

UPDATE

EMPLOYMENT AFTER RETIREMENT RULE SUSPENSION ENDS

In March 2020, TRS received approval from Texas Gov. Greg Abbott to temporarily suspend certain statutes and rules that may have hindered or delayed hospitals and health care facilities in responding to the COVID-19 pandemic.

The suspension allowed TRS retirees working for any hospital, medical school, or health care facility affiliated with an institution of higher education covered by TRS (including but not limited to the employers listed below) to not forfeit their retirement annuity if they exceed half-time employment during the disaster declaration. Additionally, surcharges were not due for these retirees.

Effective **MARCH 31, 2023**, Gov. Gregg Abbott has terminated this suspension.

Resuming with the **APRIL 2023** Employment After Retirement report, surcharges will be due for any TRS retirees, with a retirement date after Sept. 1, 2005, that exceed half-time employment during the calendar month.

In addition, if the retiree has a retirement date after Jan. 1, 2021, they may forfeit their annuity if they exceed half-time employment.

Please review the [Employment After Retirement Limits](#) page on our website or the [Employment After Retirement](#) brochure for more information on half-time employment.

LIST OF EMPLOYERS:

- The University of Texas Medical Branch at Galveston
- The University of Texas MD Anderson Cancer Center
- The University of Texas Southwestern Medical Center
- The University of Texas Health Science Center at San Antonio
- The University of Texas Health Science Center at Houston
- The University of North Texas Health Science Center – Fort Worth
- The University of Texas Health Science Center at Tyler
- Texas A&M Health Science Center
- Texas A&M Veterinary Medical Diagnostic Laboratory
- Dell Medical School at the University of Texas at Austin
- Texas Tech University Health Sciences Center

If you have any questions, please reach out to your RE coach for further assistance.

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REMINDER FOR EMPLOYEES WITH NO FULL-TIME EQUIVALENT (FTE)

One of the requirements for [employment eligible for TRS membership](#) is that employment must be for one-half time or more of the required standard workload for the same or similar full-time position. To determine if someone meets the requirement, the first step is to determine if there is an FTE. For most positions, this will fall between 30-40 hours per week. However, there are many positions that may have **no FTE**, meaning there are no full-time employees that work in the same or similar position. For these employees, the minimum number of hours required per week that will qualify the position for TRS membership is 15 hours per week. This requirement applies to all positions, except an adjunct faculty position.



The next requirement is length of time in the position. If the position is expected to last four and one-half months or more, it meets the second requirement of TRS membership eligibility. If a position has no set end date, it is considered to be “indefinite,” such as an employee filling in the position until another employee is found, which may fulfill the four and one-half month-or-more requirement.

Additionally, for an employee with no FTE to be considered *ineligible*, they must be expected to work less than 15 hours per week. This is similar to employees with an FTE of 30. Please make sure to review each employee for eligibility at the time of hire or if there are any position changes throughout the year. If an employee is combining multiple positions at the same employer that have no FTE, then the combined expected hours would need to remain under 15 hours per week to be ineligible. If the combined hours are 15 hours or more, then they would be meeting the TRS requirement of working one-half time of the FTE. If you are unsure if an employee should be TRS eligible, please reach out to your RE coach for assistance and provide as much detail of their weekly hours as possible so that their eligibility can be determined.

SURGE PERSONNEL EXCEPTION AND NON-PROFIT TUTOR (NON-HIGHER EDUCATION ONLY)

In 2021, the Texas Legislature enacted two bills that impacted TRS reporting and created new Employment After Retirement (EAR) types for non-higher education Reporting Employers (REs) only. These employment types fall under two categories: Surge Personnel Exception and Non-Profit Tutor Exception.

Please make sure that you are reporting the retiree correctly. **These employment types require a subsequent certification when the employment is reported.** If you are unsure if you are using the correct employment type, reach out to your coach. Removing Surge Personnel and Non-Profit Tutor Exception employment can be difficult once it is reported.

