

MINUTES  
OF THE MEETING OF  
THE EXECUTIVE COMMITTEE  
STATE EMPLOYEES' RETIREMENT SYSTEM OF ILLINOIS  
August 9, 2012

A meeting of the Executive Committee of the State Employees' Retirement System of Illinois was held on Thursday, August 9, 2012, at 8:30 A.M. in the System's Springfield office at 2101 S. Veterans Parkway.

Committee members present:

Loren Iglarsh, Chairman  
Timothy Blair, Executive Secretary  
Lori Laidlaw, Vice Chairperson

Others Present:

Steve Bochenek, Attorney  
Kathy Yemm, Manager, Claims Division  
Nicholas Merrill, Manager, Accounting Division  
Chris Silver, Supervisor, Disability Section  
Michael Noblet, Supervisor, Pension & Death Section  
Kerry Walker, Assistant Supervisor, Disability Section  
Cory Mitchell, Assistant Supervisor, Pension & Death Section  
Dawn Blakeman, Recording Secretary

Minutes of the Previous Meeting

The minutes of the July 12, 2012 meeting of the Executive Committee were presented by Chairman Iglarsh for approval. Copies of the minutes were previously mailed to Committee members for review. There being no additions or corrections, on motion by Vice Chairperson Laidlaw seconded by Executive Secretary Blair and by unanimous vote, the minutes were approved as submitted.

Routine Claims & Denial Report

The Routine Claims and Denials Report for the month of July, 2012 were presented for approval. Following review and discussion, Chairman Iglarsh moved acceptance of the Routine Claims and Denials Report for the period of July, 2012. On motion by Vice Chairperson Laidlaw seconded by Executive Secretary Blair and by unanimous vote, the Routine Claims and Denials was approved as submitted.

Old Business

Robert Ruiz Pension

Robert Ruiz requested a personal hearing with the Executive Committee in a letter dated November 19, 2009, regarding the reciprocal agreement be cancelled so

he can still collect his pension benefits from the County Employees' Annuity & Benefit Fund of Chicago pension fund.

Mr. Ruiz through a telephone conversation in December, 2011 with Michael Noblet, Supervisor of the Pension and Death Division has requested another hearing continuance.

Accordingly, this case continues to be deferred.

Jill Gordon

Non-occupational Disability

The System's attorney submitted a recommendation of denial based on the facts and findings on file in this case for the Committee's review. Following discussion, on motion by Executive Secretary Blair, seconded by Vice Chairperson Laidlaw, and by unanimous vote, the Committee accepted Recommendation No. 2012-1 in the matter of Jill Gordon.

A copy of this recommendation has been made a part of this member's file.

Vicki Chambliss

Non-occupational Disability

Vicki Chambliss works for a state agency and a medical leave of absence was granted.

Based upon a review of the file and information submitted, the Committee finds Ms. Chambliss works for a state agency, and was granted a medical leave of absence.

Medical data was obtained from sources listed in the employee's file and then reviewed by the System's medical consultant on May 7, 2012. Based on the information in Vicki Chambliss' file, a disabling condition was not documented. Therefore the request for disability was denied. Vicki Chambliss requested an appeal pursuant to the denial of disability benefits.

Based on the facts of this case and information submitted, the Committee recommends deferring the appeal of Vicki Chambliss until additional information can be obtained and reviewed by the system's medical consultant.

Policy

Medical Consultant ID Numbers

The SERS Medical Consultants occasionally review files to determine if the medical documents show that the member has a disabling impairment that would prevent the member from performing his or her job with the State of Illinois. Previously, the Consultants reviewed the file and submitted a report which included their signature. The Consultants expressed safety concerns about having their names on unfavorable reports when a member requested a copy of that report.

It was recommended that SERS adopt the policy of assigning identification numbers to each Medical Consultant and reviews would be signed with the Consultant's ID number instead of the Consultant's name.

The Disability supervisor will now keep a list of all files checked out to the Medical Consultants. The list will have the member's name, SSN, date file checked out to

Consultant and date that file was returned. The list and member's file will be noted when a member requests the name of the Medical Consultant who reviewed the file. The Consultants name will be given if requested by the member. The Disability supervisor will notify the Medical Consultant in writing prior to disclosing his/her name. The Committee recommends the Board adopt this policy.

#### New Business

#### George Aguilar Non-occupational Disability

George Aguilar works for a state agency and a medical leave of absence was granted.

Based upon a review of the file and information submitted, the Committee finds Mr. Aguilar works for a state agency, and was granted a medical leave of absence.

He attended an Independent Medical Exam on January 23, 2012 the physician who conducted the evaluation stated he was able to return to work. At that time Mr. Aguilar sent in additional medical records with an appeal letter.

His file was reviewed by the System's medical consultant #62 on 4/22, 5/28 and 6/24/2012. Based on the information in George Aguilar's file, a disabling condition was not documented. Therefore the non-occupational disability benefits were suspended on 04/30/2012. George Aguilar requested an appeal pursuant to the denial of disability benefits.

Based on the facts of this case and information submitted, the Committee recommends deferring the appeal of George Aguilar until additional medical information can be obtained and reviewed by the system's medical consultant.

#### Marsha Faulkner Non-occupational Disability/90day

Marsha Faulkner works for a state agency. She was granted a medical leave of absence on October 6, 2010.

Ms. Faulkner's application was denied due to the application not being received within the ninety day time frame.

Based upon a review of the file and information submitted, the Executive Committee finds the employee's job description and work location are as stated and Ms. Faulkner was removed from her agency's payroll on October 6, 2010.

On June 19, 2012, the Retirement System received a request from Ms. Faulkner's Power of Attorney agent George M. Sisk requesting non-occupational disability forms be sent to him on Marsha Faulkner's behalf. Since the application will be received beyond the ninety day filing limitation as noted in 40 ILCS 5/14-124, the application was denied.

George M. Sisk POA for Marsha Faulkner subsequently requested a written appeal pursuant to the denial of Ms. Faulkner's disability benefits due to the late filing.

Information was received with the appeal request which lists the reasons the employee did not file on a timely basis.

Based on the facts of this case and information submitted, the Executive Committee recommends approving Ms. Faulkner's appeal for waiving the 90-day filing limitation.

Following a review of the file and some discussion, Executive Secretary Blair moved that the written appeal of Marsha Faulkner be approved. Vice Chairperson Laidlaw seconded the motion, and all were in favor.

William Reeder Non-occupational Disability/90day

William Reeder works for a state agency. He was granted a medical leave of absence on December 3, 2011.

Mr. Reeder's application was denied due to the application not being received within the ninety day time frame.

Based upon a review of the file and information submitted, the Executive Committee finds the employee's job description and work location are as stated and Mr. Reeder was removed from his agency's payroll on December 3, 2011.

William Reeder subsequently requested a written appeal pursuant to the denial of disability benefits due to the late filing. Information was received with the appeal request which lists the reasons the employee did not file on a timely basis.

Based on the facts of this case and information submitted, the Executive Committee recommends approving Mr. Reeder's appeal for disability benefits.

Following a review of the file and some discussion, Chairman Iglarsh moved that the written appeal of William Reeder be approved. Vice Chairperson Laidlaw seconded the motion, and all were in favor.

Terri Schultz Non-Occupational Disability

Terri Schultz works for a state agency. She was granted a medical leave of absence. Ms. Schultz's application for disability benefits was denied based upon the results of a review of medical information in her file.

Medical information on file was reviewed by the System's medical consultant #61 on April 22, 2012 and again on July 11, 2012. Based upon this review, a disability was not documented. Based upon a review of the file and information submitted, the Executive Committee finds the employee's job description and work location are as stated and that she was granted a medical leave of absence.

Ms. Schultz's claim for non-occupational disability benefits was denied due to medical information failing to substantiate a disability. Ms. Schultz requested a written appeal pursuant to the denial of disability benefits.

During the August 9, 2012 meeting, the Committee agreed to defer Terri Schultz's appeal so that additional medical records could be provided.

