



Teachers' Retirement System of the State of Kentucky

Insurance 2024

Gary L. Harbin, CPA 
Executive Secretary

What TRS Is

Teachers' Retirement System of the State of Kentucky (TRS)

TRS is a defined benefit retirement plan that pays a defined amount in retirement based on the employee's length of service, final average salary and a retirement multiplier. TRS retirement eligibility is determined by the employee's age and years of service. The service retirement annuity is a guaranteed lifetime benefit.

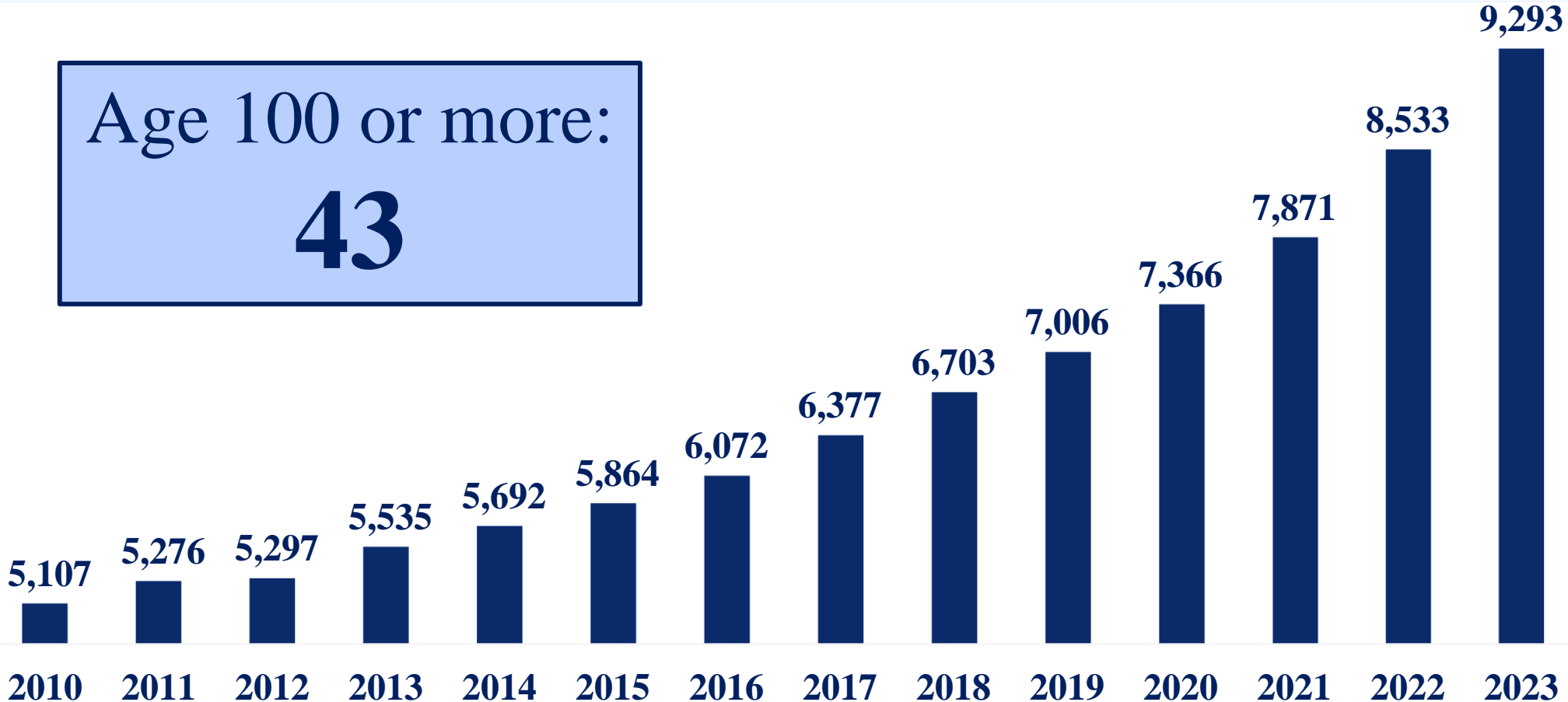
- ❖ Member Recipients
 - Female 74%
 - Male 26%



TRS Benefits Protect Teachers

Retirees Over 80 as of Dec. 31

Age 100 or more:
43



Two Plans for TRS Health Benefits

MEHP **Medicare** **Eligible Health** **Plan**

- Medicare-eligible or 65 & over
- Exclusively TRS members
- One Plan

KEHP **Kentucky** **Employees'** **Health Plan**

- Under 65 and not Medicare-eligible
- Same fund as active teachers and state employees
- Coverage options



Health Insurance Details Subject to Change

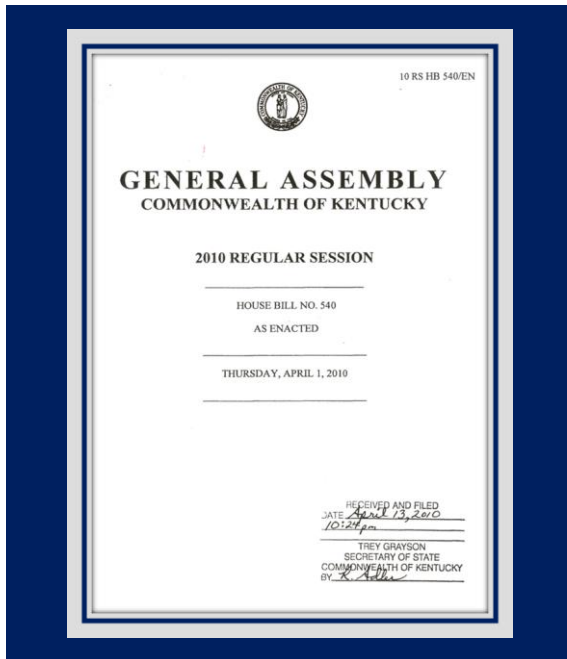
Kentucky law guarantees retired teachers access to group coverage, but the details of that coverage – including costs and level of coverage – can change.



Shared Responsibility

In Second Decade

Shared solution providing permanent funding for retiree health care



Shared Responsibility Results

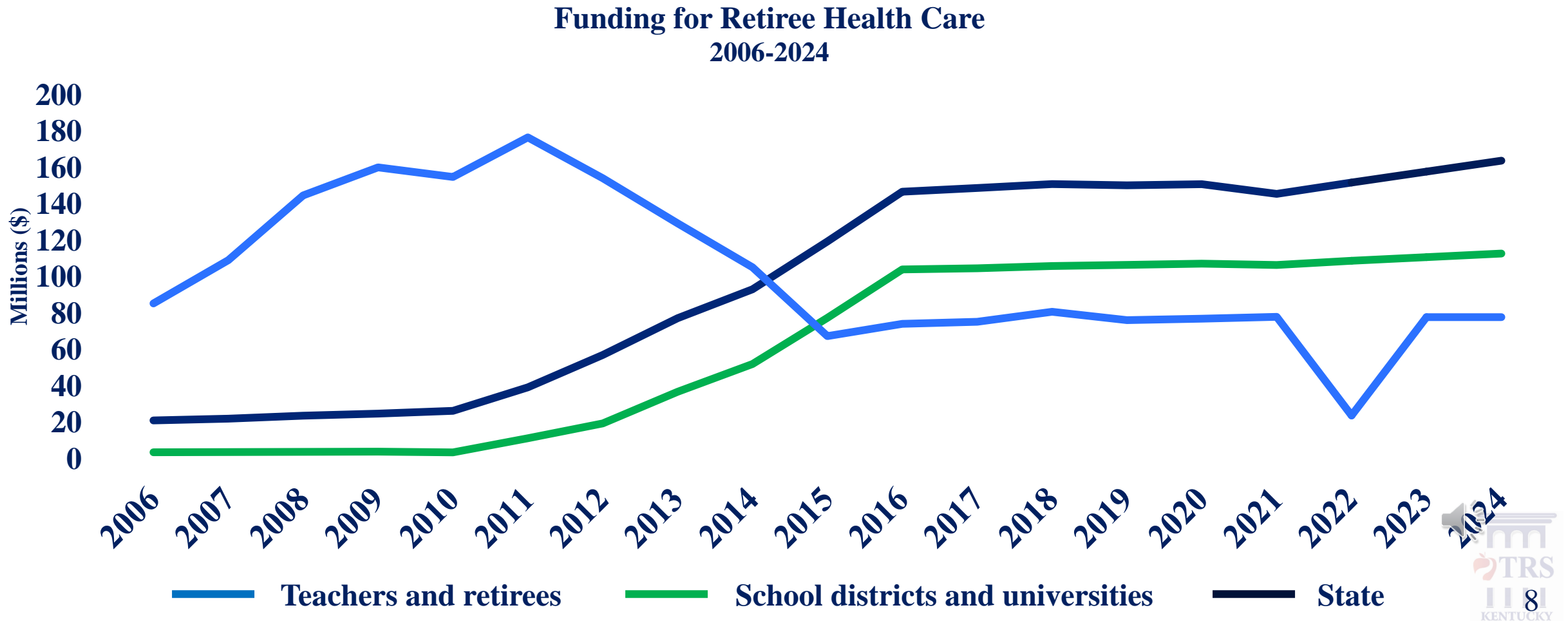
Prefunds Benefits

In 2010, board spearheaded Shared Responsibility passage to fund retiree health insurance, lowering state's cost from \$170 million in 2010 to \$70 million in 2020.

With implementation of Shared Responsibility and federal subsidy solutions, the state's \$6.2 billion share of unfunded liability fell to \$1.2 billion.

