

PLAN YEAR 2015

SEPTEMBER 1, 2014 - AUGUST 31, 2015

NEW EMPLOYEE BENEFITS GUIDE



HEALTH | DENTAL | LIFE | INCOME PROTECTION | TEXFLEX | TEXA\$AVER | RETIREMENT

ERS
EMPLOYEES  RETIREMENT
SYSTEM OF TEXAS

NEW EMPLOYEE BENEFITS CHECKLIST

31
DAYS

First 31 Days (from date of hire)

Dental Plans

Enroll yourself and your dependents in a dental plan:

- HumanaDental (DHMO)
- State of Texas Dental Choice Plan
- State of Texas Dental Discount Plan

Optional Term Life Insurance

- Enroll in 1x or 2x your salary
- Apply for 3x or 4x your salary through EOI

Voluntary AD&D

- Enroll yourself or yourself and family

Dependent Term Life Insurance

- Enroll eligible dependents

Texas Income Protection Plan (TIPP) Disability Insurance

- Enroll in short-term disability
- Enroll in long-term disability

TexFlex flexible spending accounts

- Enroll in a TexFlex health care account
- Enroll in a TexFlex day care account

60
DAYS

First 60 Days (from date of hire)

Health Insurance

- Enrollment in HealthSelect of Texas is automatic for full-time employees
- Switch to an HMO if you live or work in an eligible area
- Enroll dependents
- Certify tobacco-use status for yourself and your covered dependents age 18 and older.

ERS ONLINE ACCOUNT

- Set up your online account at www.ers.state.tx.us
- Enter or verify your contact information
- Enroll yourself and dependents in coverage

Remember: If your address, phone number, or email address change at anytime during the year, log in to your account and update your information.

TEXA\$AVER PROGRAM-401(K) / 457 RETIREMENT SAVINGS ACCOUNT

As a state agency employee, you are automatically enrolled in the 401(k) at 1% of your salary. Changes to your account can be made at any time.

- Choose not to participate within the first 30 days of hire
- Enroll in a 457 plan
- Increase your savings contribution

NOTE: Not all higher education institutions participate in Texa\$aver.



Information in this book is correct as of the publication date and is subject to change.



Designate Beneficiaries

- ERS Life Insurance
- ERS Active Account (your retirement account)—state employees only
- Each Texa\$aver account in which you participate

Once you start contributing to your ERS account and are enrolled in life insurance, you can designate your beneficiaries for each benefit. You can have more than one beneficiary and may change your retirement account beneficiaries any time before retirement.

For ERS beneficiaries, go to your account at **www.ers.state.tx.us**.

Before going online or calling ERS to select your beneficiary or beneficiaries, make sure you have each one's Social Security number, date of birth, and mailing address. You can designate them online, but you must send in a signed form once you have completed the process. Find detailed instructions online: **www.ers.state.tx.us/Customer_Support/Online/Update_Your_Beneficiaries**.

For Texa\$aver beneficiaries, go to **www.texasaver.com**. Select the "401(k)" or "457" tab from the home page. Download a beneficiary form under "Forms." Complete the form and fax or mail it back to Great-West.

ERS news and updates

Stay connected and get the latest ERS news and benefits updates. Click the icons from the ERS home page: **www.ers.state.tx.us**.

-  Subscribe to News About Your Benefits and other email updates.
-  Follow us on Facebook.
-  Watch videos and presentations on our YouTube channel.
-  Connect with us on LinkedIn.

THIS GUIDE PROVIDES INFORMATION ON BENEFITS FOR NEW EMPLOYEES OF:

- state agencies,
- higher education institutions, not including Texas A&M University or the University of Texas systems,
- Community Supervision & Corrections Department (CSCD),
- the Teacher Retirement System of Texas (TRS),
- the Texas Municipal Retirement System (TMRS),
- the Texas County and District Retirement System (TCDRS), and
- the Windham School District.

HEALTH AND HUMAN SERVICES ENTERPRISE EMPLOYEES

DADS, DARS, DFPS, DSHS, HHSC, CPRIT

The HHS Employee Service Center acts as your benefits coordinator. Contact the Center toll-free at (888) 894-4747.

The New Employee Benefits Guide for Plan Year 2015 highlights benefits effective at the time of publication. Health and other insurance benefits for employees and retirees are subject to change based on available state funding. The Texas Legislature determines the level of funding for such benefits with no obligation to provide these benefits beyond each fiscal year.

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**ERS SUPPORTS THE STATE WORKFORCE
BY OFFERING COMPETITIVE BENEFITS
AT A REASONABLE COST.**

WELCOME

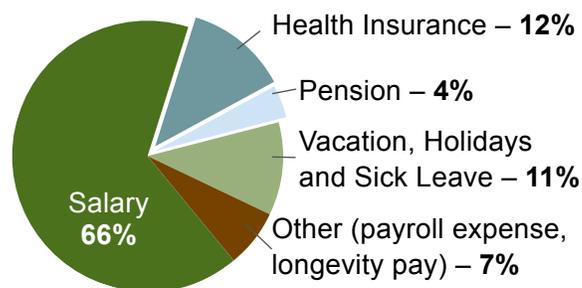
Congratulations on your new job!

You have a valuable benefits package. For the average state agency employee, the State of Texas benefits package makes up about one-third of the total compensation package. These comprehensive benefits are designed to enhance your wellness and secure your future.

Average state employee total compensation = **\$60k**

- **\$40k in salary**
- **\$20k in benefits**

Employers and employees say that benefits are a major draw to state employment.



Source: Texas State Auditor's Office, State Employee Benefits as a Percentage of Total Compensation, April 2014

The decisions you make — some of which happen during a short window of time — will impact your health, financial security, and your take-home pay. Read this guide to educate yourself and make informed choices in the next 31 to 60 days. Your decisions may provide peace of mind and cost savings for now and into the future.

ERS and your benefits

The Employees Retirement System of Texas (ERS) administers the excellent benefits provided to you by the State of Texas and your employer. ERS manages your insurance benefits under the Texas Employees Group Benefits Program (GBP). The GBP serves more than a half-million employees, retirees, and family members.

Your benefits information is easy to find. Go to www.ers.state.tx.us and click the **Access My Account** button in the upper right corner.

Complete a few simple steps to register your account, then set up your username and password. After you log in, you will see your Member Home Page, which provides access to your personal account information.

Here you can:

- sign up for benefits,
- update your personal information,
- designate beneficiaries / update beneficiary information,
- review your insurance coverage, and
- track your retirement account contributions and account balance history.



FOR A QUICK OVERVIEW OF YOUR NEW EMPLOYEE BENEFITS, VISIT www.ers.state.tx.us/Employees/New-Employee/Overview

Overview of valuable benefits

State of Texas Benefit	When to Sign Up (from date of hire)	Proof of Good Health, or EOI	Coverage Starts
Health Insurance and Prescription Drug Coverage			
<ul style="list-style-type: none"> HealthSelectSM of Texas 	Automatically enrolled (full-time employees)	EOI is not required. All people enrolled in GBP health insurance plans must certify their status as tobacco users or non-users. See page 7 for details.	First of the month after your 60th day of employment
<ul style="list-style-type: none"> Community First Health Plans (must live or work in service county) 	Within first 60 days		
<ul style="list-style-type: none"> Scott & White Health Plan (must live or work in service county) 	Within first 60 days		
<ul style="list-style-type: none"> Dependents can be enrolled in the same health plan you are enrolled in. You will be required to provide proof of dependents' eligibility. See page 10 for details. 	Within first 60 days		
Dental Plans			
<ul style="list-style-type: none"> State of Texas Dental Choice PlanSM HumanaDental DHMO State of Texas Dental Discount PlanSM 	Within first 31 days	Not required	If enrolled on your first day, coverage can start that day; otherwise, first of the month after you enroll
Life Insurance			
Optional Term Life Insurance Elections 1 and 2	Within first 31 days	Not required in first 31 days from date of hire	If enrolled on your first day, coverage can start that day; otherwise, first of the month after you enroll
Optional Term Life Insurance Elections 3 and 4	Within first 31 days	Always required	First of the month after approval
Voluntary Accidental Death & Dismemberment (AD&D) Insurance	Within first 31 days	Not required	If enrolled on your first day, coverage can start that day; otherwise, first of the month after you enroll
Dependent Term Life Insurance	Within first 31 days	Not required in first 31 days from date of hire	If enrolled on your first day, coverage can start that day; otherwise, first of the month after you enroll
Texas Income Protection Plan (TIPP)			
Short-term Disability	Within first 31 days	Not required in first 31 days from date of hire	If enrolled on your first day, coverage can start that day; otherwise, first of the month after you enroll
Long-term Disability	Within first 31 days	Not required in first 31 days from date of hire	If enrolled on your first day, coverage can start that day; otherwise, first of the month after you enroll
TexFlex flexible spending accounts <ul style="list-style-type: none"> Health care Day care 	Within first 31 days	Not required	If enrolled on your first day, coverage can start that day; otherwise, first of the month after you enroll
TexaSaver Program – voluntary 401(k) / 457 retirement savings account	Automatically enrolled in 401(k) at 1% of salary (state agency employees only)	Not required	First paycheck
ERS defined benefit retirement plan (state agency employees only)	Automatically enrolled at 6.9% of salary	Not required	First of the month after your 90th day of employment

You are automatically enrolled in:

- **HealthSelectSM of Texas health and prescription drug coverage if you're a full-time employee.**
- **\$5,000 Basic Term Life Insurance and AD&D** policy at no cost for full-time employees. Part-time employees are not automatically enrolled.
- **TexaSaver 401(k) retirement savings account** (state agency employees only) at an initial contribution rate of 1% of salary.
- **ERS defined benefit retirement plan** (state agency employees only) with employee contribution of 6.9% of salary.

NOTE: The Texas Legislature sets the contribution level.

For a limited time, new employees can sign up for certain benefits—no questions asked.

If you enroll in certain life and disability benefits when they are first available, you will not need to produce proof of good health, also called evidence of insurability (EOI). EOI is an application process that requires you to provide information about your or your dependents' health. Even if you go through the EOI process, you or your dependents may not be approved for benefits if you don't qualify.

When can you sign up for benefits?

You and your eligible dependents can sign up for some benefits the day you start working.

Don't miss your first opportunity to enroll in benefits.

Otherwise, you will need to wait until you have a qualifying life event (QLE) or during the next Annual Enrollment period.

- **Qualifying life events:** During the plan year, events such as marriage, divorce, or birth of a child may allow you to make benefit changes that are consistent with the QLE guidelines and within 31 days of the event.*
- **Annual Enrollment:** You are able to make changes to your benefits for the new plan year (September 1 to August 31) without a QLE. EOI may be required for some benefits.

*60 days when your child loses eligibility for the Children's Health Insurance Program (CHIP)

When do your benefits start?

The chart on the previous page shows you when coverage starts for the different benefits.

For most state employees, health and prescription drug coverage: starts on the first of the month following your 60th day of employment. If your 60th day of employment falls on the first day of the month, then your coverage starts on that day.

Example: An employee hired on June 15, 2014, would have health coverage on September 1, 2014.

This is your health coverage waiting period.

- **Optional coverage** (dental, life—Elections 1 and 2 only, dependent life, AD&D, and flexible spending) starts on your first day if you enroll on your first day. Otherwise, coverage starts on the first of the month after you enroll within the designated timeframe or are approved through EOI.
- **TexaSaver 401(k)** account contribution starts with your first paycheck.
- **ERS retirement membership and contribution** starts on the first of the month after your 90th day on the job if you are a new state agency employee. Return-to-work retirees do not participate in the plan.

