BEYOND SALARY: YOUR BENEFITS AND HOW TO ENROLL

ERS OFFERS COMPETITIVE BENEFITS TO ENHANCE THE LIVES OF ITS MEMBERS.
Topics

- State employee benefits package
- Texas Employees Group Benefits Program (GBP)
- Texa$aver
- ERS retirement plan
- Designating your beneficiaries
- Resources
- Recap
State Employee Benefits Package

Average State Employee Compensation: $72,205

- Salary: 64.4%
- Health Insurance: 12.3%
- Pension: 6.4%
- Vacation, Holidays and Sick Leave: 10.3%
- Other (payroll expense, longevity pay): 6.6%

Source: Texas State Auditor's Office, State Employee Benefits as a Percentage of Total Compensation, April 2018

Pension information is only applicable to state employees contributing to the ERS retirement plan.
TEXAS EMPLOYEES GROUP BENEFITS PROGRAM (GBP) OPTIONS
What are the benefits options?

- Health coverage
- Dental coverage
- State of Texas Vision
- Optional Term Life Insurance
- Dependent Term Life Insurance
- Voluntary Accidental Death & Dismemberment (AD&D)
- Texas Income Protection Plan (TIPP)
- TexFlex
- Texa$aver
Dependents: Who can enroll?

- Spouse and/or
- Eligible dependents

You can enroll eligible dependents in:

- health coverage;
- dental coverage;
- State of Texas Vision;
- Dependent Term Life Insurance and
- Voluntary AD&D (you plus family).
When can you enroll?

Optional add-on benefits
Within 31 days of hire, you can:
• enroll;
• add or drop dependents and
• complete the Dependent Child Certification.

Health coverage
Within 60 days of hire, you can:
• enroll in coverage (part-time employee);
• change health plan or waive coverage;
• add or drop dependents;
• complete the Dependent Child Certification and dependent verification process and
• certify tobacco use.
When do benefits begin?

Health coverage

• Begins the first of the month following the 60th day of employment

Optional add-on benefits

• Enroll your first day of hire — optional coverage begins that day.

• Enroll within 31 days of hire — optional coverage begins the first of the following month.

Contact your benefits coordinator if you think the health coverage waiting period should not apply to you.
### Understanding Your Health Plan Options

<table>
<thead>
<tr>
<th>Four plan options available:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Point-of-service plan (POS)</td>
<td>High-deductible plan with health savings account (HSA)</td>
</tr>
</tbody>
</table>

- **HealthSelect of Texas**
- **Consumer Directed HealthSelect**
- **Community First Health Plans**
- **Scott & White Health Plan**

Beyond Salary
<table>
<thead>
<tr>
<th>Benefits</th>
<th>HealthSelect of Texas</th>
<th>Consumer Directed HealthSelect</th>
<th>HMOs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>In-Area</td>
<td>In-Area</td>
<td>Community First, Scott &amp; White</td>
</tr>
<tr>
<td></td>
<td>Out-of-State</td>
<td>Out-of-State</td>
<td></td>
</tr>
<tr>
<td>In- Network</td>
<td></td>
<td>In- Network</td>
<td></td>
</tr>
<tr>
<td>PCP</td>
<td>$25</td>
<td>$25</td>
<td></td>
</tr>
<tr>
<td></td>
<td>40%</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>Specialty physicians</td>
<td>$40</td>
<td>$40</td>
<td></td>
</tr>
<tr>
<td></td>
<td>40%</td>
<td>20%</td>
<td></td>
</tr>
<tr>
<td>Routine preventive care*</td>
<td>No charge</td>
<td>No charge</td>
<td></td>
</tr>
<tr>
<td></td>
<td>40%</td>
<td>40%</td>
<td></td>
</tr>
<tr>
<td>Diagnostic x-rays and lab tests</td>
<td>20%</td>
<td>30%</td>
<td></td>
</tr>
<tr>
<td></td>
<td>40%</td>
<td>40%</td>
<td></td>
</tr>
</tbody>
</table>

*Under the Affordable Care Act, certain preventive and women’s health services are paid at 100% (at no cost to the participant) dependent upon physician billing and diagnosis.
Plan features include:

- Primary Care Physician (PCP) required
- Referrals required for specialty physicians
- No deductible
- Copays and coinsurance
- In-network preventive services covered at 100%
**Consumer Directed HealthSelect**

**High-deductible health plan:**
- No PCP or referrals required
- Coinsurance after deductible is met
- In-network preventive services covered at 100%

**Health savings account (HSA):**
- Set aside pre-tax funds
- Use funds toward eligible medical and prescription drug expenses and to help meet your deductible
Health Maintenance Organizations (HMOs)

Plan features include:

