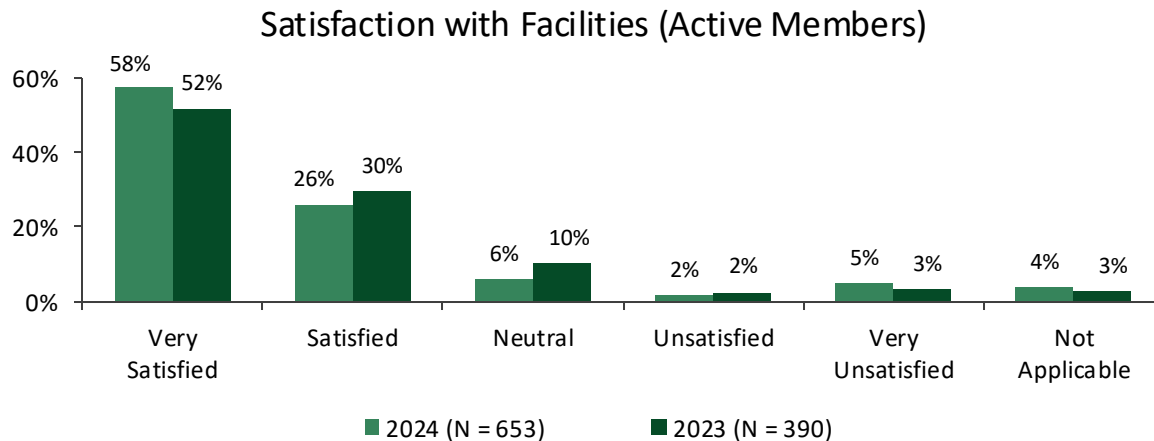
- Fewer active members were satisfied ("Very Satisfied" and "Satisfied") with the complaint handling process from 2023 (52%) to 2024 (40%)
- More retirees were satisfied ("Very Satisfied" and "Satisfied") with the complaint handling process from 2023 (18%) to 2024 (35%)





Satisfaction with Facilities

- Increase in active members and retirees who rated “Very Satisfied” from 2023 to 2024
- Decrease in both active members and retirees who rated “Neutral” from 2023 to 2024
- Overall combined satisfaction (“Satisfied” and “Very Satisfied”) increased for retired members from 2023 (68%) to 2024 (77%)





Actionable Insights

■ Benefit Services

- ❖ Educate members on the availability of *MyTRS* and what actions can be performed using the site
- ❖ Consider multi-pronged approach to retirement with younger members who have high concentrations of individuals with low/limited knowledge of finances and retirement as well as pockets of knowledgeable individuals confident and actively investing beyond TRS

■ Health

- ❖ Continue to educate Reporting Employers, active members, and retirees about the benefits of enrolling in the TRS Health plans, including the comparability to market-based plan alternatives
- ❖ Survey Reporting Employers to determine plan benefit priorities and provide insights into cost and benefit tradeoffs
- ❖ Highlight the value of health care plans/services and lesser known/utilized benefits in *The Pulse* and enrollment materials

■ Communications

- ❖ Increase communication on retirement planning topics for active members
- ❖ Open up communications with members about their communications ratings and how TRS can listen more
- ❖ Improve website functionality, including retirement form access, beneficiary designation, and online identification for access
- ❖ Educate members on the availability of the TRS email subscription service, *Subscribe!*
- ❖ Focus on Employee Courtesy, Knowledgeability, and Accountability, and Complaint Handling with active members

Questions?

