

Fact sheet: 2018 Primary Elections, Questions for Candidates

It's vital that all educators, retired and active, vote in the upcoming Primary Elections! The best way to defend and improve retirement benefits for Texas educators is to elect state officials who support the Teacher Retirement System of Texas (TRS) defined benefit plan and access to quality, affordable health care! Talk to candidates in your area TODAY, and ask them these important questions.

TRS-Care Retiree Health Insurance Program

During the 85th legislative session, TRS-Care faced a budget shortfall of \$1 billion. This is not the first time TRS-Care has had significant funding problems. Funding for TRS-Care is based on aggregate teacher payroll and does not match up with growing health care costs and trends. This funding mechanism is broken, but it has not received a permanent fix. **If elected, what will you do to fix the funding mechanism for TRS-Care?**

Legislators have provided supplemental funds to TRS-Care over the past several sessions to make up some of the program's large budget shortfalls. While supplemental funds to aid TRS-Care are welcome, those funds do not become part of the program's base budget. **If elected, will you work to increase the program's permanent base funding? If so, how much additional base funding would you suggest to stabilize the TRS-Care plan?**

Recently, TRS-Care underwent sweeping changes that dramatically increased out-of-pocket costs for retirees and their dependents living on fixed incomes. **If elected, will you work to permanently increase funding TRS-Care so that retired school employees have access to affordable, quality healthcare?**

Some retirees and/or dependents may have left TRS-Care out of fear or the need to find a lower cost plan. **If elected, will you support legislation allowing anyone who may have left TRS-Care in FY 2018-2019 an opportunity to re-enroll?**

As changes were being made to TRS-Care, many retirees reported feeling upset about increases in health care costs and confused about processes such as enrollment. **If elected, will you support legislation that adds a TRS ombudsman as a full-time TRS employee to represent retiree interests?**

Health plans for both retired and active educators have been plagued with inadequate funding problems for years. **If elected, how do you propose fixing the TRS-ActiveCare problem? If elected, would you consider a plan that combines TRS-Care and TRS-ActiveCare? Why or why not?**

The Employees Retirement System (ERS) health care plan is fully funded by the Legislature, but TRS-Care continues to be impaired. We have heard that placing TRS retirees into ERS health care is too costly to be implemented. However, education retirees pay for 50% of the total cost of their healthcare through deductibles, premiums, and copays, etc. The Legislature appropriates \$600-\$900 per month for a retired state employee's health care and only 1/3 of that amount for a retired school employee's health care. **If elected, would you support legislation that places TRS retirees into the ERS healthcare plan?**

Some legislators have suggested that the biggest problem with TRS-Care is that their colleagues simply do not understand the difficulty these changes have put on retirees. Drastic action has been suggested by various legislators, and that action would impact the elected class by moving them out of the state ERS health plan and into TRS-Care or TRS-ActiveCare. **If elected, would you support a bill that moves the elected class out of ERS health care and into TRS-Care?**

Teacher Retirement System of Texas (TRS) Pension Fund

Some organizations and individuals have been pushing to change the TRS defined benefit plan to a defined contribution plan. However, 95% of school employees in Texas do not pay into Social Security, meaning their TRS annuity is their only source of retirement income. **If elected, will you support keeping the defined benefit plan for all current and future school retirees?**

The Legislature recently put pressure on TRS to change their assumed rate of return on investments. This was not accompanied by a plan to make up for long-term investment losses. **If elected, will you support increasing the state contribution to the pension fund to offset losses that may occur by changing the rate of return? If elected, what will you do to ensure the fund becomes actuarially sound?**

Many TRS annuitants have not received a pension increase since retiring. In 2013, approximately 200,000 retirees received a 3% cost-of-living raise if they retired before September 1, 2004. **If elected, will you support legislation to provide retirees who retired as of September 1, 2004 or after to receive a benefit increase next legislative session?**

Presently, pension increases for legislators are tied to salary increases for district judges. **If elected, will you support legislation that decouples this procedure? If elected, will you support legislation that allows legislators to receive pension increases only if TRS retirees also receive a pension increase?**

The Legislature's contributions per state employee far exceeds contributions per retired school employee. The state pays a higher percentage of payroll for state employees' retirement, the full cost of Social Security, and highly subsidizes health care coverage for active employees and provides free health care coverage for retirees. This gives the impression that the service of state employees, including elected officials, is more valuable than the service of educators. **If elected, what would you do to improve benefits for educators?**