

# Summer Deferment and Dual Coverage



## Important information for handling Summer Deferment

The summer months always see an uptick of employees retiring from school districts. Each year, we strive to ensure soon-to-be TRS retirees are only covered under either TRS-Care or TRS-ActiveCare to avoid dual coverage.

### Did you know?

TRS-ActiveCare allows employees to remain covered with a participating entity until Aug. 31 of any year if they remained eligible until the last instructional day of the school year. This provision is referred to as summer deferment.

Although there may be differences in how each entity handles employee separations, it's important to make this provision clear to any employee when they leave your district.

### The employee impact

Active employees moving to a new TRS-ActiveCare district may have their coverage terminated with your district if they elect a start date prior to Sept. 1. Retirees may also see their TRS-ActiveCare coverage terminated earlier than expected if they do not defer to a Sept. 1 start date for TRS-Care.

If a dual coverage situation occurs, then the newer coverage start date will automatically terminate any other existing TRS plan. The following scenarios occur that may result in a coverage discrepancy for your district.

- A participant separates from district A on July 15 but has summer deferment taken to remain covered with district A until Aug. 31. When the participant begins work at district B on Aug. 1, they elect 8/1 for coverage. District A will have coverage terminated as of Aug. 1.
- A participant retires from a district on July 15 but remains covered until Aug. 31 through summer deferment. They elect Aug. 1 for TRS-Care. The TRS-ActiveCare plan will terminate as of Aug. 1 with the district they retired from.

## What can you do?

The most important step is to educate your employees. This involves having a discussion with any employee leaving or coming to your district on their current coverage end or start date. Doing so will help you provide them the information they need to make an informed decision on the start date for either their TRS-Care or TRS-ActiveCare coverage.

Another useful resource is the reports available in bswift. Dual coverage corrections are listed each week after the files load in bswift. Your BA Advocate can assist you in understanding how you can use these reports to the fullest.

If you have any questions your BA Advocate is here to support you. You can contact a BA Advocate at 877-767-5254.



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