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PERS-LE, OP&F, and SHPRS Disability Programs

October 10, 2014

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ORSC Staff Report**

Request to study disability programs

In October of 2012, the Ohio Retirement Study Council (ORSC) directed its staff to provide a broad accounting and experience report of the disability programs offered to law enforcement officers in Ohio's public retirement systems. This report provides background information on the disability programs offered to the law enforcement divisions of the Public Employees Retirement System (PERS-LE),¹ the Ohio Police and Fire Pension Fund (OP&F), and the State Highway Patrol Retirement System (SHPRS). This report provides the legal framework and general process under which disability determinations are made, significant variances in benefits or procedures that may merit further review, and, to the extent possible, a ten-year accounting of disability rates and disabling conditions in PERS-LE, OP&F, and SHPRS. Finally, the report includes suggestions for further action.

Recommendation summary

Since 1998, the retirement systems have submitted disability information in accordance with Ohio law enacted under H.B. 648 of the 122nd General Assembly.² However, the requirements of current law focus primarily on the total number of disability recipients. It does not address the rates of new disability grants, the rates at which people return to employment, or the rates at which those disability retirements would normally become an age and service retirement or transfer to a beneficiary. The focus on the total number of disability recipients does not give the ORSC the detail necessary to complete its oversight function. The systems also report their information differently, which further complicates the responsibilities of the ORSC.

As currently presented, the lack of a uniform format with clear reporting standards impedes a full understanding of a system's individual longitudinal experience and against similarly situated systems (see appendix A for examples). As outlined in the full recommendation at the end of this report, *ORSC staff recommends that each disability report include nine pieces of information and that this information be collected in a uniform disability experience form to be used by all five state retirement systems.* This would also provide the ORSC with the opportunity to more systematically evaluate the changes to the disability programs recommended by the 1996 Joint Legislative Committee to Study Ohio's Public Retirement Plans, chaired by Sen. Cooper Snyder and Rep. Dale Van Vyven.³

¹ PERS has two law divisions 1) PERS-LE which includes law officers whose primary duties are to preserve the peace, protect life and property, and enforce the laws of this state and, 2) PERS-Public Safety which includes law officers whose primary duties are other than to preserve the peace, protect life and property, and enforce the laws of this state.

For disability reporting purposes under this report, the two divisions are combined and will be referred to as simply "PERS-LE."

² R.C. 145.351, 742.381, 3307.513, 3309.391, and 5505.181.

³ H.B. 648 of the 122nd General Assembly was passed in 1998 in response to some of the recommendations made under a Joint Legislative Committee to Study Ohio's Public Retirement Plans chaired by Sen. Cooper Snyder and Rep. Dale Van Vyven. The committee issued its report in December of 1996.

ORSC staff recommends that the ORSC require its staff to collaborate with the systems to create two different disability forms for use in disability reporting requirements: one for non-law enforcement and one for law enforcement personnel (this would require PERS to create two separate disability reports). The objective would be to create a standard format form that is administratively feasible and simple for the systems to complete while still providing the additional information we believe would assist in the ORSC's oversight responsibilities. Once this form is created, staff recommends that the ORSC require the systems to use these forms when complying with Ohio law's disability reporting requirements.⁴

Further, after a review of several inconsistencies between the systems, ORSC staff recommends that the General Assembly consider all of the following:

- 1) *Establishing a five-year period prior to eligibility for an off-duty disability in SHPRS.*
- 2) *Whether the OP&F partial disability program is still meeting the General Assembly's policy objectives.*
- 3) *The efficacy of converting a disability benefit to an age and service benefit at normal retirement age in OP&F and SHPRS.*

Legal framework and general process of providing disability benefits

The legal framework and process for providing disability benefits is generally consistent among the systems. The following provides disability eligibility requirements, actual disability benefits, termination conditions, and application procedures, and it is meant to provide a general overview and provide particular attention to the areas in which the systems are different and possible reasons for this variance.

Eligibility for benefit

Each system provides for immediate *on-duty* disability coverage. PERS and OP&F provide an *off-duty* disability benefit after five years of service.⁵ SHPRS is the only Ohio retirement system that provides *immediate* off-duty disability coverage. Neither ORSC staff nor SHPRS staff could determine the historical policy reason for providing *immediate off-duty* coverage to SHPRS members. Currently, one individual person receives this immediate off-duty benefit with less than five years of service in SHPRS, for a total of .1% of the beneficiary population. Barring a compelling reason to maintain the immediate off-duty disability coverage, *ORSC staff recommends the General Assembly consider establishing a five-year period prior to eligibility for this benefit to be consistent with the other law systems.* The SHPRS Board has previously indicated support for this change.

⁴ R.C. 145.351, 742.381, 3307.513, 3309.391, and 5505.181.

⁵ R.C. 742.38 and 145.35. PERS off-duty disability coverage is available after 60 months of service.

There are variations in how each system determines what constitutes a “disability.” In all three systems, an eligible disability is one that incapacitates the member from the performance of duty by a condition that is permanent in nature. In SHPRS, this permanent disability must be a *total incapacitation* for employment in the Highway Patrol.⁶ In OP&F, this disability may be either *total or partial*, but the category of disability will directly affect the benefit amount.⁷ A total disability in OP&F is one in which the member is unable to perform the duties of any gainful occupation for which the member is reasonably fitted by training, experience, and accomplishments. By contrast, a partial disability is one that prevents the member from performing the member’s official duties and impairs the member’s earning capacity. PERS does not contain explicit language requiring the disability be “total” in nature and instead relies on the determination of whether the member is incapacitated for duty.⁸ PERS did not indicate that the lack of the use of the term “total” complicates disability determinations.

An employer is not directly involved in determining a disability. Instead, in each system, a form is provided to the employer to indicate the required duties of the position. The employer does not know the name of the applicant in PERS and OP&F. The employer indicates the required duties of the employment position and submits the form to the medical examiner for use by the medical examiner in determining a disability.⁹

Benefit amount

Each system provides a statutorily determined benefit. The only exception to this is OP&F, which provides a variable benefit (capped at 60% of the member’s average annual salary) for (1) those with a partial disability who have less than 25 years of service and (2) for those with an off-duty disability.

Termination conditions

To continue to receive a benefit, each system requires that the member agree to a medical treatment plan including periodic medical reports, a yearly medical exam, and a statement of earnings. These requirements may be waived by the respective Board. Unless waived by the Board, a disability benefit may be terminated or suspended for failure to meet these requirements. These termination conditions are consistent across the systems, except that these requirements are statutorily waived at various ages.

Under PERS, a disability benefit is terminated and converted into a normal age and service benefit on the date the member would have been eligible to receive that benefit.¹⁰ Neither OP&F nor SHPRS convert disability benefits to a normal retirement

⁶ R.C. 5505.18(A).

⁷ R.C. 742.38(D).

⁸ R.C. 145.35(E).

⁹ Interview with Mark Atkson, Executive Director, State Highway Patrol Retirement System (June 25, 2013 and September 11, 2014).

¹⁰ R.C. 145.361.

when the member would have been eligible for a retirement. ORSC staff recommends that the General Assembly consider the efficacy of converting a disability benefit to an age and service benefit at normal retirement age in OP&F and SHPRS.¹¹

The following provides a detailed description of disability coverage and benefits under the systems.

