

2011 Disability Activity Report



*Presented:
March 1, 2012*

**Ohio Public Employees
Retirement System**

*Karen E. Carraher
Executive Director*



Ohio Public Employees Retirement System

March 1, 2012

Governor John Kasich
77 South High Street, 30th floor
Columbus, Ohio 43215-6108

Re: 2011 Disability Report

Dear Governor Kasich:

The Ohio Public Employees Retirement System (Ohio PERS) respectfully submits the 2011 Ohio PERS Disability Report to you, as required pursuant to Section 145.351 of the Ohio Revised Code. Ohio PERS provides a comprehensive retirement package for Ohio public employees. Our membership includes more than 356,000 active workers and 179,565 benefit recipients. The retirement program offered by Ohio PERS assists public employers in attracting and retaining quality workers who perform essential public services.

Ohio PERS is the retirement system for public employees, including all state and local government employee – ranging from correction officers to bridge designers, to mechanics, to judges, just to name a few. It was established in law by the Ohio Legislature and pre-dates Social Security. As such, it serves as our members primary means of disability support.

The Disability Retirement Program is an important part of the Ohio PERS retirement package. For eligible members who become disabled to the extent that they are unable to perform the duties of their job, Ohio PERS administers two disability plans. Based on medical information provided by the member and an Ohio PERS-appointed medical examiner, an eligible member may qualify for disability retirement. In 2010, Ohio PERS paid out more than \$556 million in disability retirement benefits and an additional \$425 million in healthcare benefits for disabled workers and their dependents. Final 2011 numbers are not yet available.

The OPERS disability program has been undergoing a process redesign over the past two years. Regarding the processing data this year, you will see some variances compared to past numbers. The disparity is largely attributed to the fact that OPERS' updated its processes to adopt more medical standardized reviews. This resulted in lower approval and denial numbers and a higher "application in process" number. We expect a slight increase in the approval and denial numbers in 2012 and a leveling off in 2013. For applications in process, the number should decline in 2012 and level off in 2013.

Today, disability applications are subjected to more scrutiny than ever before. The advent of industry accepted medical practices and standards have resulted in higher quality reviews and stronger clinical decisions.



In summary, the disability report shows total activity in 2011 as follows:

- Total applications received: **1,910**
- Total applications approved: **668**
- Total Employees for all employers listed: **203,852**
- Total applications denied: **86**
- Total applications still in process: **1,156**
- Average % of recipients for all employers listed: **0.33%**

These changes are just one component of the three-prong plan adopted by the Board of Trustees. A main component of the plan includes fundamental changes in the disability program aimed at modernizing the program. These changes were part of the bigger package of proposed pension legislative changes that the Board submitted to the General Assembly. If legislation is passed, the third prong of the plan will be the implementation of a case management program designed to assist members who are able to return to work to do so in a timely manner.

Enclosed is a complete disability activity report for 2011 arranged by employer. If you have any questions, please do not hesitate to contact me at 614-222-0011.

Cordially,

A handwritten signature in cursive script that reads "Karen E. Carraher".

Karen E. Carraher
Executive Director

cc: Members, Ohio Retirement Study Council
The Honorable William Coley, Chair
Senate Government Oversight and Reform Committee
The Honorable Lynn Wachtmann, Chair
House Health and Aging Committee

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Enclosure

Introduction

Ohio PERS members who participate in the Traditional Pension and Combined Plans* may be eligible for disability benefits under the original plan or the revised plan. Employees who had contributions on deposit with Ohio PERS prior to July 29, 1992, had a one-time opportunity to select coverage under one of these programs. Those employees hired on or after July 29, 1992, are covered only under the revised plan.

Ohio PERS members who participate in the Member-Directed Plan* are not eligible for disability benefits through Ohio PERS. Under the Member-Directed Plan, the vested portion of their individual account would be available through a refund after Ohio PERS-covered employment is terminated.

Common Features of the Original and Revised Disability Plans

All disability cases are subject to approval by the Ohio PERS Board of Trustees. Once approved, the disability benefit is effective on the first of the month following termination of public service or attainment of eligibility, whichever is later.

