

## MINUTES

### METROPOLITAN EMPLOYEE BENEFIT BOARD

October 3, 2006

The Metropolitan Employee Benefit Board met for their regularly scheduled meeting on Tuesday October 3, 2006 in the Civil Service Conference Room, Suite 163, 222 Building, Third Avenue North, Nashville, Tennessee, at approximately 9:37 a.m.

Benefit Board members: Chair: David Manning; Vice Chair: Clyde D. Smith; Members: Steve D. Bumpus, Douglas D. Conquest, Sr., Gary R. Dowdy, B.R. Hall, Sr., Edna J. Jones, Dorothy Shell-Berry, Betsy Walkup and H. Russell White.

Other Members present: Nicki Eke, Attorney, Metro Legal Department and Dr. Christopher Fletcher, Civil Service Medical Examiner.

**A. MINUTES:** Chair David Manning called the meeting to order and said the first order of business was to determine if there were any amendments, corrections or questions of the minutes from the last regular meeting held on September 5, 2006 and the August 15<sup>th</sup>, August 30<sup>th</sup> and September 21, 2006 Special Called meetings. Betsy Walkup moved for approval of the August 15, 2006 Special Called meeting. Gary Dowdy moved for approval of the August 30, 2006 Special Called meeting minutes. Douglas Conquest seconded and the Board approved without objection with Besty Walkup abstaining. With one correction, Betsy Walkup moved for approval of the September 5, 2006 meeting minutes. Clyde Smith seconded and the Board approved without objection. Steve Bumpus moved for approval of the September 21, 2006 Special Called meeting minutes. Dorothy Shell Berry seconded and the Board approved without objection with David Manning abstaining.

#### **B. DISABILITY PENSIONS: (new requests, reexaminations and return to work)**

The terms of the approval or extension of the items listed in the above motion are specifically stated in these minutes.

Dr. Christopher Fletcher reported to the Board that he recommends approval of items B.-1. through B.-6. for the length of time as recommended. Douglas Conquest moved for approval. Steve Bumpus seconded and the Board approved without objection.

On item, B.-7., Dr. Fletcher stated that he recommends approval for a disability pension and the individual be placed on the return to work list. Betsy Walkup moved for approval of the recommendation. Edna Jones seconded and the Board approved without objection.

#### **NEW REQUESTS:**

	Name	Department	IOD or Medical Disability	Recommendation
1.	Sharon Adams	MNPS	Medical	As moved, seconded and approved, this disability pension request was approved for nine months, (July 2007), with reexamination at that time.
2.	Norma Dozier	General Hospital	Medical	As moved, seconded and approved, this disability pension request was approved without stipulation of scheduled reexamination.
3.	Nina Green	Health	Medical	As moved, seconded and approved, this disability pension request was approved for six months, (April 2007), with reexamination at that time.

**NEW REQUESTS: (continued)**

	<b>Name</b>	<b>Department</b>	<b>IOD or Medical Disability</b>	<b>Recommendation</b>
4.	Calvin Hullett	Police	Medical	As moved, seconded and approved, this disability pension request was approved for one year, (October 2007), with reexamination at that time.
5.	Lukas Merithew	Police	IOD	As moved, seconded and approved, this disability pension request was approved for six months, (April 2007), with reexamination at that time.
6.	Jerry Waffird	General Services	Medical	As moved, seconded and approved, this disability pension request was approved for three months, (January 2007), with reexamination at that time.
7.	Ernest Felts	Sheriff	Medical	As moved, seconded and approved, this disability pension request was approved and the individual placed on the return to work list.

Dr. Christopher Fletcher reported to the Board that he recommends continuing items B.-8. and B.-9. for the length of time as recommended. Clyde Smith moved for approval. Douglas Conquest seconded and the Board approved without objection.

Dr. Christopher Fletcher reported to the Board that he recommends deferral on items B.-10. and B.-11. pending review of the medical records. Without objection items B.-10. and B.-11 were deferred.

Dr. Christopher Fletcher reported to the Board he recommends continuing item B.-12. for the length of time as recommended. Clyde Smith moved for approval. David Manning seconded and the Board approved without objection.

On item B.-13., Dr. Fletcher reported that he recommends the pension be continued and the individual placed on the return to work list. Edna Jones moved for approval. Betsy Walkup seconded and the Board approved without objection.