Disability eligibility and benefit

System	Eligibility	Benefit
PERS-LE	Eligible for an on-duty disability benefit immediately on employment; eligible for an off-duty disability benefit after five years of employment. Coverage only for an injury that occurs before the member’s contributing service terminates or becomes evident no later than two years after termination. Excludes disability caused by elective cosmetic surgery. Disability standard is that the member must be mentally or physically incapacitated for duty. (R.C. 145.35)	Changes to federal law in the 1990s required PERS to develop a new disability plan. A member hired before October 16, 1992, qualifies for a benefit of 2.2% final average salary (FAS) (projected to age 60), not less than 30% FAS, and not greater than 75% FAS. For those hired after October 16, 1992, the benefit is 2.2% FAS, not less than 45% FAS and cannot exceed 60% FAS. The type of disability (on-or-off duty) does not affect the benefit amount. (R.C. 145.36 and 145.361)
OP&F	On-duty partial disability: Eligible for an on-duty partial disability benefit immediately upon employment. Disability standard is that the member must be determined to have a disability that prevents the member from performing the member’s duties and impairs the member’s earnings capacity. (R.C. 742.38)	If the member has fewer than 25 years of service, an amount fixed by the OP&F Board that is not more than 60% of the member’s average annual salary. If the member has 25 or more years of service, the member receives a benefit equivalent to the normal age and service benefit. (R.C. 742.39)

¹¹ An actuarial analysis done by Milliman & Roberston in 1999 found that an actuarially cost neutral method to establish a separate disability plan until retirement could not be found. However, that analysis did not comment on the potential tax issues, analysis of the PERS provisions, or providing for conversion within the existing program. “Feasibility Study on Conversion from Disability to Service Retirement in the Ohio Police & Fire Pension Fund and Highway Patrol Retirement System as Required under Sub. H.B. 648” (December 1, 1999).

	<p>On-duty total and permanent disability: Eligible for on-duty total and permanent disability immediately upon employment. Disability standard is that the member must be unable to perform the duties of any gainful occupation for which the member is reasonably fitted by training, experience, and accomplishments and have no present indication of recovery. (R.C. 742.38).</p>	<p>Benefit of 72% of the member's average annual salary. (R.C. 742.39)</p>
	<p>Off-duty disability: Eligible for off-duty disability with five years of service credit. Disability standard is that the disability prevents the member from performing the member's duties and impairs the member's earnings capacity (i.e., it may be a total or partial disability). (R.C. 742.38)</p>	<p>Member receives an amount fixed by the OP&F Board that is not to exceed 60% of the average annual salary. The Board may adjust the amount to reflect the member's earnings capacity. (R.C. 742.39)</p>
SHPRS	<p>Eligible for on-duty or off-duty disability benefit immediately upon employment. Disability standard is that the member must be totally and permanently incapacitated for duty in the Highway Patrol. (R.C. 5505.18)</p>	<p>On-duty disability: Normal age and service benefit, except that the member is deemed to have served 25 years. The minimum benefit is 61.25% and the maximum is 79.25% final average salary (FAS). Off-duty: Normal age and service benefit, except that the member is deemed to have served 20 years. The minimum benefit is 50% FAS and the maximum is 79.25% FAS. (R.C. 5505.18)</p>

Application and administrative process

There is no significant difference in the statutory application process for disability in each of the three systems reviewed. The basic procedural structure in each system is as follows:

- (1) A member submits an application and supporting medical documentation;
- (2) The member is examined by a Board approved physician or physicians;
- (3) The physician reports to the Board that the person is/is not capable of performing the employee's duties;
- (4) The Board reviews the disability file and determines if the person is eligible for a benefit.
- (5) An appeals process.

In administering the application process, the extra review necessary for an OP&F disability applicant was noted. As discussed previously, OP&F permits *partial* disability while the other systems do not. As a result, in these situations OP&F must have an additional vocational review to evaluate the applicant's earning potential; this is a fairly complex procedure involving a determination of the applicant's percentage disability based off of national standards, including the *American Medical Association (AMA) Guides to the Evaluation of Permanent Impairment, 5th Edition*. This calculation is used in determining the benefit for which the partially disabled member may be eligible. The other systems evaluate only if the person is disabled for the person's current duties and therefore, have no need for this calculation. According to OP&F, members who have partial disabilities:

"Are expected to have an impaired earning capacity, but are also expected to be able to engage in gainful employment outside of police or fire. [OP&F] believe the assignment of partial awards is a progressive method that allows OP&F to provide disability benefit recipients with a pro-rata portion of future earnings, while prudently maintaining a disability program through the best use of actuarial resources."¹²

As stated by Executive Director Gallagher, "[p]artial awards are appropriate when an applicant is determined to have a permanent condition which causes the individual to be unable to perform their own occupation and impairs their earnings capacity, but does not render them unable to engage in other types of gainful employment...[i]f partial awards are eliminated, these individuals would receive permanent and total disability awards, as they cannot perform police and fire work. Eliminating partial awards would therefore negatively impact OP&F's disability experience and add to our liabilities."¹³

According to OP&F, few partial disability recipients are able to return to full OP&F covered employment. Since 1995, only thirty terminations of a partial disability have occurred: seventeen were members who became reemployed in a police or fire

¹² Email correspondence with Jennifer Harville, Member Services Director, OP&F (dated August 8, 2014).

¹³ Letter from John J. Gallagher, Jr., OP&F Executive Director to Jeff Bernard, ORSC (dated September 26, 2014).

capacity, twelve who underwent mandatory medical evaluation process and were found to have recovered from their disability condition, and one who refused to submit the required annual earnings statement. Again according to OP&F, many partial disability recipients hold other kinds of employment.¹⁴ In 2013, 134 out of 147 disability grants were for partial disabilities.

ORSC staff could not determine the historical reasons for OP&F having both a disability insurance program (for full disability) and a disability supplement program (for partial disability), when the other law systems offer only a disability insurance program. In 1996, the Joint Legislative Committee to Study Ohio's Public Retirement Plans likewise found some need for clarification in the implementation of the partial disability program. Though they did not recommend it being expanded or eliminated, they did recommend that the language regarding earnings be clarified; the language needing clarification remains at this time. *The General Assembly may wish to consider whether the OP&F partial disability program is still meeting its policy objectives.*

Ohio 10-year disability experience

The following is, where possible, a 10-year summary of disability experience in Ohio's law enforcement retirement systems. Three trends are apparent in the data:

1) A 10-year gradual reduction in the annual disability grants provided under OP&F (from a 2003 high of 1.26% of active population to a 2012 low of .64%). This has been achieved primarily through a fall of applications (from 341 to 185 in the same time period), rather than an increase in denied applications.

2) The close annual disability rates between all the systems. For 2012, the percent of active members provided a disability grant was in the narrow range of .60% low in SHPRS and .76% high in PERS-LE.

3) The significant difference in the percent of the entire benefit population receiving a disability grant versus an age and service benefit. While the annual granted percent lies within a narrow range, SHPRS has a significantly lower percent of all beneficiaries receiving a disability benefit, with only 8% in 2012, compared to OP&F with 24% and PERS-LE with 35%.

Finally, the category "receiving as % of entire benefit population" for PERS-LE, OP&F, and SHPRS is a number calculated by the author. One difficulty in comparing disability rates is the wide variation in the reporting of disability both within Ohio and in other states. In calculating the percent of people receiving a disability as opposed to another benefit, some states include survivors, others children, others all beneficiaries, and some none. In order to avoid an apples-to-oranges comparison and to provide the broadest comparison possible, this category has been standardized, for purposes of this report, as the percent receiving a disability benefit compared to *all beneficiaries*. Because of this, under this report, the percent is less than may have been reported previously.¹⁵

¹⁴ Email correspondence with Jennifer Harville, Member Services Director, OP&F (dated August 8, 2014).

¹⁵ While the author calculated this percentage number, the calculation was checked by each of the systems as accurate. The calculation was determined using data provided from each system's annual valuation. In all cases, each system's valuation provides a breakdown of all those actively receiving benefits. The number of disability

The wide variation between SHPRS (approximately 8%) and PERS (mid 30%) *may* not be of note, as the relationship between the total beneficiary population to disabled population is tenuous at best. Instead, ORSC staff is noting that we do not have a systematic method of measuring and comparing the ability of the retirement systems to return disability recipients to employment, and this lack impedes an understanding of the systems' disability programs. However, the wide variation between SHPRS and PERS does demonstrate the need for further review and measurement.

PERS Annual Disability Applications and Rates (Combined LE and Public Safety)

Year	Approved	Denied	Annual granted as % of entire PERS law active population	Receiving as % of entire PERS law benefit population
2005	99	0 (1 member died prior to the application being complete)	--	38%
2006	89	0	--	38%
2007	60	1	--	38%
2008	50	0	.55%	38%
2009	73	0 (1 member died prior to the application being complete)	.81%	37%
2010	80	0	.91%	37%
2011	61	0	.70%	36%
2012	61	1	.76%	35%

PERS Disability Categories

Category	2009 ¹⁶	2010	2011	2012
Psychiatric	5	21	13	17
Neurological	0	4	11	9
Musculoskeletal	11	20	25	25
Oncologic	0	0	4	5
Cardiovascular	2	5	9	9
Other	6	17	19	25

recipients was used as the numerator, and the total beneficiary population was used as the denominator to determine the percentage. The figure was then rounded to the nearest whole percent.

¹⁶ General condition groups began in 2009. As a result not all recipients were categorized in that year.

PERS Ages of Disability (2012)

	Mean age	Median age
Disability	43	43

OP&F Annual Disability Applications and Rates

Year	Approved	Denied	Annual granted as % of entire OP&F active population	Receiving as % of entire OP&F benefit population
2003	341	5	1.26%	23%
2004	313	17	1.20%	24%
2005	292	8	1.03%	24%
2006	263	16	.89%	24%
2007	247	17	.74%	25%
2008	222	15	.74%	25%
2009	218	14	.74%	25%
2010	192	18	.66%	24%
2011	205	21	.71%	24%
2012	182	15	.64%	24%
2013	147	37	.84%	--

OP&F Disability Categories

Category	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Orthopedic	185	191	157	170	136	120	127	119	127	100
Psychiatric	50	38	43	39	44	40	28	21	22	13
Heart	60	47	41	32	35	22	22	18	21	19
Other	21	16	18	8	15	11	15	10	10	15
Neurological	0	6	18	5	5	9	9	13	12	14
Cancer	9	9	3	3	7	11	11	10	9	7
Lung	7	3	3	3	5	9	2	0	3	10
Vision	7	3	3	0	0	0	2	0	0	4
Hearing	2	0	6	3	0	0	2	1	1	0

OP&F Ages of Disability (2012)

	Mean age	Median age
Off-Duty (partial)	48	--

On-Duty (partial)	46	--
Permanent and Total	46	--

SHPRS Annual Disability Applications and Rates

Year	Approved	Denied	Annual granted as % of entire active SHPRS population	Receiving as % of entire SHPRS benefit population
2002	--	--	.19%	--
2003	--	--	No record	--
2004	--	--	.25%	6%
2005	8 (3 on-duty, 5 off-duty)	1	.51%	7%
2006	8 (5 on-duty, 3 off-duty)	3	.52%	7%
2007	4 (1 on-duty, 3 off-duty)	2 (another application withdrawn)	.25%	7%
2008	4 (1 on-duty, 3 off-duty)	1 (another 2 applications withdrawn)	.26%	7%
2009	9 (6 on-duty, 3 off-duty)	3	.58%	8%
2010	4 (2 on-duty, 2 off-duty)	0	.26%	8%
2011	5	2 (another 2 applications withdrawn)	.33%	8%
2012	10	3 (another application withdrawn)	.60%	8%
2013	7 (4 on-duty; 3 off-duty)	2	.43%	8%

Disability Categories

Category	2007	2008	2009	2010	2011	2012	2013
Psychiatric	1	1	0	0	0	0	1
Neurological	0	0	0	2	2	2	1

Musculoskeletal	3	3	7	2	2	6	4
Oncologic	0	0	0	0	0	1	1
Cardiovascular	0	0	2	0	1	1	0

Ages of Disability (2012)

	Mean age	Median age
Off-Duty	41	40
In-the-line-of-duty	42	42

For comparison, Appendix B includes disability rates from other state law enforcement retirement systems.

Recommendations

Additional data and development of standard “law” and “non-law” form

Ohio law provides the ORSC with the authority to establish a uniform format for any report that the boards of the state retirement systems are required to submit to the ORSC.¹⁷ While the systems have complied with the law governing the submission of disability reports, without guidance from the ORSC these reports have been inconsistent in their layout. As a result, it has become difficult for the ORSC to complete its oversight responsibilities. In addition, ORSC staff believes that additional information could provide a more complete picture of retirement system disability experience.

Staff recommends that the ORSC exercise its authority to establish a standard format and require staff to collaborate with the systems to create two disability forms for use in disability reporting requirements: one for non-law enforcement and one for law enforcement personnel (this would require PERS to create two separate disability reports). Because of the different population groups, staff believes the forms should be different for law and non-law for the purpose of avoiding a misleading picture of these two populations. These standardized forms should assist the ORSC in its oversight responsibilities.

The forms should include, at a minimum, all of the following:

- 1) Percent of active population granted a disability benefit in previous calendar year;
- 2) Percent total of retirees receiving a disability benefit versus a service retirement;¹⁸
- 3) Total number of disability applications received;

¹⁷ R.C. 171.03.

¹⁸ The Revised Code refers to the “percentage of disability benefit recipients to the total number of the employer’s employees who are member of” the respective retirement system.

- 4) Status of applications at end of fiscal year;
- 5) Total number of applications granted or denied;
- 6) Medical category for disability;
- 7) Percent of disabilities occurring on and off duty;
- 8) Annual number and percent of disability recipients transitioning to an age and service benefit or who return to employment or otherwise leave the disability program;
- 9) Under consultation with the retirement systems, the development of an administratively feasible method to note employers with a consistent high or low disability rate.

SHPRS immediate off-duty disability

SHPRS is the only Ohio retirement system that provides *immediate* off-duty disability coverage. Neither ORSC staff nor SHPRS staff could determine the historical policy reason for providing *immediate off-duty* coverage to SHPRS members. Within SHPRS, a single person receives this benefit with less than five years of service, for a total of .1% of the beneficiary population. Barring a compelling reason to maintain the immediate off-duty disability coverage, ORSC staff recommends that the General Assembly consider establishing a five-year period prior to eligibility for this benefit to be consistent with the other law systems.

Items meriting further review or consideration by the General Assembly

Partial Disability: OP&F includes a partial disability benefit, a benefit not provided by either SHPRS or PERS-LE. It may merit the review of the General Assembly and interest groups to determine the policy objective of the partial disability benefit and whether this objective is currently being met. This is especially important considering that partial disabilities grants are the majority of disability grants in OP&F. This review could consider the elimination of the benefit, the expansion to the other law systems, or, in line with recommendations in the 1996 JLC study, a clarification of earnings capacity and review of how the award is calculated.