A health coverage waiting period does not apply to:

- employees rehired with no break in coverage,
- return-to-work retirees enrolled in health coverage as a retiree,
- participants enrolled in GBP health coverage in accordance with the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) on the date of hire or rehire,
- participants enrolled in GBP health coverage as a dependent of a GBP member on the date of hire or rehire, or
- participants who transfer from the University of Texas or Texas A&M University without a break in coverage.

ENROLL IN HEALTH BENEFITS



You must take action if...

You are a full-time employee and want to:

- **enroll family members in health coverage.**
- **change coverage from HealthSelect to an HMO.**
- **opt out of health coverage.**

You are a part-time employee and want to:

- **enroll yourself and family in HealthSelect or an HMO.**

Under current state law, the State of Texas provides you with comprehensive health coverage that includes prescription drug benefits, \$5,000 Basic Group Term Life Insurance, and \$5,000 of AD&D coverage. The State pays all of the monthly premium contribution cost for full-time employees and half of the dependent contribution.

Under state law, all people enrolled in Texas Employees Group Benefits Program (GBP) health insurance plans must certify their status as tobacco users or non-users. Certify your status on your Benefits Election Form or through your ERS online account. If you do not certify, you will be charged the tobacco-user premium. See the next page for details.

Full-time employees—those working 30 hours or more per week—are automatically enrolled in HealthSelectSM of Texas. Your dependents are not automatically enrolled in health coverage. You may switch to a health maintenance organization (HMO), if one is available in the county where you live or work.

You must take action to opt out of health coverage for yourself if you are a full-time employee.

If you are a part-time employee, you will not be enrolled automatically. If you decide to enroll, the State pays 50% of your premiums and 25% of your dependents' premiums. If you are an adjunct faculty member, contact your benefits coordinator or human resources office to determine your eligibility for state and/or employer contributions to health premiums.

If you turn down health coverage, you will not have health benefits, prescription drug coverage, or Basic Group Term Life Insurance with AD&D coverage.

HealthSelectSM of Texas

HealthSelect is administered by UnitedHealthcare. HealthSelect lets you choose your providers and save money by using network benefits throughout Texas.

To use network benefits, choose a HealthSelect primary care physician (PCP) and have the PCP refer you to specialists and providers in the HealthSelect network. When you stay in the network, you reduce your costs and costs to the health plan, which help preserve GBP benefits for all participants.

HMOs

You can enroll yourself and your eligible dependents in either Scott & White Health Plan or Community First Health Plans if you live or work in one of their service counties.

You must use providers (such as doctors and hospitals) in the HMO network for your services to be covered. Only emergency care services are covered outside the network, unless the health plan has authorized your treatment.



Choose Your Primary Care Physician

If you enroll in Community First Health Plans or if you want HealthSelect network coverage, you must choose a primary care physician (PCP) for yourself and your covered dependents. Each member of your family can have a different PCP. Select PCPs for yourself and your family early to get your new ID cards sooner. You can change your PCP any time during the year.

Scott & White Health Plan does not require that you select a PCP. However, you must use providers within the Scott & White network.

Referrals

You will need to discuss additional referrals with your PCP. Certain chronic conditions, such as cancer or allergy treatment, may be eligible for a standing referral that does not limit you to 12 months or 12 visits.

Need treatment before you receive your ID card?

If your health coverage begins and you have not received your ID card, you should be able to obtain health care and prescription drugs for yourself or your covered dependents by giving your provider or pharmacy the group number of your new plan, along with your Social Security number (SSN).

GROUP NUMBERS

HealthSelect Medical: UnitedHealthcare 744260
 Prescription Drugs: Caremark RX1292
 Community First Health Plans 0010180000
 Scott & White Health Plan 000058

Tobacco Use

If you are tobacco-free, congratulations! You are protecting your health **AND** saving money. As a reward, you'll pay the non-tobacco user premium.

However, if you or any dependents you cover in the GBP health insurance uses tobacco, you'll pay a higher tobacco-user premium. The additional premium depends on how many tobacco users you are covering. The addition ranges from \$30 to \$90 each month.

All adults enrolled in GBP health insurance plans must certify their status as tobacco users or non-users. GBP members and covered adult dependents who do not certify their tobacco-use status will be charged a monthly tobacco user premium—even if they don't use tobacco.

Ready to quit?

Take advantage of the tobacco cessation programs offered by the GBP. If you're tobacco-free for at least three consecutive months, you won't pay the higher premiums if you re-certify as a tobacco non-user.

Tobacco Premium Alternative

If you are a tobacco user, you may be able to participate in an alternative to the Tobacco User Premium, if it complies with your doctor's recommendations.

For more information about this alternative, see the ERS Tobacco Policy at www.ers.state.tx.us/Employees/Health/Tobacco_Policy or contact ERS toll-free at (877) 275-4377.

Opting out of health insurance

If you don't need GBP health insurance or prescription drug coverage, you can decline (waive) your coverage. If you can certify that you have comparable health insurance to what the State provides, you can waive health coverage and get the Health Insurance Opt-Out Credit to apply toward dental insurance and/or Voluntary AD&D premiums.

NOTE: Medicare and dependent GBP coverage are not considered comparable health insurance for opting out.

Carefully consider your decision to turn down health insurance coverage. If you waive health insurance coverage, you also lose prescription benefits and the Basic Term Life policy.

Option 1: Decline health insurance, elect Opt-Out credit

Sign up for the Health Insurance Opt-Out Credit if you don't need the State's health insurance and prescription drug coverage now or in the future.

To qualify for the Opt-Out Credit, you must be:

1. eligible for the state contribution toward health insurance (100% for full-time employees, 50% for part-time employees) **AND**
2. able to certify that you have health insurance coverage that is equal to or better than the GBP coverage. For example, you can enroll in your spouse's health plan or another health plan.*

This credit is not available to you if your other insurance is Medicare or if you have GBP coverage as a dependent, or if you receive a state contribution for other insurance coverage.

If you meet the conditions above and decline the State's health insurance, you will receive a monthly credit toward dental insurance and/or Voluntary AD&D premiums (excludes Dental Discount Plan) under the GBP. The credit is up to \$60 for full-time employees and up to \$30 for part-time employees.

Important: You may enroll in GBP health coverage if you lose the other coverage and enroll within 31 days of losing the other coverage.

* Individuals who are not eligible for the state contribution toward their health insurance premium, such as adjunct faculty members, are not eligible for the Opt-Out Credit.

Option 2: Waive health insurance

If you don't want the Opt-Out Credit or health insurance, you can waive coverage and still enroll in optional benefits such as dental and TexFlex.

DECIDING BETWEEN HEALTHSELECT AND AN HMO?



Health benefits comparison charts in Resources (pages 28-29).

A RATE CALCULATOR IS AVAILABLE AT



www.ers.state.tx.us/Employees/Calculate-Rates

The Employees Retirement System of Texas has created a Summary of Benefits and Coverage (SBC) for each health plan offered under the Texas Employees Group Benefits Program, excluding Medicare Advantage plans. Each SBC provides an overview of the benefits and services the health plan covers and what you can expect to pay for such services. You can access and print the SBCs at the following web address: www.ers.state.tx.us/Insurance/SBC. Paper copies of the SBCs are also available to you, free of charge, upon request. If you have any questions or would like to request a paper copy of an SBC, please contact the appropriate health plan at the toll-free phone number listed below.

Para obtener asistencia en Español, llame al:

HEALTHSELECT OF TEXAS:
(866) 336-9371, TTY: 711

COMMUNITY FIRST HEALTH PLANS:
(877) 698-7032, TTY: (800) 390-1175

SCOTT & WHITE HEALTH PLAN:
(800) 321-7947, TTY: (800) 735-2989

Prescription Drug Program

From September 1 to August 31, you and each of your covered dependents have separate \$50 prescription drug deductibles before the plan begins to cover drug costs. For example, if you have three dependents, you would have a total family deductible of \$200 per plan year for prescription medications if all of you fill at least \$50 worth of prescriptions.

HealthSelect and HMOs include three tiers of prescription drugs. After you pay a \$50 deductible, you pay the copay based on the tier of the medication.

If you enroll in HealthSelect, you will get two ID cards in separate mailings—a medical card from UnitedHealthcare and a prescription drug card from Caremark.

A number of participating retail pharmacies are part of the HealthSelect Extended Days Supply (EDS) Network. Pharmacies in the EDS Network will fill a 31- to 90-day supply of maintenance medicines and charge no retail maintenance fee. If you do not use an EDS Network pharmacy, you will only be able to fill up to a 30-day supply of medication at a retail location. HMOs network providers are separate from HealthSelect.

Generic drugs (usually Tier 1) save you money, so ask your doctor to prescribe a generic drug when possible or to prescribe the least expensive medication available. Your doctor will make the final decision about your medications.

When a generic drug is available and you get a brand-name drug, you will pay the generic copay plus the difference between the brand-name and generic drug costs. Generic drugs are pharmaceutically and therapeutically the same as their brand-name counterparts.

DEDUCTIBLE EXAMPLE

An employee buys a Tier 1 maintenance prescription that costs \$40. That \$40 will count toward the \$50 plan year deductible. When refilling that prescription, the employee will pay \$10 to complete the deductible and \$10 as the copay, with the plan paying the remaining \$20.

HOW MUCH WILL YOUR PRESCRIPTION COST?



Visit your provider's website. Contact information is on the inside back cover.

Prescription Drug Copays

	Tier 1	Tier 2	Tier 3
Deductible	Each participant must pay a \$50 annual deductible before copays apply (each plan year, September 1 to August 31).		
Participating retail – non-maintenance	\$10 Up to a 30-day supply	\$35 Up to a 30-day supply if generic is not available*	\$60 Up to a 30-day supply if generic is not available*
Participating retail – maintenance medication	\$10 Up to a 30-day supply	\$45 Up to a 30-day supply if generic is not available*	\$75 Up to a 30-day supply if generic is not available*
All carrier mail-order programs	\$20 For 31- to 60-day supply	\$70 For 31- to 60-day supply if generic is not available*	\$120 For 31- to 60-day supply if generic is not available*
	\$30 For 61- to 90-day supply	\$105 For 61- to 90-day supply if generic is not available*	\$180 For 61- to 90-day supply if generic is not available*
HealthSelect Extended Days Supply (EDS) Pharmacy Network (does not apply to HMOs)	\$20 For 31- to 60-day supply	\$70 For 31- to 60-day supply if generic is not available*	\$120 For 31- to 60-day supply if generic is not available*
	\$30 For 61- to 90-day supply	\$105 For 61- to 90-day supply if generic is not available*	\$180 For 61- to 90-day supply if generic is not available*

*If generic is available and you choose to buy the brand-name drug, you will pay the generic copay plus the cost difference between the brand-name and the generic drug.

NOTE: For HealthSelect only, if you go to a pharmacy that is not in the network, you will be reimbursed 60% of the lesser of the amount you pay for the prescription, minus your copay OR the average wholesale price of the drug, plus a dispensing fee, minus your copay. The deductible will be subtracted if not yet paid.



INCLUDE DEPENDENTS

31

DAYS

In the first 31 days, you can sign up your dependents in dental, Dependent Term Life Insurance, and AD&D coverage—as long as you are enrolled in the same coverage.

60

DAYS

During your first 60 days, you can enroll your eligible dependents in your health plan. Eligible dependents also may be enrolled in health insurance within 31 days of their losing other health insurance.

You must sign up your eligible dependents for health insurance coverage—their enrollment is not automatic.

