

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

July 11, 2024

A meeting of the Executive Committee of the State Employees' Retirement System of Illinois was held on Thursday, July 11, 2024, at 8:45 a.m. in the System's Springfield office at 2101 S. Veterans Parkway.

Committee Members Present:

Marvin Becker, Chairperson  
Arnold Black, Vice-Chairperson  
Timothy Blair, Executive Secretary

Others Present:

Samantha Goetz, General Counsel  
Cory Mitchell, Manager, Claims Division  
PJ Budd, Assistant Supervisor, Disability Section  
Jessica Blood, Recording Secretary  
Aaron Evans, Attorney, Sorling Northrup  
David Morris, SERS Retiree  
Tajianna Mallett, Claimant

Minutes of the Previous Meeting

The minutes of the Executive Committee's meeting on June 13, 2024, were presented by Chairperson Becker for approval. Copies of the minutes were previously emailed to Committee members for review. Chairperson Becker moved to approve the minutes as submitted. The motion was seconded by Executive Secretary Blair and passed unanimously.

Routine Claims Report

The Routine Claims Report for June 2024 was presented. Following a brief discussion, the Routine Claims Report for June 2024 as prepared by staff was received by the Committee.

Old Business

Tammy Laurenzana – Appeal Suspension of Nonoccupational Disability Benefits – Personal Hearing – Recommendation

Tammy Laurenzana works as an Office Coordinator for the Department of Healthcare

and Family Services. She last worked on September 5, 2023. She began a medical leave of absence on September 11, 2023, due to various medical conditions.

Ms. Laurenzana has received nonoccupational disability benefits since October 2023. Upon certification, the Examiner questioned whether she had experienced medical improvement and requested additional medical evidence, which Ms. Laurenzana provided.

Ms. Laurenzana was then referred to MMRO for an Independent Medical Examination. The IME report surmised that while the member had not reached maximum medical improvement, none of her conditions were currently disabling. The MMRO report found no disabling diagnosis and SERS suspended her benefits April 30, 2024.

Ms. Laurenzana requested a personal hearing at the Springfield office. She was instructed to submit additional information that may support her claim. As of the Committee's June 2024 meeting, nothing additional had been received.

After hearing Ms. Laurenzana present her appeal at their June 2024 meeting, the Committee decided to refer to external counsel for a recommendation.

Attorney Evans presented Recommendation No. 2024-5, to deny Ms. Laurenzana's appeal. After a brief discussion, Executive Secretary Blair moved to adopt Recommendation No. 2024-5. The motion was seconded by Chairperson Becker and passed unanimously.

#### Brenda Curtis – Appeal Denial of Nonoccupational Disability Benefits – Personal Hearing – Deferred

Brenda Curtis works as a Daycare Licensing Representative II. She last worked on October 27, 2023. She began a medical leave of absence December 26, 2023, due to past and current trauma of family losses, along with the stress of taking care of her elderly mother. She also reported job stressors that impacted her ability to concentrate.

Ms. Curtis applied for nonoccupational disability benefits. Additional medical records were requested, and Ms. Curtis submitted records from July 2022 through March 2024. Her case was then sent to MMRO for review. MMRO's report, dated April 12, 2024, concluded Ms. Curtis was not mentally incapacitated from performing her job duties.

Ms. Curtis requested a personal hearing at the Springfield office and has submitted additional documentation to support her claim.

During Ms. Curtis' presentation of her claim, she noted that she had additional medical documentation to submit, and the Committee decided to defer a decision pending receipt of such documentation.

After reviewing the additional documentation that Ms. Curtis provided, the Committee decided to refer her case to external counsel for a recommendation.

## Discussion – Paycheck Protection Program Loan Recipients and Buyout Payments

The Office of the Illinois Attorney General (OAG) has acknowledged that almost 300 former employees are under investigation for fraudulently obtaining loans under the Federal "Paycheck Protection Program" (PPP). It is our understanding that only former employees who received such a loan of \$20,000 or greater are under investigation, and 10 former employees have been charged.

Some of the employers are not cooperating with SERS' investigation efforts to identify former employees who were dismissed for involvement in such activities. Because of these dynamics, SERS has suspended the processing of all "buyout payment" claims of employees who received a PPP loan until more information involving this issue becomes available.

40 ILCS 5/14-149 provides that "none of the benefits herein provided for shall be paid to any person who is convicted of any felony relating to or arising out of or in connection with his service as an employee." Title 80, Section 1540.395 k) of the Illinois Administrative Code provides that:

For cases in which a member is charged with a felony related to, arising out of, or in connection with his or her service as an employee and elects an accelerated pension benefit payment, the adjudication process related to the charges must be completed before the accelerated pension benefit payment is vouchered. If the member is convicted and sentenced of a felony related to, arising out of, or in connection with his or her service as an employee, the payment shall not be vouchered.

Staff have been put in a tough position on this issue given these dynamics, and there are a few members who received a PPP loan under \$20,000, have elected buyout payment, and are not being investigated by the OAG. Staff requests the committee's guidance on how to treat the buyout payments for such members.

After discussing the information presented at their June 2024 meeting, the Committee decided to defer staff direction pending further communications with the OEIG and the Attorney General's Office.

After a brief update on the matter, Executive Secretary Blair moved to direct staff to process payments for members who received PPP loans under \$20,000. The motion was seconded by Vice-Chairperson Black and passed unanimously.