The disability benefit is payable for life or a specified period, but will terminate if a member:

- Is no longer disabled
- Returns to public service
- Elects to begin receiving an age and service retirement benefit
- Upon death
- Requests termination of benefits

If the member received a disability benefit for less than five years, Ohio PERS will certify to the previous employer that he/she is no longer incapable of returning to work. At that time, the employer should restore the member to the previous, or similar, position and salary unless he/she was dismissed or resigned in lieu of dismissal for dishonesty, misfeasance, malfeasance or conviction of a felony.

Members who return to public service and contribute to the Traditional Pension Plan for two years will receive service credit for the period of time a disability benefit was received.

A return to employment with a private employer may result in a re-examination to determine continued eligibility to receive disability benefits.

Health care coverage is effective the first of the month following the Ohio PERS Board's approval of the application, provided public service has terminated.

An annual cost-of-living adjustment will be paid.

* OPERS offers eligible members a choice of three retirement plans—the Traditional Pension Plan (a defined

Original Plan – Disability Program Features

Eligibility

To be eligible for benefits under the original disability program, members must have had contributions on deposit prior to July 29, 1992. Eligible members had a one-time opportunity to select coverage under the original plan. For members in the law enforcement division of the Traditional Pension Plan who become disabled due to an on-duty illness or injury, disability coverage is available immediately after membership is established.

Eligibility requirements include:

- Participation in the Traditional Pension or Combined Plan.
 - At least five years of service credit or 60 contributing months in the plan in which they are participating.
 - Removal from payroll due to a presumably permanent disabling condition, either mental or physical, which prevents members from performing their job.
 - No more than two years have passed since contributing service has terminated, unless at the end of the two-year period the member was disabled and unable to file an application as proven by medical records.
 - In the event of a retirement plan change, one year has passed from the plan change effective date.
 - Members must not be receiving a retirement benefit under any of the Ohio PERS retirement plans.
 - Application for disability must be filed before age 60.
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Revised Plan – Disability Program Features

Eligibility

Members with contributions on deposit after July 29, 1992 participate in the revised disability plan. For members in the law enforcement division of the Traditional Pension Plan who become disabled due to an on-duty illness or injury, disability coverage is available immediately after membership is established.

Eligibility requirements include:

- Participation in the Traditional Pension or Combined Plan.
- At least five years of service credit or 60 contributing months in the plan in which they are participating.
- Removal from payroll due to a presumably permanent disabling condition, either mental or physical, which prevents members from performing their job.
- No more than two years have passed since contributing service has terminated, unless at the end of the two-year period the member was disabled and unable to file an application as proven by medical records.
- In the event of a retirement plan change, one year has passed from the plan change effective date.
- Members must not be receiving a retirement benefit under any of the Ohio PERS retirement plans.
- Application for disability may be filed at any age.

Revised Plan – Disability Program Features *(continued)*

The benefit is payable for only a definite period of time, depending on the member's age at the effective date of benefit (see chart below).

AGE AT EFFECTIVE DATE OF DISABILITY	PERIOD BENEFIT PAYABLE
Younger than 60	until age 65
60-61	60 months
62-63	48 months
64-65	36 months
66-68	24 months
69 or older	12 months

When the disability benefit ends, members have the opportunity to apply for an age and service retirement benefit under the Traditional Pension Plan or to apply for a refund of their account, which is not reduced by the amount of disability benefits paid.

SUMMARY OF DISABILITY ACTIVITY FOR 2011	
Total applications received	1,910
Total applications approved	668
Total applications denied	86
Total applications still in process	1,156

SUMMARY OF DISABILITY ACTIVITY FOR THE LAST FIVE YEARS	2006	2007	2008	2009	2010
Total applications received	1,750	1,470	1,334	1,407	1,502
Total applications approved	1,121	1,066	1,004	964	969
Total applications denied	158	315	96	104	140
Total applications still in process	471	89	234	339	393

FIVE YEAR STATISTICAL SUMMARY (2005 - 2009)	
7,463 total applications received	1,493 per year average
5,124 total applications approved	average of 69%
813 total applications denied	average of 11%
1,526 total applications still in process	average of 20%
Number of applications approved each year	average of 1,025
Number of applications denied each year	average of 163
2006 greatest number of applications received	1,750
2008 smallest number of applications received	1,334

