

AGENDA ITEM DETAILS

- Subject:** Agency Update
- Legislative Update
 - Legislative Appropriations Request
 - Summer Enrollment for Plan year 2021
 - 1836 San Jacinto building update
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Legislative update - The Comptroller of Public Accounts provided a revised revenue estimate for the current 2020-2021 biennium. With significant impact from a global health pandemic and reductions in the price of oil, Texas' updated revenue estimate is projected to result in a \$4.58B budget shortfall for the current biennium. Similarly, the Comptroller advised the members of the Legislative Budget Board that the coming budget cycle during the 87th Legislative Session will be a challenge with continued reduced revenue available for state appropriations.

Legislative committees have been limited in their ability to hold in-person hearings. In July, the Speaker of the House of Representatives provided guidance to committee chairs for alternative means to seek and receive information related to their interim charges. The House Committee on Pensions, Investments and Financial Services has requested written materials related to their various interim assignments, including issues related to the ERS pension and investment governance. ERS will be submitting information relative to this request from the Committee.

Legislative Appropriations Request – Instructions for the 2022-23 Legislative Appropriation Requests has been delayed as the State Leadership adjusts to the impact of COVID-19 and other economic impacts. ERS anticipates submitting a Legislative Request to achieve actuarial soundness for each of the three pre-funded pension funds and maintain the current benefit design of the Group Benefit Plan. Additionally, ERS will determine if additional funds are required for Public Safety and Retiree Death Benefits upon receipt of the instructions.

Summer Enrollment for Plan Year 2021 – Summer Enrollment has concluded for employees, pre-Medicare retirees and their families. The enrollment period was June 22 through July 24. We mailed custom Personal Benefits Enrollment Statement packets to 272,568 members, to provide them with their current enrollment status, eligible coverage options and information on Plan Year 2021 changes. Members participated in Summer Enrollment in the following ways:

- 39,031 members made changes to coverage.
- 200,232 visitors to the ERS website made 1,021,020 page views, including 41,782 views of the Summer Enrollment page.
- 4,940 people attended 54 webinars and asked 2,735 questions.
- We received 5,595 phone calls:
 - 335 at ERS and
 - 5,260 at ACT.

ERS' first all-virtual Summer Enrollment event schedule was successful, with strong attendance at 12 general-information webinars and 42 plan-specific webinars. ERS has offered general-information Summer Enrollment webinars in the past, but the plan-specific webinars were a first and allowed members to ask questions of plan administrators as they normally would at in-person Summer Enrollment fairs. In a one-question survey after each webinar, 98% of respondents said the webinars were helpful. We also received a number of unsolicited compliments, such as:

- "This webinar was excellent. Very informative and at a great pace."

- “Love the webinars. Always learn something new.”
- “Extremely informational webinar ... Thanks so much!!”
- “Thank you for taking the time to host this webinar!”
- “I am so impressed! That was my first enrollment webinar with ERS and it is a great refresher on so many levels.”

In light of the strong attendance and positive response, the Benefits Communications Division is considering how we can offer similar webinars throughout the year.

Fall Enrollment for Plan Year 2021

Fall Enrollment for Medicare-eligible retirees will take place October 26 – November 13. Because of the change in insurer for the HealthSelect Medicare Advantage preferred provider organization (MA PPO), we anticipate the need for more intensive Fall Enrollment communications than in the past few years. With this and the pandemic in mind, we are preparing for an online-only Fall Enrollment event schedule, including a number of webinars led by UnitedHealthcare.

1836 San Jacinto Building Update- The construction of the 1836 San Jacinto Building has continued to progress this summer, and here are some of the highlights and ongoing activities since our last board meeting in May. The steel framing of the sky walk bridge was completed. The tower crane and temporary stair tower were dismantled. The steel framing of the 9th floor terrace canopy was completed. Interior metal stud framing and sheetrock installation has been ongoing. The steel framing for the elevator shafts has been ongoing. There have been mock-up activities taking place. Waterproofing applications have continued on various levels and locations. The sprinkler piping installations has been progressing. The Ryan Co. team relocated their field office to the basement level in the new building. We were able to tour the site in a safe and social-distancing manner.

We continued to make design decisions. The design and color palate chosen for the stairwells is inspired by the Texas sunset. Which is very fitting since the stairwells are located on the west side of the building. They will be visible from the ERS headquarters building. Also, the standard interior design for signage was determined for restrooms, mechanical rooms, conference rooms, offices, breakroom, and other areas. In response to the COVID-19 pandemic, we discussed the CDC guidelines for maintaining social distancing for the ERS space on level 6. Based on those discussions we determined to make some changes to the modular furniture layout in the open office area. The pathways and flow of office traffic were also discussed and we will continue to have further discussions based on the latest recommendations from the CDC.

Some future milestones to look forward to in the fall will be the turning on of the permanent power to the building, the building dry-in which will keep out wind and rain, and conditioned air will be turned on. The commissioning of the building will start in December and substantial completion is scheduled for the end of January.

ATTACHMENTS: