

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

March 8, 2018

A meeting of the Executive Committee of the State Employees' Retirement System of Illinois was held on Thursday, March 8, 2018 at 8:30 a.m. in the System's Springfield office at 2101 S. Veterans Parkway, with videoconferencing to the Michael Bilandic Building at 160 North LaSalle, Room N-703, Chicago.

Committee Members:

Loren Iglarsh, Chairman  
David Morris, Vice-Chairperson  
Timothy Blair, Executive Secretary

Others Present:

Jeff Houch, Assistant Executive Secretary  
Steve Bochenek, SERS Attorney  
Kathy Yemm, Manager, Claims Division  
Karen Brown, Supervisor, Disability Section  
Don Williams, Contractor, Disability Section  
Cory Mitchell, Acting Supervisor, Pension and Death Section  
Jessica Blood, Recording Secretary  
Patrice Lawrence-Shaw, Claimant  
Cynthia Janzen-Sanchez, Claimant  
Susanne Janzen, Claimant's Associate  
Michael Hagy, Claimant's Associate

Minutes of the Previous Meeting

The minutes of the February 8, 2018 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 Morris, seconded by Executive Secretary Blair and by unanimous vote, the minutes were approved as submitted.

Routine Claims Report

The Routine Claims Report for the month of February 2018 was presented. Following review and discussion, the Routine Claims Report for the period of February 2018, as prepared by staff, was received by the Executive Committee.

Old Business

Patricia Nolin-Winkler – Appeal of SSA Overpayment

Patricia Nolin-Winkler works as a Registered Nurse II for the Illinois Department of Veterans' Affairs. She stopped working on July 15, 2014 and began a medical leave of absence on July 16, 2014 due to multiple medical issues. She has not returned to work.

Mrs. Nolin-Winkler is currently receiving a SERS non-occupational disability benefit. She began this benefit on August 15, 2014 at age 62 ½. One year later, on September 8, 2015, SERS sent Mrs. Nolin-Winkler a letter referring her to Midwest Disability Law firm asking her to apply for SSA disability benefits. While her disability claim was pending a decision, she was advised by the SSA Field Office Representative that she could begin receiving her reduced retirement amount as of November 1, 2015 at age 63 ½. The benefit was in the amount of \$1,448.00 per month.

Mrs. Nolin-Winkler received a letter dated April 25, 2016 from SSA notifying her that she was awarded disability benefits, with a date of entitlement as of January 1, 2015. This benefit is in the amount of \$1,693.00 per month. Mrs. Nolin-Winkler also has two other family members in her household receiving SSA disability benefits. After speaking with a representative at the SSA Field Office, she was advised that her family would receive a greater benefit amount if she switched her benefit back to her prior reduced retirement benefit, rather than receive the disability benefit. They explained that though her disability benefit amount was higher than the reduced retirement benefit amount, as a family they would receive a higher benefit amount if she collected her reduced retirement amount. Mrs. Nolin-Winkler decided to go back to the original benefit amount of \$1,448.00.

Once SERS was made aware of Mrs. Nolin-Winkler's SSA disability award, staff began offsetting the disability benefit amount as of January 1, 2015, her date of entitlement.

Mrs. Nolin-Winkler's SERS non-occupational disability benefit is currently offset by her Social Security disability benefit at a monthly rate of \$1,693.00. She currently has a \$54,176.00 overpayment. She submitted a letter of appeal and had a personal hearing with the Executive Committee on January 11, 2018.

The Claims Division is asking the Executive Committee to determine if SERS is required to collect the SSA disability benefit amount as of her date of entitlement on January 1, 2015 or if the member can continue receiving her reduced retirement amount without offsetting until she turns age 66. Her new reduced retirement benefit would be \$1,732.00 per month.

At the February 8, 2018 meeting, the Committee agreed to defer the case pending notification to Mrs. Nolin-Winkler of a recalculated lower overpayment total and her decision regarding repayment moving forward.

After reviewing additional information pertaining to Ms. Nolin-Winkler's case and some discussion, a motion was made by Executive Secretary Blair to begin offsetting her benefit at age 65 and allow Ms. Nolin-Winkler to repay her overpayment in five years or with half of her gross benefit, whichever is lower. The motion was seconded by Chairman Iglarsh and all were in favor.

### Cynthia Janzen-Sanchez – Request Re-appeal to Receive Survivor Annuity

Salomon Sanchez Jr. retired effective November 1, 2001. Mr. Sanchez did not have an eligible survivor and received a survivor contribution refund of \$4,231.24.

Mr. Sanchez was married on September 23, 2010. He did not repay the refund prior to his death on May 18, 2017. A \$500.00 death benefit is due to his named beneficiary.

Based on the documentation provided at the July 2017 meeting, the Executive Committee denied Ms. Janzen-Sanchez's request to receive a survivor annuity. She is requesting to re-appeal the denial with a personal hearing at the May 10<sup>th</sup> meeting of the Executive Committee. After some discussion, a motion was made by Chairman Iglarsh to allow Ms. Janzen-Sanchez to re-appeal the denial of her request to receive a survivor annuity. The motion was seconded by Executive Secretary Blair and all were in favor. A personal hearing will be scheduled.

