

TRS Today ActiveCare Video  
July 2016

00:14

**RP:** Hello and thank you for joining us for TRS Today. I'm here once again with Katrina Daniel. Katrina is Chief Health Care Officer for TRS. Specifically, she manages health benefit programs and other programs. She also manages TRS-Care, for retirees, and TRS-ActiveCare, for employees and their dependents. Katrina, thank you for being here.

**KD:** It's my pleasure. Thank you for having me.

00:43

**RP:** Katrina, a lot of the coverage we see in TRS News, these videos, and other external programs focus on TRS-Care for retirees. But there is another program—a critical program for thousands of Texans, and that is TRS-ActiveCare. We want to focus on that today. There are changes for the 2016/17 plan year, aren't there?

**KD:** There are. But before I get into that, I want to emphasize some top-line basics.

**RP:** Such as?

**KD:** Each year, Active Care members have an opportunity to evaluate their health care needs and make changes to their plans to meet those needs. In fact, right now as we shoot this video we are in the middle of open enrollment when people can make those changes.

01:28

**RP:** And the other important points?

**KD:** The plan is financially viable for the immediate future because of recent changes that the Board approved, but everybody can do their part to help make the plan more sustainable.

As I frequently say, if you make better use of your health care benefits, you—and the plan—will be healthier.

01:48

**RP:** That's not just shopping for good prices, right?

**KD:** Right. It means using your benefits well. Health care coverage is really important for a number of reasons. First of all, it protects you financially when something really serious happens. Second, is that it provides preventive benefits. Routine checkups, screenings, vaccines – these are important benefits that keep you healthy, and we want you to take advantage of them. Third, is when you are sick and need medical care.

02:18

**RP:** So talk to us about the changes TRS makes to the plans and the premiums each year.

**KD:** TRS continually manages the ActiveCare plan. We have a limited amount of money coming in to fund the plan. Each year, TRS makes adjustments to the premiums and the benefits in order to continue offering health care benefits. In other words, TRS-ActiveCare is self-funded.

02:41

**RP:** We hear that a lot but what does it mean exactly?

**KD:** Here's the history. In 2002, the Legislature created TRS-ActiveCare. The laws that enabled TRS-ActiveCare specified that the State would contribute \$75 per employee per month to the fund. In addition, districts must also contribute at least \$150 per employee per month although we know many districts contribute more.

03:07

**RP:** So the premiums paid by the employees make up the difference between the costs of the plan and the State and district contributions?

**KD:** Right. But there is a key missing piece. TRS' job is twofold. We make adjustments to the plan in addition to setting the premiums. One challenge we face is the employees' share of the plan has doubled since the plan started. We are very much aware of the effect that can have on a family's budget. So we always balance premium adjustments with plan benefit design adjustments to come up with the best blend of benefits and costs that we can while keeping the plan viable.

03:45

**RP:** But the increase in premiums is steep, isn't it?

**KD:** It has been at times. But for example, for the coming school year – 2016/17 - for the ActiveCare 1-HD plan – that's our high deductible plan – we will have no premium increase. And increases for the other plans are modest compared to recent years. The premium increases would have been higher if we hadn't made adjustments to the plan. When I say "the increases are modest," I am not trying to minimize the impact. We know the premiums take a lot out of a family's pocketbook.

04:17

**RP:** And that brings us back to enrollment. Evaluating the plan in light of needs.

**KD:** Right. And this year, we rolled out a new tool that helps members evaluate their needs and choose the plan that's right for them—it's called ALEX. ALEX is an online benefit counselor. It walks you through the plans without using insurance jargon. We really encourage people to check it out and learn how each plan works,

so you can make an informed decision. And you can use it throughout the year if you need a refresher about how your plan works, or if you have a big life event during the year, like getting married or having a baby. You can use it to help you choose a plan during the special enrollment window you get when you make changes to your coverage. So check it out.

05:00

**RP:** That sounds really exciting. How can people get more information about changes to their plan?

**KD:** The changes are detailed for the coming school year in the enrollment guide and other materials, so I'll just hit the highlights here.

Regardless of the plan, deductibles have not changed. They are the same as last year. However, maximum out-of-pocket limits have gone up a little.

Now, prescription costs have been going up, but we understand that people need their prescriptions in order to be healthier. In fact, this year some generic preventive medications will be available at no cost to those enrolled in the ActiveCare 1-HD plan. That means you won't have to reach your deductible before the plan begins to cover the cost of certain drugs. The drugs on the list are preventive and they help you stay healthy, so we really want you to take them. Although that goes for any drug you're prescribed; take it as prescribed.

So you can see why I'm adamant about staying healthy so that people don't have to use their TRS-ActiveCare benefits as much.

However, keep in mind – if someone needs the benefits, they're there.

06:04

**RP:** Clearly, that is the most important point. Tell us though, are there any other changes affecting prescription drug benefits?

**KD:** TRS wants our members to get the most value out of their prescription drugs. For long-term medications, purchasing drugs in higher quantities through mail order or select pharmacies will save you and TRS money. So starting this year, there is an additional fee for filling a long-term maintenance drug at a pharmacy that's not in the Retail-Plus pharmacy network.

06:35

**RP:** So people who have maintenance prescriptions, or those taken on an ongoing basis, can use mail order or a Retail-Plus pharmacy to avoid the fee?

**KD:** That's exactly right. It all comes back to knowing how to use your benefits. People should pick the right plan that meets their family's needs. And they should

make good use of the preventive benefits in the plan. And if you need treatment, only go to the emergency room if you really need it. Oftentimes, you can get better health care from your primary care doctor who knows you well, or less expensive care in an urgent care setting. That will end up costing you less money and it costs TRS-ActiveCare less.

07:13

**RP:** Katrina, thank you. I think you've really helped us all understand the many factors behind TRS-ActiveCare.

**KD:** You're welcome. Thank you for having me on TRS Today.

**RP:** And thank you for watching. Please check out our website and our YouTube channel for more videos and more episodes of TRS Today.