**REEXAMINATIONS:**

	<b>Name</b>	<b>Department</b>	<b>IOD or Medical Disability</b>	<b>Recommendation</b>
8.	Harry T. Breece	Fire	IOD	As moved, seconded and approved, this disability pension reexamination was continued without stipulation of scheduled reexamination.
9.	Tammie Lehmann	General Hospital	IOD	As moved, seconded and approved, this disability pension reexamination was continued without stipulation of scheduled reexamination.
10.	James E. Parker	Water	Medical	As moved, seconded and approved, this disability pension reexamination was deferred for one month, (November 2006), with reexamination at that time.

**REEXAMINATIONS: (continued)**

	Name	Department	IOD or Medical Disability	Recommendation
11.	Kenneth B. Murphy	Fire	Medical	As moved, seconded and approved, this disability pension reexamination was deferred for one month, (November 2006), with reexamination at that time.
12.	Angela M. Inglis	MNPS	IOD	As moved, seconded and approved, this disability pension reexamination was approved for six months, (April 2007), with reexamination at that time.
13.	Tim Blair	Public Works	IOD	As moved, seconded and approved, this disability pension was continued and the individual placed on the return to work list.

Dr. Christopher Fletcher reported to the Board that he recommends deferral on item B.-14. pending review of the medical information. Without objection item B.-14 was deferred.

**RETURN TO WORK:**

	Name	Department	IOD or Medical Disability	Recommendation
14.	Richard Bell	Police	IOD	As moved, seconded and approved, this return to work request was deferred for one month, (November 2006), with review at that time.

**C. PENSIONS: (service, disability to service, options elected and survivor)**

**MOTION:** Clyde Smith moved for approval of the pensions. Betsy Walkup seconded and the Board approved without objection.

**Service**

Employee	Department	Classification	Plan A/B	Application Date	Estimated Effective Date
Mary Ann Wells	MNPS	Secretary	B	08/28/06	10/09/06
Marianne McBee	Register of Deeds		B	09/11/06	
Geraldine Terry	BLTC	LPN	B	09/11/06	09/11/06
Martha Hassey	MNPS	Bus Driver	B	09/19/06	10/01/06
Carol Vogt	ITS	Information Systems Operation Tech 1	B	09/20/06	10/01/06
Mae Hill	MNPS	Cafeteria Assistant	B	09/21/06	10/28/06
Ben Hooberly, Jr.	Water	Engineering Tech 2	B	09/21/06	11/01/06

**Disability to service**

Employee	Department	Plan A/B	Effective Date of Conversion
Ronald Cartwright	Health	B	08/01/2006
Donald Ruskin	Fire	B	08/01/2006
Michael Franks	Police	B	09/01/2006
Judy Marchetti	Water	B	08/01/2006

**Options Elected**

Name	Department	Pension Type	Plan A/B	Effective Date	Option
Anderson Jr, Joseph N	MNPS	Service	B	8/2/2006	A
Crowder, David N.	Police	P&F Service	B	7/1/2006	E
Davenport, Mel	Fire	P&F Service	B	7/31/2006	F
Ennis, Larry J.	Transportation Licensing Comm	Service	B	7/29/2006	B
Fey, Thelma Jean	MNPS	Service	B	6/1/2006	F
Skipworth, Bonnie S	Police	Early Service	B	8/16/2006	C
Summers, Gladys L	Social Services	Service	B	5/7/2006	D
Woodard, Billy R	MNPS	Early Service	B	7/5/2006	B

**Pension options key:**

Normal - life annuity (no option elected)  
 Option A - Joint & Survivor - 100% to surviving beneficiary  
 Option B - Joint & Survivor - 50% to surviving beneficiary  
 Option C - Social Security  
 Option D - 120 payments certain and life  
 Option E - Joint & Survivor - 100% to surviving beneficiary with pop-up feature  
 Option F - Joint & Survivor - 50% to surviving beneficiary with pop-up feature

**Survivor**

Employee Name	Department	Survivor Name	Plan Membership	Effective Date
Alonzo West, Jr.	Pensioner	Wilma West	Old Plan	09/02/2006
Ray A. Rose	Disability Pensioner	Linda S. Rose	A	09/09/2006
Myron E. Moore	Board of Education	Jacquelyn Moore	B	09/17/2006
Glenn A. Ferguson	Pensioner	Glenn M. Ferguson	A	09/07/2006
Lyndall Bonner	Pensioner	Toi Lynn Bonner	B	09/16/2006
Marianne McBee	Register of Deeds	Walter McBee	B	09/16/2006
George E. Brown	Pensioner	Ophelia Brown	Old Plan	09/27/2006

**BENEFIT BOARD ITEMS**

The Human Resources staff submitted the following for the Board's consideration and appropriate action:

1. IOD medical care request – Employee from Fire Department.

The employee and Alton McDonald, National Action Network, were present and addressed the Board.

