



DISABILITY RETIREMENT

Presented By:

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ABOUT LACERA

- The Los Angeles County Employees Retirement Association (**LACERA**) administers defined retirement plan benefits for the employees of LA County.
- **\$41.8 billion fund** as of fiscal year 12/13.
- LACERA consists of approximately **365 employees**.
- Our mission is to **produce, protect, and provide the promised benefits**.
- We provide **counseling** on retirement benefits, retiree healthcare options, and disability retirement to our members.
- Governed by the County Employees Retirement Law of 1937 (**CERL**) and the California Public Employees' Pension Reform Act of 2013 (**PEPRA**).
- Overseen by **Board of Investments & Board of Retirement**.
 - Board of Retirement: Responsible for the general management of LACERA.
 - Board of Investments: Determines LACERA's investment objectives, strategies, and policies.

DISABILITY RETIREMENT OVERVIEW



**Application
Process**



**Reasonable
Accommodation
&
Supplemental
Allowance**



**How
YOU
Can Help**



**What's
Next?**

BENEFITS

Service Retirement

- Concurrent with Disability Application
- Waive reinstatement rights

Service Connected Disability

- Eligible from 1st day of employment
- Must be permanently disabled
- Must have a direct causal link to the workplace
- Benefit = 50% of salary, tax free and 50% medical subsidy.

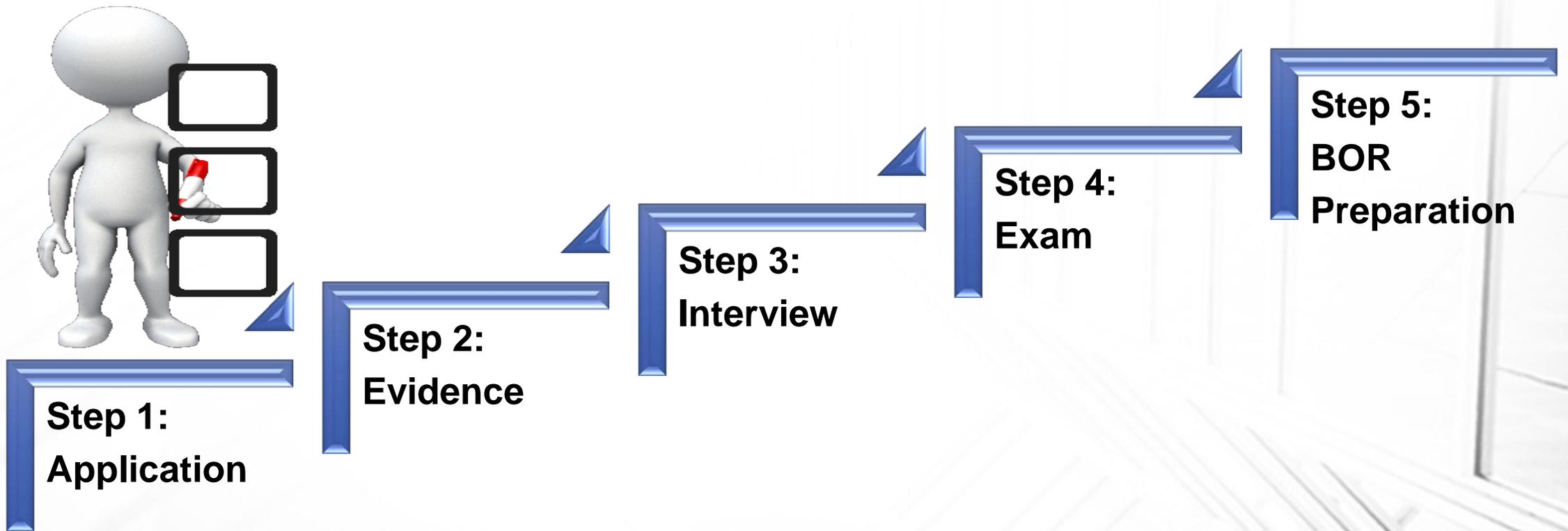
Nonservice Connected Disability

- Must have at least 5 years of service (60 months)
- Must be permanently disabled
- No direct link to the workplace
- Benefit = UP TO 33.3% of salary.

