

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

October 13, 2022

A meeting of the Executive Committee of the State Employees' Retirement System of Illinois was held on Thursday, October 13, 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
David Morris, Vice-Chairperson
Timothy Blair, Executive Secretary

Others Present:

Jeff Houch, Assistant to the Executive Secretary
Eric Glaub, Manager, Claims Division
Karen Brown, Supervisor, Disability Section
Aaron Evans, Attorney, Sorling Northrup
Jessica Blood, Recording Secretary
Joyce Guccione, Claimant
Lekeesha Davis, Claimant
Crystal Moreno, Claimant

Minutes of the Previous Meeting

The minutes of the Executive Committee's meeting on September 8, 2022, were presented by Chairperson Becker for approval. Copies of the minutes were previously e-mailed to Committee members for review. Executive Secretary Blair moved to approve the minutes as submitted. The motion was seconded by Vice-Chairperson Morris, and by unanimous vote, the minutes were approved by the Committee members present.

Routine Claims Report

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

Old Business

Joyce Guccione – Appeal of Death Claim Determination and Overpayment – Deceased Mbr: Salvatore Guccione – Recommendation

Salvatore Guccione died September 3, 2015, as an active State employee. He left behind two eligible survivors, a surviving spouse, Joyce Guccione, and a disabled child, Vincent Guccione.

SERS survivor benefits were established for Joyce and Vincent effective October 1, 2015, and in July 2016 and August 2016 respectively, their first payments were made. Vincent received the survivor annuity until his death on June 16, 2019. Upon his passing, and effective July 1, 2019, Vincent's portion of the survivor annuity was merged into Joyce's, who continued to receive the survivor benefit in full.

An Illinois Workers' Compensation Commission (IWCC) settlement contract was executed March 31, 2022, between Mr. Guccione's estate and the State of Illinois. Upon receipt and review of the IWCC settlement contract, SERS made the interpretation to convert the claim from a nonoccupational death to an occupational death. Doing so changes the calculation of the survivor benefits owed, and so the survivor benefits were recalculated using the occupational death calculations.

On June 7, 2022, a Notice of Occupational Death Benefit Approval letter was sent to Ms. Guccione, making her survivor benefit whole from October 1, 2015, through May 31, 2022, using the occupational death calculations.

SERS was later notified by CMS that the settlement contract was not for an occupational death, rather the settlement was intended only for the work injury, and not the death. On June 29, 2022, correspondence was sent to Ms. Guccione to notify her that the survivor benefit was converted in error because of this. The conversion created an overpayment totaling \$74,482.95 that must be repaid to the System, and her monthly annuity was returned to the previous amount before the conversion.

Ms. Guccione is appealing the death claim determination and corresponding overpayment.

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

Attorney Evans presented Recommendation No. 2022-15, to deny Ms. Guccione's appeal. After reviewing the recommendation and some discussion, Executive Secretary Blair moved to adopt Recommendation No. 2022-15. The motion was seconded by Vice-Chairperson Morris and passed by unanimous vote.

Diane Skorch – Appeal of Termination of Nonoccupational Disability Benefits – Recommendation

Diane Skorch works for the Illinois Department of Corrections as an Office Coordinator. She had last worked on January 13, 2022 and began a leave of absence on January 18, 2022. She then applied for a nonoccupational disability benefit with a release date to return to work March 21, 2022 from her doctor. Ms. Skorch was approved for a

nonoccupational disability benefit effective February 17, 2022 through March 20, 2022.

Ms. Skorch did not return to work and her doctor extended her leave. Additional medical records were obtained to support the extension of her leave. It was determined the file should be reviewed by our medical consultant, MMRO, and so it was referred for review on June 13, 2022.

A recommendation to disapprove the claim was received from MMRO on June 22, 2022. The report noted 'the member has experienced a material improvement in her depression and insomnia such that she is no longer considered mentally or physically incapacitated to perform her duties as an Office Coordinator.' Ms. Skorch was sent a letter on June 27, 2022, to inform her that her nonoccupational disability benefit claim to extend her benefit was denied.

Ms. Skorch returned to work on August 1, 2022. She has requested an appeal via teleconference for the termination of her nonoccupational disability claim and is seeking to reinstate nonoccupational disability benefits from March 21, 2022, through July 31, 2022.

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

Attorney Evans presented Recommendation No. 2022-16, to deny Ms. Skorch's appeal. After discussing the recommendation and the facts presented, Executive Secretary Blair moved to adopt Recommendation No. 2022-16. The motion was seconded by Vice-Chairperson Morris and passed unanimously.

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. After some discussion, the Committee decided to defer a decision pending an additional MMRO review of newly submitted medical documentation provided by Ms. Bruce.

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 he continues to work with the appropriate state agencies to gather additional information regarding Mr. Randolph's felony conviction. The Committee decided to further defer a decision on the case pending receipt of additional information.

New Business

Crystal Moreno – Appeal of Nonoccupational Disability Benefit Claim Denial – Personal Hearing via Videoconference – 9:00 a.m.

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, the Committee decided to refer her case to external counsel for a recommendation.

Lekeesha Davis – Appeal of Temporary Disability Benefit Conversion Overpayment – Personal Hearing via Teleconference – 9:45 a.m.

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, the Committee decided to refer her case to external counsel for a recommendation.