Mr. McDonald reviewed the circumstances surrounding the request for IOD medical care. He reviewed Civil Service Commission rules and the departments policy's related to receiving IOD medical care and the department policy related to returning to work from illness.

There was discussion of the medical evidence presented in relation to support the stress related in line of duty and what constitutes stress related IOD.

Dr. Christopher Fletcher reported to the Board that in his review of the records provided there is not an incident identifiable and therefore did not reverse the department's decision of denying the IOD.

The Board discussed payment of the medical expenses incurred.

The Board also discussed the standard that the Board has to follow related to the IOD as to causation and that the work place issues in this matter would need to be resolved through other avenues.

1. IOD medical care request – Employee from Fire Department. (continued)

After further discussion of the medical information, Edna Jones moved to uphold the denial recommendation of the Civil Service Medical Examiner and the Fire Department on the request for IOD medical care. B.R. Hall seconded and the Board approved with Clyde Smith opposed and Russell White abstaining.

The Board requested that the Legal Department provide a copy of the memo previously done outlining the requirements and standards that apply to IOD claims to members of the Board.

2. Ordinances:

a. No. BL2006-1096.

Shannon Beehan reported to the Board that this ordinance amends chapter 3.08 of the Metro Code requiring the Benefit Board to provide an annual report to Council regarding the pension system. She stated that the Legal Department has reported that Council is addressing an error in the ordinance.

This item was for information only and no action was required.

b. Draft ordinance authorizing the removal of the January 1, 2007 Sunset date for the In-Line-Of-Duty medical treatment network pilot program.

Shannon Beehan stated that staff requests this item be deferred to the next meeting.

The Board deferred action on this item without objection.

3. Request to reinstate medical insurance coverage.

Shannon Beehan reported to the Board that this disability pensioner became non-compliant due to the failure to return annual disability questionnaires. As a result, her pension checks were suspended and she additionally failed to direct pay the required portion of the medical insurance premiums, resulting in the termination of her medical and dental insurances. Ms. Beehan stated the individual has now become compliant and is requesting to be allowed to re-enroll in benefits. Ms. Beehan stated that in accordance with the direct pay policy, the Board may allow re-entry into the plan in the event the pensioner can show satisfactory evidence that their failure to pay the premiums resulted from them being incapacitated and upon payment of all past payments.

The Board discussed the date of re-entry into the plan, retroactive coverage, possible pending claims, and meeting the criteria to be allowed to re-enter the plan.

After some discussion, the Legal Department recommended that the Board request additional medical information to clarify the issue of incapacitation.

The Board discussed getting additional medical information to support the claim of incapacitation.

The pensioner was present and addressed the Board.

The Board requested that the individual supply additional information and staff assist with getting the specific medical information needed.

4. Study & Formulating Committee's recommendation on minimum pension benefit.

Shannon Beehan reported to the Board that this item was requested by Board member Steve Bumpus. She stated that a minimum pension benefit amount is provided for in the Code, but when the Code was amended to offer five year vesting, no change was made to the ten year minimum benefit schedule. As a result some individuals would not be guaranteed a minimum benefit.

4. Study & Formulating Committee's recommendation on minimum pension benefit. (continued)

The parent of a deceased member affected by this provision was present and addressed the Board.

After some discussion, Steve Bumpus moved that the Board accept the recommendation from the Study & Formulating Committee as it relates to this issue and that it be retroactive to July 2005. Douglas Conquest seconded.

The Board discussed the estimate of cost relating to this benefit and whether or not it included a retroactive benefit and how the benefit was calculated.

Clyde Smith amended the motion to include that this issue be addressed at the Elected Members sub-committee meeting.

A vote was taken on the amendment to the motion and approved unanimously. A vote was taken on the main motion and approved unanimously by the Board.