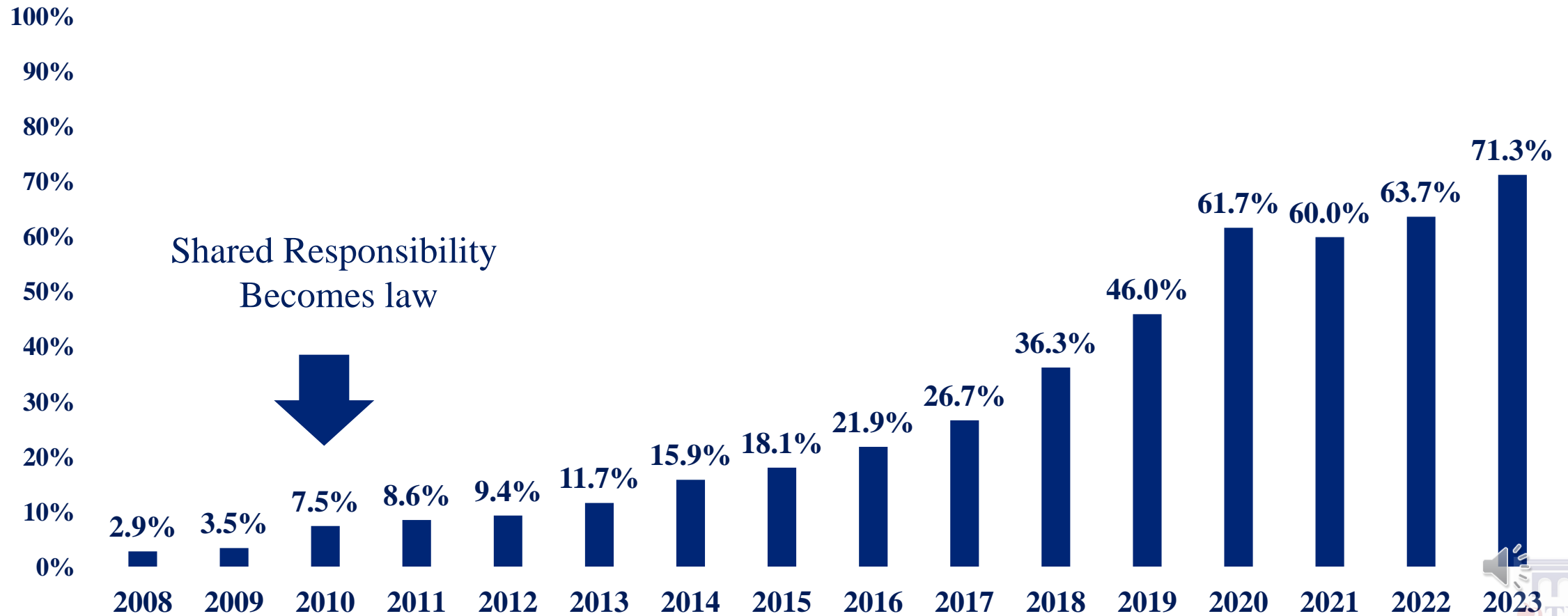
Shared Responsibility

How the Cost Has Been Shared



TRS Health Insurance

Funded Status



Funding Decisions

2022-24 Biennial Budget

- Means eight straight years of full or nearly full annuity funding
- More than \$1.36 billion to meet actuarially required contribution for annuities
 - About \$900 million more to TRS in salary contributions from education budget
- \$149 million for state statutory contribution for under-65 health insurance under Shared Responsibility
- \$479.2 million to pay off liabilities for certain previously awarded benefits that had been amortized over several years
- \$78 million up front for sick leave-related annuity liabilities projected to occur from retirements in next two years

TRS Health Policy Education





Premiums Held Almost Constant For 20 Years

Consists of:



EXPRESS SCRIPTS



Register at retiree.uhc.com/trs to see these features available to you or call 844-518-5877 for more information.



- Routine hearing exam
- HouseCalls in-home assessment
- Hearing aids discount
- Diabetes support program

Real Appeal

Weight management program

Roots Foods

UHC meal delivery program

Renew Rewards

Gift cards for completing certain activities

Smoking and Tobacco use Cessation Program

Renew Active
by  UnitedHealthcare

Fitness program



Medical Alert Systems



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available

Call: 1-855-595-8485, TTY 771

Enroll online: <https://www.lifeline.com/uhcgroup>



Virtual Education Center Teachers' Retirement System of the State of Kentucky



Home

How the Plan Works

HouseCalls

Health & Wellness

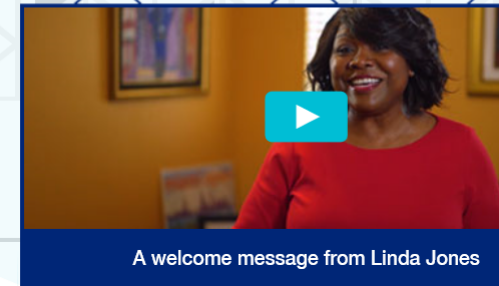
Virtual Visits/NurseLine

Clinical Resources Support

Your Plan

Explore your plan benefits virtually to get the most of them in real life

Welcome to the Virtual Education Center, created to make caring for yourself easier. Because it's not always possible to share information face to face, we've brought our resources together in one place, at your fingertips, wherever and whenever you need it.



<https://uhcvirtualretiree.com/trs>



Top Three Behavioral Health Diagnoses

Depression disorders

Trauma and stressor-related disorders

Anxiety disorders

- HouseCalls provides depression screening as part of assessment
- Access to self-guided care and mindfulness activities
- Online platforms to help navigate behavioral health needs
- 4% coinsurance for individual therapy visits in network
- 4% coinsurance for virtual behavioral visits in network
- \$150 deductible does apply for mental health services



VISA Gift Card HouseCalls in-home assessment reward remains a VISA reward card of \$50

(Non-reloadable)

Renew Active
by  UnitedHealthcare®

Fitness program –
no ID cards in future

Renew Rewards Gift Cards

- Reloadable Visa Cards.
- Funds are loaded within 24 hours of activity completion
- Don't have to track multiple reward card balances and expiration dates
- Consolidated rewards on one card for larger purchases
- Can now see reward card balance and transaction details every time you log-in to Renew Rewards
- Must be used within 12 months

Annual Wellness Visit rewards is \$25

Visa® Reloadable Reward Card Restrictions:

To align with new CMS guidelines, members will have some card restrictions.

Restrictions include but are not limited to:

- Alcohol, Tobacco, and Firearms
- Bookstores and Computer Services, including Amazon
- Drug Stores, Pharmacies and Wholesale Distributors of Prescription Drugs
- Medical Services, Equipment, and Health Care Providers
- Insurance Providers

If Some Old Quarterback Says You Need More Coverage ...

Tell Joe (and others like him),
“No!”

If you are enrolled in the TRS Medicare Eligible Health Plan (MEHP), enrolling in another Medicare Advantage plan would “dyn-o-mite” your TRS MEHP coverage.