Salary Supplement

- Same application process as SCD/NSCD
- Allows member to continue working in a new position.
- Benefit dependent on SCD/NSCD

THE APPLICATION PROCESS



Employee's Application

APPLICATION FOR DISABILITY RETIREMENT

(Please complete all pages. If more space is required, attach additional sheets of paper. Print in ink.)

Date: _____

Social Security No.: _____	
Name: _____	(First) (Middle) (Last)
Other names used during County employment: _____	
Address: _____	
(Street, Apt. No.)	
_____	(City) (State/Prov.) (ZIP Code)
Home Phone No.: _____	Work Phone No.: _____
Cell Phone No.: _____	Fax No.: _____
Age: _____	Sex: _____ Birth Date: _____ Driver's License No.: _____
Currently married or registered as a domestic partner? <input type="checkbox"/> Yes <input type="checkbox"/> No	
If Yes, Date of Marriage/Registration: _____	
Spouse's/Domestic Partner's Name: _____	

Names and birth dates of children under 18 years of age:	
Name	Date of Birth
_____	_____
_____	_____
_____	_____

Position for which permanently incapacitated: _____	
Item No.: _____	Employee No.: _____ Department No.: _____
Department Name: _____ Location: _____	
Years of Service: _____	Last Date at Work: _____



Employer's Application

APPLICATION FOR DISABILITY RETIREMENT

(FOR DEPARTMENT FILING ON BEHALF OF EMPLOYEE)

(Please provide the requested information for the employee. Complete all pages. If more space is required, attach additional sheets of paper. Print in ink.)

Date: _____

Social Security No.: _____	
Name: _____	(First) (Middle) (Last)
Other names used during County employment: _____	
Address: _____	
(Street, Apt. No.)	
_____	(City) (State/Prov.) (ZIP Code)
Home Phone No.: _____	Work Phone No.: _____
Cell Phone No.: _____	Fax No.: _____
Age: _____	Sex: _____ Birth Date: _____ Driver's License No.: _____
Currently married or registered as a domestic partner? <input type="checkbox"/> Yes <input type="checkbox"/> No	
If Yes, Date of Marriage/Registration: _____	
Spouse/Domestic Partner Name: _____	
Spouse/Domestic Partner Birth Date: _____	

Names and birth dates of children under 18 years of age:	
Name	Date of Birth
_____	_____
_____	_____
_____	_____

Position for which permanently incapacitated: _____	
Item No.: _____	Employee No.: _____ Department No.: _____
Department Name: _____ Location: _____	
Years of Service: _____	Last Date at Work: _____



TYPES OF APPLICATIONS

Disability Retirement Package for Employees

- ❑ Disability Retirement Brochure
- ❑ Disability Retirement Eligibility and Application Instructions
- ❑ Application for Disability Retirement
- ❑ Taxability of a LACERA Disability Retirement Allowance

- ❑ Missed Medical Appointment Form
- ❑ Physician Statement for Disability Retirement
- ❑ Claims Against Third Parties
- ❑ Authorization to Obtain & Release Records

Disability Retirement Package for Employers

- ❑ Disability Retirement brochure
- ❑ Disability Retirement Eligibility and Application Instructions (Dept. version)
- ❑ Application for Disability Retirement



EMPLOYER FILED APPLICATIONS

When Applying on behalf of the Employee, be as thorough as possible:

Class specification, list of usual and customary duties, physical demands (current RU-91)

Duties the employee can no longer sustain (can be discussed during IPM)

Written Documentation of Department's Efforts to Accommodate

If applying for a supplemental benefit:

Identified Position that Employee is Willing to Accept

Class Specification (for both original and new positions)

List of Usual & Customary Duties for identified position

APPLICATION REVIEW (INTAKE UNIT)

Review Application

- Have supporting documents been received?
- Is application complete?
- Upfront counseling required?

Preliminary Eligibility Assessment

- Is applicant permanently incapacitated?
- Contributory plan member (A, B, C, D, G)?
- E to D transfer?
- 5yrs in contributory plan for NSCD?
- Timely filed?