The SHRS Board has, in the past, opposed the establishment of a partial disability benefit. The OP&F Board of Trustees has stated that they would be opposed to the elimination of partial grants.

Transition to normal retirement benefit: Under PERS, disability retirements are converted to a normal benefit when the member would have been eligible to retire. Under OP&F and SHPRS, the member continues as a disability recipient. ORSC staff recommends that the General Assembly consider the efficacy of converting a disability benefit to an age and service benefit at normal retirement age in OP&F and SHPRS. The SHPRS Board has indicated an opposition to a conversion to normal retirement benefit for on-duty disability, but is open to discussing options for the conversion of an off-duty disability. OP&F has indicated that the Board would not support converting

disability benefits to a service pension, especially given the unique challenge of converting partial awards.

Retirement system requests

The following are requests, provided in full without ORSC staff comments, made by the retirement systems regarding their disability programs:

PERS comments

Modify provisions enacted in S.B. 343

PERS is requesting that the following changes to the disability program, which were enacted in Am. Sub. SB 343 of the 129th General Assembly, be reviewed from the perspective of bringing consistency to the standards of review used for Law Enforcement (LE) Division members as those that are used for non-LE or PS Division members.

Apply "Any Occupation" Standard after 3-5 years.

Upon initial application, and annually thereafter, disability recipients are required to have a medical examination based on the following standards:

Members will be evaluated under the "own occupation" standard for their initial application and during their first three years receiving a disability benefit. Thereafter, members will be evaluated under "any occupation" standard. The OPERS Board may extend the "own occupation" standard for up to five years if the member is receiving rehabilitative services acceptable to the Board's physician.

The "any occupation" standard for terminating a benefit is the member is no longer physically or mentally incapable of performing the duties of any position that meets the following criteria:

- 1) The salary of the position replaces at least 75 percent of the member's inflation-adjusted final average salary;
- 2) The position is reasonably found in the member's regional job market;
- 3) A position for which the member is qualified to do based on his/her education and experience.

If it is determined that a member is no longer disabled, their benefit will be terminated within three months of the Board's official decision.

Social Security Disability Insurance Offset

Members whose applications are approved by the OPERS Board to receive disability benefits and are eligible for Social Security Disability Insurance (SSDI) must apply for SSDI within 90 days of the PERS Board's approval of the member's disability benefit application. The member must provide PERS with a copy of the SSDI application as evidence of compliance with this requirement. Failure to comply with this requirement will result in suspension of the disability benefit until compliance.

Members receiving an OPERS disability benefit and a SSDI benefit must report the SSDI benefits on their annual *Earnings and Employment Statement*. These members must also provide a copy of their annual SSDI award letter.

If in any year the sum of a member's PERS disability benefit and SSDI benefit exceeds his/her inflation-adjusted final average salary (FAS), the member's PERS disability benefit will be offset so the total of the benefits equals the inflation-adjusted FAS. The inflation-adjusted FAS will be determined by annually increasing the FAS by the percentage increase in the consumer price index (CPI), not to exceed 3 percent.

The SSDI offset does not apply to members who have at least five years of service credit for periods during which the member had earnings from other employment that was subject to Social Security taxes.

Notice of disability benefit recipient restored to public service

Under current law, public employers who employ a disability benefit recipient are required to report the employment to PERS. This notice requirement does not apply if a disability benefit recipient is restored to public service by public employer. With certain exceptions, both employment and a restoration to public service require the disability benefit to be terminated. PERS is seeking to expand the current notice requirement to restorations of service.

OP&F Comments

- 1) In May of 2014, OP&F installed a disability fraud hotline for anonymous public reporting of alleged abuse by disability retirees to better identify cases of misuse.
- 2) OP&F recommends studying a standardization of minimum physical requirements and maximum hiring age of new police officers and fire fighters to improve OP&F disability experience.
- 3) OP&F recommends the standardizing of every employer's pre-employment physical exam. This could provide a clearer health baseline of all newly hired members.
- 4) OP&F recommends calculating off-duty disability benefit based on a member's years of service, instead of disability percentage, to provide benefits that are more equitable with contributions. [ORSC staff comment:

note that this comment is substantially similar to that made by SHPRS under (1), below]

- 5) OP&F recommends studying an offset of benefits between OP&F and the Bureau of Workers' Compensation. This would prevent double-compensation for the same injury.
- 6) OP&F suggests that a statewide coordination and funding of a Critical Incident Response Team would more effectively identify and triage first-responders physical and psychiatric traumas. By properly treating OP&F members soon after those traumas occur, the severity and longevity might be reduced.

SHPRS comments

SHPRS recommends the following legislative changes to improve the disability program:

- 1) Provide that a SHPRS member is eligible for an off-duty disability with five years of service credit (currently the member is eligible for the benefit immediately on commission as an Ohio State trooper). Revise the benefit from the existing 50% benefit to a benefit based on the years of service of the member at the time of the off-duty disability. [ORSC staff comment: see OP&F comment (4), above]
- 2) Specify in statute that a disability benefit shall terminate if the person becomes employed as a law enforcement officer or firefighter. (This is currently done by OP&F in statute).

Appendix A

Current disability reports

SUMMARY OF DISABILITY ACTIVITY

SUMMARY OF DISABILITY ACTIVITY FOR 2013	
Total applications received	1,280
Total applications approved	637
Total applications denied	142
Total applications not eligible	97
Total applications withdrawn	14
Total applications non-compliant with review process	4
Total applications still in process	386

SUMMARY OF DISABILITY ACTIVITY FOR THE LAST FIVE YEARS (2008-2012)					
	2008	2009	2010	2011	2012
Total applications received	1,334	1,407	1,502	1,910	1,462
Total applications approved	1,004	964	969	668	856
Total applications denied	86	104	140	86	97
Total applications still in process	234	339	393	1,156	496

FIVE YEAR STATISTICAL SUMMARY (2008-2012)	
7,615 Total applications received	1,523 per year average
4,461 Total applications approved	average of 59%
523 Total applications denied	average of 7%
2,618 Total applications still in process	average of 34%
Number of applications approved each year	average of 892
Number of applications denied each year	average of 105
2011 Greatest number of applications received	1,910
2008 Smallest number of applications received	1,334

2013 EMPLOYER AND EMPLOYEE INFORMATION	
Total employers for 2013	251
Total employees for all employers listed	201,473
Total employees/recipients for all employers listed	637
Average % of recipients for all employers listed	0.32%

PERCENTAGE OF DISABILITY BENEFIT RECIPIENTS TO TOTAL NUMBER OF EMPLOYEES (2006-2013)										
	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total employees	Data not available before 2006		282,466	238,671	246,668	229,652	235,419	203,852	206,965	201,473
Disability benefit recipients for all employers listed	1,162	1,307	1,121	1,066	1,004	964	969	668	856	637
Average % of recipients for all employers listed	Data not available before 2006		0.40%	0.45%	0.41%	0.42%	0.41%	0.33%	0.41%	0.32%