TOTAL EMPLOYERS FOR 2010	254
TOTAL EMPLOYEES FOR ALL EMPLOYERS LISTED	203,852
TOTAL EMPLOYEES/RECIPIENTS FOR ALL EMPLOYERS LISTED	668
AVERAGE % OF RECIPIENTS FOR ALL EMPLOYERS LISTED	0.33%

PERCENTAGE OF DISABILITY BENEFIT RECIPIENT TOTAL NUMBER OF EMPLOYEES (2006 - 2010)										
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total Employees	Data Not Available Before 2006				282,466	238,671	246,668	229,652	235,419	203,852
Disability Benefit Recipients	1,302	1,284	1,162	1,307	1,121	1,066	1,004	964	969	668
Average % of Recipients for all Employers Listed	Data Not Available Before 2006				0.40%	0.45%	0.41%	0.42%	0.41%	0.33%

CODE	EMPLOYER	# OF EMPLOYEES	RECIPIENTS	% OF TOTAL
1003-08	Attorney General	1,603	2	0%
1015-08	Health Dept	1,298	5	0%
1054-08	Nursing Board	72	1	1%
1099-08	Etech Ohio Commission	52	1	2%
1101-08	Adjutant General	304	4	1%
1104-08	Natural Resources Administration	1,781	3	0%
1115-08	Agriculture Dept	465	1	0%
1123-08	Expositions Commission	72	1	1%
1125-08	Auditor Of State	808	1	0%
1141-08	Dept Of Administrative Services	835	5	1%
1153-08	Youngstown Development Center	242	1	0%
1180-18	Supreme Court -Biweekly Delayed	243	1	0%
1184-08	Public Utilities Commission	360	1	0%
1200-08	Montgomery Developmental Center	199	1	1%
1201-08	Job And Family Services	3,909	7	0%
1209-08	Youth Services-central Office -Dys-central Office	168	1	1%
1218-08	Mental Retardation And Development Dis	263	1	0%
1220-08	Cuyahoga Hills Boys School -Dys	277	1	0%
1223-08	Parole And Community Services	694	5	1%
1224-08	North Ohio Developmental Center	305	2	1%
1254-08	Corrections Medical Center	494	6	1%
1305-08	Summit Behavioral Health Care	395	1	0%
1306-08	Heartland Behavioral Healthcare	221	2	1%
1308-08	Twin Valley Psychiatric System	504	1	0%
1309-08	Northcoast Behavioral Healthcare Sys	453	2	0%
1313-08	Appalachian Behavioral Healthcare	221	1	0%
1323-08	Columbus Developmental Center	243	2	1%
1326-08	Ohio Veterans Home	815	1	0%
1327-08	Mount Vernon Developmental Center	319	2	1%
1342-08	Southeastern Correctional Institution	355	4	1%
1343-08	Scioto Juvenile Correctional Facility -Dys	325	3	1%
1345-08	London Correctional Institute	384	3	1%
1346-08	Ohio Women's Reformatory	487	2	0%
1347-08	Mansfield Correctional Institute	591	5	1%
1352-08	Indian River Boys School -Dys	241	2	1%
1354-08	Trumbull Correctional Institution	361	2	1%
1355-08	Chillicothe Correctional Institute	541	5	1%