Eligibility

You can enroll your spouse and your children under age 26 (including married children), who meet one of the descriptions listed on the next page, in health insurance. Other benefits, such as dental and Dependent Term Life Insurance, are available to your spouse and your eligible unmarried children under age 26. You must sign up your eligible dependents for insurance coverage—their enrollment is not automatic. If your children are 26 or older and disabled, you also can apply for coverage. Coverage is not guaranteed. Currently, a dependent's employment or school enrollment has no bearing on benefits eligibility.

There are two parts to enrolling dependents: certification and verification.

Certification

When you go to your ERS online account to enroll your dependents, you will be required to certify that your dependent children are eligible for coverage. Select your relationship to your dependents and answer the remaining questions to complete the certification process.

You will not be allowed to enroll your dependent children until this certification is complete.

This online certification is legally binding. Providing false information could result in the loss of benefits for you and your dependents. Intentionally providing false information may result in criminal penalties.

Verification

Once ERS processes your dependent's enrollment in health coverage, Aon Hewitt (our third-party administrator) will follow up with you to obtain copies of documents proving your dependents' eligibility. Documents dated after the dependent was enrolled will not be accepted, even if that date is before the coverage begin date. ERS has contracted with Aon Hewitt to verify every dependent enrolled is eligible for GBP coverage.

Aon Hewitt will mail a letter to you outlining the steps in the verification process, the dependents being verified, the types of documents to provide, and the due dates to submit documentation. You must respond to the audit or else your dependents will be dropped. If your dependent is found to be ineligible, ERS will remove him or her from all GBP coverage.

When enrolling dependents age 18 and older in health coverage, you also must certify whether or not they use tobacco. Tobacco users pay higher health insurance premiums. If you do not provide this certification, you will automatically pay the higher premium. **You must certify each dependent as a tobacco user or non-user.**



Your eligible dependents can include:

- your spouse
(see chart on the next page for information and requirements);
- your natural or adopted child or stepchild—the child is not required to live with you;
- your foster child;
- your court-ordered ward child who is under your protection or custody;
- a child for whom you serve as a managing conservator;
- a child related to you by blood or marriage is eligible if he or she was claimed as a dependent on your federal income tax return for the previous tax year, and will continue to be claimed on your federal income tax return for each calendar year; and
- a child acquired or born in the current calendar year is eligible if he or she is related to you by blood or marriage and will be claimed on your next federal income tax return and each calendar year in the future.

Dependents must be eligible for coverage prior to enrolling. See the Dependent Eligibility Chart on the next two pages for specific information on documentation requirements.

New employees can request to add a disabled dependent age 26 years or older to insurance coverage by completing the [Application to Request Coverage for a Disabled Dependent Child, At Age 26 and Over](#), which can be found on the ERS website. If approved, coverage will be effective once your health coverage waiting period ends. Optional coverage becomes effective the first of the month following approval, if requested within the first 31 days of employment.

Add your newborn or newly adopted child to your insurance within 31 days of his or her birth / adoption to ensure coverage.

Texas Employees Group Benefits Program (GBP) Dependent Eligibility Chart

Make sure your dependents are eligible for insurance and that you have the appropriate documentation to show eligibility before you enroll them in any coverage. For example, if you add a common law spouse, you

must have a government-issued Declaration of Informal Marriage AND a current Federal Tax Return. You are required to provide a birth certificate to Aon Hewitt once you enroll a newborn child. A hospital-issued birth certificate will be accepted in place of a government-issued birth certificate for newborn children, three months of age or younger.

Dependent of the Participant (employee, retiree, or other individual enrolled in program as recognized by Texas law)	Eligibility	Examples of Supporting Documents (these documents are required)
Spouse	Opposite-sex spouse	<ul style="list-style-type: none"> • Government-Issued Marriage Certificate AND • Current Federal Tax Return OR • Proof of Joint Ownership** Issued within last six months. OR • Government Issued Marriage Certificate only (if married in the last 12 months).
Common Law Spouse	Opposite-sex spouse as recognized by Texas law.	<ul style="list-style-type: none"> • Declaration of Informal Marriage with the County Courthouse AND • Current Federal Tax Return OR • Proof of Joint Ownership** Issued within last six months.
Biological Child*	Natural born child	<ul style="list-style-type: none"> • Government Issued Birth Certificate
Adopted Child*	Child is eligible at time of placement.	<ul style="list-style-type: none"> • Adoption Certificate OR • Adoption Placement Agreement AND • Petition for Adoption
Stepchild*	Child is not required to live in participant's household.	<ul style="list-style-type: none"> • Government Issued Marriage Certificate OR • Declaration of Informal Marriage with the County Courthouse AND • Child's Government-Issued Birth Certificate AND • Current Federal Tax Return OR • Proof of Joint Ownership** Issued within last six months.
Child of Managing Conservator	Child is identified in the managing conservatorship granted to the participant.	<ul style="list-style-type: none"> • Managing conservatorship court document signed by judge.
Foster Child*	Child must not have other governmental insurance.	<ul style="list-style-type: none"> • Placement Order AND • Affidavit of Foster Child
Legal Ward Child*	Child is under the protection or in the custody of the participant.	<ul style="list-style-type: none"> • Court order signed by a judge appointing participant as the child's guardian (Documentation of Legal Custody) AND • Government-Issued Birth Certificate
Other Child*	<p>Child is related to participant by blood or marriage, and was claimed as dependent on participant's federal income tax return for previous tax year, and will continue to be claimed on participant's federal income tax return for every calendar year the child is covered.</p> <p>A child who is acquired or born in the current calendar year will be claimed and continued to be claimed on participant's federal income tax return for every calendar year the child is covered.</p>	<ul style="list-style-type: none"> • Government-Issued Birth Certificate OR • Government-Issued Marriage License to prove family relationship AND • Current Federal Tax Return OR • Affidavit of Good Cause

*Child must be under age 26 for health insurance, and can be married or unmarried. Child must be under age 26 and unmarried for dental insurance and Dependent Term Life Insurance. Disabled dependent children age 26 and over may be eligible for insurance. For more information visit the ERS website.

**See Documentation Requirements for examples of Joint Ownership documents. False information could lead to expulsion from the GBP and/or criminal prosecution.

Documentation Requirements

Important reminders for all documents:

- DO NOT SEND ORIGINALS. Send copies only.
- Black out Social Security numbers, monetary amounts, and account numbers on documents.
- No documents will be returned.

Make sure your dependents are eligible for insurance and that you have the appropriate documentation to show eligibility before you enroll them in any coverage. For example, if you add a common law spouse, you must have a Declaration of Informal Marriage with the County Courthouse AND a current Federal Tax Return. You are required to provide a birth certificate to Aon Hewitt once you enroll a newborn child. A hospital-issued birth certificate will be accepted in place of a government-issued birth certificate for newborn children, three months of age or younger.

Tax returns:

- Only send the first page of your Federal Tax Return that shows your dependents. State Tax Returns are NOT accepted in lieu of Federal Tax Returns.
- Black out all Social Security numbers and monetary amounts appearing on Federal Tax Returns. For example, earnings listed on your 1040.

Examples of joint ownership documents:

Mortgage statements, credit cards statements, bank statements, property tax statements, and residential leasing agreements listing both parties names as co-owners. The joint ownership may be established prior to the current year; however, the statement provided must be issued within the last six months.

Examples of proof of marriage documents:

Must be a government-issued marriage license or marriage certificate. It must include the date of your marriage. *Church-issued certificates are NOT acceptable.*

Birth certificates:

Must be a government issued birth certificate listing parents' names. *Hospital-issued birth certificates will only be accepted for newborn children, three months of age or younger.*

Vital records request:

In some state and county clerk offices, it can take four - eight weeks for vital records to come in. Typically, though, they are delivered within 10-14 business days. Please order your documents early in the process to ensure receipt by the verification deadline.

Photocopying vital records:

Some state and county clerk offices prohibit the copying of vital records (e.g. Florida, Pennsylvania, Wisconsin, etc.). Typically there is a warning on the documents stating that copying is not allowed. In that case, you should obtain the non-certified vital record from the office. This is usually available at a reduced cost compared to the certified vital record cost.

Birth certificates listing parents' names:

Some state and county clerk offices issue the short form certificate as a standard (e.g. Iowa, New Jersey, South Carolina, etc.). Please obtain the long form that includes the parents' names. This is the same document used to obtain a passport.



CHOOSE YOUR DENTAL PLAN

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DAYS

You and your eligible dependents can enroll in one of three dental plans:

- **State of Texas Dental Choice Plan (insurance),**
- **HumanaDental DHMO (insurance), or**
- **State of Texas Dental Discount Plan (discount plan; not insurance).**

You must be enrolled in dental benefits if you want your dependents to have dental benefits. You and your family must enroll in the same dental plan.

State of Texas Dental Choice PlanSM

The State of Texas Dental Choice Plan, the State's preferred provider organization (PPO) plan, is administered by the HumanaDental Insurance Company. You can use it anywhere in the United States.

The plan:

- lets you use any dentist, with your dental care covered according to a payment schedule, and
- helps you pay less out of pocket if you use a dentist who participates in the preferred provider network.

HumanaDental DHMO

HumanaDental Dental Health Maintenance Organization (DHMO) is available if you live or work in Texas.

The plan:

- offers discounted charges on services by a primary care dentist (PCD) on the list of approved providers,
- allows your dependents who live outside the Texas service area to still be covered; however, they must return to the service area and use their PCD to receive dental care, except for emergency services, and
- lets you and your covered dependents select different PCDs. For example, an employee in Austin could have a covered dependent who selects a PCD in Dallas while attending college. You must select a PCD to access benefits with this plan. Call HumanaDental to select one and have an ID card sent to you.



DENTAL INSURANCE COMPARISON CHART IN RESOURCES (PAGE 30)



State of Texas Dental Discount PlanSM

The State of Texas Dental Discount Plan, administered by Careington International Corporation (Careington), is not dental insurance, but a discount program for dental services. Under this plan, participating dentists have agreed to accept a discounted fee from participants as payment-in-full for dental services performed.

The participant is responsible for paying all charges directly to the dentist at the time services are provided. You can use the plan as much as you like on your dental care needs. You'll even save on cosmetic services like braces and whitening. You do not need to designate a primary care dentist. Because the dental discount plan is not insurance, there are no pre-authorizations, referrals, or claims. The State of Texas Dental Discount Plan is available throughout the United States, excluding U.S. territories, and in the United Kingdom.

Do you need dental benefits?

- Do you have a dentist? Is your dentist listed as a network provider in the plan?
- What dental procedures do you have coming up, and what are the benefits for those procedures in each plan?

What would you pay for a routine cleaning, filling, or crown with dental insurance or the dental discount plan?

- Is your estimate of dental expenses higher than what you would pay for monthly dental rates? If not, you could pay for dental expenses with a TexFlex health care account. You could also use the TexFlex health care account to cover your out-of-pocket costs if you join a dental plan. See page 20 for more information.

State of Texas Dental Discount Plan chart – Example of Fee Discounts

	* Regular Cost	** Your Cost	% Savings
Adult Cleaning	\$ 93	\$ 31	67%
Child Cleaning	\$64	\$23	64%
Routine Checkup	\$50	\$15	70%
Four Bitewing X-Rays	\$63	\$22	65%
Composite (White) Filling	\$237	\$83	65%
Crown (Porcelain Fused to Noble Metal)	\$1,139	\$483	58%
Complete Upper Denture	\$1,560	\$643	59%
Molar Root Canal	\$1,200	\$438	64%
Extraction (Single Tooth)	\$168	\$55	67%

*Regular cost is based on the 80th percentile usual and customary rates as detailed in the 2012 FairHealth Report in Houston, Dallas, and San Antonio.

**These fees represent the average of the assigned Careington Care 500 Series fees for Houston, Dallas, and San Antonio. Percentages may vary by region. Prices subject to change.

See the chart below for a quick rundown on the differences.

Plan Features	Dental Discount Plan	Dental Insurance
Claim forms and paperwork	No	Yes
Copays	No	Yes
Deductibles	No	Yes
Annual maximums	No	Yes
Limits on Use	No	Yes



PROTECT YOUR FAMILY'S FUTURE



You can enroll in **Optional Term Life Insurance**

for up to four times your salary. Minnesota Life Insurance Company administers this benefit.

Additional Life Insurance

Your GBP health coverage includes \$5,000 Basic Group Term Life Insurance with \$5,000 of AD&D coverage provided for you at no cost.

You can buy more life insurance to protect your family in the event of your death.

Optional Term Life Election 1 or 2 (one or two times your annual salary) is available without EOI during the first 31 days of employment.

If you do not sign up as a new employee, you can apply when you have a QLE or during the Annual Enrollment period, but coverage is not guaranteed.

You can apply for **Optional Term Life Election 3 or 4** (three or four times your annual salary) through EOI. You can apply for EOI online. Follow step-by-step instructions on the ERS website. Your application must be approved. Each election provides an equal amount of AD&D coverage, in case of an accidental death or dismemberment. Your monthly premiums and the amount your beneficiary will receive depend on your age, salary, and the level of coverage you purchase. EOI is an application process that requires you to provide information about your or your dependents' health. Even if you go through the EOI process, you or your dependents may not be approved for benefits if you don't qualify.

In addition, you can enroll your dependents in Dependent Term Life Insurance and yourself and your family in Voluntary Accidental Death and Dismemberment (AD&D) Insurance, also administered by Minnesota Life.

Dependent Term Life Insurance

For a minimal monthly premium, you can enroll your eligible dependents in term life insurance. The benefit includes \$5,000 term life with \$5,000 AD&D for each covered family member. The benefit will be paid to you upon the death of your covered dependents or in the event of certain accidental injuries.

If you do not sign up as a new employee, you can apply when you have a QLE or during the Annual Enrollment period, but coverage is not guaranteed. Newborn coverage is guaranteed if the baby is added within 31 days of birth.



Voluntary Accidental Death & Dismemberment (AD&D) Insurance

Voluntary AD&D coverage can provide additional financial protection for you and your family in the event of certain accidental injuries or accidental death.

You can choose the amount you want, in increments of \$5,000, starting at \$10,000 up to \$200,000. You can sign up for coverage for yourself only, or for you and your eligible family members.

Accidental death benefit

In the event you die as the direct result of an accidental bodily injury, the benefit pays your beneficiaries the full amount of your coverage upon your accidental death.

If a covered family member dies in an accident, that dependent's Voluntary AD&D amount will be paid to you.

Dismemberment benefit

If you have an accident and suffer any of the covered injuries, such as loss of a hand, foot or sight of one eye in an accident, the benefit pays you up to the full amount of your coverage.

If an eligible family member loses a hand, foot or sight of one or both eyes in an accident, you receive a percentage of the benefit.

There is no EOI application process required for AD&D Insurance.

Do you need life insurance?

About 16% of men and 10% of women die between age 35 and the typical retirement age.

With this in mind, you should consider your family's future if something were to happen to you. Use Minnesota Life's Insurance Needs Calculator to help determine how much life insurance coverage you might need. On the site, you also can find the Active Employees Benefits Book for information on limitations and exclusions to basic and optional term life insurance.

Use Minnesota Life's Insurance Needs Calculator to help determine how much life insurance coverage you might need.



www.LifeBenefits.com/plandesign/ers



MAINTAIN INCOME

TIPP

Texas **Income Protection Plan** For State Employees **ERS**

31
DAYS

During your first 31 days of employment, you can enroll in short-term and long-term disability insurance offered through the Texas Income Protection PlanSM.

Consider this...

64% of wage earners believe they have a 2% or less chance of being disabled for at least three months during their working career. The actual odds for a worker entering the workforce today are about 25%.

The most common diagnoses for disability insurance are:

short-term

- musculoskeletal and connective tissue disorders,
- injuries and poisonings, and
- maternity.

long-term

- musculoskeletal and connective tissue diseases,
- cancer and neoplasms,
- injuries and poisonings.

Council for Disability Awareness, 2012

If something happens to you and you are unable to work, how will you pay your bills after you use your sick leave? If you have disability insurance, your benefit will pay you part of your salary. During your first 31 days of employment, you can enroll in short-term and long-term disability insurance offered through the Texas Income Protection PlanSM (TIPP), administered by Aon Hewitt. You can enroll in one or both types of coverage. If you had a medical condition in the three months prior to when your coverage starts, that condition is not covered for the first six months after enrollment. If you wait and apply during the next Annual Enrollment period or when you have a QLE, EOI will be required.

Short-term Disability Benefit Amount

Your benefit will be up to 66% of your insured monthly salary (with a maximum covered salary of \$10,000) or \$6,600, whichever is less. For example, if your monthly salary is \$3,200, your benefit would pay you up to \$2,112 per month while you're unable to work because of your disability.

Your benefit will be less if you are also receiving Worker's Compensation, disability retirement, or other disability benefits.

Benefit Period

Once approved, benefits are paid to you for up to five months from the date of disability after you have been certified as totally disabled by an approved practitioner and:

- used all of your sick leave, extended sick leave, sick leave pool, or
- completed the waiting period of 30 consecutive days, whichever is greater.

Benefits end when you return to work or are no longer considered totally disabled under the plan.

TEXAS INCOME PROTECTION PLANSM
www.texasincomeprotectionplan.com



LEARN MORE ABOUT APPLYING FOR EOI
www.ers.state.tx.us/Customer_Support/FAQ/Insurance



Long-term Disability

Benefit Amount

Your benefit will be up to 60% of your insured monthly salary (with a maximum covered salary of \$10,000) or \$6,000, whichever is less. For example, if your monthly salary is \$3,200, your benefit would pay you up to \$1,920 per month while you're unable to work.

Your benefit will be less if you receive any Social Security disability, Worker's Compensation, disability retirement, or other group disability benefits.

Benefit Period

Once approved, benefits are paid after you have been certified as totally disabled by an approved practitioner and:

- used all of your sick leave, extended sick leave, sick leave pool, or
- completed the waiting period of 180 consecutive days, whichever is greater.

Benefits are paid to you up to the maximum benefit period, which depends on your age when you become totally disabled. Benefits end when you return to work or are no longer considered totally disabled under the plan. For more information about long-term disability insurance, visit www.aontipp.com.

Age when disability begins	Maximum benefit period
Younger than 62	Until your Social Security Normal Retirement Age
62	60 months of payments
63	48 months of payments
64	42 months of payments
65	36 months of payments
66	30 months of payments
67	24 months of payments
68	18 months of payments
69 or older	12 months of payments

SAVE WITH TEXFLEX

TEXFLEX



TexFlex, administered by PayFlex, offers health

care and day care flexible spending accounts. With TexFlex, you can pay for planned out-of-pocket health care expenses up to \$2,500 per person or \$5,000 per household for day care expenses tax-free.

You can sign up for a:

- **TexFlex health care account,**
- **TexFlex day care account, or**
- **both.**

Review your health care and day care expenses over the last year.

Estimate how much you'll spend for eligible expenses during the next plan year and decide up front how much to contribute to your account for health care and/or day care costs.

You can use the health care account to pay for:

- eligible medical expenses,
- copayments,
- eligible dental expenses,
- glasses and contacts,
- and more.

Health Care Account

TexFlex health care account contributions			
12-month employee		nine-month employee	
Minimum	Maximum	Minimum	Maximum
\$15 per month	\$208 per month	\$20 per month	\$276 per month

Choose nine months if you are paid less than 12 months of the year.

Carry over up to \$500 of your health care funds

The TexFlex day care and health care account contributions are deducted from your paycheck before taxes. This pre-tax deduction lowers your taxable income, so you pay less in Federal income taxes and Federal Insurance Contributions Act (FICA) taxes, which saves you more money. To compare how you can save with the TexFlex Savings Calculators, visit www.ers.state.tx.us/Employees/Health/TexFlex_Health_Care/.

You have until the end of the plan year (August 31, 2015) to use your TexFlex health care funds. You can carry over \$25-\$500 in unused funds into the next plan year. Any unused funds greater than the carryover limit (\$500) are forfeited after the last day of the plan year. You will have until December 31, 2015 to submit claims for expenses incurred between September 1, 2014 and August 31, 2015.

If you carry over funds into Plan Year 2016 (September 1, 2015 to August 31, 2016), you can still contribute up to \$2,500 for that plan year.

What if you leave employment before August 31?

If your employment ends at your agency, you don't have to continue making TexFlex health care account contributions through the end of the plan year after your termination date — unless you choose to continue your participation through COBRA.

Any eligible health expenses you have after termination are not reimbursed unless you choose to continue your participation through COBRA. You can submit claims for expenses you had between September 1 and your termination date. The deadline to submit claims is December 31 of the following year.



Day Care Account Contributions

TexFlex day care account contributions			
12-month employee		nine-month employee	
Minimum	Maximum	Minimum	Maximum
\$15 per month	\$416 per month	\$20 per month	\$555 per month

Choose nine months if you are paid less than 12 months of the year.

You can use the day care account to pay for:

- eligible day care expenses for your children younger than 13, including before- and after-school care and summer day camp, and
- adult day care for qualifying individuals.

You can only spend the amount that is in your account each month. Before you can request reimbursement, you must have received the care, not just paid for the service. You or your spouse cannot pay an older dependent to watch a younger dependent(s)—check specific eligibility rules on the TexFlex website at www.ers.state.tx.us/Employees/Optional/TexFlex-Daycare.

There is no carry over for TexFlex day care funds. Instead, you have a two and one-half month grace period after the end of the plan year to use your funds. You will have until December 31, 2015 to submit claims for expenses incurred between September 1, 2014 and November 15, 2015.



Check specific eligibility rules on the TexFlex website at www.ers.state.tx.us/Employees/Optional/TexFlex-Daycare. Children who are 13 or older are not eligible for TexFlex day care expenses.

TexFlex Facts

- You may participate in TexFlex even if you do not enroll in your employer's medical or dental plans.
- You can use your TexFlex health care account funds to pay for eligible medical expenses of your spouse and eligible children, even if they aren't enrolled in your health plan. Children are eligible up to age 26, regardless of marital status, school, or employment if you claim them as dependents on your tax return.
- On average, people save 23% in taxes (assuming federal, state, and Social Security taxes), by paying out-of-pocket health care and day care expenses on a pre-tax basis through a flex plan. Tax savings may vary based on your earned income and tax filing status.
- Financial planners and tax advisors encourage participation in flexible spending accounts.

Plan Year 2015 (September 1, 2014–August 31, 2015)

Account Type	Contribution Amount Allowed	First Day Funds Available	Last Day to Use Funds	Last Day to Submit Claim for Reimbursement
TexFlex Health Care	\$15-\$208/month	First of the month after your hire date, unless enrollment in benefits is entered to start on hire date.	August 31, 2015 You can carry over \$25 - \$500 in unused funds into the following plan year, as long as you are actively employed.	December 31, 2015 Claims must be for expenses incurred between September 1, 2014 and August 31, 2015.
TexFlex Day Care	\$15-\$416/month	First of the month after your hire date, unless enrollment in benefits is entered to start on hire date.	November 15, 2015 There is no carryover for the TexFlex Day Care account, but there is a 2½-month grace period after the end of the plan year.	December 31, 2015 Claims must be for expenses incurred between September 1, 2014 and November 15, 2015.