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SURGE PERSONNEL EXCEPTION AND NON-PROFIT TUTOR (NON-HIGHER EDUCATION ONLY) *continued from page 2*

Surge Personnel Exception allows a service retiree to work in Texas public education and not be subject to EAR limits and surcharges if employed in a position performing duties related to the mitigation of student learning loss attributable to the coronavirus pandemic. The exception does not apply to disability retirees. The position must meet the following requirements:

1. It is in addition to the normal staffing level at the RE.
2. It is funded wholly by federal funds provided under federal law enacted for the purpose of providing relief related to the coronavirus pandemic, including one of the following federal acts:
 - Coronavirus Aid, Relief, and Economic Security (CARES) Act (15 U.S.C. Section 9001 et seq.)
 - Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (Div. M, Pub. L. No. 116-260), or
 - American Rescue Plan Act of 2021 (Pub. L. No. 117-2)
3. It ends on or before Dec. 31, 2024.

Surge Personnel Exception is Employment Type Code E. It must be reported on a separate Employment After Retirement Record (ER record) from any other work performed in the same calendar month.

No surcharges (pension or TRS-Care) are due for Employment Type Code E. However, surcharges may still be due on any non-Surge Personnel Exception employment.

Example one: A retiree (who retired after Sept. 1, 2005) works in a Full-Time (F) position and a Surge Personnel Exception (E) position in the same month. The RE will need to submit one ER20 to report the Full-Time position and one ER20 to report the Surge Personnel Exception position. The ER20 for the Full-Time position will require surcharges to be reported for the time worked and the compensation earned in the Full-Time position. The ER20 for the Surge Personnel Exception position will not have surcharges.

Example two: A retiree (who retired after Sept. 1, 2005) works in a Half-Time or Less (H) position and a Surge Personnel Exception (E) position in the same month. The RE will need to submit one ER20 to report the Half-Time or Less position information and one ER20 to report the Surge Personnel Exception position for the retiree. If the retiree has no additional TRS covered employment in the same month, the ER20 for the Half-Time or Less position will not require surcharges. The Surge Personnel Exception position will also not have surcharges.

Non-Profit Tutor Exception allows active members and retirees to work for an RE in a tutoring position that meets the requirements of Section 33.913 of the Education Code. For retirees, if this tutoring is the only TRS-covered employment for the calendar month, they are not subject to forfeiture of their monthly annuity if they work more than one-half time. This rule also applies to service and disability retirees.

REs will still owe surcharges to TRS each month on all retirees who retired after Sept. 1, 2005 and worked more than one-half time employment, unless all of the retiree's employment under the tutor exception also qualifies as substitute service.

If the retiree combines Tutor Exception employment with any other employment in the same calendar month, the RE may owe surcharges.

The Non-Profit Tutor employment types are:

- B = Non-Profit Tutor Substitute
- N = Non-Profit Tutor Half Time or Less
- T = Non-Profit Tutor Full Time

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SURGE PERSONNEL EXCEPTION AND NON-PROFIT TUTOR (NON-HIGHER EDUCATION ONLY) continued from page 3

REs must report each Non-Profit Tutor employment on a separate ER record from any other work performed in the same calendar month. If a retiree works in a Non-Profit Tutor position and in another position at the same employer in the same month, then they will have two ER records that month.

Example: A retiree works in a Substitute position and a Non-Profit Tutor Half-Time or Less position in the same month. The RE must submit one ER20 to report the Substitute position information and one ER20 to report the Non-Profit Tutor Half-Time or Less position for that retiree. Surcharges may or may not be due, based on the number of days worked.

The chart below explains how to determine if surcharges are due when combining Non-Profit Tutor Exception with other employment.

	Non-Profit Tutor Substitute	Non-Profit Tutor Half Time or Less	Non-Profit Tutor Full Time
Substitute	No surcharges, all positions are substitute.	Surcharges are due if the retiree works more than one-half of the total available days during the calendar month in all positions.	Surcharges are due on all positions.
One-Half Time or Less	Surcharges are due if the retiree works more than one-half of the total available days during the calendar month in all positions.	Surcharges are due if the retiree works more than one-half time hours in all positions.	Surcharges are due on all positions.
Full Time	Surcharges are due on all positions.	Surcharges are due on all positions.	Surcharges are due on all positions.
Surge Personnel Exception	No surcharges.	No surcharges.	Surcharges are only due on the Tutor Exception Full Time position.