CODE	EMPLOYER	# OF EMPLOYEES	RECIPIENTS	% OF TOTAL
1418-08	Southern Ohio Correctional Facility	701	10	1%
1450-08	Public Safety Administration	1,355	3	0%
1451-08	Public Safety Administration -Highway Patrol	775	1	0%
1606-08	Rehabilitation Services Commission	1,047	1	0%
1621-08	Ohio Deaf School	81	1	1%
1630-08	University Of Cincinnati	5,818	3	0%
1631-08	Bowling Green State University	1,512	1	0%
1632-08	Kent State University	3,087	3	0%
1633-08	Miami University	2,287	4	0%
1634-08	Ohio University	4,144	9	0%
1637-08	Wright State University	1,480	4	0%
1639-08	Youngstown State University	1,095	2	0%
1641-08	Ohio State University	22,233	30	0%
1647-08	UToledo Health Science Campus	2,777	5	0%
1701-08	Worker's Compensation Bureau	2,195	8	0%
1703-08	Industrial Commission	448	1	0%
1712-08	Pickaway Correctional Institute	513	1	0%
1713-08	Franklin Pre-release Center	142	1	1%
1714-08	Northeast Pre-release Center	145	1	1%
1715-08	Correctional Reception Center	503	2	0%
1744-08	Hocking Correctional Facility	146	1	1%
1745-08	Madison Correctional Facility	515	1	0%
1746-08	Allen Correctional Institution	349	2	1%
1747-08	Warren Correctional Institution	374	1	0%
1748-08	Lorain Correctional Institution	426	2	0%
1749-08	Grafton Correctional Institution	353	4	1%
1750-08	Dayton Correctional Institution	294	4	1%
1751-08	Ross Correctional Institution	540	3	1%
1752-08	Oakwood Correctional Institution	200	3	2%
1754-08	Belmont Co Correctional Institution	438	6	1%
1756-08	Noble Correctional Institute	409	1	0%
1757-08	Ohio State Penitentiary	413	2	0%
1778-08	Richland Correctional Institution	418	2	0%
1779-08	Toledo Correctional Institution	352	1	0%
1903-08	Ohio Turnpike Commission	774	4	1%
2001-00	Adams County	269	2	1%
2002-00	Adams County Hospital	313	2	1%
2003-08	Allen County	970	2	0%
2007-08	Ashtabula County	899	1	0%
2009-08	Athens County	515	1	0%
2021-08	Belmont County	637	1	0%

CODE	EMPLOYER	# OF EMPLOYEES	RECIPIENTS	% OF TOTAL
2031-08	Champaign County	274	1	0%
2033-08	Clark County	1,134	5	0%
2037-08	Clermont County	1,344	2	0%
2041-08	Columbiana County	624	1	0%
2061-08	Darke County	364	1	0%
2063-08	Defiance County	359	1	0%
2065-08	Delaware County	1,028	1	0%
2067-08	Erie County	638	1	0%
2071-08	Fairfield County	768	3	0%
2075-08	Franklin County	6,152	12	0%
2085-08	Gallia County	259	1	0%
2091-08	Greene County	1,026	1	0%
2093-08	Guernsey County	418	2	0%
2111-08	Hancock County	563	1	0%
2113-08	Hardin County	373	1	0%
2119-08	Henry County	339	2	1%
2125-08	Hocking County	332	1	0%
2129-08	Huron County	416	1	0%
2135-08	Jefferson County	627	4	1%
2137-08	Knox County	376	2	1%
2139-08	Lake County	1,761	6	0%
2145-08	Lawrence County	465	2	0%
2147-08	Licking County	801	3	0%
2151-08	Lorain County	1,920	4	0%
2153-08	Lorain County Community College	656	1	0%
2155-08	Lucas County	3,215	7	0%
2167-08	Mahoning County	1,542	4	0%
2179-08	Medina County	1,159	3	0%
2183-08	Mercer County	284	1	0%
2185-08	Miami County	750	2	0%
2201-08	Montgomery County	3,968	15	0%
2215-08	Muskingum County	823	2	0%
2225-08	Perry County	354	1	0%
2227-00	Pickaway County	2	1	50%
2231-00	Portage County	120	1	1%
2231-08	Portage County	1,055	2	0%
2232-08	Robinson Memorial Hospital	1,358	5	0%
2249-00	Ross County	534	2	0%
2255-08	Scioto County	559	4	1%
2261-08	Seneca County	509	1	0%
2271-00	Stark County	908	1	0%
2271-08	Stark County	2,123	11	1%

