

MINUTES
OF THE MEETING OF
THE EXECUTIVE COMMITTEE
STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS

November 10, 2022

A meeting of the Executive Committee of the State Employees' Retirement System of Illinois was held on Thursday, November 10, 2022, at 8:45 a.m. in the System's Springfield office at 2101 S. Veterans Parkway and by videoconference as allowed under Section 7(e) of the Open Meetings Act (5 ILCS 120/7(e)).

Committee Members Present:

Marvin Becker, Chairperson
Timothy Blair, Executive Secretary

Committee Members Present via Videoconference:

David Morris, Vice-Chairperson

Others Present:

Jeff Houch, Assistant to the Executive Secretary
Eric Glaub, Manager, Claims Division
Aaron Evans, Attorney, Sorling Northrup
Jessica Blood, Recording Secretary

Motion to Allow Participation via Videoconference

Executive Secretary Blair moved to allow Vice-Chairperson Morris to participate in the meeting via videoconference. Chairperson Becker seconded the motion, which passed by majority vote.

Minutes of the Previous Meeting

The minutes of the Executive Committee's meeting on October 13, 2022, were presented by Chairperson Becker for approval. Copies of the minutes were previously e-mailed to Committee members for review. Chairperson Becker moved to approve the minutes as submitted. The motion was seconded by Vice-Chairperson Morris and passed unanimously.

Routine Claims Report

The Routine Claims Report for October 2022 was presented. Following a brief discussion, the Routine Claims Report for October 2022 as prepared by staff, was received by the Committee.

Old Business

Crystal Moreno – Appeal of Nonoccupational Disability Benefit Claim Denial – Personal Hearing via Videoconference – Recommendation

Crystal Moreno works for the Illinois Department of Employment Security as an Office Associate. She began a medical leave of absence on May 17, 2022 and applied for a nonoccupational disability benefit on June 7, 2022.

On June 9, 2022, a letter was sent to Ms. Moreno explaining the medical evidence submitted for her claim was insufficient to make a determination on her disabling condition. Additional medical evidence in support of the claim was requested.

After review of the additional medical evidence submitted, the Disability Specialist found that there appeared to be insufficient medical evidence to meet the statutory requirements to receive nonoccupational disability benefits. On August 12, 2022, the case file was referred to SERS' medical consultant, MMRO, for review.

A recommendation to disapprove the claim was received from MMRO on August 24, 2022. The report noted there is no support that Ms. Moreno is considered incapacitated to perform her duties as an Office Associate Option 2 SS. Ms. Moreno was sent a letter on August 26, 2022, to inform her the claim was denied.

Ms. Moreno has requested a personal hearing to appeal the denial of her nonoccupational disability claim. She submitted additional medical evidence with her appeal, which are office notes from her medical provider. The provider suggested returning to work remotely, but her agency will not accept these restrictions. She did return to work on August 22, 2022.

After hearing Ms. Moreno present her appeal at their October 2022 meeting, the Committee decided to refer her case to external counsel for a recommendation.

Attorney Evans presented Recommendation No. 2022-19, to deny Ms. Moreno's appeal. Executive Secretary Blair moved to adopt Recommendation No. 2022-19. The motion was seconded by Chairperson Becker and passed unanimously.

Lekeesha Davis – Appeal of Temporary Disability Benefit Conversion Overpayment – Personal Hearing via Teleconference – Recommendation.

Lekeesha Davis was on a SERS occupational disability benefit from May 2019 through December 2021, when the Illinois Workers' Compensation Commission (IWCC) terminated her total temporary disability (TTD) benefits. Ms. Davis then applied for and received a SERS temporary disability benefit from December 7, 2021, through April 17, 2022.

SERS was notified Ms. Davis received a settlement from the IWCC. In accordance with

Section 14-123.1 of the Illinois Pension Code, the temporary disability benefit was converted to an occupational disability benefit. This conversion resulted in an overpayment of temporary disability benefits.

Ms. Davis has requested a teleconference to appeal the overpayment due from the conversion of her temporary disability benefit. She returned to work in May 2022 and is currently an active employee with the Illinois Department of Employment Security.

After hearing Ms. Davis present her appeal at their October 2022 meeting, the Committee decided to refer her case to external counsel for a recommendation.

Attorney Evans presented Recommendation No. 2022-18, to deny Ms. Davis's appeal. Chairperson Becker moved to adopt Recommendation No. 2022-18. The motion was seconded by Vice-Chairperson Morris and passed unanimously.

Leslie Howard – Department of Human Services Employee Miscoding

From September 16, 2006, through May 31, 2008, Leslie Howard was miscoded by the Department of Human Services (DHS) as a member of the Teachers' Retirement System (TRS). During this period, retirement contributions were made to TRS, and none were made to SERS. Ms. Howard is now short twenty months of SERS service credit due to the misdirection of the employee contributions.