SUMMARY OF DISABILITY ACTIVITY

YEAR TO YEAR COMPARISON - OVERALL								
Year	2006	2007	2008	2009	2010	2011	2012	2013
Membership (active and inactive)	738,353	758,499	774,906	778,479	800,584	801,907	812,315	830,805
Percentage increase in membership	3.24%	2.74%	2.21%	1.65%	1.71%	0.18%	1.30%	2.28%
Number of disability recipients	21,563	22,108	22,515	22,651	23,041	22,476	23,711	23,737
Net increase/decrease in disability recipients	748	487	361	96	336	-601	1,235	26
Percentage increase/decrease in disability recipients	3.84%	2.41%	1.74%	0.46%	1.59%	-2.79%	5.49%	0.11%
Membership (active)								355,643
Membership (inactive)								475,162

YEAR TO YEAR COMPARISON - LAW/PUBLIC SAFETY DIVISION								
Year	2006	2007	2008	2009	2010	2011	2012	2013
Membership (active and inactive)	8,995	9,180	9,171	9,032	8,820	8,687	10,028	10,031
Percentage increase in membership	1.32%	2.06%	-0.10%	-1.52%	-2.35%	-1.51%	15.44%	0.03%
Number of disability recipients	1,335	1,393	1,439	1,479	1,533	1,569	1,637	1,667
Net Increase/decrease in disability recipients	83	58	46	40	54	36	68	30
Percentage increase/decrease in disability recipients	6.63%	4.34%	3.30%	2.78%	3.65%	2.35%	4.33%	1.83%
Membership (active)								8,761
Membership (inactive)								1,270

2013 DISABILITY ACTIVITY REPORT - PROCESS AND EMPLOYER DATA

Code	Division	Employer	Number of Employees	Approved Recipients
100300	Non-Law	ATTORNEY GENERAL	1655	4
100400	Non-Law	REGULATORY AND LICENSING BOARDS	283	1
100800	Non-Law	ENVIRONMENTAL PROTECTION AGENCY	1122	2
101500	Non-Law	HEALTH DEPT	1156	1
102300	Non-Law	SECRETARY OF STATE	143	1
110100	Non-Law	ADJUTANT GENERAL	267	1
110400	Non-Law	NATURAL RESOURCES ADMINISTRATION	1925	2
111510	Non-Law	SOUTHERN OH AGRICULTURAL AND COMMUNITY	2	1
112500	Non-Law	AUDITOR OF STATE	773	1
114100	Non-Law	DEPT OF ADMINISTRATIVE SERVICES	772	4
114600	Non-Law	DEPT OF TAXATION	1098	2
116900	Non-Law	OHIO LOTTERY COMMISSION	347	1
120000	Non-Law	MONTGOMERY DEVELOPMENTAL CENTER	190	2
120100	Non-Law	JOB AND FAMILY SERVICES	2817	8
120800	Non-Law	REHABILITATION AND CORRECTION	450	4
120900	Non-Law	YOUTH SERVICES-CENTRAL OFFICE	148	1
122300	Non-Law	PAROLE AND COMMUNITY SERVICES	733	4
122400	Non-Law	NORTH OHIO DEVELOPMENTAL CENTER	229	2
122700	Non-Law	SOUTHWEST OHIO DEVELOPMENTAL CENTER	210	1
123200	Non-Law	MENTAL HEALTH SUPPORT SERVICES	423	1
125400	Non-Law	CORRECTIONS MEDICAL CENTER	525	1
130800	Non-Law	TWIN VALLEY PSYCHIATRIC SYSTEM	475	1
130900	Non-Law	NORTHCOAST BEHAVIORAL HEALTHCARE SYSTEM	454	5
132500	Non-Law	GALLIPOLIS DEVELOPMENTAL CENTER	343	5
132600	Non-Law	OHIO VETERANS HOME	796	4
132700	Non-Law	MOUNT VERNON DEVELOPMENTAL CENTER	248	1
134200	Non-Law	SOUTHEASTERN CORRECTIONAL INSTITUTION	458	3
134300	Non-Law	SCIOTO JUVENILE CORRECTIONAL FACILITY	236	5
134400	Non-Law	LEBANON CORRECTIONAL INSTITUTE	501	2
134500	Non-Law	LONDON CORRECTIONAL INSTITUTE	363	1
134600	Non-Law	OHIO WOMEN'S REFORMATORY	456	2
134700	Non-Law	MANSFIELD CORRECTIONAL INSTITUTE	537	2
134800	Non-Law	MARION CORRECTIONAL INSTITUTE	426	2
135200	Non-Law	INDIAN RIVER BOYS SCHOOL	241	4
135400	Non-Law	TRUMBULL CORRECTIONAL INSTITUTION	344	5
135500	Non-Law	CHILlicothe CORRECTIONAL INSTITUTE	525	4
135800	Non-Law	WARRENSVILLE DEVELOPMENTAL CENTER	278	1
140100	Non-Law	DEPARTMENT OF TRANSPORTATION	5315	22
141800	Non-Law	SOUTHERN OHIO CORRECTIONAL FACILITY	605	2
145000	Non-Law	PUBLIC SAFETY ADMINISTRATION	2178	5
159700	Non-Law	NORTHWEST OHIO PSYCHIATRIC HOSPITAL	201	1
160300	Non-Law	DEPT OF EDUCATION	396	1
160800	Non-Law	REHABILITATION SERVICES COMMISSION	1024	3
162100	Non-Law	OHIO DEAF SCHOOL	82	1
163000	Non-Law	UNIVERSITY OF CINCINNATI	5707	7

Ohio Police Fire Pension Fund
2013 Annual Disability Experience Report
Part 1 - Employers with Disability Experience in 2013

Employer	Total Disability Applications Filed in 2013	2013 Status of Applications				2013 Grant Types				2013 On-Duty & Presumptive			2013 Employer Statistics	
		Total Granted (incl. pre-2013 pending)	Total Denied (incl. pre-2013 pending)	Total Withdrawn by Member (incl. pre-2013 pending)	Total Pending as of 12/31/2013	P&T Grants (D)(1) or (D)(1)(3)	On-Duty Partial Grants (D)(2) or (D)(2)(3)	Off-Duty Partial Grants (D)(4)	On-Duty: (D)(1), (D)(1)(3), (D)(2), (D)(2)(3)	Presumptive: (D)(1)(3) or (D)(2)(3)	Total Active Employees	Active Employees Granted Disability		
MADEIRA	1	0	1	0	0	0	0	0	0	0	0	0	14	0.00%
MADISON FIRE DIST	1	0	1	0	0	0	0	0	0	0	0	0	13	0.00%
MANSFIELD	0	1	0	0	1	0	1	0	0	1	0	0	176	0.57%
MAPLE HTS	1	0	1	0	0	0	0	0	0	0	0	0	82	0.00%
MARION	2	0	0	0	0	0	2	0	0	2	0	0	102	1.96%
MARYSVILLE	1	0	0	0	1	0	0	0	0	0	0	0	67	0.00%
MASON	1	0	0	1	0	0	0	0	0	0	0	0	82	0.00%
MAYFIELD HTS	1	1	0	0	1	0	1	0	1	0	0	0	70	1.43%
MENTOR	1	1	0	0	0	0	1	0	1	0	0	0	156	0.64%
MENTOR-ON-THE-LAKE	1	1	0	0	1	0	1	0	1	0	0	0	11	9.09%
MIAMI VALLEY FIRE DIST	0	1	0	0	0	0	1	0	1	0	0	0	62	1.61%
MIDDLETOWN	1	0	0	0	1	0	0	0	0	0	0	0	155	0.00%
MINERVA PARK	1	1	0	0	0	0	0	0	1	0	0	0	5	20.00%
MONROE	0	0	1	0	0	0	0	0	0	0	0	0	62	0.00%
MONTGOMERY	0	1	0	0	0	0	0	1	0	1	0	0	30	3.33%
MORAIN	0	0	0	0	1	0	0	0	0	0	0	0	54	0.00%
NEW BOSTON	1	1	1	0	1	0	1	0	1	0	0	0	16	6.25%
NEW WATERFORD	0	1	0	0	0	0	0	0	1	0	0	0	4	25.00%
NORTH COLLEGE HILL	0	0	1	0	0	0	0	0	0	0	0	0	12	0.00%
NORTH KINGSVILLE	0	1	0	0	0	0	1	0	1	0	1	1	6	16.67%
NORTH OLDMSTED	1	0	0	0	1	0	0	0	0	0	0	0	89	0.00%
NORWALK	1	1	0	0	1	0	1	0	0	0	0	0	44	2.27%
OAKWOOD	1	1	0	0	0	0	0	0	1	0	0	0	29	3.45%
OREGON	1	2	0	0	0	0	0	0	1	1	0	0	61	3.28%
ORRVILLE	0	1	0	0	0	0	0	0	1	0	0	0	17	5.88%
PARMA HTS	1	1	1	0	0	0	0	0	1	0	0	0	63	1.59%
PERRY TWP (STARK)	1	2	0	0	0	0	1	1	2	0	0	0	13	15.38%
PERRYSBURG	0	1	0	0	0	0	0	0	1	0	0	0	60	1.67%
PERRYSBURG TWP	1	0	0	0	0	0	0	0	0	0	0	0	18	0.00%
PIQUA	1	0	0	0	1	0	0	0	0	0	0	0	64	0.00%