CODE	EMPLOYER	# OF EMPLOYEES	RECIPIENTS	% OF TOTAL
2281-08	Trumbull County	1,477	2	0%
2285-08	Tuscarawas County	712	1	0%
2289-08	Union County	425	1	0%
2301-08	Warren County	968	2	0%
2311-08	Washington County	555	1	0%
2402-08	Cuyahoga County	8,279	24	0%
2437-08	Metrohealth Medical Center	6,249	6	0%
2471-08	Cuyahoga County Community College	1,607	2	0%
2500-08	Hamilton County	4,188	13	0%
3001-08	City Of Akron -Summit County	1,491	6	0%
3010-08	City Of Bay Village -Cuyahoga County	124	1	1%
3026-08	City Of Bryan -Williams County	150	1	1%
3028-08	City Of Brooklyn -Cuyahoga County	184	1	1%
3035-08	City Of Canton -Stark County	643	1	0%
3039-08	City Of Chillicothe -Ross County	138	1	1%
3040-08	City Of Cincinnati -Hamilton County	293	2	1%
3041-08	City Of Circleville -Pickaway County	60	1	2%
3047-08	City Of Columbus -Franklin County	6,774	17	0%
3061-08	City Of Dayton -Montgomery County	1,435	14	1%
3071-08	City Of East Cleveland -Cuyahoga County	24	1	4%
3077-08	City Of Euclid -Cuyahoga County	397	1	0%
3082-00	City Of Fairfield -Butler County	105	1	1%
3083-08	City Of Fostoria -Seneca County	77	1	1%
3097-08	City Of Girard -Trumbull County	88	3	3%
3131-08	City Of Greenville -Darke County	69	1	1%
3141-08	City Of Hamilton -Butler County	469	2	0%
3147-08	City Of Hilliard -Franklin County	90	1	1%
3173-00	City Of Kenton -Hardin County	54	1	2%
3181-08	City Of Lakewood -Cuyahoga County	367	2	1%
3187-08	City Of Lockland -Hamilton County	19	1	5%
3191-08	City Of Lorain -Lorain County	342	1	0%
3193-08	City Of Lyndhurst -Cuyahoga County	131	1	1%
3209-08	City Of Martins Ferry -Belmont County	41	1	2%
3213-08	City Of Mayfield Heights -Cuyahoga County	118	1	1%
3216-00	City Of Mentor -Lake County	18	1	6%
3216-08	City Of Mentor -Lake County	361	2	1%
3217-08	City Of Middletown -Butler County	303	1	0%
3233-08	City Of Newark -Licking County	236	1	0%
3242-08	City Of North Olmsted -Cuyahoga County	311	1	0%
3243-08	City Of Norwood -Hamilton County	91	1	1%
3244-08	City Of North Ridgeville -Lorain County			

CODE	EMPLOYER	# OF EMPLOYEES	RECIPIENTS	% OF TOTAL
3253-08	City Of Oberlin -Lorain County	153	1	1%
3257-08	City Of Oregon -Lucas County	138	2	1%
3263-08	City Of Parma -Cuyahoga County	646	1	0%
3275-08	City Of Rocky River -Cuyahoga County	474	1	0%
3282-08	City Of Sharonville -Hamilton County	160	1	1%
3295-08	City Of Springfield -Clark County	363	1	0%
3300-08	City Of Tallmadge -Summit County	178	2	1%
3307-08	City Of Troy -Miami County	172	1	1%
3308-08	City Of Sylvania -Lucas County	109	1	1%
3310-08	City Of Westerville -Franklin County	499	1	0%
3314-08	City Of Trotwood -Montgomery County	62	1	2%
3324-08	Wooster Hospital -Wayne County	869	1	0%
3340-08	City Of Willowick -Lake County	85	1	1%
3351-08	City Of Xenia -Greene County	130	1	1%
3353-08	City Of Willard -Huron County	57	1	2%
3361-08	City Of Youngstown -Mahoning County	501	1	0%
3400-08	City Of Cleveland -Cuyahoga County	6,023	24	0%
3500-08	Greater Cleveland Regional Transit	2,018	13	1%
3600-08	City Of Toledo -Lucas County	1,587	2	0%
3701-08	Akron Metropolitan Housing Authority	252	1	0%
3709-08	Cuyahoga Metropolitan Housing Auth	1,063	3	0%
3713-08	Dayton Metropolitan Housing Authority	151	1	1%
3720-00	Belmont Metropolitan Housing Authority	25	1	4%
3725-08	Lucas Metropolitan Housing Authority	157	1	1%
4077-00	Village Of Blanchester -Clinton County	37	1	3%
4478-00	Village Of Lewisburg -Preble County	65	1	2%
4560-00	Village Of Middlefield -Geauga Co	45	1	2%
4587-08	City Of Monroe	51	1	2%
4617-08	City Of Munroe Falls -Summit County	44	1	2%
4800-00	Village Of St Paris -Champaign Co	26	1	4%
4924-08	Village Of Walton Hills -Cuyahoga County	64	1	2%
5115-08	Geauga Co Public Library	196	1	1%
5126-08	Cuyahoga County Public Library	993	1	0%
5293-08	Fairfield County District Library	54	1	2%
5545-08	Toledo Lucas County Public Library	353	1	0%
5609-08	Willard Memorial Library	28	1	4%
6165-08	Madison County -Health	25	1	4%
6215-08	Muskingum County -Health	84	1	1%
6333-08	Laketran	154	1	1%
6760-00	Pleasant Valley Fire District	3	1	33%
6775-08	Southwest Ohio Regional Transit Auth	707	2	0%
6784-08	Greater Dayton Regional Transit Auth			

