

# 2021 ANNUAL REPORT

## GROUP BENEFITS ADVISORY COMMITTEE

DECEMBER 2021

# ERS

EMPLOYEES  RETIREMENT  
SYSTEM OF TEXAS

## SECTION 1: SUMMARY OF COMMITTEE MEETINGS

The Group Benefits Advisory Committee (GBAC) convened on two occasions in Calendar Year 2021. The committee welcomed new member Barbara Cherry at the March 25 meeting, which was conducted virtually via web conference and attended by all committee members. The March 25 agenda included an update on the 2021 legislative session; a GBP financial update with information on the impact of COVID-19 to the health plans; an in-depth discussion of fertility benefits and coverage; available resources to support GBP participants; and news and notes of interest about the GBP. The meeting concluded with members setting the next committee meeting date for October 5.

The second meeting in Calendar Year 2021 was held October 5 at ERS' offices in Austin, with all but two committee members in attendance. The October 5 meeting included a legislative session recap on matters with impact to agency and institution employees and retirees; a discussion on ERS Rider 17 pertaining to alternative methods for delivering current GBP benefits; and a series of GBP and wellness updates. Members set the date of March 29, 2022 for the next committee meeting before adjourning.

## SECTION 2: SUMMARY OF TOPICS DISCUSSED

### *March 2021 Meeting*

At the March 25 meeting, staff noted that ERS is tracking all proposed legislation with potential impact to operations, contracts and coverage for GBP health plans. Proposed legislation consisted of a member cost share cap for insulin; telemedicine coverage and reimbursement; prior authorization for certain prescription drugs; and balance billing issues. Staff also presented the projected HealthSelect pharmacy and medical trend data for Plan Year 2021 as compared to the previous plan year, with the expected combined trend around 15% as the health plans incur more costs for COVID-19 vaccines and treatments.

As a follow-up to a presentation by a GBP member from the October 2020 meeting, the committee held an in-depth discussion on fertility benefits. Staff outlined the infertility benefits coverage within the HealthSelect<sup>SM</sup> plans, other self-funded health plans, and across private sector health plans, and asked the committee if ERS should explore options for expanding coverage of fertility services for its participants. Following discussion, committee members determined the existing fertility benefits within the GBP were aligned with other public and private health plans. The committee encouraged staff to explore other benefits with impact to more participants, noting that expansion of fertility coverage would help a small percentage of participants but increase costs for all health participants.

Staff and the committee also discussed the wellness resources available to participants through the health plans. Committee members were appreciative of the numerous wellness offerings and offered some suggestions to staff for increasing participant awareness of the wellness opportunities. The committee members then discussed possible topics for future committee meetings.

### *October 2021 Meeting*

At the October 5 meeting, staff provided a recap of recently introduced legislation with impact to agency and institution employees and retirees. Recent legislation includes a rider for ERS to engage a third party vendor to examine alternative methods to deliver current benefits supplied under the GBP. Committee members discussed some of the challenges faced by health plan participants under the current structure, including access to high-quality, low-cost health care services in rural markets; navigating the provider referral process; and differences in the level of understanding of health and voluntary benefits across the GBP population. ERS and its contracted benefits consultant will take these challenges into consideration when developing the report for the legislative entities identified in the rider.

Staff and the committee discussed additional topics, including the recent transition of the TexFlex<sup>SM</sup> Program administration services to Payflex Systems, Inc.; the rollout of the HealthSelectShoppERS<sup>SM</sup> program; a re-branding of an existing weight management program; the introduction of a podcast promoting wellness and health topics; and the virtual wellness fair to be conducted the week of October 18. The committee talked about some of the challenges to healthy eating faced by many state employees working in restricted physical environments. ERS staff will look into hosting virtual sessions to provide healthy tips for on-the-job lunches. The committee members then discussed possible topics for future committee meetings.

## SECTION 3: TOPICS IDENTIFIED FOR FUTURE DISCUSSIONS

Staff uses the suggested topics from committee members as the foundation for future committee meeting agendas.

Following the March 25 meeting, committee members offered a few topics for consideration at future meetings. Suggested topics included:

- Additional data on COVID-19 and its impact to the health plans and participants; and
- A recap of new legislation impacting ERS programs and operations.

Following the October 5 meeting, committee members suggested topics for consideration at future meetings. Possible topics included:

- Follow-up discussion on ERS Rider 17 and the alternative methods for delivering current GBP benefits;
- Updates on the impact of COVID-19 on participants and the health plans and the HealthSelectShoppERS program;
- The long-term outlook for telehealth in a post-pandemic environment; and
- An overview of new value-added enhancements to State of Texas Dental Choice Plan<sup>SM</sup> participants.

The agenda for the March 29, 2022 meeting is being developed and will include suggested topics from the committee members along with other items of interest from relevant stakeholders.

## SECTION 4: COMMITTEE RECOMMENDATIONS

- Maintain the existing fertility benefits and coverage currently available to GBP health plan participants without expansion.
- Explore offering additional benefits with impact to more participants.
- Increase awareness of GBP wellness opportunities.
- Explore the possibility of hosting virtual sessions to provide healthy eating tips for health plan participants.

Committee members have no formal recommendations for the Board of Trustees at this time.