Preliminary Identification of Case Type

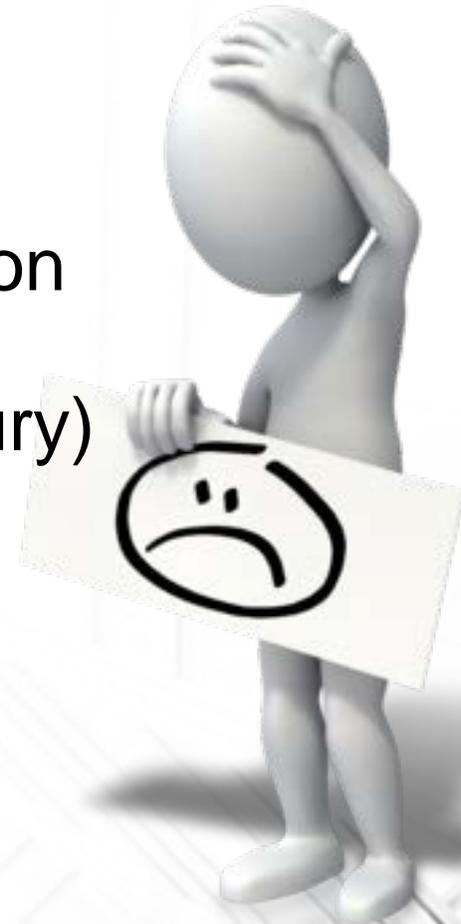
- Priority case?
- Applicable presumptions?

Creation of Case

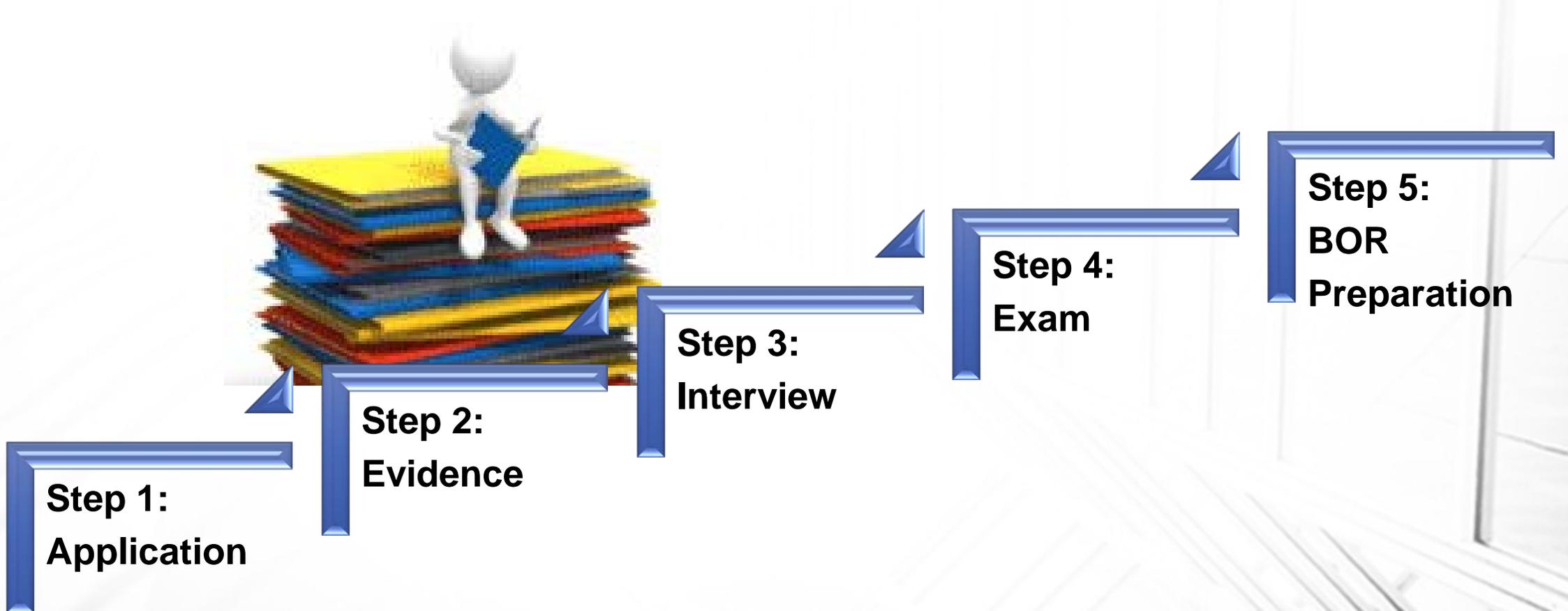
- Input in case management system
- Assignment to Investigator