Go to trs.ky.gov to watch an informative 4-minute video

Free counseling with live pharmacists

Know Your Rx Coalition *Pharm-Assist*

Hours: Monday to Friday, 8 a.m. to 6 p.m. ET

Phone: 855-218-5979

Email: KYRx@uky.edu

Website: www.KYRx.org



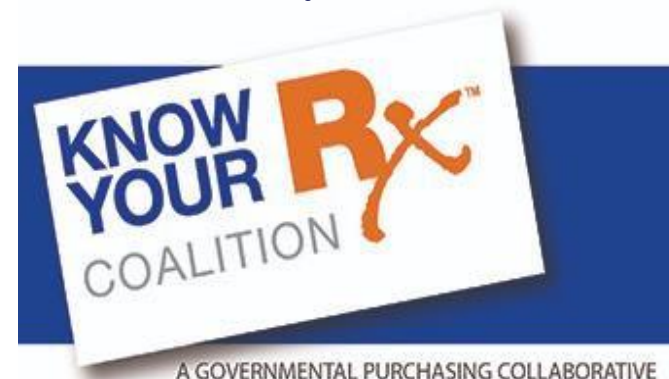
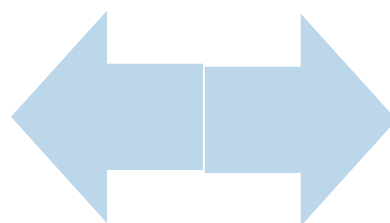


TRS Solution: Personalized Medicine Partnership



This personalized medicine program uses DNA testing to help you find out if your medications work for you.

You
Your Doctor
Your Pharmacist



MEHP enrollees can contact Coriell at 888-454-9024 or online at www.coriell.com/trs to request a free DNA kit.

Personalized Medicine

Why It Works

- Helps avoid taking ineffective medications that even could be fatal
- Saves money for retirees and their insurance trust
- Uses DNA testing to help doctors making treatment decisions
- Results help make sure medications are beneficial from the start
- Avoids traditional trial-and-error process without DNA information



Genetic Testing Wellness Program Gets National Attention

Journal of Precision Medicine

TEACHERS' Retirement System
TRS
KENTUCKY

A Commentary on a Precision Medicine Program: Humanistic Outcomes Are Always Key

By Jane Cheshire Gilbert, CPA, Teachers' Retirement System (TRS) of the State of Kentucky, a Member of the GTMRx Institute

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Introduction: GTMRx and TRS Kentucky Precision medicine needs personalized medicine in cases like the TRS retiree (quoted in #1) who voluntarily submitted a saliva sample for testing. Such a simple act, one of the many by TRS retirees, yields long-term returns on the scientific and financial investments made by TRS to achieve its precision medicine goals. Moreover, TRS puts

these goals into human terms, showing how real people express in their own words how precision science benefits them. Are there any better words a pharmacist or doctor could hear? Or for those inside the pharmacogenomics research world and academia? Or, for that matter, the director of retiree health care for Kentucky's retired teachers? In the past few years, TRS has made countless virtual presentations on this program to others

interested in their employees' and retirees' wellness, drug cost containment and precise use of science that now is well over a decade old. In addition, TRS has presented its program to many health care professionals, including doctors and health plan administrators at the National Institutes of Health in Bethesda, Maryland; attendees at the Personalized Medicine Coalition meeting at Harvard in Massachusetts; and, now, readers of

trspub.majdprecisionmedicine.com

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#3 A deep dive into our population discovered that 84% of retirees are on medications that are influenced by genetics. Medicare-eligible retirees were on an average of 15 prescriptions. Roughly 75% of the population had high blood pressure, 58% had high cholesterol and 50% were suffering from pain and inflammation. Using de-identified claims information, the PGx vendor provided an in-depth analysis of the possible return on investment with the program which found: 10% of members should stop taking a prescription immediately (potential savings: \$1.7 million), 57% of members might need to adjust dosage (potential savings: \$10 million) and 33% of members have a better alternative medication available.