Due to the methodology used by TRS to annually reconcile each individual employer account, they have refused to refund any of the employee contributions made in error by Ms. Howard. DHS maintains that it does not have the appropriation authority to pay prior year SERS retirement contributions. Effectively, this would mean that there is no mechanism to collect the "missing" employee contributions and grant the service credit to Ms. Howard.

SERS staff propose to credit the twenty months of service credit to Ms. Howard, as well as the earnings for those twenty months. No employee contributions would be granted. This approach requires Executive Committee approval as SERS would be granting service credit and monthly earnings without the appropriate employee contributions.

After reviewing the information provided and some discussion at their October 2022 meeting, the Committee decided to defer a decision pending further investigation into possible remedies for Ms. Howard's situation.

Executive Secretary Blair updated the Committee that he will continue to work with the DHS payroll staff to resolve Ms. Howard's case.

Garrick Randolph – Staff Direction on Forfeiture of Retirement Benefits Due to Felony Conviction - Deferred

Garrick Randolph was employed by the Department of Corrections as a Senior Parole Agent, who separated from service in December of 2019. Mr. Randolph was charged

with multiple felony counts that included aggravated battery (720 ILCS 5/12-3.05, custodial sexual misconduct (720 ILCS 5/11-9.2), and official misconduct (720 ILCS 5/33-3). On December 30, 2021, Mr. Randolph was convicted of the aggravated battery charge, and the other two charges were dismissed.

In March of 2022, Mr. Randolph submitted a retirement application to SERS intending to retire effective April 1, 2022. After becoming aware of Mr. Randolph's felony conviction, staff suspended the processing of his retirement claim pending receipt of an opinion from the Office of the Attorney General on whether Mr. Randolph's felony conviction was connected to his position. The System recently received such opinion, which states that resolution of the matter requires that the Committee make additional factual determinations to enable the Office of the Attorney General to determine whether there was a causal connection between Mr. Randolph's service and his conviction.

After reviewing the facts presented at their August 2022 meeting, the Committee decided to defer a decision pending further investigation and fact finding relative to Mr. Randolph's felony conviction.

Jeff Houch, Assistant to the Executive Secretary, informed the Committee that SERS had received documentation regarding Mr. Randolph's case from CMS and that documentation has been submitted to the Attorney General's office for further review and clarification of their earlier opinion.

April Bruce – Appeal of Termination of Nonoccupational Disability Benefits – Recommendation

April Bruce worked for the Illinois Department of Children and Family Services as a Child Protection Specialist. She last worked on January 22, 2021. She then applied for a nonoccupational disability benefit on February 8, 2021. Her treating physician anticipated a tentative return to work in April 2021.

Ms. Bruce was approved for a nonoccupational disability benefit effective March 18, 2021 and continued on the benefit for over 16 months. She states she has seen a psychiatrist, but her forms are completed by her treating physician. The treating physician's diagnosis states the 'patient cannot work in current position,' then gives an estimated return to work date of July 25, 2022.

Medical records from a July 5, 2022 office visit report state that no signs of her diagnosis resulting in the initial approval of disability benefits were reported. As a result, the Disability Examiner felt the member's condition was not as severe as when she was approved for the disability benefit. The case was reviewed by the Disability Supervisor, and then referred to the medical consultant, MMRO, for review.

A recommendation to disapprove the claim was received from MMRO on August 2, 2022. The report noted 'evidence supports that the member has experienced a material improvement in her condition such that she is no longer considered mentally or

physically incapacitated to perform her duties as a Child Protection Specialist.' Ms. Bruce was sent a letter on August 2, 2022, to inform her that her nonoccupational disability benefit would cease effective July 31, 2022.

Ms. Bruce has requested a personal appeal for the termination of her nonoccupational disability claim.

After hearing Ms. Bruce present her case at their September 2022 meeting, the Committee decided to refer to external counsel for a recommendation.

Attorney Evans presented Recommendation No. 2022-17, to deny Ms. Bruce's appeal, at the October 2022 meeting. After some discussion, the Committee decided to defer a decision pending an additional MMRO review of newly submitted medical documentation provided by Ms. Bruce.

After reviewing the new MMRO recommendation regarding Ms. Bruce's appeal, the Committee decided to refer her case to external counsel for a revised recommendation.

There being no further business to be brought before the Committee, the meeting was adjourned at 9:39 a.m.

The next meeting of the Executive Committee is scheduled for December 8, 2022, in the System's Springfield office.

Marvin Becker, Chairperson

David Morris, Vice-Chairperson

Timothy Blair, Executive Secretary