COMMON REASONS FOR REJECTIONS

- Incomplete application
- Applicant is not permanently incapacitated
- Physician statement provided for a condition outside of medical specialty (ex: orthopedist certifying a psychiatric injury)
- Application is untimely
- Original signatures are not provided



THE APPLICATION PROCESS



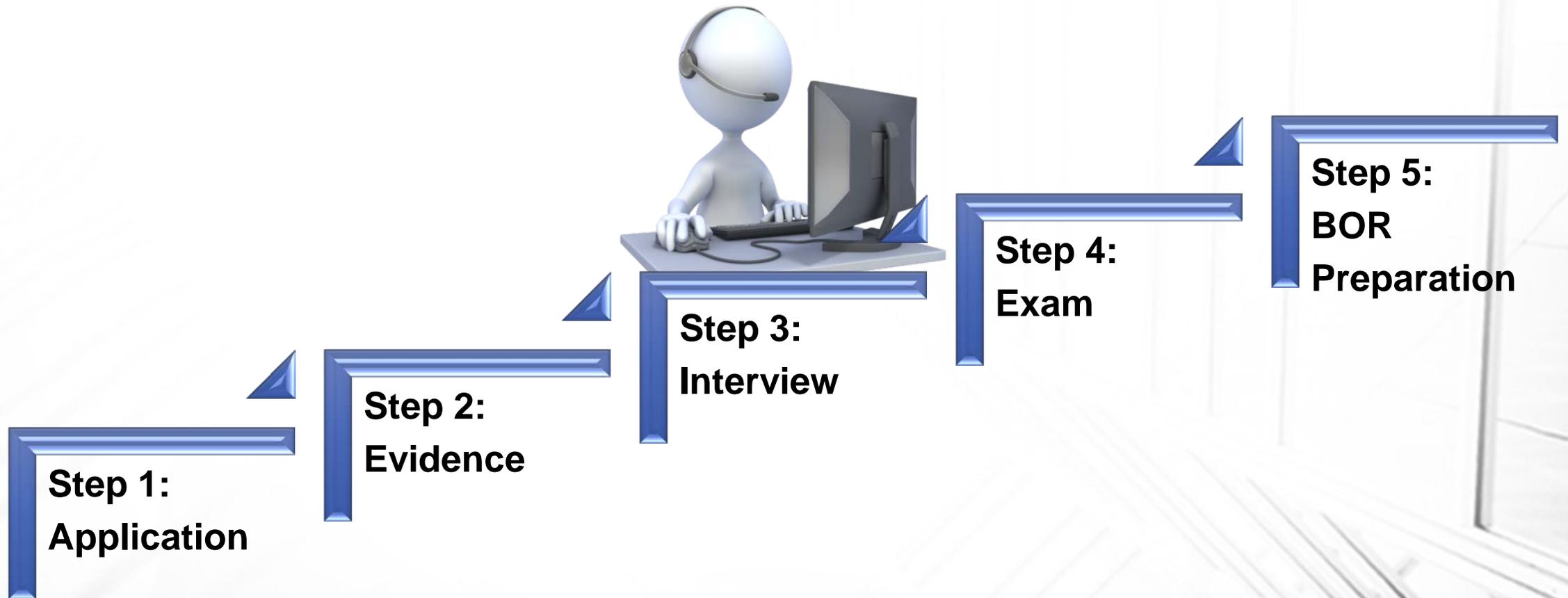
DISCOVERY & OBTAINING RECORDS

Records obtained prior to interviewing:

- Medical/Psychiatric Records through TPA and/or private medical providers
- Personnel Records (cooperative effort with county departments)
 - Time Cards/Payroll Records
 - Accommodation Documents
 - Performance Evaluations
 - Grievance Filings, Internal Investigations, and/or Civil Service Commission Records
- Worker's Compensation Files
 - Benefit Awards
 - Notice of Work Restrictions
 - List of All Claims Filed
 - Any or all injury and incident records



THE APPLICATION PROCESS



EMPLOYEE INTERVIEW

The interview is conducted to obtain the following information:

- Nature of Disability
- Summary of Workers' Compensation Claims
- Occupational History/Physical Requirements
- Light Duty/Accommodated Assignments
- Past Medical History
- History of Injury/Illness and Treatment
- Current Symptoms/Complaints
- Non-Industrial Factors
- Delays in Filing the Application
- Witness Statements