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Doctor-Patient Reports and Consultations CLS develops a personalized medicine report that includes the relevant genetic data as well as known drug-drug interactions, lifestyle factors and other relevant information. TRS made sure that if a retired teacher wanted to have their DNA tested, a pharmacist was in place who could communicate the results to the patient in language they understood. Pharmacists have developed medication action plans for the 7,800 program enrollees. Both the patient and the physician receive a copy of the plans, which explains the results of the testing and the pharmacist's recommendations. After these conversations with patients, the pharmacists then reach out to the prescribing physician, with the patient's permission, and discuss the recommended medication changes. And these recommendations are taken seriously. The physicians' acceptance of the initiative is gratifying and astounding — and key to validating the program. Prescribing physicians almost universally accepted the pharmacist's recommendations — 89% of the time. Like the retirees, physicians were generally appreciative. TRS heard a lot of positive feedback, such as "you're helping me become a better doctor, to take better care of my patients and to be able to prescribe the right drug at the right time for them."

#4 Communicating with members early and consistently contributed to the program's successful launch. The overarching message: TRS is making smarter use of the health care dollar through the program because taking medications that do not work is bad for the member's health and for the TRS health insurance fund.

the pharmacists and, for example, switching to a generic. Other examples from this medication therapy management process — in which the pharmacist spends about an hour with a patient — include identifying drug-to-drug interactions, side effects and other issues. The process of "test, report, consult" avoids the possibly fatal trial-and-error type of prescribing

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known as titrating and playing with the dosage. In keeping with GTMRx, TRS hopes the medication is right the first time, saving members considerable pain and suffering and saving the plan a lot of money. The outcomes have proven the concept. According to CLS, costs grew 12% faster for those not enrolled in the PGx program than those enrolled, based on charged amounts for medical claims at an 18-month evaluation. About \$12 was saved on charged claims for every \$1 spent on PGx program costs. Despite these initial results, PGx still faces resistance — in no small part from the

trspub.majdprecisionmedicine.com

determination to allow PGx when specific criteria are met. Second, on the insurer side, some large companies, including UnitedHealthcare, have incorporated the use of PGx to include, for example, reimbursement for certain patients with depression. In addition to these positive signs, the accumulation of data and the weight of evidence will dictate that PGx becomes the standard so that patients are not on a drug that is ineffective or unsafe for months or years. **What's next** To implement PGx, engage your medical plan carrier and your pharmacy benefits manager (PBM) in this conversation. PBMs will see the value in lives saved, improved health outcomes and reduced costs; PBMs will come to recognize the value of PGx as a tool to optimize medications through comprehensive medication management (CMM).¹⁴ Introducing a pharmacist who works

in collaborative practice with the physician to target correct therapies reduces the trial and error approach to prescribing. And TRS experience provides a path toward getting there as a widespread, accepted standard of care. Resources are available to guide those new to these concepts. In April, the GTMRx Institute released the GTMRx Employer Toolkit,¹⁵ a suite of resources to equip employers with the knowledge to manage and control medication therapy problems more effectively through their pharmacy benefit programs and medical carriers. The toolkit is designed to help educate, guide and assist employers as they work with solution providers. A pharmacist-led, person-centered, team-based, standardized and rational approach to medication use empowers employees to leverage PGx testing and moves us all toward a more precise and personalized care process. TRS continues to educate Medicare Advantage carriers and PBMs of the need for PGx inside these federal programs. Including PGx in Medicare Advantage and Medicare Part D would help continue to control the TRS Medicare Eligible Health Plan premium. The 2021 monthly premium is \$178, down \$54 (not adjusted for inflation) from 20 years ago due to increased federal revenues

and heightened care management inside these federal programs. PGx, if included in these federal programs, would bring greater cost efficiency. In the end, the most rewarding part of the program, as indicated earlier, is not only the medication change that results from the testing and/or the dollars saved; it is also the reaction of Kentucky's retired teachers who take part in the program and the thanks TRS receives for actually running these tests. The story will get better because this wellness and savings program is a lifetime benefit for each Kentucky retired teacher who volunteered to provide a DNA sample. Testing results that already have paid dividends for the retirees and their health plan can continue to inform every aspect of their pharmaceutical treatment for the rest of their lives. ■

Jane Cheshire Gilbert, CPA
Director of Retiree Health Care for the Teachers' Retirement System of the State of Kentucky

She has served TRS retirees since April 2000. She manages over 100,000 health plans covering 48,000 retirees. She also serves as a leader in the areas of health insurance cost containment, project management, risk management and federal health care solutions. Gilbert served in management and directorial positions for a Louisville, Kentucky law firm and a cost containment company, The Savings Company, from 1989 through 2002. Prior to that, she worked as an accountant for a national C.R. firm. Gilbert earned a bachelor's degree in accounting from Bellarmine University in Louisville, Kentucky and is a certified public accountant and a certified government benefits administrator. She has served on the board of the State and Local Government Benefits Association and is a member of the Public Safety Healthcare Roundtable.