CODE	EMPLOYER	# OF EMPLOYEES	RECIPIENTS	% OF TOTAL
6919-48	Cleveland Metro Parks Systems	921	1	0%
6921-98	Columbus Regional Airport Authority	376	1	0%
6922-58	Solid Waste Authority Of Central Ohio	113	1	1%
6923-50	Mid-ohio Transit Authority	39	1	3%
6926-88	Southeastern Ohio Regional Jail	62	1	2%
6927-48	Lorain County Metropolitan Parks	166	1	1%
6932-30	Jefferson Belmont Regional Solid Waste	17	1	6%
6967-08	Northeast Ohio Regional Sewer District	649	1	0%
6973-00	South East Area Transit	30	1	3%
6975-00	Western Reserve Transit Authority	88	1	1%
6976-08	Central Ohio Transit Authority	841	6	1%
6980-08	Metro Regional Transit Authority	367	2	1%
7052-00	Geneva Twp -Ashtabula County	8	1	13%
7146-00	Brown Twp -Carroll County	9	1	11%
7188-00	Pierce Twp -Clermont County	18	1	6%
7358-08	Liberty Twp -Delaware County	18	1	6%
7374-00	Milan Twp -Erie County	18	1	6%
7376-00	Perkins Twp -Erie County	39	1	3%
7686-08	Concord Twp -Lake County	64	1	2%
7757-00	Brownhelm Twp -Lorain County	19	1	5%
7782-08	Springfield Twp -Lucas County	26	1	4%
7954-00	Falls Twp -Muskingum County	11	1	9%
9504-08	Ashtabula County -Sheriff	30	1	3%
9507-00	Belmont County -Sheriff	51	1	2%
9508-00	Brown County -Sheriff	34	1	3%
9509-08	Butler County -Sheriff	129	1	1%
9512-08	Clark County -Sheriff	119	1	1%
9521-08	Delaware County -Sheriff	99	1	1%
9525-08	Franklin County -Law Enforcement	510	4	1%
9529-08	Greene County -Sheriff	76	2	3%
9531-08	Hamilton County -Sheriff	297	3	1%
9547-08	Lorain County -Sheriff	58	1	2%
9550-08	Mahoning County -Sheriff	212	5	2%
9555-08	Miami County -Sheriff	48	1	2%
9557-08	Montgomery County -Sheriff	198	3	2%
9571-00	Ross County -Sheriff	41	1	2%
9573-08	Scioto County -Sheriff	41	1	2%
9576-08	Stark County -Sheriff	120	1	1%
9577-08	Summit County -Sheriff	342	3	1%
9801-58	Natural Resources Administration -Law Enforcement Officers	205	2	1%
9809-08	Colerain Twp -Hamilton County	38	1	3%
9851-00	Springfield Twp -Springfield Twp Police -Summit County	21	1	5%