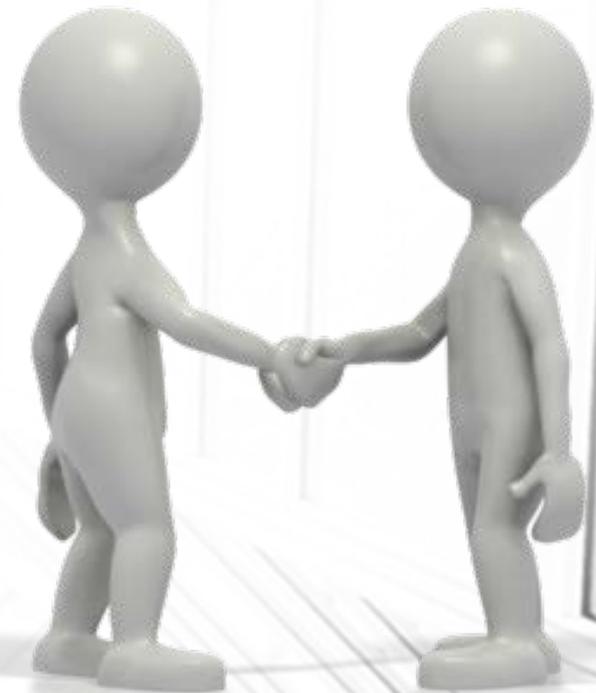
WITNESS STATEMENTS

Investigator contacts supervisor and/or co-workers:

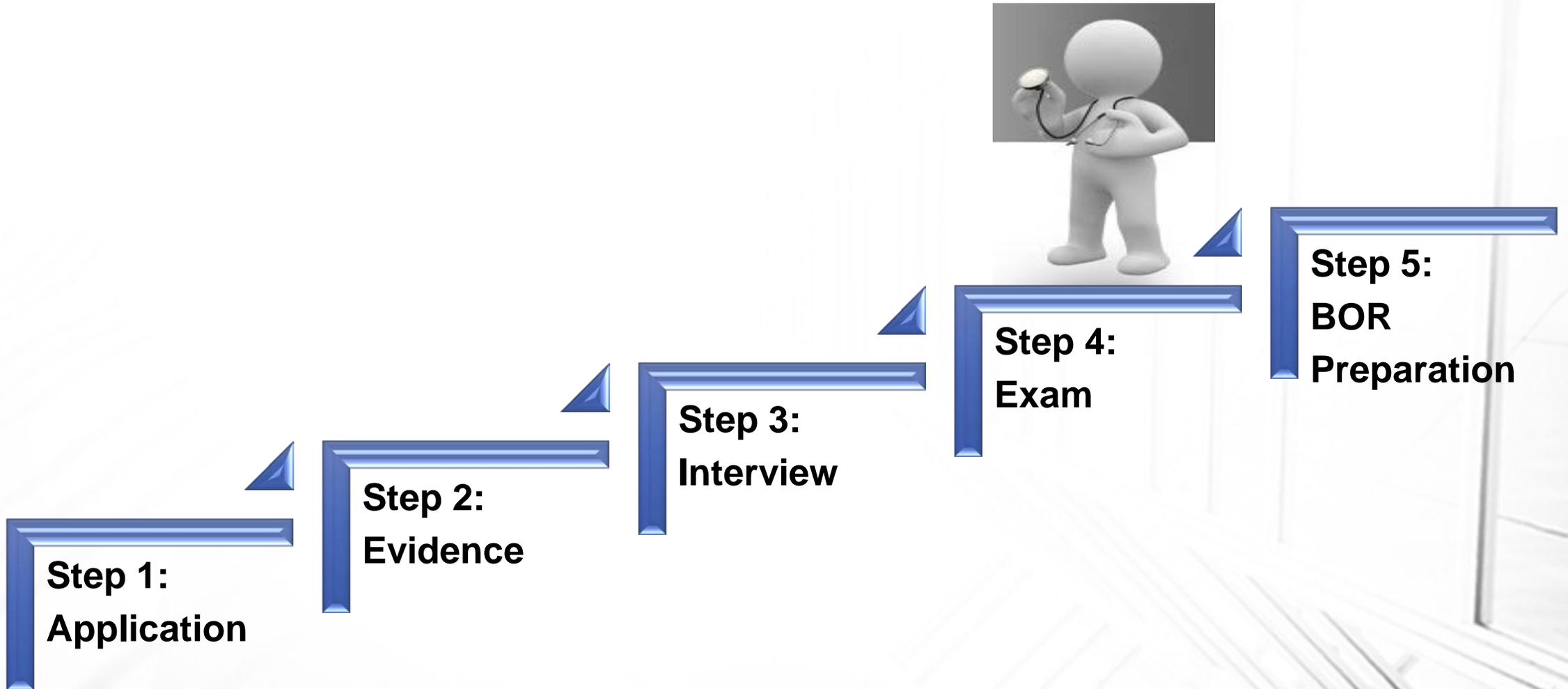
- Statements to verify the witnessing of injury/illness
- “Actual job duties”
- Physical requirements
- Frequency of movements
- Ability to perform duties