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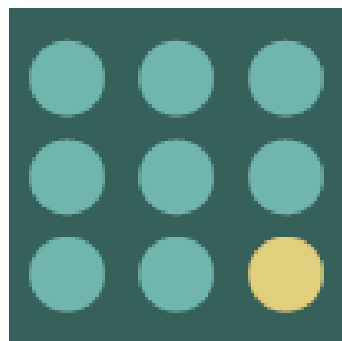
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Peer-Reviewed Initial Results Receive Attention



Journal of
*Personalized
Medicine*

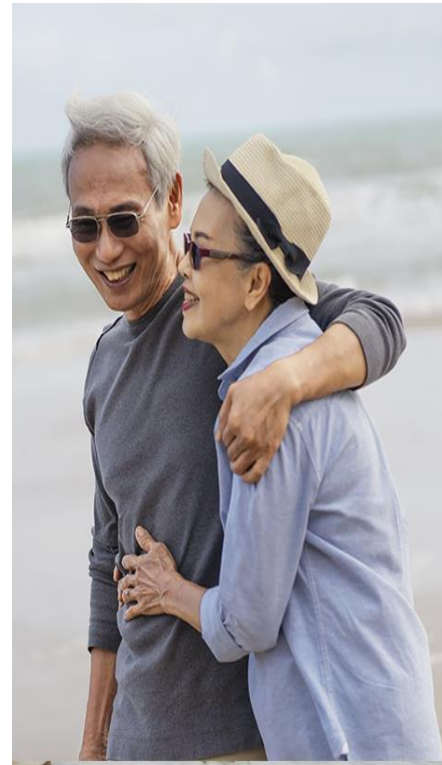
- \$37 million savings in direct medical charges over 32 months
- 66% had genetic risks detected in a currently prescribed medication
- 14.9% reduction in inpatient visits
- 6.8% reduction in emergency room visits
- \$218 savings a month per member, which equates to \$7,000 a member
- Return on investment of about 1,422%

Personalized Medicine – Member Testimonials



*“I’ve been taking different antidepressant meds for 15 years for severe depression and hospitalization. My med changed from SSNI to SNRI and I’ve **never felt better!** My family, friends and neighbors are overjoyed with the change.”*

–Participating Member



*“I found out one medicine was not working well for me. **Now my doctor can prescribe a medication that works better.** Personalized medicine is a great benefit! The KYRx Coalition were wonderful.”*

–Participating Member

Contact CLS at **888-454-9024** or at www.coriell.com/trs to request a DNA kit.

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Video chat with
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- 24/7 Nurse Line
- Substance Use Disorder Support Line
- Tobacco cessation
- Weight management

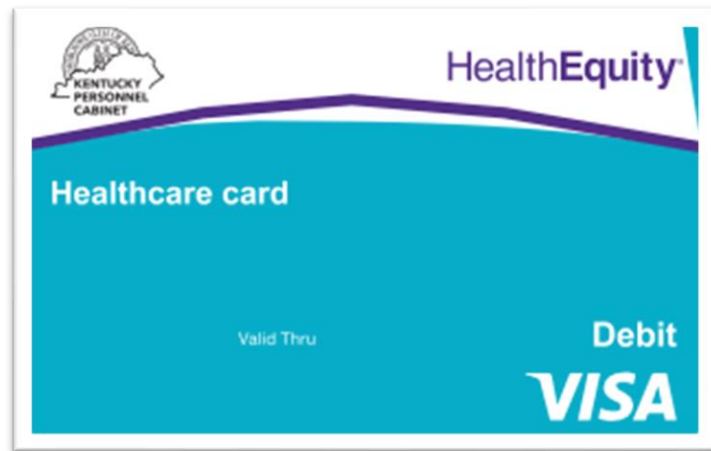
More information can be found at kehp.ky.gov



Register for your account on Castlight
mycastlight.com/mybenefits

- Living Well Promise- Complete between Jan 1 – July 1, 2024.
- If completed, \$40 a month premium discount in 2025.
- Biometric Screening no longer fulfills the Living Well Promise.
- For Cross-Reference plan-spouse must complete.
- Online portal, Mobile app and options to connect devices.
- Earn up to \$200 in rewards for well-being activities.
- Spouses can earn up to \$100.