Ohio Police & Fire Pension Board
2015 Annual Disability Experience Report
Part B - 15-year Disability Experience (2004-2013)

Employer	2004				2005				2006				2007				2008				2009				2010				2011				2012				2013				10 Year Total			
	Grnts	Els	Dis Exp	Grnts	Dis Exp	Grnts	Els	Dis Exp	Grnts	Dis Exp	Grnts	Els	Dis Exp	Grnts	Dis Exp	Grnts	Els	Dis Exp	Grnts	Dis Exp	Grnts	Els	Dis Exp	Grnts	Dis Exp	Grnts	Els	Dis Exp	Grnts	Dis Exp	Grnts	Els	Dis Exp	Grnts	Dis Exp	Grnts	Els	Dis Exp	Grnts	Avg Annual Dis Exp	Total Dis Exp			
NORTH BOWLING	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0							
NORTH LAMBDA COUNTY JMT FIRE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0						
NORTHFIELD	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0						
NORTHFIELD CENTER TWP	0	0	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0						
NORTHFIELD CTR-SAG AND JULE HILLS FD	0	0	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0						
NORTHWOOD	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0						
NOTICE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0						
NORVA	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORTHVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					
NORVILLE	0	1	0.00%	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0.00%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00%	0					



**STATE TEACHERS
RETIREMENT SYSTEM
OF OHIO**

275 East Broad Street
Columbus, OH 43215-3771
1-888-227-7877
www.srsoh.org

TO: Governor John R. Kasich
Rep. Lynn R. Wachtmann, Chair, Ohio Retirement Study Council
Rep. Lynn R. Wachtmann, Chair, Health & Aging Committee
Sen. Dave Burke, Chair, State Government Oversight and Reform
Committee

FROM: Michael J. Nehf, Executive Director
State Teachers Retirement System of Ohio

DATE: August 30, 2013

RE: 2012-2013 Disability Report under ORC Section 3307.513

RETIREMENT BOARD CHAIR
MARK HILL

RETIREMENT BOARD VICE CHAIR
DAJE PRICE

EXECUTIVE DIRECTOR
MICHAEL J. NEHF

The following is a summary of the 2012-2013 Disability Activity Report as required by Section 3307.513 of the Ohio Revised Code. Attached is a detailed disability experience report for each employer.

Employer		2012-2013 Disability Applications				
Type	Description	Submitted	Granted	Denied	Cancelled	In Process
City	CITY SCHOOL DISTRICT	170	130	16	29	43
Community	COMMUNITY SCHOOL	6	5	0	0	2
County	COUNTY BOARDS OF EDUCATION	8	4	1	2	2
DD	COUNTY BOARDS OF DEVELOPMENTAL DISABILITIES	5	0	2	2	4
Exempted	EXEMPTED SCHOOL DISTRICT	6	8	1	0	0
Joint	JOINT VOCATIONAL SCHOOL	19	8	5	6	7
Local	LOCAL SCHOOL DISTRICT	89	62	12	18	31
State	STATE OF OHIO	6	4	2	1	1
Universities	UNIVERSITIES AND COLLEGES	29	20	0	8	4
N/A	DISTRICT NO LONGER EXISTS*	0	0	0	0	0
Total:		338	241	39	66	94

*Includes accounts in process from previous fiscal year.

Employer			Disability Applications					Disability Recipients					
Type	Description	Status	Type	Submitted	Granted	Denied	Cancelled	In Process	Percent Granted	Terminated Recipients	Current Recipients	Active Members	Percent Member
D155	MAHONING VALLEY OPPORTUNITY CENTER	Active	Community	0	0	0	0	0	0.000000	0	0	7	0.00
D156	HARVARD AVENUE COMMUNITY SCHOOL	Active	Community	0	0	0	0	0	0.000000	0	0	55	0.00
D157	VILLAVIEW COMMUNITY SCHOOL	Active	Community	0	0	0	0	0	0.000000	0	0	31	0.00
D160	PHOENIX VILLAGE ACAD SECONDARY I	Active	Community	0	0	0	0	0	0.000000	0	0	14	0.00
D163	LIFE SKILLS CTR OF COLUMBUS NORTH LLC	Active	Community	0	0	0	0	0	0.000000	0	0	12	0.00
D164	THE MARITIME ACADEMY OF TOLEDO	Active	Community	0	0	0	0	0	0.000000	0	0	27	0.00
D165	PURTAS COMMUNITY MIDDLE SCHOOL	Active	Community	0	0	0	0	0	0.000000	0	0	30	0.00
D167	NOBLE ACADEMY - CLEVELAND	Active	Community	0	0	0	0	0	0.000000	0	0	39	0.00
D168	LORAIN PREPARATORY ACADEMY	Active	Community	0	0	0	0	0	0.000000	0	0	18	0.00
D169	EDUCATIONAL ACADEMY AT LUNDEN	Active	Community	0	0	0	0	0	0.000000	0	0	18	0.00
D170	EDUCATIONAL ACAD FOR BOYS AND GIRLS	Active	Community	0	0	0	0	0	0.000000	0	0	20	0.00
D171	MIDNIMO CROSS CULTURAL SCHOOL	Active	Community	0	0	0	0	0	0.000000	0	0	24	0.00
D172	NOBLE ACADEMY - COLUMBUS	Active	Community	0	0	0	0	0	0.000000	0	0	38	0.00
D174	DAYTON EARLY COLLEGE ACADEMY	Active	Community	0	0	0	0	0	0.000000	0	0	80	0.00
D176	CINCINNATI LEADERSHIP ACADEMY	Active	Community	0	0	0	0	0	0.000000	0	0	21	0.00
D178	WESTSIDE COMM SCH OF THE ARTS	Active	Community	0	0	0	0	0	0.000000	0	0	82	0.00
D179	HORIZON SCIENCE ACAD - COLS MIDDLE SCH	Active	Community	0	0	0	0	0	0.000000	0	1	43	0.02
D183	STAR ACADEMY OF TOLEDO	Active	Community	0	0	0	0	0	0.000000	0	0	43	0.00
D185	CENTRAL ACADEMY OF OHIO	Active	Community	0	0	0	0	0	0.000000	0	0	55	0.00
D186	CLAY AVENUE COMMUNITY SCHOOL	Active	Community	0	0	0	0	0	0.000000	0	0	45	0.00
D187	ROMIG ROAD COMMUNITY SCHOOL	Active	Community	0	0	0	0	0	0.000000	0	0	56	0.00
D189	FOUNDATION ACADEMY	Active	Community	0	0	0	0	0	0.000000	0	0	38	0.00
D190	NORTHPOINTE ACADEMY	Active	Community	0	0	0	0	0	0.000000	0	0	59	0.00
D192	SUMMIT ACADEMY TRANS HS	Active	Community	0	0	0	0	0	0.000000	0	0	26	0.00
D193	CINCINNATI SUMMIT ACADEMY TRANS HS	Active	Community	0	0	0	0	0	0.000000	0	0	32	0.00
D194	COLUMBUS SUMMIT ACADEMY TRANS HS	Active	Community	0	0	0	0	0	0.000000	0	0	31	0.00
D195	DAYTON KIPP JOURNEY ACADEMY	Active	Community	0	0	0	0	0	0.000000	0	0	28	0.00
D196	COLUMBUS COLLEGIATE ACADEMY	Active	Community	0	0	0	0	0	0.000000	0	0	16	0.00
D197	THE KNIGHT ACADEMY	Active	Community	0	0	0	0	0	0.000000	0	1	32	0.03
D198	HORIZON SCIENCE ACADEMY CLEVELAND ELEM	Active	Community	0	0	0	0	0	0.000000	0	0	18	0.00
D199	HORIZON SCIENCE ACADEMY DENISON ELEM	Active	Community	0	0	0	0	0	0.000000	0	0	24	0.00