- Access all medical services through the HMO network of doctors
- No annual deductible
- Copays and coinsurance
- Preventive services covered at 100%
<table>
<thead>
<tr>
<th>Plan</th>
<th>Service Area</th>
</tr>
</thead>
<tbody>
<tr>
<td>Community First Health Plans</td>
<td>San Antonio</td>
</tr>
<tr>
<td>Scott &amp; White Health Plan</td>
<td>Central and West Texas</td>
</tr>
</tbody>
</table>
### In-network vs. Out-of-network

**It pays to stay in the network!**

<table>
<thead>
<tr>
<th>Plan name</th>
<th>In-network</th>
<th>Out-of-network</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>HealthSelect of Texas</strong></td>
<td>no deductible</td>
<td>$500 individual, $1,500 family</td>
</tr>
<tr>
<td></td>
<td>copays* and</td>
<td>40% co-insurance</td>
</tr>
<tr>
<td></td>
<td>20% co-insurance</td>
<td></td>
</tr>
<tr>
<td><strong>Consumer Directed HealthSelect</strong></td>
<td>$2,100 individual, $4,200 family</td>
<td>$4,200 individual, $8,400 family</td>
</tr>
<tr>
<td></td>
<td>20% coinsurance</td>
<td>40% coinsurance</td>
</tr>
<tr>
<td><strong>HMOs</strong></td>
<td>no deductible</td>
<td>services are not covered</td>
</tr>
<tr>
<td></td>
<td>copay* and</td>
<td></td>
</tr>
<tr>
<td></td>
<td>20% co-insurance</td>
<td></td>
</tr>
</tbody>
</table>

*Copay varies depending on type of service rendered.*
## Prescription Drug Coverage

<table>
<thead>
<tr>
<th></th>
<th>HealthSelect of Texas</th>
<th>Consumer Directed HealthSelect</th>
<th>HMOs</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Deductible</strong></td>
<td>$50 for each covered individual</td>
<td>Combined with medical deductible</td>
<td>$50 for each covered individual</td>
</tr>
<tr>
<td><strong>Copay/Coinsurance</strong></td>
<td>Tiered copays</td>
<td>20% coinsurance after deductible</td>
<td>Tiered copays</td>
</tr>
<tr>
<td><strong>Mail order</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td><strong>EDS network</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>Out-of-network benefits</strong></td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
</tr>
</tbody>
</table>
Health Insurance Opt-Out Credit

**NO health coverage = NO prescription drug coverage.**

- Must have comparable health coverage (excludes Medicare)
- Waives health insurance, prescription drug coverage and $5,000 Basic Term Life Insurance
- Up to $60 credit (full-time employees, $30 part-time employees)

More information is available on page 11 of your NEBG.
Certify and Verify

Dependent Child Certification
• Certify each child when you enroll them in any coverage

Dependent eligibility verification
• Must verify each dependent enrolled in health coverage

Tobacco use status
• All health plan participants must certify

More information is available on pages 4 and 11 of your NEBG.
OPTIONAL BENEFITS

Dental

Texas Income Protection Program (TIPP)

Group Term Life

Accidental Death & Dismemberment (AD&D)

Dependent Term Life

Vision
Dental Plan Options

You must enroll before enrolling eligible dependents.

DALLAS

State of Texas

Dental Choice

DeltaCare® USA
# Dental Insurance

<table>
<thead>
<tr>
<th>Dental plan</th>
<th>Primary Care Dentist (PCD) required?</th>
<th>Deductible</th>
<th>Copays/Coinsurance</th>
<th>Maximum calendar year benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>State of Texas Dental Choice</td>
<td>No*</td>
<td>Yes**</td>
<td>Yes**</td>
<td>$2,000 (includes routine extractions)</td>
</tr>
<tr>
<td>DeltaCare USA DHMO</td>
<td>Yes – make sure there is a PCD in your area</td>
<td>No</td>
<td>Yes – they vary by service</td>
<td>Unlimited</td>
</tr>
</tbody>
</table>

*The plan pays more if you use a network dentist.

**Amount differs for in-network and out-of-network dentists.

More information is available on page 16 of your NEBG.
Lower cost for routine eye exam

Providers available in all 50 states

Save money using in-network providers

$150 Allowance toward frames or contacts

You must enroll before enrolling eligible dependents

You must enroll before enrolling eligible dependents
Life Insurance

1. Optional Term Life Insurance
2. Dependent Term Life Insurance
3. Voluntary AD&D

More information is available on page 19 of your NEBG.
Optional Term Life Insurance

Who can enroll?
You only

Premium
Based on coverage selection

Coverage options
Elections 1, 2, 3 or 4

Double indemnity
Yes
**Dependent Term Life Insurance**

<table>
<thead>
<tr>
<th><strong>Who can enroll?</strong></th>
<th>Dependent only</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Premium</strong></td>
<td>$1.38 per month</td>
</tr>
<tr>
<td><strong>Coverage options</strong></td>
<td>$5,000</td>
</tr>
<tr>
<td><strong>Double indemnity</strong></td>
<td>Yes</td>
</tr>
</tbody>
</table>
Voluntary AD&D

