

AGENDA ITEM DETAILS

Subject: Review and Discussion of the Texas Employees Group Benefits Update
- COVID-19 and Mental Health Telemedicine Update

COVID-19 Update

Group Benefit Plan (GBP) Health Plans

At the August 19, 2020 ERS Board of Trustees meeting, Group Benefits staff presented an update specific to the COVID-19 pandemic and related benefits changes. GBP health plan in-network and out-of-network COVID-19 diagnostic testing and related services will continue to remain in place throughout the Declaration of Public Health Emergency and at no cost to participants.

Additional benefit enhancements were implemented for certain non-COVID-19 services under the HealthSelect of Texas®, HealthSelectSM Out-of-State, HealthSelectSM Secondary (HealthSelect plans) and the Consumer Directed HealthSelectSM plan (HDHP) to allow increased member access to care and to relieve the initial pressure on the medical community.

Some of the HealthSelect plan non-COVID-19 benefit enhancements presented to the Board in August 2020 were further extended to continue affordable access to medical services during this time.

1. On March 27, 2020, ERS waived HealthSelect plans and HDHP copays, deductibles and coinsurance for in-network medical and mental health *Virtual Visits* (Doctor on Demand and MD Live). These benefits enhancements are extended through December 31, 2020.
2. The waiver of member cost sharing for in-network *provider-platform* primary care physician and specialist *telemedicine visits* (medical and mental health), is extended through December 31, 2020.
3. Temporarily eliminated prior authorizations requirements connected to interfacility transfers between hospital facilities to lower levels of care, intended to promote a seamless transition for participants. This is to address hospital capacity and medical needs and extended through November 30, 2020.

The Group Benefits Division and GBP health plan vendors continue to monitor this situation closely as it progresses.

Texa\$averSM 401(k) / 457 Program Update

The CARES Act included several provisions intended to provide relief to retirement plan participants, including government-sponsored 457(b), 403(b), 401(a) and 401(k), 403(b) plans. Section 2203 of the CARES Act waives all required minimum distributions (RMDs) for the 2020 calendar year.

Section 2202 of the CARES Act provides special rules for the use of retirement funds in the current emergency for plan sponsor consideration. These optional provisions are temporary and may provide much-needed opportunities for participants who may need emergency liquidity from their Texa\$aver assets.

Available Assistance

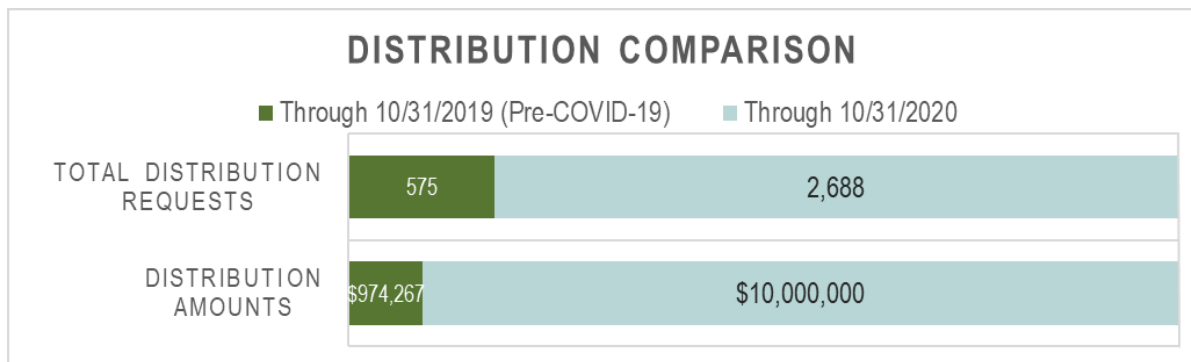
To assist in providing financial relief to Texa\$aver program participants directly impacted by COVID-19, ERS implemented the three CARES Act provisions specific to the Special Rules for Retirement Funds.

1. Coronavirus-Related Distributions (CRDs) through December 30, 2020
2. increased loan limits through September 22, 2020
3. suspension of the loan repayment through December 31, 2020

Eligibility requirements for CRDs now include:

1. Being diagnosed with the virus SARS-CoV-2 or with coronavirus disease 2019 (COVID-19) with a test approved by the Centers for Disease Control and Prevention;
2. Having a spouse or dependent diagnosed with such virus or disease by such a test; or
3. An individual or their spouse or member of their household experiencing adverse financial consequences as a result of (1) being quarantined, (2) being furloughed or laid off, (3) having work hours reduced, (4) being unable to work due to lack of child care, or (5) being unable to work due to the closing or reducing of the hours of a business owned or operated by the individual, (6) having a reduction in pay, or (7) having a job offer rescinded or its start date delayed.

Plan sponsors relied on the employee’s self-certification that the coronavirus-related conditions are satisfied for CRD eligibility. As of October 31, 2020, TexaSaver received 2,688 CRDs totaling approximately \$10 million dollars. This compares to the same period in 2019 with 575 hardship distributions totaling \$974,267 (pre-COVID).



Group Benefits Division and Empower Retirement, the third party administrator for the TexaSaver Program, continue to monitor for any legislative changes.

Mental Health Network

Effective September 1, 2020, Blue Cross and Blue Shield of Texas (BCBSTX) began providing mental health services for HealthSelect participants instead of Magellan. The mental health provider network doubled to more than 19,000 providers.

During the month of September 2020, mental health visits more than doubled compared to August 2020, and resulted in the most mental health visits during a single month. All types of mental health visits increased (office visits, virtual visits and provider-platform telemedicine visits) with 26,250 mental health visits during the month of September 2020.

Provider-platform telemedicine visits increased at the greatest rate, from 2,833 visits in August to 10,810 visits in September. Factors contributing to the visit increases include member needs due to the impact of COVID-19, the larger mental health network and increased access with member no-cost telemedicine during the pandemic.

ATTACHMENTS:

1. Slides – Group Benefits Update