SCHOOL EMPLOYEES RETIREMENT SYSTEM OF OHIO

300 EAST BROAD ST., SUITE 100 • COLUMBUS, OHIO 43215-3746
614-222-5853 • Toll-Free 800-878-5853 • www.ohsers.org

LISA J. MORRIS
Executive Director
HELEN M. NINOS
Deputy Executive Director

August 13, 2014

Bethany Rhodes, Director
Ohio Retirement Study Council
88 E Broad St, Suite 1175
Columbus OH 43215

Dear Ms. Rhodes:

In accordance with R.C. 3309-391, enclosed please find a copy of the SERS Disability Experience Report for FY 2013-2014. An employer classification summary chart follows.

Employer Classifications	Submitted	In Process	Cancelled	Denied	Approved
City	285	109	29	9	118
Local	134	54	9	7	64
Metro	32	19	0	4	9
Educational Service Center	27	15	4	2	6
Higher Education	22	7	1	1	13
Village	20	10	0	1	9
Vocational/Technical	15	10	1	1	3
Community Schools	8	6	1	0	1
Total	523	230	45	25	223

Of the 248 disability applications that had a final determination (denied or approved) during the fiscal year, 90% were approved.

Please let me know if I can assist you with any additional information. I can be reached at 222-5801.

Sincerely,

Lisa J. Morris
Executive Director

Enclosure

cc: The Honorable John Kasich, Governor
The Honorable Lynn Wachtmann, Chairman, House Health & Aging Committee
The Honorable Dave Burke, Chairman, Senate State Government Oversight and Reform Committee

Employer	Submitted	In Process	Cancelled	Denied	Approved	Disability Recipients Percentage to Active Employees
Mount Auburn International Academy						0.000%
Mount Gilead Exempted Village Schools						0.000%
Mount Healthy City Schools						0.000%
Mount Vernon City Schools						0.000%
Muskingum Valley ESC						0.000%
MVECA-COG						0.000%
Napoleon Area City Schools						0.000%
National Trail Local Schools						0.000%
Near West Intergenerational School						0.000%
Nelsonville York City Schools	2	1			1	0.008%
New Albany-Plain Local Schools	1				1	0.003%
New Beginnings Academy						0.000%
New Boston Local Schools	1				1	0.020%
New Bremen Local Schools						0.000%
New Choices Community School						0.000%
New City School						0.000%
New Day Academy Boarding & Day School						0.000%
New Knoxville Local Schools						0.000%
New Lebanon Local Schools						0.000%
New Lexington City Schools						0.000%
New London Local Schools						0.000%
New Miami Local Schools						0.000%
New Philadelphia City Schools						0.000%



February 3, 2014

To: The Honorable Governor John R. Kasich
Ohio Retirement Study Council
The Honorable Keith Faber, Senate President
The Honorable William G. Batchelder, Speaker of the House
The Honorable Dave Burke, Chair, Senate State Government Oversight and Reform
The Honorable Lynn Wachtmann, Chair, House Health and Aging

From: Mark R. Atkeson, Executive Director
614.430.3557 (direct), matkeson@ohprs.org

Re: 2013 Disability Experience of the State Highway Patrol

The 2013 disability retirement experience for the State Highway Patrol is being provided pursuant to Ohio Revised Code Section 5505.181.

Applications Pending, 12/31/12	1
+Applications Filed	9
=Total Disability Applications	10
-Applications Granted (4 in-the-line-of-duty & 3 off-duty)	7
-Applications Denied	2
-Applications Withdrawn	0
=Applications Pending, 12/31/13	1
Total Active Members, 12/31/13	1619
Percentage of disability applications granted relative to active members	0.43%

For prior years, the percentage of disability applications granted relative to active members has been as follows:

2012	0.60%	2008	0.26%	2004	0.25%
2011	0.33%	2007	0.25%	2002	0.19%
2010	0.26%	2006	0.52%	2001	0.65%
2009	0.58%	2005	0.51%		

Appendix B

Other state statistics

Disability statistics from other states should be used cautiously. The information in the following table was collated primarily from annual valuation and financial reports, but also from right-to-know requests, assistance from other state oversight entities, and direct conversations with systems. Each state collects and collates information differently. Many states were excluded because population figures were not broken out into separate groups or did not provide disability rates, and each state's disability program varies on their transition of "disability retirement" to "retirement," which can have a significant effect on the entire benefit population receiving a "disability retirement."

While this table may be used as a general comparison of other state experiences, primarily it demonstrates how inconsistently reported data can impede an understanding of disability rates across the county. The most uniform, consistent, and reliable measurement of disability rates found by ORSC staff is the "annual granted as % of total active population," and this statistic is a rarely reported number.

For this chart, the percent of beneficiaries receiving a disability benefit included all beneficiaries (including survivors and children), as excluding states that did not break down beneficiary categories would have substantially reduced the already low number of states and systems that could be reviewed.