William Weiters

Occupational Disability/12 month

William Weiters works for a state agency and a service connected leave of absence was granted.

Mr. Weiters' claim for disability benefits was denied due to failure to apply for occupational disability benefits within the proper time frame.

Based upon a review of the file and information submitted, the Committee finds William Weiters works for a state agency and a service connected leave of absence was granted.

The System did not receive the employee's application for disability benefits within the time limitation pursuant to occupational disability benefits as noted in 40 ILCS 5/14-123, Therefore the application was denied.

Mr. Weiters requested a written appeal pursuant to the denial of disability benefits due to late filing, information was received with the appeal request which lists the reasons the employee failed to file on a timely basis.

Based on the facts of this case and information submitted, the Committee recommends approving William Weiters' appeal for a waiver of the twelve month filing limitation.

Following a review of the file and some discussion, Chairman Iglarsh moved approval of the appeal of William Weiters for a waiver of the twelve month filing time limit for occupational disability benefits. Vice Chairperson Laidlaw seconded the motion and all were in favor

Diana Habbe

Occupational Disability/12 month

Diana Habbe works for a state agency and a service connected leave of absence was granted.

Ms. Habbe's claim for disability benefits was denied due to failure to apply for occupational disability benefits within the proper time frame.

Based upon a review of the file and information submitted, the Committee finds Diana Habbe works for a state agency and a service connected leave of absence was granted.

The System did not receive the employee's application for disability benefits within the time limitation pursuant to occupational disability benefits as noted in 40 ILCS 5/14-123, Therefore the application was denied.

Ms. Habbe requested a written appeal pursuant to the denial of disability benefits due to late filing, information was received with the appeal request which lists the reasons the employee failed to file on a timely basis.

Based on the facts of this case and information submitted, the Committee recommends approving Diana Habbe's appeal for a waiver of the twelve month filing limitation.

Following a review of the file and some discussion, Chairman Iglarsh moved approval of the appeal of Diana Habbe for a waiver of the twelve month filing time limit for occupational disability benefits. Vice Chairperson Laidlaw seconded the motion and all were in favor

Christopher Hedges Survivor Disabled Adult Earnings Limitation

Christopher Hedges has been receiving Survivor benefits as a disabled adult child on his father Rocky Hedges.

Survivor disabled adult benefits were suspended due to earnings which exceeded the System's calendar quarterly earnings limitations.

Based upon a review of the file and information submitted, the Committee finds Christopher Hedges is receiving benefits as a Survivor disabled adult.

Information was received that Mr. Hedges works part time and that his earnings have exceeded the System's calendar quarterly earnings limitations; therefore, disabled adult benefits were suspended.

Mr. Hedges' Guardian and Conservator Mr. James C. Clark sent in a written appeal on the suspension of his benefits due to the earnings limitation.

The overpayment created by the survivor exceeding the calendar quarterly earnings limitations is consistent with the System's Regulations (80 Ill. Admin. Code 1540.80(e)).

Based on the facts of this case and information submitted and after some discussion the Committee recommends Christopher Hedges' appeal regarding the violation of the System's quarterly calendar earnings limitation be denied.

Mr. Hedges' Guardian and Conservator Mr. James C. Clark sent in a written re-appeal on the suspension of his benefits due to the earnings limitation.

After some discussion, due diligence and a review of the file, Chairman Iglarsh moved to approve the re-appeal of death benefits for Christopher Hedges and to defer for more information, Executive Secretary Blair seconded the motion, and all were in favor.

James Harris Pension

James Harris is currently not employed in a state agency.

Mr. Harris' request for additional service credit for unused sick time was denied.

Based upon a review of the file and information submitted, the Executive Committee finds Mr. Harris was employed by the State of Illinois.

During his retirement annuity application process Mr. Harris indicated he had benefit time he wished to have applied to his creditable service time. He informed SERS that he had sick days for which he should get credit for.

Upon contacting Mr. Harris' agency it was determined he did not have the requested time documented in their records. Mr. Harris was informed he had no benefit time to contribute to his retirement annuity.