WEB ADMINISTRATORS – RE CONTACT SUPPORT

Web Administrators are the RE contacts responsible for maintaining all contacts at the RE. This includes creating, activating, updating, and deactivating web accounts for the RE's users. This also includes resetting passwords for the users.

Please note that Web Administrators are not able to maintain their own profile. If you need an update to your contact profile or have your password reset, you must email reporting@trs.texas.gov for support. Your assigned coach is likely unable to help you with this request.

If you are not designated as the Web Administrator for your RE, please contact the Web Administrator for your RE. They will be able to make updates to your contact profile and reset your password.

RE contact maintenance reminders for the Web Administrator:

- To establish a new Web Administrator, the RE must complete the form [TRS 597A](#), have it signed by the Head of Institution and then email the completed form to reporting@trs.texas.gov.
- Each RE is required to always have someone designated in each of the following contact types: Web Administrator, Head of Institution, Reporting Official, and Payroll Contact.
- Helpful information on RE contact maintenance can be found in the [Instructions for Web Administrators](#) document on our website.

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PERSONALIZED SUPPORT FOR EMPLOYERS IN TRS-ACTIVECARE

If you participate in TRS-ActiveCare, you have customized support through the District Ambassador (DA) team. TRS established this team to enhance customer service for districts.

DAs are Blue Cross and Blue Shield of Texas (BCBSTX) employees devoted to helping employers understand TRS-ActiveCare and reach their strategic goals. DAs will:

- Act as strategic partners for district leadership and an extension of TRS.
- Provide information about trends in the employee health care marketplace to inform district decision making.
- Offer annual enrollment and health fair support.
- Conduct TRS-ActiveCare benefits and wellness presentations.
- Analyze utilization trends to collaboratively reduce participant costs.

To find your DA and get their contact information, please use the [DA Directory](#).

Have BCBSTX Attend an Event

Are you planning an event? You can [submit a request](#) for a BCBSTX representative to attend on behalf of TRS-ActiveCare.

Please submit the form at least six weeks before your event date. If your event is in less than six weeks, we'll do our best to accommodate you.

Once the form is submitted, a BCBSTX representative will respond by email or phone within 72 hours. If you don't hear from a BCBSTX representative within this time frame, please email us immediately at BCBSTX_TRSAmbassadorTeam@bcbstx.com.

PHARMACY BENEFITS

New Pharmacy Vendor Starting Sept. 1, 2023

At their February meeting, the TRS Board of Trustees chose **Express Scripts (ESI) as the new pharmacy benefits manager for TRS-ActiveCare**. The contract will start Sept. 1, 2023.

Why TRS Switched Pharmacy Vendors

TRS is dedicated to offering reliable benefits for the most competitive prices.

One way we do this is through regularly **reevaluating our benefits contracts**. This ensures we get the **best pricing and services for our members and employers**. Industry-leading companies come to us with competitive proposals.

ESI had the highest ranking based on financial and operational strength.

The new contract will generate savings to help sustain health care benefits for participants and employers.

What's Next?

In the coming months, we'll share information about the new vendor, transition of care, and ID cards with you and participants. We'll go over more details with you at the Benefits Administrator (BA) training sessions this spring. Here is a rough timeline:

- May/June: Training for benefits administrators
- Ongoing: Updates for your district's leadership
- June: Communication materials including website and benefit guides to give to your employees
- July: Large-scale, participant webinars, ongoing communications

CVS Caremark will continue to provide pharmacy benefits through the 2022-23 plan year. ESI coverage will start Sept. 1, 2023 – the first day of the 2023-24 plan year.

We made a list of **Frequently Asked Questions (FAQs)**. **One is for BAs** and the **other is to share with employees**.

- [FAQs for BAs](#)
- [FAQs for District Employees](#)
- [Transition Webpage](#)

Questions?

Please reach out to your DA, they can answer questions and help you get ready to speak with your employees about this transition.