HealthEquity Healthcare Reimbursement Arrangement (HRA) helps reduce costs; remaining funds carry over to next year if remaining in a CDHP plan.



Pay for eligible healthcare expenses such as:

- Medical and pharmacy
- Deductibles
- Copayments and coinsurance
- Some over-the-counter products
- Certain dental and vision fees (does not apply to deductible or maximum out of pocket)

If you're on a CDHP plan and don't have a HealthEquity card, or to determine eligible expenses, call 877-430-5519 or visit www.healthequity.com



- If you are enrolled in coverage through TRS and turning 65, you will receive a Turning 65 email about four (4) months before your birth month.
- You still need to enroll in KEHP to be covered until you become eligible for Medicare (unless your birthday is in January or Feb. 1).
- Do not include your Medicare-eligible spouse or dependent child on your KEHP enrollment if they already are covered in TRS MEHP.



Before Moving From KEHP to Medicare

KEHP



MEHP

HealthEquity®

Consumer Driven Health Plan
(CDHP) HRA funds must be used
before moving to MEHP



Use or lose your rewards
before KEHP coverage
ends



Did you know TRS retirees can use Pathway to:

- Review your retirement account/active account
- Review your pension check
- Update your address, tax withholding, etc.
- Manage health insurance

 - Enroll in MEHP when gaining Medicare
 - Enroll/Terminate with a qualifying event



Videos and instructions are also on our website for both

<https://mss.trs.ky.gov/>

TRS Videos

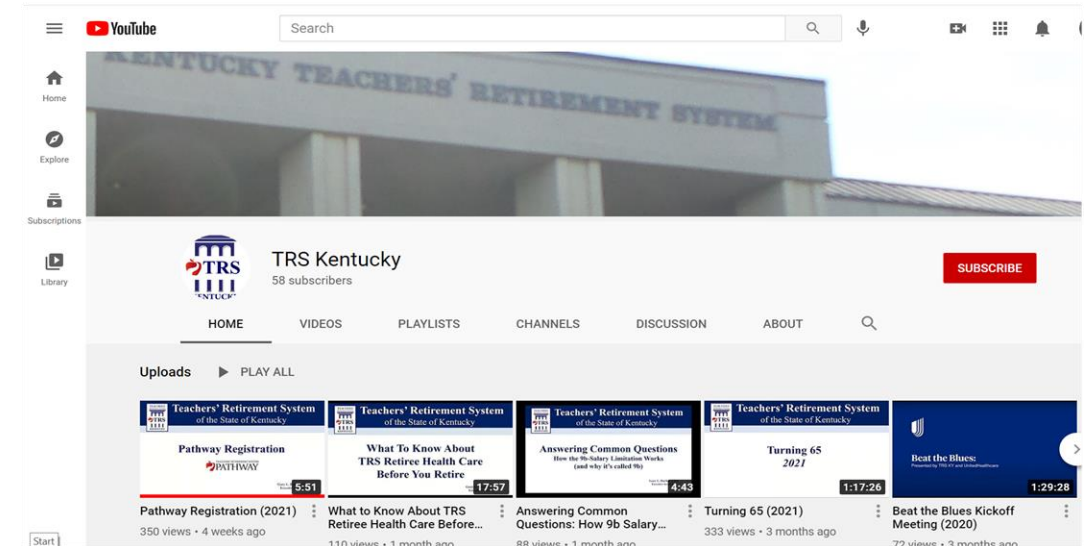
Seminars, Webinars, Other Educational Presentations

TRS Website



<https://trs.ky.gov/videos>

TRS YouTube Channel



<https://www.youtube.com/@trskentucky>

Topics Include:

Pathway Registration, Return to Work, Retiree Health Insurance, Turning 65 and Answering Common Questions



TRS News and Information



<https://trs.ky.gov>



<https://mss.trs.ky.gov/>



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