How it works

1. Review your health care and day care expenses over the last year.
2. Estimate how much you'll spend for eligible expenses during the next plan year.
3. Decide up front how much to contribute to your account for health care or day care costs for the year.
4. Enroll in a TexFlex health care and/or day care account. Contributions are deducted from your monthly paycheck before income and FICA tax.
5. Pay for an eligible health care or day care expense with a TexFlex debit card or submit an online or paper claim for reimbursement.



Easy way to pay

The optional TexFlex debit card lets you pay for expenses directly from your TexFlex account. You can use the card to pay for an eligible TexFlex expense, instead of paying with your own cash or credit card and getting reimbursed later. The debit card can be used for eligible expenses at merchants like pharmacies, doctor's offices, or day care providers that accept the card (check with your day care provider). You may be asked to provide an explanation of benefits (EOB) or itemized statement. Keep all debit card receipts in case you are asked for them. If you elect a debit card, you'll be charged one \$15 annual administrative fee. This fee also covers additional cards, which is especially helpful for parents with children in college.

Making changes to your TexFlex account

On September 1 of each year, you will be automatically re-enrolled in your TexFlex account(s) at the same annual contribution amount(s) unless you make a change during Annual Enrollment.

Once enrolled, you cannot make changes to your health or day care contributions during the plan year unless you have a qualifying life event (within 31 days of the event).

If you have a QLE (and depending on the type), you can:

- enroll in TexFlex,
- increase your coverage,
- decrease your coverage, or
- cancel your coverage.

You can decrease your contributions or cancel coverage during the plan year with certain qualifying life events, like divorce, death, change in employment status, or a change in eligibility for your dependents. If your child turns 13 during the plan year, you can change your contributions to your TexFlex day care account without waiting until the next Annual Enrollment period. Sign in to your account and begin under "Family Status Change."



USE THE SAVINGS CALCULATOR AT
[texas.payflex.com/ConsumerCenter/
 PlanningTools/SavingsCalculator.aspx](https://texas.payflex.com/ConsumerCenter/PlanningTools/SavingsCalculator.aspx)

RETIREMENT

ERS retirement benefits do not apply to employees who do not contribute to ERS (CSCD, TCDRS, TRS, TMRS, higher education institutions, or Windham School District).



Did you work for a state agency and withdraw your money?

If you once worked for a state agency and withdrew your ERS retirement account money, you no longer have service credit for the time you worked. However, you can buy it back to help you retire earlier or increase your annuity. The cost is the total withdrawn amount plus 10% interest for each fiscal year from the refund date to the purchase date. To buy back withdrawn ERS service, you must be a member of ERS or an entity that participates in the Proportionate Retirement Program (PRP). At least six months must have passed since the date of your withdrawal.

Add service credit, increase your retirement benefit

If you are eligible to buy service credit, you should buy it as early as possible, as interest is added every year.

Added service credit increases your retirement payment or may help you retire sooner.

You can purchase your retirement account waiting period time to add to your service credit. Your waiting period ends on the first of the month after your 90th day on the job.

ERS can estimate the cost of this waiting period service after you make your first retirement account contribution.

You can also add to your service credit by purchasing other service credit you may be eligible for:

- withdrawn ERS service and
- up to 60 months of active duty military service.

You can also purchase up to three years of Additional Service Credit (ASC) if you:

- are an active employee,
- have purchased all service available to you, and
- have at least 10 years of actual ERS service credit (not counting military service).

Service credit can be purchased with:

- lump sum payments,
- through a rollover from your Texa\$aver account, or
- other fund sources such as Individual Retirement Accounts.

You must purchase the service credit before you apply for retirement. Learn more about purchasing service credit by visiting www.ers.state.tx.us/Employees/Retirement/Service_Credit/

As a state agency employee, you can earn the **security of a retirement benefit** that provides life-long monthly payments when you qualify for retirement. The benefit amount is based on your average salary, service credit, and retirement date.

Your retirement program is a **defined benefit pension plan**. It is qualified under Section 401(a) of the Internal Revenue Code. You cannot withdraw your retirement contributions while actively employed. You cannot take a loan against your ERS retirement account either.

Once you qualify and retire, you will get a retirement payment, called your annuity every month for as long as you live. If you leave state employment before you meet retirement eligibility, you can withdraw your personal contributions, plus 2% interest. However, withdrawing your account upon separation of employment will cause you to lose your retirement benefits in the future. You can also leave your contributions "on account" with ERS. This preserves your service credit and benefits.

Do you have other Texas Retirement System service? Proportionate Retirement Program Service

If you worked for any of the Texas retirement systems that participate in the Proportionate Retirement Program (PRP), you may purchase withdrawn ERS service without being re-employed by the State. Also, if you are an ERS member, you may purchase withdrawn service from any of the retirement systems that participate in the PRP, including:

- City of Austin Retirement System
- City of Austin Police Retirement System
- El Paso City Employees' Pension Fund
- El Paso Firemen & Policemen's Pension Fund
- ERS
- Judicial Retirement System of Texas Plan 1
- Judicial Retirement System of Texas Plan 2
- Texas County and District Retirement System (TCDRS)
- Texas Municipal Retirement System (TMRS)
- Teacher Retirement System of Texas (TRS)

You can combine service from two or more of these systems to become eligible for retirement. Once you qualify, you will receive an annuity from each system when you retire based on your service with each system.

Retirement eligibility contributions and benefits are different for law enforcement and custodial officers, elected state officials, district attorneys and judges. Find details online at www.ers.state.tx.us/Employees/Retirement/Eligibility.

ESTIMATE YOUR RETIREMENT BENEFIT

Sign in to your account at www.ers.state.tx.us. Click the Access My Account button in the upper right hand corner and register your account once you are on the login page. Then select Retirement Estimate under the My Retirement Information. You can get an estimate of when you will first be eligible to retire and the estimated amount of your retirement benefit. After your birthday each year, ERS will send you a Statement of Retirement Benefits that shows your earliest retirement date, retirement age and projected annuity.

Have TRS service? ERS service credit can work with TRS service credit

When you apply for retirement, you may transfer service between ERS and the Teacher Retirement System of Texas (TRS). To increase your annuity, you can contact TRS about purchasing TRS service that you had previously withdrawn. You can then transfer this service to ERS when you retire.

Buy it as early as possible — it costs more later. ERS members can re-establish TRS service for transfer without becoming a TRS member.

Likewise, a TRS member can re-establish ERS service for transfer without becoming an ERS member. TRS rules govern how much TRS service is creditable.

Once you retire, you need at least three years of ERS service credit to transfer the TRS time to your account.

Buy your military service during your first year

After you make your first retirement contribution to ERS, you can purchase up to 60 months of your active duty U.S. military service without paying interest. If you purchase military service after your first year of employment, you will be charged 10% interest per year.

You must have at least five years of regular ERS service (not counting the military service) credited before your purchased military service can be used to determine eligibility for service retirement or non-occupational disability retirement benefits.

You cannot purchase active duty military service if you are eligible for military retirement based on 20 or more years of active military duty or its equivalent, or if you were dishonorably discharged from the military.



LEARN MORE AT

www.ers.state.tx.us/Employees/Retirement/Service_Credit

This information is written for employees hired on or after September 1, 2013, and is based on laws in effect at the time of publication.

If you were a contributing employee before September 1, 2013, and continue to have money on account with ERS, you have different retirement benefits than those hired on or after that date. If you are returning to state employment, it is important to find out if your benefits will be provided under a previous plan.



PLAN AHEAD WITH TEXA\$AVER

Did you know the standard state employee annuity, based on the ERS 2013 average, may replace only 50% of your pre-retirement salary? Texa\$aver could help fill the gap.

The Texa\$aver 401(k) / 457 Program is a voluntary deferred compensation program that can help you save more for retirement. Because your State of Texas retirement will not provide automatic cost-of-living increases, a Texa\$aver account (or other personal retirement savings) could help you live more comfortably when you're no longer working. ERS administers the Texa\$aver Program, along with Great-West Financial which manages the recordkeeping.

Automatic enrollment

As a new state agency employee*, you are automatically enrolled in the 401(k) Plan at 1% of your salary in the standard Wells Fargo Advantage Dow Jones Target Date FundSM. Contributions are deducted from your paycheck automatically—before income taxes are taken out.

You can choose not to participate before your first deferral if you call Great-West toll-free at (800) 634-5091 within 30 days of employment.

You also can increase your contribution if you'd like to save more of your salary. You can make other changes, including stopping enrollment, or changing how your account is invested, any time throughout the year.

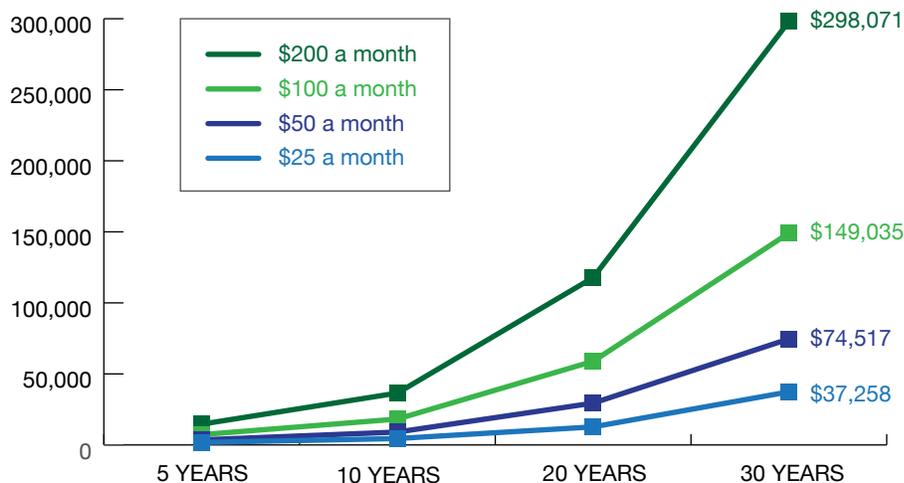
*Texa\$aver is not available to employees of CSCD, Windham School District, TCDRS, or TMRS. Automatic enrollment does not apply to higher education employees. Contact your benefits coordinator to find out if your higher education institution participates.

Retirement income plan

Your retirement savings is like a three-legged stool, which includes your ERS retirement annuity, Social Security, and personal savings (such as your Texa\$aver account) or other investments.

Your state retirement annuity does not automatically increase to keep up with inflation. So if you rely on just Social Security and the ERS pension, you might have a financial gap in retirement income.

To cover rising costs when you retire, you'll probably need to draw on your own personal savings and investments. Do you have a plan?



Invest early and your savings can grow without taxes over a longer period of time. The sooner you start saving, the more you have when you retire. See how much \$25 a month could grow.

These are estimates based on regular monthly deposits earning 8% interest. These rates are for illustration only and do not represent actual or guaranteed rates of return.

Texa\$aver benefits

- Free one-on-one personal counseling
- Free financial workshops and group meetings
- Free investment advising
- Customized digital planning tools
- Traditional before-tax and/or Roth after-tax benefits
- Flexible distribution options
- Direct deposit from your paycheck
- Investment options hand-picked by experts from Advised Assets Group, LLC (AAG)
- Funds that offer reimbursements
- Lower fees than other investment companies
- The option to do everything yourself
- The option to have help from AAG with everything you do
- A plan to help provide a more secure future

Professional support

As a Texa\$aver participant, you'll have access to investment adviser representatives from Advised Assets Group, LLC (AAG)—at no cost to you. They can discuss a retirement savings strategy and help answer other questions you may have, like:

- What's my retirement goal?
- How much should I save?
- What can I do now to have more money in retirement?
- What can I do today so I really can retire when I want?

