

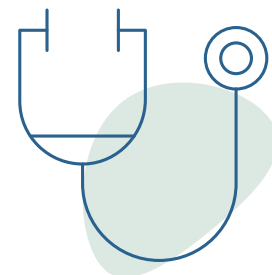


What to Know About TRS-ActiveCare

TRS-ActiveCare began offering health coverage to Texas public education employees and their families in FY 2003. We have grown steadily; and in 2019 there were more than 480,000 covered participants, and we paid out nearly \$2 billion in claims.

We administer health plans for school employees in Texas.

We find the best medical administrators to deliver health care services, ensure high-quality networks of physicians, work with the best pharmacy benefit managers to acquire drugs at the lowest cost, protect plan resources by detecting fraud, and offer high-quality customer service.



We pay for health care services from the TRS-ActiveCare fund.

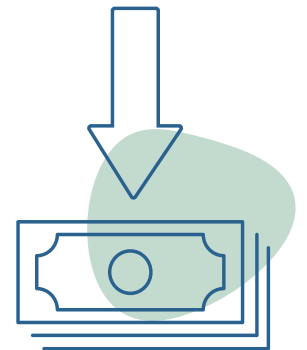
When a school employee has an annual checkup, visits the emergency room, fills a prescription or receives any other health care service, the TRS-ActiveCare fund pays any amount not paid by the school employee.

The amount the state and districts are required to contribute hasn't changed since the program began.

Based on 2001 law, districts must send a minimum of \$225 per person for each eligible employee who enrolls in TRS-ActiveCare. This amount was chosen as adequate to offer a \$0 premium contribution to employees for employee-only coverage when the program began. Medical costs have risen dramatically since 2001, and employees pay for a greater portion of their health care costs. Today approximately 20 percent of employees have this \$0 premium contribution. In fact, one-third of employees pay between \$100 and \$140 per month for employee-only coverage pharmacy contracting, anti-fraud activities and customer service.

We keep administrative costs low.

Of every dollar that TRS receives, 95 percent pays for health care. The remaining 5 percent pays for TRS program staff and services provided by TRS' medical administrator and pharmacy benefit manager, including claims processing, provider and pharmacy contracting, anti-fraud activities and customer service.



We help lower prices, reduce risk and decrease volatility for school districts.

Our large size means we get better prices than most employers. We are so large, in fact, that we have a unique ability to have our medical vendors guarantee performance that exceeds the average. And our size helps reduce volatility by spreading high-cost claims out over a large pool of people.



We are paid directly by the school districts.

The Legislature's contribution passes from the Texas Education Association (TEA) to the school districts and finally to TRS. Districts determine how much to contribute per employee. Some of this is funded by the state and some from local revenue. Employee contributions make up the remainder of each district's payment to TRS.



We share data with school districts and the Legislature to aid in decision-making.

We are a trusted source of information. In addition, we provide communication materials to districts to help employees make smart decisions when choosing and using their health care benefits.