Mr. Harris indicated the sick time in question was in 1972. However, this employer had no record of the time he was claiming. The System denied Mr. Harris' request for additional days to be applied to his SERS service time.

Based upon the facts of this case and the information submitted, the Executive Committee recommends denial of James Harris' appeal for additional service credits to be applied to his SERS account based on undocumented sick time.

Following discussion, Chairman Iglarsh moved denial of the appeal of James Harris, Executive Secretary Blair seconded the motion, and all were in favor.

Norma Brown Pension

Norma Brown began a retirement annuity on June 1, 2012.

Based upon a review of the file and information submitted, the Executive Committee finds Norma Brown is receiving a retirement annuity.

Ms. Brown completed the Widow/Survivor Contribution Refund Waiver Form in error and is now requesting the Committee approve the refund of Widow/Survivor Contribution.

Following a review of the file and some discussion, Vice Chairperson Laidlaw moved approval of the appeal of Norma Brown for a Widow/Survivor Contribution Refund, Chairman Iglarsh seconded the motion and all were in favor.

Mary J. Johnson Pension

Mary J. Johnson began a retirement annuity on November 1, 2011.

Based upon a review of the file and information submitted, the Executive Committee finds Ms. Mary Johnson is receiving a retirement annuity.

Ms. Johnson completed the Widow/Survivor Contribution Refund Waiver Form in error and is now requesting the Committee approve the refund of her Widow/Survivor Contribution.

Following a review of the file and some discussion, Vice Chairperson Laidlaw moved approval of the appeal of Mary J. Johnson for a Widow/Survivor Contribution Refund, Chairman Iglarsh seconded the motion and all were in favor.

Daisy Cotton Carothers worked for a state agency and began receiving disability benefits January 1, 2001. Mrs. Carothers passed away on January 19, 2001.

Mr. Carothers is inquiring about his wife's contributions. Upon examination of the file, it appears that a portion of her contributions may have posted to a wrong social security number.

Following a review of the file and some discussion, Chairman Iglarsh moved to defer the appeal until research can be completed. Executive Secretary Blair seconded the motion and all were in favor.

This account became eligible for write-off in June 2008. Contributions in the amount of \$11,880.87 and 96 months of creditable service were written off on June 27, 2008 has contacted our office regarding her account and eligibility for a pension.

The Pension Division is requesting the Executive Committee to approve the reinstatement of this account so that a future pension may be paid.

Following a review of the file and some discussion, Chairman Iglarsh moved approval of the appeal of Eleanor Pasewald's request for reinstatement of her account. Vice Chairperson Laidlaw seconded the motion and all were in favor.

Tina Cox requested that the Executive Committee review her request to have the service credit from her unpaid sick leave, vacation, and personal days, calculated individually, rather than in aggregate. Her original request to the Accounting Division was denied. These days are reported to SERS from the employing state agency on the SERS Form 1404 (Retirement Contributions on Lump Sum Pay for Sick Leave, Vacation, and/or Personal Days).

The Illinois Compiled Statutes (40 ILCS 5/14-104.3) permit the granting of additional service credit upon payment of the required employee contributions. SERS has an established procedure which utilizes the information contained on the Form 1404 as the basis for the additional employee contributions and service credit. The standard form does not provide for a calculation of service credit for each benefit type individually, rather, the service credit is granted based upon the aggregate of the benefit time reported.

The Executive Committee reviewed the request, and it was denied based upon the established procedure which SERS has consistently followed since the statute was enacted.

In a written request Ms. Cox requested a re-appeal at the August 9, 2012 she stated she would like to appear before the Executive Committee to present additional information and documentation.



Following discussion, Chairman Iglarsh moved to approve the re-appeal of Tina Cox, Executive Secretary Blair seconded the motion, and all were in favor.

There being no further business to be brought before the Committee, the meeting was adjourned at 10:15AM. The next meeting of the Executive Committee is scheduled for Thursday September 13, 2012, in the Springfield office, with video conferencing in Chicago if needed.

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Loren Iglarsh  
Chairman

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Lori Laidlaw  
Vice Chairperson

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Timothy Blair  
Executive Secretary