William Cole – Appeal of Termination of Nonoccupational Disability Benefits

William Cole works for the Illinois Department of Human Services as a Human Services Caseworker. He last worked on June 25, 2021 and began a medical leave of absence on June 28, 2021.

Mr. Cole was approved for a nonoccupational disability benefit effective July 26, 2021 and continued on the benefit for about 12 months.

Medical records received from the July 2022 semiannual disability recertification process suggested the disabling condition had improved. As a result, the Disability Examiner referred the case to the medical consultant, MMRO, for review on July 26, 2022.

A recommendation to disapprove the claim was received from MMRO on August 2, 2022. The report noted that Mr. Cole has experienced a material improvement in his condition(s) such that he is no longer considered incapacitated to perform his duties as a Human Services Caseworker. Mr. Cole was sent a letter on September 21, 2022 to inform him that his nonoccupational disability benefit would cease effective September 30, 2022.

Mr. Cole has requested a written appeal for the termination of his nonoccupational disability claim. He admits improvement and that treatment is working. He is seeking a continuation of disability benefits through October 2022 citing a reevaluation with his psychiatrist on November 1, 2022. He requested his doctor to send additional medical evidence. The only new evidence submitted that was not already reviewed by MMRO is an older office visit from March 2022.

After reviewing the facts presented, Chairperson Becker moved to deny Mr. Cole's appeal. The motion was seconded by Executive Secretary Blair and passed by unanimous vote.

Brice Springman – Appeal of Nonoccupational Disability Benefit Claim Denial

Brice Springman works for the Illinois Department of Corrections as a Food Service Supervisor II. He last worked on January 22, 2022 and then began a medical leave of absence on January 23, 2022. SERS did not receive a nonoccupational disability application until June 17, 2022.

On June 22, 2022, a letter was sent to Mr. Springman explaining the medical evidence submitted for his claim was insufficient to make a determination on his disabling condition. Additional medical evidence in support of the claim was requested.

After review of the additional medical evidence submitted, the Disability Specialist found 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 26, 2022. The report noted there is no support that Mr. Springman is considered incapacitated to perform his duties as a Corrections Food Service Supervisor II. Mr. Springman was sent a letter on August 26, 2022 to inform him the claim was denied.

Mr. Springman has requested a written appeal for the denial of his nonoccupational disability claim. He submitted additional medical evidence with his appeal. Everything received, except for the CMS-95 dated August 2, 2022, was duplicate copies of medical evidence already provided to MMRO for their review.

After reviewing the information presented and a brief discussion, Executive Secretary Blair moved to deny Mr. Springman's appeal. The motion was seconded by Vice-Chairperson Morris and passed unanimously.

Jacqueline Bachman – Appeal for a Retroactive Retirement Date

Jacqueline Bachman worked for the Illinois State Labor Relations Board from 1988 through 1998. She has not worked for the State since.

Ms. Bachman applied to retire effective May 1, 2022, and her application was processed as submitted.

Ms. Bachman first became eligible for a pension effective July 1, 2020, due to turning age 60.

Ms. Bachman is appealing to retire effective July 1, 2020, and receive the corresponding retroactive pension payments.

After discussing the facts presented, Executive Secretary Blair moved to approve Ms. Bachman's appeal. The motion was seconded by Chairperson Becker and passed by unanimous vote.

Janna Kamees – Appeal to Reverse Service Purchase for Earlier Retirement Date

Janna Kamees last worked for the State Employees' Retirement System in 1991 and then was on a SERS nonoccupational disability benefit until her half time ceased July 31, 1996. Ms. Kamees did not return to work when her half time ceased.

Ms. Kamees applied to retire effective September 1, 2017, when she turned age 55. A member can be eligible to retire at age 55 with over 15 years of service if they were last on a SERS nonoccupational disability benefit that was terminated because of the

member's half time ceasing, and the member can prove they have been continuously disabled since the benefit terminated. The Disability Section confirmed Ms. Kamees meets the criteria to receive her pension at age 55.

However, Ms. Kamees also applied to purchase additional service credit from leaves of absences for prior periods. An Irrevocable Payroll Authorization of Permissive Service Credits or Redeposit of Correspondence was issued on May 25, 2022 to purchase $\frac{3}{4}$ of a month of service credit. The service purchase was processed, and correspondence dated June 17, 2022 was sent to inform Ms. Kamees that it was posted.

As a result of the service purchase, Ms. Kamees pension was processed as a June 1, 2022 effective retirement date because a member cannot retire prior to their service purchase. Instead, the first of the month following the issuance of the service purchase letter is used as the effective retirement date. Ms. Kamees' pension approval letter was sent on September 7, 2022.

Ms. Kamees is appealing to reverse the service purchase so she can retire effective September 1, 2017, which is the date she first qualified for retirement benefits.

After reviewing the information provided and some discussion, Chairperson Becker moved to approve Ms. Kamees' appeal. The motion was seconded by Executive Secretary Blair 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 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, the Committee decided to defer a decision pending further investigation into possible remedies for Ms. Howard's situation.

There being no further business to be brought before the Committee, the meeting was adjourned at 11:31 a.m.

The next meeting of the Executive Committee is scheduled for November 10, 2022, in the System's Springfield office.

Marvin Becker, Chairperson

David Morris, Vice-Chairperson

Timothy Blair, Executive Secretary