Offered as part of your benefits package, Texa\$aver can help you at any time during your state employment. You can even stay in Texa\$aver after you no longer work for the State, and Texa\$aver can help you manage your retirement income.

Call to request a free Texa\$aver welcome packet, for more information on getting started with the program. Learn more



www.texasaver.com
(800) 634-5091

Texa\$aver retirement options

- Purchase service credit
- Defer unused annual leave to Texa\$aver
- Roll over partial lump sum payments
- Roll over money from other qualified IRAs, 401(k) or 457 accounts
- Receive periodic withdrawals (monthly and quarterly options available)
- Receive partial withdrawals
- Receive a full withdrawal

Transfer money to Texa\$aver

Do you have retirement savings accounts from other jobs? You can transfer, or “roll over” money from a qualified prior eligible employer’s 401(k), 401(a), 403(b), or governmental 457 plan into the Texa\$aver 401(k) or 457 Plan. You can also roll over money from an eligible Individual Retirement Account (IRA). The Texa\$aver 401(k) and 457 Plans accept Roth rollovers from other qualified plans as well, but you cannot roll over Roth IRAs to Texa\$aver.

You are encouraged to discuss rolling money from one account to another with your financial advisor/planner, considering any potential fees and/or limitation of investment options.

PROGRAM ENROLLMENT

If you are not automatically enrolled, you can enroll in the 401(k) or 457 plan (or both), if offered by your employer* at any time of the year. Enroll online or by telephone. Call to request a free Texa\$aver Enrollment Kit for more information on getting started with the program.

Some groups of employees are not enrolled automatically in Texa\$aver, such as:

- higher education employees,
- TMRS participants,
- TCDRS participants,
- CSCD participants, and
- employees who return to state employment within 30 days of leaving.

*State agency employees can enroll in either or both of the Texa\$aver 401(k) and 457 plans. Four-year higher education institution employees and community college employees can enroll in the 457 plan or the Roth contribution option, if their institution offers it.

EMPLOYEE TRANSFERS AND REHIRES

Did you transfer to your new job from another state agency or higher education institution? Or have you had insurance with ERS without a break in coverage? If so, some enrollment rules may not apply.

Retirement Account

Most employees will have a waiting period before their first contribution to their ERS retirement account. Contributions start the first of the month after your 90th day on the job.

If you transfer from one state agency to another within the same calendar month, you will not have an ERS retirement account waiting period.

If you previously worked for the State, and did not refund your account, you will not have a 90-day waiting period before contributing to your ERS retirement account. You may still be subject to the health insurance waiting period.

Do you work for a higher education institution?

Your retirement may be through the Teacher Retirement System (TRS) of Texas or the Optional Retirement Program (ORP). ERS only handles your insurance benefits.

Health Coverage

If you transfer as an employee from one GBP entity to another with no break in coverage, you will not have a health coverage waiting period. You will have 31 days to make health coverage changes if you want to make them. Your coverage begins the first of the next month, unless you start your job on the first day of the month.

You are a member of the GBP while you are employed at:

- a state agency;
- a Texas public institution of higher education that is not part of the University of Texas or Texas A&M University systems;
- the Community Supervision and Corrections Department (CSCD);
- the Teacher Retirement System of Texas (TRS),
- the Windham School District;
- the Texas Municipal Retirement System (TMRS); or
- the Texas County and District Retirement System (TCDRS).

*If you were employed for 60 or more days and you transfer directly from employment at Texas A&M University or the University of Texas systems, you do not have the health coverage waiting period.

The health coverage waiting period does not apply if:

- you have GBP coverage as a dependent
- you transfer directly from Texas A&M University or the University of Texas systems, or
- you have GBP coverage through COBRA (you must pay the COBRA premium for the month in which you are hired).

QUESTIONS? Please contact your benefits coordinator/HR representative. HHS Enterprise employees can contact the HHS Employee Service Center toll-free at (888) 894-4747 TTY, (866) 839-2747 7 a.m. to 7 p.m., Monday through Friday.

RESOURCES

Employee Health Plans Comparison Chart

Benefits	HealthSelect ¹			HMO
	In-Area		Out-of-Area ²	
	Network	Non-Network		
Calendar year deductible	None	\$500 per person \$1,500 per family ³	\$200 per person \$600 per family ³	None
Out-of-pocket coinsurance maximum ¹³	\$2,000 per person ⁴ per calendar year	\$7,000 per person ⁴ per calendar year	\$3,000 per person ⁴ per calendar year	\$2,000 per person ⁴ per plan year
Total Out-of-Pocket Maximum ¹³ (including deductibles, coinsurance and copays)	\$6,350 per person \$12,700 per family ³	None	\$6,350 per person \$12,700 per family ³	\$6,350 per person \$12,700 per family ³
Lifetime maximum	None	None	None	None
Primary care physician required	Yes	No	No	Contact your HMO
Primary care physicians' office visits	\$25	40%	30%	\$25
Physicals*	No Charge	40%	Network provider - No Charge; Non-network provider - 30%	No charge
Specialty physicians' office visits	\$40	40% ³	30%	\$40
Routine eye exam, one per year per participant*	\$40	\$40 copay plus 40% coinsurance	30%	\$40 ⁷
Family planning services*	20%	40% ³	30%	\$40 ⁷
Well woman exam*	No Charge	40%	Network provider - No charge; Non-network provider - 30%	No charge
Speech and hearing testing/ therapy	20% without office visit; \$40 copay plus 20% with office visit	40%	30%	20% without office visit; \$40 copay plus 20% with office visit
Allergy antigens/serum, injections, and testing	No charge without office visit; \$25 or \$40 with office visit	40%	30%	20%
Diagnostic x-rays, lab tests, and mammography	20% ⁶	40%	30%	20%
Office surgery and diagnostic procedures	20%	40%	30%	20%
High-tech radiology (CT scan, MRI, and nuclear medicine) ^{8,9}	\$100 copay plus 20% ¹¹	\$100 copay plus 40% ¹¹	\$100 copay plus 30%	\$100 copay plus 20% coinsurance ¹¹
Urgent care clinic	\$50 plus 20%	\$50 plus 40%	30%	\$50 plus 20%
Chiropractic care				
a. Coinsurance	20%	40%	30%	
b. Maximum benefit per visit	\$75	\$75	\$75	Not covered
c. Maximum visits each participant each calendar year	30	30	30	

Benefits	HealthSelect ¹			HMO
	In-Area		Out-of-Area ²	
	Network	Non-Network		
Immunizations:				
All ages* immunizations, Meningitis childhood, beginning in 7th grade	No charge	40%	Network provider - no charge; Non-network provider - 30%	No charge
Maternity care:				
Dr. charges only*; inpatient hospital copays will apply	\$25 or \$40 for first post-natal office visit \$0 for routine prenatal appointments	40%	30%	\$25 or \$40 for first post-natal office visit \$0 for routine prenatal appointments
Inpatient hospital (semi-private room and day's board, and intensive care unit)	\$150/day copay plus 20% (\$750 copay max-up to 5 days per hospital stay, \$2,250 copay max per calendar year per person ⁸)	\$150/day copay plus 40% (\$750 copay max-up to 5 days per hospital stay, \$2,250 copay max per calendar year per person ⁸)	\$150/day copay plus 30% (\$750 copay max- up to 5 days per hospital stay, \$2,250 copay max per calendar year per person ⁸).	\$150/day copay plus 20% (\$750 copay max-up to 5 days per hospital stay, \$2,250 copay max per plan year per person ⁸)
Emergency care	\$150 plus 20% (if admitted copay will apply to hospital copay)	\$150 plus 20% (if admitted copay will apply to hospital copay)	30%	\$150 plus 20% (if admitted copay will apply to hospital copay)
Outpatient surgery other than in physician's office	\$100 plus 20%	\$100 plus 40%	\$100 plus 30%	\$100 plus 20%
Bariatric surgery ^{8,10}	a. Deductible \$5,000 b. Coinsurance 20% c. Lifetime max \$13,000	Not Covered	a. Deductible \$5,000 b. Coinsurance 20% c. Lifetime max \$13,000	Not covered
Skilled nursing facility	20%; 60-day max. per calendar year ⁸	40% 60-day max. per calendar year ⁸	No charge (no deductible ⁸)	20%; 60-day max. per plan year ^{7,8}
Hospice	20% ⁸	40% ⁸	30% (no deductible) ⁸	20% ⁸
Home health care	20% ⁸	40%; 100 visits max. per calendar year ⁸	No charge; 100 visits max. per calendar year (no deductible ⁸)	20% ⁸
Hearing aids	Plan pays up to \$1,000 per ear every three years (no deductible).			
Durable medical equipment	20% ^{8,12}	40% ^{8,12}	30% ^{8,12}	20% ⁸
Ambulance services (non-emergent)	20% ⁸	20% ⁸	30% ⁸	20% ⁸

¹ Benefits are paid on allowable amounts; using providers who contract with UnitedHealthcare will protect you from liability for amounts over the allowable amount.

² Out-of-area applies to members living outside of Texas, retirees 65 and over, and disabled retirees with Medicare.

³ Applies to calendar year, January 1-December 31.

⁴ Does not include copays.

⁵ Charges could vary when performed during an office visit.

⁶ Copay depends on whether treatment is given by PCP or specialist.

⁷ Applies to plan year, September 1- August 31; for treatment charges, one visit per plan year.

⁸ Preauthorization required.

⁹ Outpatient testing only. Does not apply to inpatient services.

¹⁰ Active employees only; see health plan for additional requirements/limitations.

¹¹ No copay if high-tech radiology is performed during ER visit or inpatient admission.

¹² \$2,500 limit on non-essential DME. Replacement limit of one every three years unless change in condition or physical status.

¹³ Out-of-pocket maximums are not mutually exclusive from other out-of-pocket limits. This means that a Participant's total out-of-pocket maximum could contain a combination of coinsurance and/or copayments. (For example, a Participant could pay up to \$6,350 in copayments alone if there was no coinsurance paid throughout the year. If a Participant met the \$2,000 coinsurance out-of-pocket maximum, he/she would pay \$4,350 in copayments, totaling \$6,350 in overall out-of-pocket expense.)

Behavioral Care Benefits follow those of medical and surgical benefits listed in this chart. This comparison chart offers a general overview of benefits and their associated out-of-pocket expenses under HealthSelect and the HMOs. Contact the plan's customer service department for specific questions.

*Under the Affordable Care Act, certain preventive and women's health services are paid at 100% (at no cost to the member) dependent upon physician billing and diagnosis. In some cases, you will still be responsible for payment on some services.