### Christina Petrites – Settlement Offer – Deceased Mbr: Stanley Petrites

Stanley Petrites was the eligible survivor of SERS retiree Virginia A. Petrites. Virginia died November 19, 2011, and Stanley became eligible for a monthly survivor annuity on December 1, 2011.

Stanley Petrites was living in Indiana and died on December 1, 2015. His death was not

reported to SERS, and he was not found on a monthly death match list until May 10, 2022, after SERS switched vendors to Lexis-Nexis.

On May 13, 2022, SERS suspended the survivor benefit of Mr. Petrites and researched the situation. Christina Petrites, daughter of Stanley Petrites, became POA for Stanley on September 2, 2015, and SERS received the POA on September 25, 2015. After the death of Stanley Petrites, Christina did not report the death and made several changes on behalf of Stanley, including a switch to hard copy checks from direct deposit, submitting affidavits for lost checks and submitting a change of address form.

After the death of Stanley Petrites, Christina Petrites received and cashed checks in the amount of \$97,478.36. SERS has recovered \$1,371.46 for a remaining balance of \$96,106.90. The Illinois Attorney General's Office is representing SERS in trying to recover these funds from Christina Petrites. Her attorney has offered that Christina is able to pay \$20,000 to settle the claim.

After discussing the facts of the case at their May 2024 meeting, the Committee decided to defer a decision pending research into Ms. Petrites' assets.

After discussing a brief update from the Attorney General's office at their June 2024 meeting, the Committee decided to continue to defer a decision on the case pending discovery of Ms. Petrites' assets.

Executive Secretary Blair informed the Committee that there were no updates regarding the case and a decision was again deferred.

### New Business

#### Tajianna Mallett – Appeal Denial of Nonoccupational Disability Benefits

Tajianna Mallett works as a Mental Health Technician II for the Department of Human Services. She last worked March 15, 2024 and began a medical leave of absence that same day.

She applied for nonoccupational disability benefits due to back pain from a past car accident, which has increased since becoming pregnant. Her APN diagnosis was chronic midline thoracic back pain and chronic low back pain. Her delivery date was June 1, 2024. We do not have the status of the baby's birth.

Ms. Mallett submitted records from 2021 through 2024 with multiple x-ray reports. Her file was sent to our medical consultants at MMRO for review.

The MMRO consultant determined that Ms. Mallett was physically incapacitated from performing her job duties, but that her impairment did not last 30 days or longer. Therefore, SERS denied her claim based on the duration of her impairment not meeting the statutes that state an individual must be incapacitated from performing their job duties for at least 30 days to be eligible to receive a benefit.

Ms. Mallet is requesting a telephone appeal of her denial. She believes the medical consultant concluded that she was not off work for more than 30 days. The determination stated she was not fully incapacitated from performing her job duties for more than 30 days.

After reviewing the information presented and some discussion, Executive Secretary Blair moved to approve Ms. Mallet's request for nonoccupational disability benefits for the six-week closed period prior to the birth of her child. The motion was seconded by Vice-Chairperson Black and passed unanimously.

#### D'Juana Ratliff – Appeal Termination of Nonoccupational Disability Benefits

D'Juana Ratliff works for the Department of Human Services as a Staff Development Specialist. She has been on multiple nonservice-connected leaves of absence, most recently in November 2023, for mental health issues.

During SERS' January recertification process, Ms. Ratliff was not supplying current medical records. She only submitted a Physician's Statement (CMS-95), with an approximate return to work date of October 1, 2024.

SERS sent Ms. Ratliff to MMRO to have them arrange an Independent Psychiatric Examination (IPE) to obtain her current mental status and determine if she was still mentally incapacitated from performing her prior job duties.

The IPE was performed virtually on May 2, 2024. The provider was furnished with copies of Ms. Ratliff's medical history. The examining doctor felt that Ms. Ratliff had not yet reached maximum medical improvement through treatment, but stated she had no disabling diagnoses. She surmised that Ms. Ratliff showed no evidence that her symptoms are globally impairing, or that she cannot perform her job.

Ms. Ratliff is requesting a written appeal for the termination of her SERS disability benefits.

After discussing the facts of the case, Executive Secretary Blair moved to deny Ms. Ratliff's appeal. The motion was seconded by Chairperson Becker and passed unanimously.

#### Kimberly Jenkins – Request Repayment Plan for Retroactive SSA Award Overpayment

Kimberly Jenkins is a former IDOC Corrections Treatment Officer who is inactive. Ms. Jenkins began receiving nonoccupational disability benefits on April 19, 2022. On April 24, 2024, SERS was notified that Ms. Jenkins was awarded Social Security Disability benefits retroactive to September 2022, which created an overpayment of SERS nonoccupational disability benefits.

Ms. Jenkins is appealing to the Executive Committee for a payment plan. The SERS collections policy provides that if the individual is an inactive member and the debt

exceeds \$24,000 as does Ms. Jenkins', the debt must be financed over a period not to exceed 5 years.

After reviewing the facts presented and some discussion, Executive Secretary Blair moved to allow Ms. Jenkins to repay her overpayment over a period of five years. The motion was seconded by Vice-Chairperson Black and passed unanimously.

There being no further business to be brought before the Committee, the meeting was adjourned at 9:23 a.m.

The next meeting of the Executive Committee is scheduled for August 6, 2024, in the System's Springfield office.

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Marvin Becker, Chairperson

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Arnold Black, Vice-Chairperson

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Timothy Blair, Executive Secretary