State	Annual granted as % of total active population	Receiving disability benefit as % of entire benefit population	Population resembles
1977 Police Officers' and Firefighters' Pension and Disability Fund (Indiana) ¹⁹	.24%	20%	OP&F
Lexington-Fayette Urban County Government Policemens' and	--	35%	OP&F

¹⁹ 1977 Police Officers' and Firefighters' Pension and Disability Fund, Actuarial Valuation as of June 30, 2013, pg. 23; available online at: http://www.in.gov/inprs/files/Actuarial_Valuation_Report_2013_1977_Fund_--_FINAL_12-17-13.pdf

Firemens' Pension Fund (Kentucky) ²⁰			
Michigan State Police Retirement System ²¹	--	7.2%	SHPRS
Law Enforcement and Custodial Officer Supplement Retirement Fund (LECOSRF-Texas) ²²	--	1.2% ²³	PERS
Houston Police Officers' Pension Fund (Texas) ²⁴	--	4.4%	OP&F
Iowa Peace Officers' Retirement, Accident, and Disability System ²⁵	--	15%	SHPRS
Maryland State Retirement and Pension System ²⁶	--	25%	SHPRS
Minnesota State Patrol Retirement Fund ²⁷	.35%	2.1%	SHPRS
Mississippi Highway Safety Patrol Retirement System ²⁸	--	2.7%	SHPRS

²⁰ Report on the Valuation of the Lexington-Fayette Urban County Government Policemens' and Firemens' Pension Fund, Prepared as of July 1, 2013, (available online at: <http://www.lexingtonky.gov/Modules/ShowDocument.aspx?documentid=26092>), pg. 3.

²¹ Michigan State Police Retirement System, Comprehensive Annual Financial Report for the Fiscal Year Ended September 30, 2013; available online at: http://www.michigan.gov/documents/ormsmp/SPRS_CAFR_Final_445094_7.pdf), pg. 87.

²² Law Enforcement and Custodial Officer Supplemental Retirement Fund Actuarial Valuation August 31, 2013, pg. 36 (valuation provided by the State Pension Review Board of Texas).

²³ The LECOSRF is a supplemental fund that does not provide benefits unless the member has 20 or more years of service. Additionally, the disability retirement eligibility provisions are strict.

²⁴ Houston Police Officers' Pension Fund, Actuarial Valuation Report for the Year Beginning July 1, 2013, pg. 9 (valuation provided by the State Pension Review Board of Texas).

²⁵ State of Iowa Peace Officers', Retirement, Accident, and Disability System, Actuarial Valuation Report as of July 1, 2013, pg. A-3 (available online at: <http://www.dps.state.ia.us/asd/por/FY2013PORValuationReport.pdf>).

²⁶ Maryland State Retirement and Pension System, Actuarial Valuation Report June 20, 2013 (available online at: http://www.sra.state.md.us/Agency/Downloads/Valuation/State_Valuation-2013.pdf), appendix B-12.

²⁷ Minnesota State Retirement System State Patrol Retirement Fund, Actuarial Valuation Report as of July 1, 2013 (available online at: <http://www.msrs.state.mn.us/pdf/avhwyp.pdf>), pg. 14.

²⁸ Report on the Actuarial Valuation of the Mississippi Highway Safety Patrol Retirement System, Prepared as of June 30, 2013 (available online at: <http://www.mhsp.ms.gov/Actuarial%20Valuation%20Report%20-%20June%2030%202013.pdf>).

The Police Retirement System of St. Louis (Missouri) ²⁹	.35%	8.1%	OP&F
Firemen's Retirement System of St. Louis (Missouri) ³⁰	--	31%	OP&F
Missouri Department of Transportation and Highway Patrol Employees' Retirement System ³¹	.08%	.7% (uniformed patrol only)	SHPRS
Nebraska Public Employees Retirement System: State Patrol Retirement System ³²	0%	3.1%	SHPRS
The Police and Firemen's Retirement System of New Jersey ³³	.42%	13.9%	OP&F (also includes uniformed university police which would compare to PERS in Ohio)

http://www.pers.ms.gov/Content/ActuarialValuationReport/2013_HSPRS_Valuation_Report_FINAL.pdf), pg. 5.

²⁹ The Police Retirement System of St. Louis, Actuarial Valuation as of October 1, 2013 (available online at: <http://www.stlouisprs.org/PDF/October12013-ActuarialValuationReport-BoardApproved-20140226.pdf>), pg. 23 and 26.

³⁰ Firemen's Retirement System of St. Louis, Annual Actuarial Valuation October 1, 2013 (available online at: <http://www.frs-stl.org/ValuationReport102013.pdf>), pg. 4.

³¹ Missouri Department of Transportation and Highway Patrol Employees' Retirement System (MPERS), Actuarial Valuation Report as of June 30, 2013 (available online at: <http://www.mpers.org/files/DDF/MPERS%206-30-2013%20FINAL.pdf>), pg. 3 and 5.

³² Nebraska Public Employees Retirement System, State Patrol Retirement System Actuarial Valuation Report as of July 1, 2013 (available online at: <https://npers.ne.gov/SelfService/public/howto/publications/ActuarialReports/ActuaryStatePatrol2013.pdf>), pg. 9 and 27.

³³ The Police and Firemen's Retirement System of New Jersey Annual Report of the Actuary Prepared as of July 1, 2013 (available online at: <http://www.state.nj.us/treasury/pensions/pdf/financial/2013pfrs.pdf>), pg. 53. The statistics exclude domestic relations beneficiaries as there is no comparable category in Ohio.

The State Police Retirement System of New Jersey ³⁴	.29%	8.3%	SHPRS (also includes certain parks and water officers who would compare to PERS in Ohio)
New York Police and Fire Retirement System ³⁵	11.6%	18.2%	OP&F (with certain members who would be in PERS)
South Carolina Retirement Systems: Police Officers Retirement System ³⁶	--	14.4%	OP&F
Pennsylvania Municipal Retirement System ³⁷	--	1.3%	OP&F (see note)
Virginia Retirement System: State Police Officers' Retirement System ³⁸	--	16.8%	SHPRS
Virginia Retirement System: Virginia Law Officers' Retirement System ³⁹	--	6.7%	PERS

³⁴ The State Police Retirement System of New Jersey Annual Report of the Actuary Prepared as of July 1, 2013 (available online at: <http://www.state.nj.us/treasury/pensions/pdf/financial/2013sprs.pdf>), pg. 30. The statistics exclude domestic relations beneficiaries as there is no comparable category in Ohio.

³⁵ New York State and Local Retirement System Comprehensive Annual Financial Report for Fiscal Year ended March 31, 2013 (available online at: http://www.osc.state.ny.us/retire/word_and_pdf_documents/publications/cafr/cafr_13.pdf), pg. 140-141, 146, and 158.

³⁶ South Carolina Retirement Systems Comprehensive Annual Financial Report for Fiscal Year ended June 30, 2013 (available online at: <http://www.retirement.sc.gov/financial/CAFR%202013.pdf>), pg. 188.

³⁷ Information from Pennsylvania acquired through a right-to-know request. Pennsylvania does not collect this information but was able to provide limited raw numbers, however, Pennsylvania Municipal Retirement System noted that "participation in PMRS is optional and is limited to municipal employees, police officers and firefighters. The percentages, therefore, are not based on the total number of police or firefighters in the Commonwealth of Pennsylvania and do not include the State Police...[m]oreover, because each municipality enters into a contract with PMRS detailing the retirement benefits provided for each of its plans, the eligibility to receive a...disability retirement benefit differ." (Letter dated June 10, 2014 from Kristine M. Cline, Right-To-Know-Officer, PMRS).

³⁸ Virginia Retirement System Comprehensive Annual Financial Report for the Year Ended June 30, 2013 (available online at: <http://www.varetire.org/pdf/publications/2013-annual-report.pdf>), pg. 180.

³⁹ Virginia Retirement System Comprehensive Annual Financial Report for the Year Ended June 30, 2013 (available online at: <http://www.varetire.org/pdf/publications/2013-annual-report.pdf>), pg. 180.