

Public Agenda Item # 14

Review and Discussion of the Texas Employees Group Benefits Update

December 8, 2020

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GBP Update

HealthSelectSM Plan Changes due to COVID-19



- At the August 19, 2020 ERS Board of Trustees meeting, Group Benefits staff presented an update to the COVID-19 associated plan benefits changes.
- 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 HealthSelect medical plan benefit enhancements were implemented for non-COVID-19 services, and several of those enhancements were again extended beyond their initial expiration dates.

GBP Update

HealthSelect Plan Changes due to COVID-19



- On March 27, 2020, ERS waived HealthSelect plans and HDHP copays, deductibles and coinsurance for non-COVID-19 related in-network medical and mental health *Virtual Visits* (Doctor on Demand and MD Live). These enhancements are extended through December 31, 2020.
- ERS waived cost sharing for in-network *provider-platform* primary care physician and specialist telemedicine visits (medical and mental health). These enhancements are also extended through December 31, 2020.
- Prior authorizations for interfacility transfers to lower levels of care were waived through December 31, 2020.

GBP Update

COVID-19: CARES Act - Texa\$averSM 401(k)/457 Program



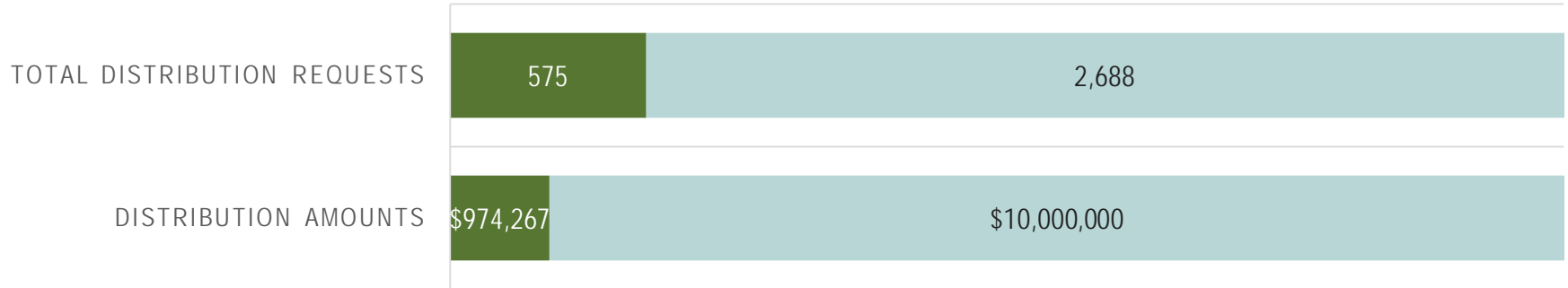
- The CARES Act included several provisions to provide relief to retirement plan participants, including government-sponsored 457(b), 403(b), 401(a) and 401(k) plans. Section 2203 waives required minimum distributions (RMDs) for 2020.
- To assist in providing financial relief to Texa\$aver program's participants directly impacted by COVID-19, ERS implemented the three CARES Act provisions specific to the Special Rules for Retirement Funds:
 - Coronavirus-Related Distributions (CRDs),
 - increased loan limit and
 - suspension of the loan repayment period.

- On June 19, 2020, the IRS issued Notice 2020-50, which provided additional guidance on the provisions of the CARES Act expanding the definition of CRD eligibility requirements. Prior to the Notice, eligibility requirements did not include adverse consequences suffered by a spouse or a member of the household as a result of COVID-19 nor did it allow a CRD if pay was reduced but work hours remained the same.
- Plan sponsors rely on the employee's self-certification that the coronavirus-related conditions are satisfied for CRD eligibility.

- Distributions shown below reflect year-over-year distributions.

DISTRIBUTION COMPARISON

■ Through 10/31/2019 (Pre-COVID-19) ■ Through 10/31/2020



GBP Update

Mental Health Network



- Effective September 1, 2020, BCBSTX began providing mental health services for HealthSelect participants instead of Magellan.
 - The network more than doubled to more than 19,000 providers.
 - Magellan provider disruption was extremely low, fewer than 170 providers (by the end of October).
- Mental health visits more than doubled from August 2020 to September 2020 and resulted in the most mental health visits during a single month.
 - All types of mental health visits increased (office visits, virtual visits, provider-platform telemedicine) totaling 26,250 visits for the month.
 - Provider-platform telemedicine increased at the greatest rate, from 2,833 visits in August to 10,810 visits in September.
 - Factors driving the increase include COVID-19 impact, larger network and increased access.

Questions?