5. Service time for disability pensioner.

Shannon Beehan reported to the Board that this individual was cleared to return to work July 2006. Ms. Beehan stated that the individual attempted gainful employment within Metro, but was successful finding employment outside of Metro while on disability. This individual returned to work with Metro and resigned the same day. She is requesting that this time on disability be applied as credit towards her vested service pension.

The Board discussed the law regarding granting service time credit while an individual is on disability and being entitled to that credit upon return to work. The Board concurred that this individual satisfied the requirement for this service time.

6. Social Security Disability policy.

Shannon Beehan reported to the Board that this item was requested to be placed on the agenda by Board member B.R. Hall.

B.R. Hall questioned that once Eckman/Freeman reviews and closes a file on a disability who is not offered case management assistance applying for Social Security, is it necessary that the Board require them to continue to apply for these benefits and if so, that Eckman/Freeman continue to assist them with case management.

The Board discussed pursuing Social Security after Eckman/Freeman's initial assessment of not being eligible, re-applying for Social Security after being reexamined and requested that staff work with Eckman/Freeman to revise the current Social Security policy.

7. Disability applicant – job placement concerns.

Shannon Beehan reported to the Board that this is an update on a disability pension request. Ms. Beehan stated that as requested by the Board, this individual was assisted with locating an alternate work environment within her current department. Ms. Beehan stated that the individual is currently working in another job location within her restrictions. She stated that the employees department had outlined concerns regarding placement. The Board concurred that they did not share the same concerns.

8. Social Security Administration regulations.

Shannon Beehan reported to the Board that a form currently in use by staff is non-compliant with Social Security regulations. She stated staff requested Social Security allow Metro to continue use of the form and that request was denied. Ms. Beehan stated that if the current practice is used in order for staff to verify disability earnings, there is a projected cost of \$25.00 per person (approximately \$20,000) that

8. Social Security Administration regulations. (continued)

would be needed in order to verify the disability pension earnings. Ms. Beehan reviewed three options available; 1) maintain current process, which includes sending out the new forms this year to be signed and returned and pay the necessary fees to retrieve the information; 2) require pensioners to provide a copy of their income tax forms or 3) require pensioners to provide a copy of their W-2's.

The Board discussed the three options presented, how this will affect those in long-term care situations and review the criteria being used to determine earnings.

After discussion, Clyde Smith moved approval of adopting option 1 to maintain the current process and pay the necessary fees to retrieve the information with the condition that staff examine criteria on how to obtain this information in the future. Betsy Walkup seconded and the Board approved without objection.

9. FSA update.

Shannon Beehan reported that Metro has been successful in getting the contract in place with FBMC (Fringe Benefit Management Company) as the new FSA vendor. She stated that necessary data was provided to FBMC by 1Point to transfer the balances and FBMC is scheduled to begin payment of claims on or before October 13<sup>th</sup>.

10. Pension Earnings Repository and Calculation (PERC) project update.

Shannon Beehan reported to the Board that the consultant is in the process of obtaining the initial calculations, with an estimated completion date year end and the actuary's estimated completion for phase I is June '07. She stated that PERC is estimated to exceed the initial budget by approximately \$200,000 due to additional time required to train and manage added resources, design and test. She stated that staff recommends approval of the additional resources and also incorporate MNPS into a pilot project.

Betsy Walkup moved for approval. The motion was seconded and the Board approved without objection.

11. Correspondence:

- a. Utilization report from Blue Cross Blue Shield.
- b. Utilization report from CIGNA. (not available at this time)
- c. Utilization report from HealthSpring.
- d. Utilization report from Walgreens Health Initiatives.
- e. Utilization report from Alternative Service Concepts.

Items 11.-a. through 11.-e. were for information only and no action was required.

12. Reports for your information:

- a. Return to work. (see disability status reports)
- b. Social Security approvals.
- c. Refund of pension contributions. (none to report at this time)
- d. Repayment of pension contributions.
- e. Reports from Treasury. (not available at this time)
- f. Social Security referrals. (none to report at this time)
- g. Non-compliant disability pensioners. (none to report at this time)
- h. Pending litigations. (reported quarterly)
- i. Disability status reports.

Items 12.-a. through 12.-i. were for information only and no action was required.

13. Late item(s):

There were no late items reported at the meeting.

With nothing further presented, the meeting adjourned at 11:48 a.m.

ATTEST:

APPROVED:

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***Mrs. Dorothy Shell-Berry, Interim Director  
Human Resources***

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***Mr. David Manning, Chair  
Employee Benefit Board***