### New Business

#### Patrice Lawrence-Shaw – Appeal Calculation of SSA Overpayment – Personal Hearing - 9:00a.m. Chicago

Patrice Lawrence-Shaw works at the Department of Human Services as a caseworker. Ms. Lawrence-Shaw disagrees with the calculation of her overpayment due to receiving Social Security Disability and requested a personal hearing.

After hearing Ms. Lawrence-Shaw's case and some discussion, a motion was made by Vice-Chairperson Morris to allow Ms. Lawrence-Shaw to make a lump sum payment of \$15,000.00 on her overpayment and continue with a repayment plan of \$350.00 per month until the overpayment is repaid. The motion was seconded by Chairman Iglarsh and all were in favor.

#### Linda Norman – Requesting Reduced Overpayment Repayment Plan

Linda Norman was approved for an occupational benefit from SERS effective June 5, 2000.

Ms. Norman turned 65 in September of 2017 and her benefit should have ended the end of September 2017. She continued to receive occupational disability benefits and is now overpaid for the months of October 1, 2017 through December 31, 2017.

The original overpayment amount was \$9,063.57. Money has been recovered and the current balance is \$2,998.08.

As stated in the SERS Board policy, the Overpayment Section is to deduct half the gross of any benefit being paid toward an overpayment owed to SERS. The overpayment due is in accordance with 5/14-125 ILCS of the Pension Code.

Ms. Norman retired on October 1, 2017 with a monthly gross benefit of \$1,190.38. Monthly deductions of \$53.54 federal tax, \$11.00 state dental insurance, \$26.10 state life

insurance and half the gross of her monthly benefit in the amount of \$595.19 reduces her net pay to \$504.55.

Ms. Norman is appealing to reduce the repayment amount of \$595.19 to \$100.00 (or more as stated in her appeal). By paying the current amount of \$595.19, the overpayment will be paid in 5 months. A monthly payment of \$100.00 would repay the overpayment in 30 months.

After reviewing the facts of the case, a motion was made by Chairman Iglarsh to approve Ms. Norman's request for a reduced repayment plan of \$225.00 per month. The motion was seconded by Executive Secretary Blair and all were in favor.

#### Jodie Towell – Occupational Disability – 12 Month Waiver

Jodie Towell is appealing the denial of disability benefits based on the one-year filing limitation. Ms. Towell was removed from payroll on October 26, 2016. Her one-year filing period expired October 25, 2017. The notification was received by SERS from her agency on December 14, 2016. SERS sent Ms. Towell the disability forms on December 15, 2016. Her application and medical documentation were received on December 4, 2017. Ms. Towell returned to work January 19, 2017. Ms. Towell's request for disability benefits was denied in accordance with Chapter 40 ILCS 5/114-123(a).

After discussing the facts of the case, a motion was made by Chairman Iglarsh to approve Ms. Towell's request to waive the 12-month filing limitation. The motion was seconded Vice-Chairperson Morris and all were in favor.

#### Chicketa Matthews – Occupational Disability – 12 Month Waiver

Chicketa Matthews works as a Youth Family Specialist for Juvenile Justice. She last worked on July 3, 2016. She began a medical leave of absence on July 17, 2016 due to a work-related injury.

Ms. Matthews has requested a written appeal to the Executive Committee to waive the 12-month filing limitation. She was paid temporary total disability from July 12, 2016 through April 30, 2017.

After reviewing the facts of the case, a motion was made by Vice-Chairperson Morris to approve Ms. Matthews' request to waive the 12-month filing limitation. The motion was seconded by Chairman Iglarsh and all were in favor.

#### Peter Barbera – Appeal to Retire with Level Income Option

Peter Barbera retired effective December 1, 2017. He chose the level income option on his retirement application. When processing his pension however, it was discovered that he could not use the level income option. His pension is reduced because he does not meet the Rule of 85. Due to the reduced pension, cost of living increases do not begin until the January following his 60<sup>th</sup> birthday (January 2023). The monthly gross pension amount, with accumulated increases on November 1, 2029 will be \$1,288.99. The monthly benefit is not large enough to reduce by \$2,000.00 for level income.

Mr. Barbera is requesting the level income option be added onto his retirement benefit. He stated his agency's human resource worker told him he would receive pension benefits of \$1,700.00 per month.

After discussing the facts of the case, a motion was made by Chairman Iglarsh to deny Mr. Barbera's request to add the level income option to his pension. The motion was seconded by Executive Secretary Blair and all were in favor.

There being no further business to be brought before the Committee, the meeting was adjourned at 10:35 a.m.

The next meeting of the Executive Committee is scheduled for April 12<sup>th</sup>, 2018, in the Springfield office, with video conferencing in Chicago.

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Loren Iglarsh, Chairman

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David Morris, Vice-Chairperson

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Timothy Blair, Executive Secretary