Dental Insurance Plans Comparison Chart

	HumanaDental DHMO	State of Texas Dental Choice Plan SM Preferred Provider Organization (PPO) Administered by HumanaDental Insurance Company	
Dentists	Must use a participating dentist. Note: Not all participating dentists accept new patients. Dentists are not required to stay on the plan for the entire year.	Network / participating dentist	Non-network / participating dentist
Deductibles	None	Preventive - Individual - \$0; Family - \$0 Combined Basic / Major / Prosthodontic - Individual - \$50; Family - \$150 Orthodontic services - no deductible	Preventive - Individual - \$50; Family - \$150 Combined Basic / Major / Prosthodontic - Individual - \$100; Family - \$300 Orthodontic services - no deductible
Copays / Coinsurance*	Primary dentist – Copays vary according to service and are listed in the “Schedule of Dental Benefits” booklet. Specialty dentistry – You pay 75% of his/her usual and customary fee. DHMO pays nothing.	Preventive and Diagnostic Services - You pay nothing. Basic Services - You pay 10% coinsurance after meeting the Basic Services deductible. Major Services - You pay 50% coinsurance after meeting the Major Services deductible. You will not be charged for amounts over the allowed amount. After you reach the Maximum Calendar Year Benefit, you pay 60% until the next calendar year begins on January 1.	Preventive and Diagnostic Services - You pay 10% after meeting the Preventive and Diagnostic deductible. Basic Services - You pay 30% coinsurance after meeting the Basic Services deductible. Major Services - You pay 60% coinsurance after meeting the Major Services deductible. You may be required to pay the difference between the allowed amount and billed charges. After you reach the Maximum Calendar Year Benefit, you pay 60% until the next calendar year begins on January 1.
Maximum Calendar Year Benefit	Unlimited	\$1,500 (excludes orthodontic services), then 40% of covered expenses.	\$1,500 (excludes orthodontic services), then 40% of covered expenses.
Maximum Lifetime Benefit	Unlimited	\$1,500 for orthodontic services	\$1,500 for orthodontic services
Average cost of cleaning/ oral exams	Vary according to service and are listed in the “Schedule of Dental Benefits” booklet. Up to two cleaning/oral exams per calendar year allowed.	No cost Up to two cleaning/oral exams per calendar year allowed.	10% of the allowed amount after deductible is met. Up to two cleaning/oral exams per calendar year allowed.
Orthodontic Coverage	Orthodontic services performed by a general dentist listed in the directory with a “0” treatment code – child - \$1,800, adult - \$2,100. Orthodontic services performed by specialist – You pay 75% of his/her usual fee. DHMO pays nothing.	Orthodontic services are only available to dependents age 19 or younger. You pay 50% of the allowed amount.	Orthodontic services are only available to dependents age 19 or younger. You pay 50% of the allowed amount. You may have to pay the difference between the allowed amount and billed charges.

NOTE: The Schedule of Benefits for the DHMO plan reflects member responsibility for services received from participating primary care dentists only. Services from participating specialty dentists are 25% less than the dentist's usual charge.

The Dental Plans Comparison Chart is only a summary of the benefits offered by the two dental plans. See plan booklet for actual coverage and limitations.

Prior to starting treatment, discuss the treatment plan and all charges with your dentist.

In the State of Texas Dental Choice PlanSM(PPO), deductibles and annual maximums are per calendar year. Non-participating dentists can bill you for charges above the amount covered by your HumanaDental plan. To ensure you do not receive additional charges, visit a participating PPO network dentist.

*Amounts paid by the participant apply to the Maximum Calendar Year Benefit of \$1,500. Services received after the Maximum Calendar Year Benefit is reached will be paid at 40% coinsurance by the plan.

Monthly Health Premium Rates Full-Time Active Employees

HealthSelect SM of Texas	You Only	You + Spouse	You + Child(ren)	You + Family
Premium*	\$ 537.66	\$ 1,153.42	\$ 949.94	\$ 1,565.70
State Pays	537.66	845.54	743.80	1,051.68
You Pay	0.00	307.88	206.14	514.02
Community First Health Plans				
Premium*	\$ 471.78	\$ 1,011.78	\$ 833.34	\$ 1,373.34
State Pays	471.78	741.78	652.56	922.56
You Pay	0.00	270.00	180.78	450.78
Scott & White Health Plan				
Premium*	\$ 541.70	\$ 1,162.10	\$ 957.10	\$ 1,577.50
State Pays	541.70	851.90	749.40	1,059.60
You Pay	0.00	310.20	207.70	517.90

*Includes premium for Basic Term Life Insurance

Monthly Health Premium Rates Part-time Employees, Graduate Students/Teaching Assistants, Post-doctoral and Adjunct Faculty†

HealthSelect SM of Texas	You Only	You + Spouse	You + Child(ren)	You + Family
Premium*	\$ 537.66	\$ 1,153.42	\$ 949.94	\$ 1,565.70
State Pays	268.83	422.77	371.90	525.84
You Pay	268.83	730.65	578.04	1,039.86
Community First Health Plans				
Premium*	\$ 471.78	\$ 1,011.78	\$ 833.34	\$ 1,373.34
State Pays	235.89	370.89	326.28	461.28
You Pay	235.89	640.89	507.06	912.06
Scott & White Health Plan				
Premium*	\$ 541.70	\$ 1,162.10	\$ 957.10	\$ 1,577.50
State Pays	270.85	425.95	374.70	529.80
You Pay	270.85	736.15	582.40	1,047.70

*Includes premium for Basic Term Life Insurance

†The State does not contribute to the cost of health insurance for adjunct faculty.

HMO SERVICE AREAS

You can select an HMO if you live or work in the service area counties.

Community First Health Plans serves the following counties in the San Antonio area: Atascosa, Bandera, Bexar, Comal, Guadalupe, Kendall, Medina, and Wilson.

Scott & White Health Plan serves the following counties in the Central Texas area: Austin, Bastrop, Bell, Bosque, Brazos, Burleson, Burnet, Coke, Coleman, Concho, Coryell, Crockett, Falls, Freestone, Grimes, Hamilton, Hill, Irion, Kimble, Lampasas, Lee, Leon, Limestone, Llano, Madison, Mason, McCulloch, McLennan, Menard, Milam, Mills, Reagan, Robertson, Runnels, San Saba, Schleicher, Somervell, Sterling, Sutton, Tom Green, Travis, Walker, Waller, Washington, and Williamson.

Tobacco User Premium

If you and/or a family member enrolled in medical insurance has certified as a tobacco user or has not certified as a non-user, you will pay an additional Tobacco User Premium of \$30, \$60, or \$90 each month, depending on how many tobacco users or non-certified family members you cover.

Tobacco User(s) of Any Age and Adult(s) Who Fail to Certify	Monthly Tobacco User Premium
Member or Spouse or Children* Only	\$30
Member + Spouse or Member + Children* or Spouse + Children*	\$60
Family (Member + Spouse + Children*)	\$90

*The charge for a child is the same regardless of how many children in the household use tobacco or how many covered children 18 or over are not certified.

Tobacco Premium Alternative

If you are a tobacco user, you may be able to participate in an alternative to the Tobacco User Premium, if it complies with your doctor's recommendations.

For more information about this alternative, see the Tobacco Policy page of the ERS website at www.ers.state.tx.us/Employees/Health/Tobacco_Policy or contact ERS toll-free at (877) 275-4377.

Dental Rates

Dental Option Costs For Employees				
Plan Name	You Only	You + Spouse	You + Child(ren)	You + Family
HumanaDental DHMO	\$ 9.96	\$ 19.93	\$ 23.91	\$ 33.88
State of Texas Dental Choice Plan SM (Humana Dental)	23.58	47.16	56.60	80.18
State of Texas Dental Discount Plan ^{SM*}	2.25	4.50	5.40	7.65

*Rates may decrease based on the number of participants enrolled in the program, but they will not go up.



BENEFIT OF A DIFFERENT KIND: DISCOUNT PURCHASE PROGRAM

Get ready to save! You can shop online to buy products and services—such as computers, appliances, theme park tickets, and much more—at discounted prices.

There's no enrollment period or membership fee...
just start shopping and save at www.DiscountProgramERS.com.

Optional Coverage Rates

Premiums for Optional Term Life (up to a certain amount) and Voluntary AD&D insurance are taken out of your paycheck pre-tax, which lowers your taxable income. All premiums are monthly.

Employee Optional Term Life*

Optional Term Life**					
After the first 31 days of employment, Elections 1 and 2 require approval through evidence of insurability (EOI, also called proof of good health). Elections 3 and 4 always require approval through EOI. Beginning at age 70, Optional Term Life coverage is reduced to a percentage of your annual salary as follows: Age 70-74 65% Age 75-79 40% Age 80-84 25% Age 85-89 15% Age 90+ 10%	Monthly Rate per \$1,000 of Annual Salary				
	Age	Election 1 Annual Salary x 1	Election 2 Annual Salary x 2	Election 3** Annual Salary x 3	Election 4** Annual Salary x 4
Under 25	\$ 0.05	\$ 0.10	\$ 0.15	\$ 0.20	
25 - 29	0.05	0.10	0.15	0.20	
30 - 34	0.06	0.12	0.18	0.24	
35 - 39	0.06	0.12	0.18	0.24	
40 - 44	0.08	0.16	0.24	0.32	
45 - 49	0.12	0.24	0.36	0.48	
50 - 54	0.19	0.38	0.57	0.76	
55 - 59	0.33	0.66	0.99	1.32	
60 - 64	0.57	1.14	1.71	2.28	
65 - 69	0.93	1.86	2.79	3.72	
70 - 74	1.48	2.96	4.44	5.92	
75 - 79	2.41	4.82	7.23	9.64	
80 - 84	3.92	7.84	11.76	15.68	
85 - 89	6.79	13.58	20.37	27.16	
90+	10.57	21.14	31.71	42.28	

Dependent Term Life

\$1.38 per month for \$5,000†

Employee Accidental Death and Dismemberment (AD&D)

You may apply for Voluntary AD&D coverage according to the following table:

Age	Minimum Coverage	Maximum Coverage	Minimum Increments	
Under 70	\$ 10,000	\$ 200,000	\$ 5,000	You Only \$0.02 per \$1,000 of coverage
70-74	6,500	130,000	3,250	
75-79	4,000	80,000	2,000	
80-84	2,500	50,000	1,250	You + Family \$0.04 per \$1,000 of coverage
85-89	1,500	30,000	750	
90+	1,000	20,000	500	

*Surviving dependents and people enrolled through COBRA and COBRA Disability are not eligible for these plans.

**Optional Term Life Insurance is limited to a maximum of \$400,000 or four times your annual salary, whichever is less.

†Dependent Term Life Insurance includes \$5,000 AD&D coverage per dependent.

Texas Income Protection Plan*

Short-term Disability	\$0.30 per \$100 of monthly salary
Long-term Disability	\$0.63 per \$100 of monthly salary

Most employee out-of-pocket premiums are automatically paid with pre-tax dollars authorized by the Internal Revenue Code. This includes premiums deducted from your paycheck for health and dental insurance coverage, Optional Term Life Insurance, and Voluntary AD&D. Premiums for Dependent Term Life and Disability insurance are paid with after-tax money, so that you do not pay tax on any benefits you may receive. Should you have Optional Term Life Insurance of more than \$50,000, a portion of that premium could be taxed.

TexaSaver 401(k) Plan

For more information on each Plan, call toll-free at (800) 634-5091.