Investigator contacts Return to Work Coordinator:

- Statements regarding accommodation



THE APPLICATION PROCESS



PANEL MEDICAL EXAMINATION

- File assembled for review by panel physician
 - Disability Evaluation Summary Report
 - Application for Disability Retirement
 - Class Specification
 - Medical Records
- Appointments scheduled
- The applicant/attorney is notified in writing of their exam date.

The applicant is responsible for any missed appointment fees.



PANEL MEDICAL EXAMINATION

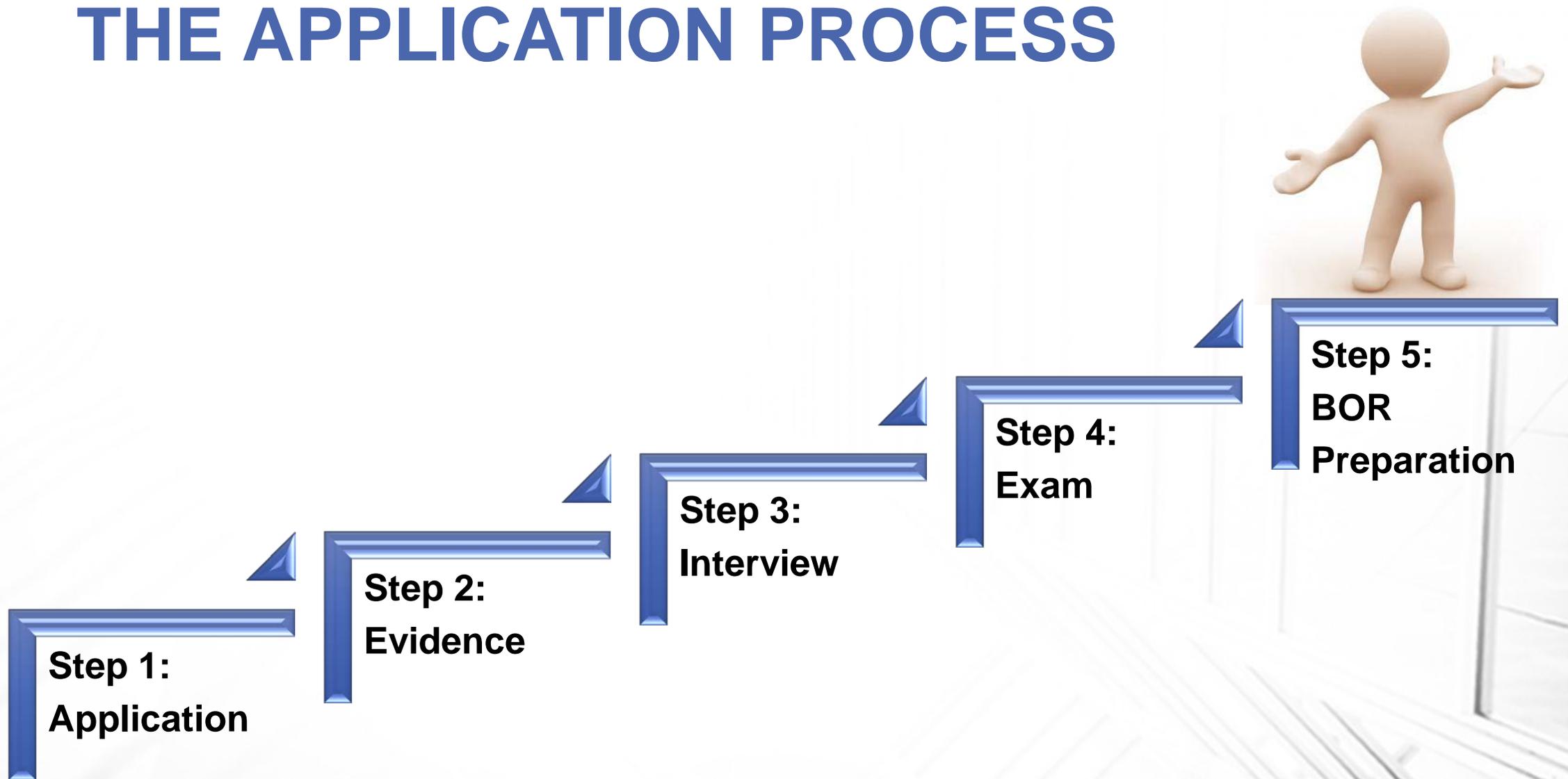
Board Panel Physicians are provided with Guidelines for their report