Who can enroll?
You only or you plus family

Premium
Based on coverage selection

Coverage options
$10,000 up to $200,000

Double indemnity
No
Disability Insurance

Short-term disability
• Up to 66% of salary
• Up to 5 months

Long-term disability
• Up to 60% of salary
• Period ranging from 12 months to full Social Security retirement age

Pre-existing conditions subject to certain exclusions.
Flexible spending accounts (FSAs):
1. Health FSA
2. Limited FSA
3. Dependent Care FSA

How they work
1. **Determine** the type of FSA you need and your annual expenses.
2. **Divide** expenses by the number of paychecks you receive in a year.
3. **Enroll** and set aside the amount pre-tax in a spending account for eligible expenses.
# Health Care FSA

<table>
<thead>
<tr>
<th>Who can participate?</th>
<th>You and eligible dependents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eligible expenses</td>
<td>Medical, dental, vision and prescription drugs</td>
</tr>
<tr>
<td>Pledge amounts</td>
<td>$180 up to $2,700</td>
</tr>
<tr>
<td>Debit card</td>
<td>Yes</td>
</tr>
<tr>
<td>Carryover</td>
<td>Up to $500</td>
</tr>
<tr>
<td><strong>Limited FSA</strong></td>
<td></td>
</tr>
<tr>
<td>----------------</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Who can participate?</strong></th>
<th>Employee and eligible dependents</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Eligible expenses</strong></td>
<td>Dental and vision only</td>
</tr>
<tr>
<td><strong>Pledge amounts</strong></td>
<td>$180 up to $2,700</td>
</tr>
<tr>
<td><strong>Debit card</strong></td>
<td>Yes</td>
</tr>
<tr>
<td><strong>Carryover</strong></td>
<td>Up to $500</td>
</tr>
</tbody>
</table>

TexFLEX

Consumer Directed HealthSelect

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Beyond Salary
# Dependent Care FSA

<table>
<thead>
<tr>
<th><strong>Who can participate?</strong></th>
<th>Dependents only</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Eligible expenses</strong></td>
<td>Dependent care expenses</td>
</tr>
<tr>
<td><strong>Pledge amounts</strong></td>
<td>$180 up to $5,000</td>
</tr>
<tr>
<td><strong>Debit card</strong></td>
<td>No</td>
</tr>
<tr>
<td><strong>Carryover</strong></td>
<td>No carryover, 2.5 month grace period applies</td>
</tr>
</tbody>
</table>
• 401(k) or 457 Program
• Pre-tax contribution
• Automatically enrolled at 1% (ERS contributing state agency employees only)
• Transfer funds

457 may be available for some higher education institutions. See page 27 for more information.
RETIREMENT
Who is eligible for the ERS retirement plan?

<table>
<thead>
<tr>
<th>Eligible</th>
<th>Not eligible</th>
</tr>
</thead>
<tbody>
<tr>
<td>Previous or current State of Texas employees working for an agency participating in the ERS retirement plan.</td>
<td>State of Texas employees working for an agency or higher education institution that only participates in the GBP, but not the ERS retirement plan.</td>
</tr>
</tbody>
</table>

For GBP-only participants, more information is available on page 24 of your NEBG.
ERS Defined Benefit Plan

Only applicable to employees who participate in the ERS retirement plan.

- 9.5% **mandatory** pre-tax monthly contribution
- Earn service credit towards retirement eligibility
- Lifetime annuity
- No loan options
Purchasing Service Credit

Only applicable to employees who participate in the ERS Retirement Plan.

- Withdrawn Service Credit
- Military
- Waiting period (New employees between September 1, 2003 and August 31, 2015)
- Additional Service Credit (ASC)

Cost can be requested online!

More information is available on pages 25 and 26 of your NEBG.
LECOS Retirement Fund

Only applicable to state employees participating in the LECOSRF

- Created to reward CPO/COs with 20 or more years of hazardous duty service
- CPO/COs contribute an extra 0.5%
- May retire at a younger age
Designate Your Beneficiaries

When to designate:

• ERS retirement account – after first contribution is made (ERS contributing state agency employees only)

• Life insurance – once coverage is effective

• Texa$aver – once you start contributing; (download form and return to Empower Retirement)

Log in to your ERS account online to designate your beneficiaries.
Discount Purchase Program

Ready to Save?

• Shop online for discounted prices.
• No membership fee.
• Just shop and save!

www.DiscountProgramERS.com
Resources

• Your agency benefits coordinator
  (HHS employees contact (888) 894-4747)

• ERS customer service:
  Call (877) 275-4377; TTY: 711

• ERS website: www.ers.texas.gov
  • ERS online account
  • Plan administrator contact information
    (also available in your New Employee
    Benefits Guide)
Recap

• Read your NEBG
• Don’t miss your timeframe to enroll
• It pays to stay in-network!
• Certify and verify
• Designate your beneficiaries
• Use your resources
THANK YOU!