Highlighted area indicates the same for 401K and 457 Plans

Eligibility	Part-time and full-time state employees, upon date of hire or anytime thereafter. Excludes higher education employees. ¹
Contribution options	You have the flexibility to designate all or a portion of your contributions as either traditional before-tax or Roth after-tax.
Maximum annual deferral	99% of 401(k) eligible compensation or \$17,000 ² per year, whichever is less. The 2014 annual contribution limit is \$22,500 if you are 50 or older. You may put money in the 401(k), 457, or both as either before-tax, Roth, or both. Visit www.texasaver.com for updated annual contribution limits.
Transfer of funds to purchase service	You may purchase military service, Additional Service Credit, or refunded or other eligible ERS service by transferring funds from your TexaSaver account while employed. Teacher Retirement System (TRS) of Texas service may be purchased when distribution eligibility is met. This is not a taxable distribution.
Rollovers in	If eligible, you may roll funds into the TexaSaver 401(k)/457 Program from another eligible retirement plan or individual retirement account (IRA). Roth IRAs are not accepted.
Loans	Loans may be approved for \$1,050 to \$50,000 (subject to Plan and IRS provisions). You must have an account balance of at least \$1,050, as there is a \$50 loan application fee that is deducted from the loan proceeds. There is a \$2.08 monthly maintenance fee assessed to your account.
Financial hardship withdrawals³ Only allowed through approval when you have no other resources, including plan loans.	Reasons for hardship include purchase of primary residence, prevention of eviction or foreclosure from your primary residence, tuition expenses, non-reimbursed medical expenses, funeral expenses, or repair of damages to your principal residence.
Distributions while employed for before-tax contributions	You may take a distribution from your 401(k) Plan after age 59 1/2 while still employed without a 10% penalty; 20% will be withheld for federal income taxes unless the funds are rolled to a qualified plan.
Distributions after separation from employment for before-tax contributions	You can start taking distributions after separation from state employment. You may roll over funds into other types of employer-sponsored plans, IRAs, or other eligible options. Lump-sum distributions have 20% automatically withheld for federal taxes. Periodic distributions are allowed.
Distributions from Roth contributions	Roth money may be withdrawn tax-free no earlier than five years after your first Roth contribution and you reach the age of 59 1/2, separated from service with your employer, become disabled, or death. Otherwise, earnings on Roth contributions may be considered earned income and may be penalized when you take a distribution.
Required Minimum Distributions	Must begin no later than April 1 following the year in which you turn 70 1/2, unless you are still employed.
Tax penalties	A 10% federal penalty tax applies to distributions made before age 59 1/2. A 50% federal tax penalty applies if RMDs are not taken at age 70 1/2, unless you are still employed with the employer sponsoring the Plan.

¹ Community college employees may enroll in the 457 Plan if their community college offers the Plan.

² Ceiling is adjusted each year per cost of living index.

³ Please refer to the IRS website for 457 information on hardship withdrawals.

Both Plans are governed by the provisions of the Internal Revenue Code. The State of Texas 401(k) Plan began in 1985 and the 457 Plan began in 1974.

Core securities, when offered, are offered through GWFS Equities, Inc. GWFS Equities, Inc., a wholly owned subsidiary of Great-West Life & Annuity Insurance Company.

Representatives of GWFS Equities, Inc. are not registered investment advisers and cannot offer financial, legal or tax advice. Please consult with your financial planner, attorney and/or tax adviser as needed.

TexaSaver 457 Plan

For more information on each Plan, call toll-free at (800) 634-5091.

■ Highlighted area indicates the same for 401K and 457 Plans

Eligibility	Part-time and full-time state employees, upon date of hire or anytime thereafter. Excludes higher education employees. ¹
Contribution options	You have the flexibility to designate all or a portion of your contributions as either traditional before-tax or Roth after-tax.
Maximum annual deferral	99% of 401(k) eligible compensation or \$17,000 ² per year, whichever is less. The 2014 annual contribution limit is \$22,500 if you are 50 or older. You may put money in the 401(k), 457, or both as either before-tax, Roth, or both. Visit www.texasaver.com for updated annual contribution limits.
Transfer of funds to purchase service	You may purchase military service, Additional Service Credit, or refunded or other eligible ERS service by transferring funds from your TexaSaver account while employed. Teacher Retirement System (TRS) of Texas service may be purchased when distribution eligibility is met. This is not a taxable distribution.
Rollovers in	If eligible, you may roll funds into the TexaSaver 401(k)/457 Program from another eligible retirement plan or individual retirement account (IRA). Roth IRAs are not accepted.
Loans	Loans may be approved for \$1,050 to \$50,000 (subject to Plan and IRS provisions). You must have an account balance of at least \$1,050, as there is a \$50 loan application fee that is deducted from the loan proceeds. There is a \$2.08 monthly maintenance fee assessed to your account.
Financial hardship withdrawals³ Only allowed through approval when you have no other resources, including plan loans.	Reasons for hardship include purchase of primary residence, prevention of eviction or foreclosure from your primary residence, tuition expenses, non-reimbursed medical expenses, funeral expenses, or repair of damages to your principal residence.
Distributions while employed for before-tax contributions	You may take a distribution from your 401(k) Plan after age 59 1/2 while still employed without a 10% penalty; 20% will be withheld for federal income taxes unless the funds are rolled to a qualified plan.
Distributions after separation from employment for before-tax contributions	You can start taking distributions after separation from state employment. You may roll over funds into other types of employer-sponsored plans, IRAs, or other eligible options. Lump-sum distributions have 20% automatically withheld for federal taxes. Periodic distributions are allowed.
Distributions from Roth contributions	Roth money may be withdrawn tax-free no earlier than five years after your first Roth contribution and you reach the age of 59 1/2, separated from service with your employer, become disabled, or death. Otherwise, earnings on Roth contributions may be considered earned income and may be penalized when you take a distribution.
Required Minimum Distributions	Must begin no later than April 1 following the year in which you turn 70 1/2, unless you are still employed.
Tax penalties	A 10% federal penalty tax applies to distributions made before age 59 1/2. A 50% federal tax penalty applies if RMDs are not taken at age 70 1/2, unless you are still employed with the employer sponsoring the Plan.
Special 457 Catch-up provision Cannot be used with the Age 50 and over catch-up in the 457 plan.	Subject to eligibility. If you have unused deferrals, the 457 Catch-up limit is \$34,000 in 2012. You may participate only during the three years before the taxable year in which you attain normal retirement age.

¹ Community college employees may enroll in the 457 Plan if their community college offers the Plan.

² Ceiling is adjusted each year per cost of living index.

³ Please refer to the IRS website for 457 information on hardship withdrawals.

Both Plans are governed by the provisions of the Internal Revenue Code. The State of Texas 401(k) Plan began in 1985 and the 457 Plan began in 1974.

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Representatives of GWFS Equities, Inc. are not registered investment advisers and cannot offer financial, legal or tax advice. Please consult with your financial planner, attorney and/or tax adviser as needed.

Learn more about your State of Texas benefits

Our website: www.ers.state.tx.us

The ERS website has information and tools to help you take advantage of your benefits. Use the Search function to find detailed information on ERS benefits and retirement.

Your Online Account

Access your personal account information 24/7 by signing into your account at www.ers.state.tx.us. Ask your benefits coordinator/human resources (HR) representative, or call ERS for assistance to log in the first time.

Your Statement of Retirement Benefits

After your birthday each year, ERS will send you a personalized statement that shows your earliest retirement date, retirement age, and projected annuity. This statement provides important retirement planning information, including benefit estimates and vesting information.

If you are an ERS member, you can get an estimate of the amount of your retirement annuity by signing into your account at www.ers.state.tx.us.

Texa\$aver Quarterly Statement

You will receive a statement each quarter from Texa\$aver, administered by Great-West Financial, detailing your Texa\$aver account balance and investment choices.

Your Annual Personal Benefits Enrollment Statement

Before Annual Enrollment every year, ERS will send you a personalized statement listing your current coverage, costs, and choices for the next plan year.

News About Your Benefits

This e-newsletter provides information on available programs, wellness, health care plans, and other benefits. You can sign up to receive this and other news by email on the ERS website at www.ers.state.tx.us/Customer_Support/Subscribe.

Planning Your Retirement booklet

Find information on retirement eligibility, calculating retirement benefits, and your benefits after retirement. The booklet, along with other helpful publications, is available at www.ers.state.tx.us/Customer_Support/Publications.

Presentations and Events

ERS holds various seminars, webinars, fairs, and other events throughout the year.

- Ask ERS monthly webinar: On the first Tuesday of each month, you can ask questions and get the latest news from ERS.
- Ready, Set, Retire!: Conducted throughout the State and as a webinar, this a free half-day seminar on ERS retirement and the Texa\$aver 401(k) / 457 Program.
- Medicare Preparation Seminars: Conducted throughout the State and as a webinar, this presentation helps those approaching Medicare eligibility understand enrollment and how Medicare works with state health insurance.

To see a list of upcoming events or to register, go to www.ers.state.tx.us/Event-Calendars.

Your Benefits Coordinator

See your benefits coordinator/HR representative for help signing up for benefits if you work for a state agency, higher education institution, Community Supervision and Corrections Department, Teachers Retirement System of Texas, Texas County and District Retirement System, the Texas Municipal Retirement System, or Windham School District.

ERS Interactive Voice Response System

For 24/7 access to automated information on your insurance and retirement benefits, call toll-free (877) 275-4377.

The ERS website offers information and tools to help you take advantage of your benefits. Go online to find details on ERS benefits and retirement, including:

- your account,
- your annual Personal Benefits Enrollment Statement,
- your Statement of Retirement Benefits,
- health and dental carrier websites,
- presentations and events,
- News about Your Benefits e-newsletter, and
- Planning Your Retirement booklet.

Records of members, retirees and their beneficiaries are confidential. ERS will not release certain information about your account without your written authorization.

CONTACT INFORMATION

Health Plans

HealthSelectSM of Texas

UnitedHealthcare

www.healthselectoftexas.com

(866) 336-9371, TTY: 711

myNurseLineSM: (877) 731-8306 (24 hours a day)

Group number: 744260

Caremark

(pharmacy benefits for HealthSelect)

www.caremark.com/ers

(888) 886-8490

TDD: (800) 231-4403

Group number: RX1292

Community First Health Plans

(an affiliate of the University Health Systems)

members.cfhp.com/

(877) 698-7032

(210) 358-6262

TDD: (800) 390-1175

NurseLink: (210) 358-6262 (24 hours a day)

Group number: 0010180000

Scott & White Health Plan

ers.swhp.org

(800) 321-7947 (24 hours a day)

TTY: (800) 735-2989

VitalCare Nurse Advice line:

(877) 505-7947 (24 hours a day)

Group number: 000058

Dental Plans

State of Texas Dental Choice PlanSM

HumanaDental Insurance Company

www.humanadental.com/ers

(877) 377-0987, TDD: 711

HumanaDental DHMO

(insured by DentiCare, Inc. dba CompBenefits, a member of the HumanaDental family of companies)

www.humanadental.com/ers

(877) 377-0987, TDD: 711

State of Texas Dental Discount PlanSM

Administered by Careington International Corporation

www.txdentaldiscount.com

(844) 377-3368, TDD: 711

Additional Benefits

TexFlex Flexible Spending Accounts

PayFlex Systems USA, Inc.

texas.payflex.com

(866) FLEX-TEX (353-9839)

Paper Claims fax: (866) 286-6897

TexaSaver 401(K) / 457 ProgramSM

Great-West Financial

www.texasaver.com

(800) 634-5091

Discount Purchase Program

www.DiscountProgramERS.com

Other Optional Benefits

Texas Income Protection PlanSM

Aon Hewitt

www.texasincomeprotectionplan.com

(855) 604-6230

Life Insurance and Voluntary AD&D

Minnesota Life

www.LifeBenefits.com/plandesign/ers

(877) 494-1716,

TDD: 711

Email: LifeBenefits@securian.com

Employees Retirement System of Texas

Always available online at www.ers.state.tx.us.

24/7 access to automated information on your insurance and retirement benefits:

(877) 275-4377, TDD: 711.

Talk to a representative 7:30 a.m. to 5:30 p.m., Monday through Friday.

Aon Hewitt

Dependent Verification Center

P.O. Box 1506

Lincolnshire, IL 60069-1506

(800) 987-6605

ERS SUPPORTS THE STATE WORKFORCE
BY OFFERING COMPETITIVE BENEFITS
AT A REASONABLE COST.



SEPTEMBER 1, 2014 - AUGUST 31, 2015