- The mechanism of injury
- Show history and track treatment rendered
- General medical history

When the panel physician's report arrives, the investigator will see if any work restrictions were imposed by the panel physician. If so, the investigator will contact the applicant's department to see if the work restrictions can be accommodated.

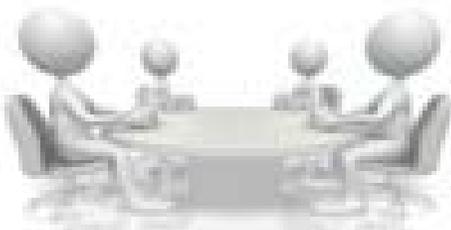


THE APPLICATION PROCESS



CASE IS READY FOR BOR MEETING

- LACERA's Disability staff will submit a recommendation in conjunction with the Board Panel Physician's recommendation.
- Applicant/attorney will be notified in writing of the date the case will be presented to the BOR.
 - All cases are heard in closed session.
 - Applicant/attorney may attend the closed session, but may not address the BOR regarding the application.
 - If Applicant/attorney wishes to address the BOR, they may do so during public comment
- Applicant will be notified in writing of the BOR's decision and appeal rights.





**REASONABLE
ACCOMMODATION
&
SUPPLEMENTAL DISABILITY
ALLOWANCE**

REASONABLE ACCOMMODATION

- **Delegating** problem tasks to others
- Changing the **work location**
- Providing **ergonomic furniture**, tools and technology
- **Reducing time** devoted to certain job tasks
- Reporting to a **new supervisor**
- **Switching assignments** with a co-worker



REASONABLE ACCOMMODATION

- Board Panel Physician states member can perform their usual and customary duties of their position with reasonable accommodation of restrictions x, y, and z.
- LACERA Disability Investigator contacts RTW and asks if restrictions can be accommodated.
- If restrictions can be accommodated, RTW provides a detailed written response on how the department will accommodate.
- If the department can accommodate, the BOR can make a finding that the member is not permanently incapacitated.
- Member remains in same job item at same salary, performing the duties with accommodated restrictions.
- Employee does not have to consent.

SUPPLEMENTAL DISABILITY ALLOWANCE

Supplemental Disability Allowance allows the county to retain experienced, incapacitated employees in County positions.

Applications are to be treated like any other application; the criteria is that the applicant must be found disabled from the ORIGINAL position

Also Known as Salary Supplement

The **Supplemental Disability Allowance** is commonly referred to as the **Salary Supplement** in LACERA member materials, including the Summary Plan Descriptions (Plan Books).

CONDITIONS OF SUPPLEMENTAL DISABILITY ALLOWANCE

Contingent on:

- The offer of a permanent position with a lower salary schedule which accommodates the employee's permanent work restrictions
- The acceptance of this position by the employee

Engaging the Process

- **The Disability Retirement Services Division** works closely with County Departments' Human Resource managers and Return to Work Coordinators to facilitate a better awareness of the Salary Supplement options



THREE TYPES OF SALARY SUPPLEMENTS

§31725.5

- **Non-service connected**

§31725.6

- **Service connected**
- Prior to 1/1/04

§31725.65

- **Service connected**
- On or after 1/1/04

- Board finds applicant is permanently incapacitated from usual duties
- Board finds the applicant is capable of performing other duties (new position).
- County offers alternative position.
- Applicant accepts alternative position.

RESPONSIBILITIES

DEPARTMENT

- Confirm the employee has applied for disability retirement benefits with the Salary Supplement
- Place the employee on a “Y”-Rate; pending the Board of Retirement’s action
- The employee’s salary remains unchanged during the disability retirement application process

LACERA

- Once the Board of Retirement takes action, the Department is notified and an effective date for the Salary Supplement is established
- If the application is denied, appeal rights are not affected

MEMBER'S FUTURE EARNINGS

- The calculation is based upon the member's actual earnings at the time the benefit is granted. The calculation does not allow for future item raises and cost-of-living increases.
- The member can be promoted in the new position career chain. When the member receives a pay raise, it is reviewed against the original item number salary and the Salary Supplement is lowered accordingly. If the new item number salary exceeds the original position's salary, the Salary Supplement stops.



SCD SUPPLEMENTAL DISABILITY ALLOWANCE CALCULATION

Deputy Sheriff permanently demoted to Dispatcher:	Scenario 1	Scenario 2
Previous position monthly salary	\$7,000	\$7,000
SCD Supplemental Retirement Allowance (50% previous position monthly salary)	\$3,500	\$3,500
NEW position monthly salary	\$4,000	\$2,000
Difference in salary	\$3,000	\$5,000
Applicant's NEW monthly income	\$7,000	\$5,500

Benefit is limited to the lesser of the difference in salary or supplemental retirement allowance.



WHAT'S NEXT?

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THINGS TO DO IF YOU'RE RETIRING

If your retirement is on the horizon, make sure you:

- View the [Intro to Retirement Video](#) or download the [Intro to Retirement: 7-Step Reference Card](#)
- Attend a [Pre-Retirement Workshop](#)
- Have all required documents in order
- **Meet** with a Retirement Benefits Specialist

Enjoy your retirement!

WHAT'S NEW

[Actuarial Valuation as of 6-30-13](#)

[2-13-14 Minutes: IBL and OOC](#)

[2014 Edition Retirement Law Book](#)

[Audit 3-19-14 Agenda](#)

[BOR 3-11-14 Actions and DPS 12-4-13 Minutes](#)

[March Newsletters: *PostScript* and *Spotlight*](#)

[2014 COLA and 2014 COLA Accumulation](#)

[Brochures & Forms and RHC Brochures & Forms](#)

[Nominees Sought to Fill Vacant Alternate Retired Board Seat \(March 31st deadline\)](#)

[View what's new on lacera.com...](#)



THE BOARD DECISION

- The member will receive a “board letter” notifying them of the Board’s decision within 30 days of the meeting.
- LACERA’s Claims Processing department will contact the member to determine the effective date (start date) of the disability retirement within 45 days.
- Should any difficulties arise, issues can be discussed with our department’s Benefits Coordinator.



THE BOARD DECISION

When the BOR makes an adverse finding against the applicant, the applicant can appeal the decision.

The applicant has **30 days to appeal.**

An appeal results in the assignment of the case to a referee and setting the matter for hearing.

Appeals can take 3-5 years to resolve.





HOW YOU CAN HELP



ASSISTANCE WITH RTW ISSUES

- Permanent Work Restrictions
- Department Accommodation
- Employer Application Processing
- Salary Supplemental Allowance
- Comprehensive Counseling with Member and County Department Staff



COMMUNICATION

- Provide Semi-Annual Updates – RTW Rosters
- Timely Response
 - Witness Contact Information
 - Health & Safety and Personnel Files
 - Attendance Records
 - Alternative Contacts
- Written Response
 - Permanent Work Restrictions
 - Job Modifications
 - Department's Ability to Accommodate



FELONY NOTIFICATIONS

PEPRA §§ 7522.72 & 7522.74

- Established pension forfeiture for all public employees convicted of a job-related felony.
- “The public employer that employs or employed a public employee...shall each notify the public retirement system in which the public employee is a member of that public employee’s conviction within 90 days of the conviction.”





QUESTIONS?

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LACERA Disability Retirement Services
(626) 564-2419