

State of FPDR

Fiscal Year 2015 - 2016

Fire and Police Disability and Retirement
September 27, 2016



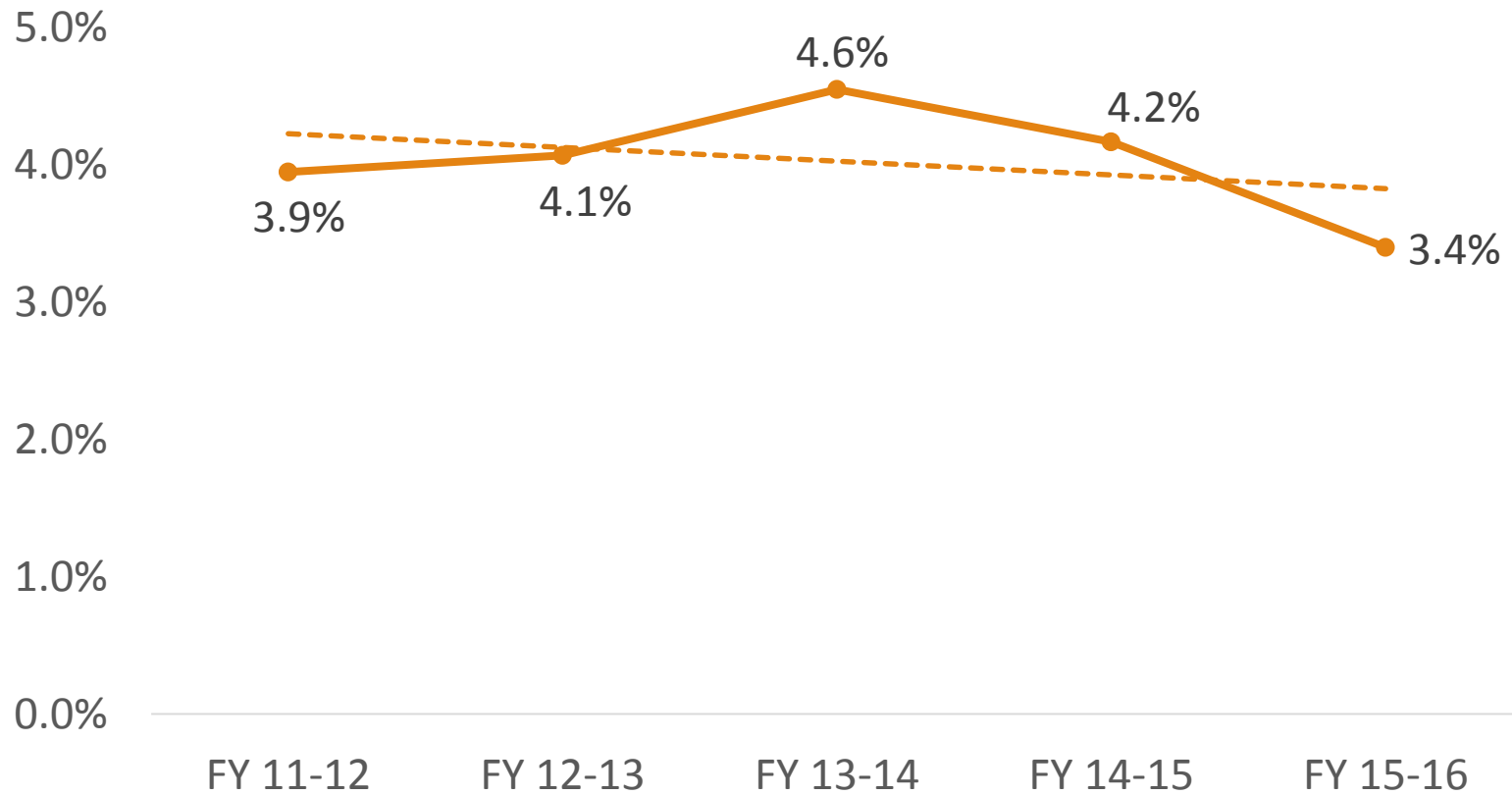
We deliver peace of mind to our fire and police members and their survivors by providing disability and retirement benefits in a timely, compassionate and fiscally responsible manner.

What Happened This Year

- Arbitration Decisions
 - 27 Pay Dates (Ongoing)
 - Alternate Payee Reversionary Benefits (Final Resolution in July)
- *Miller et al.* settled in May for \$2.7 million
- *Moro* decision fall-out: New PERS & FPDR 2 COLA methodologies; higher PERS rates in future
- Timeliness Study presented to the Board

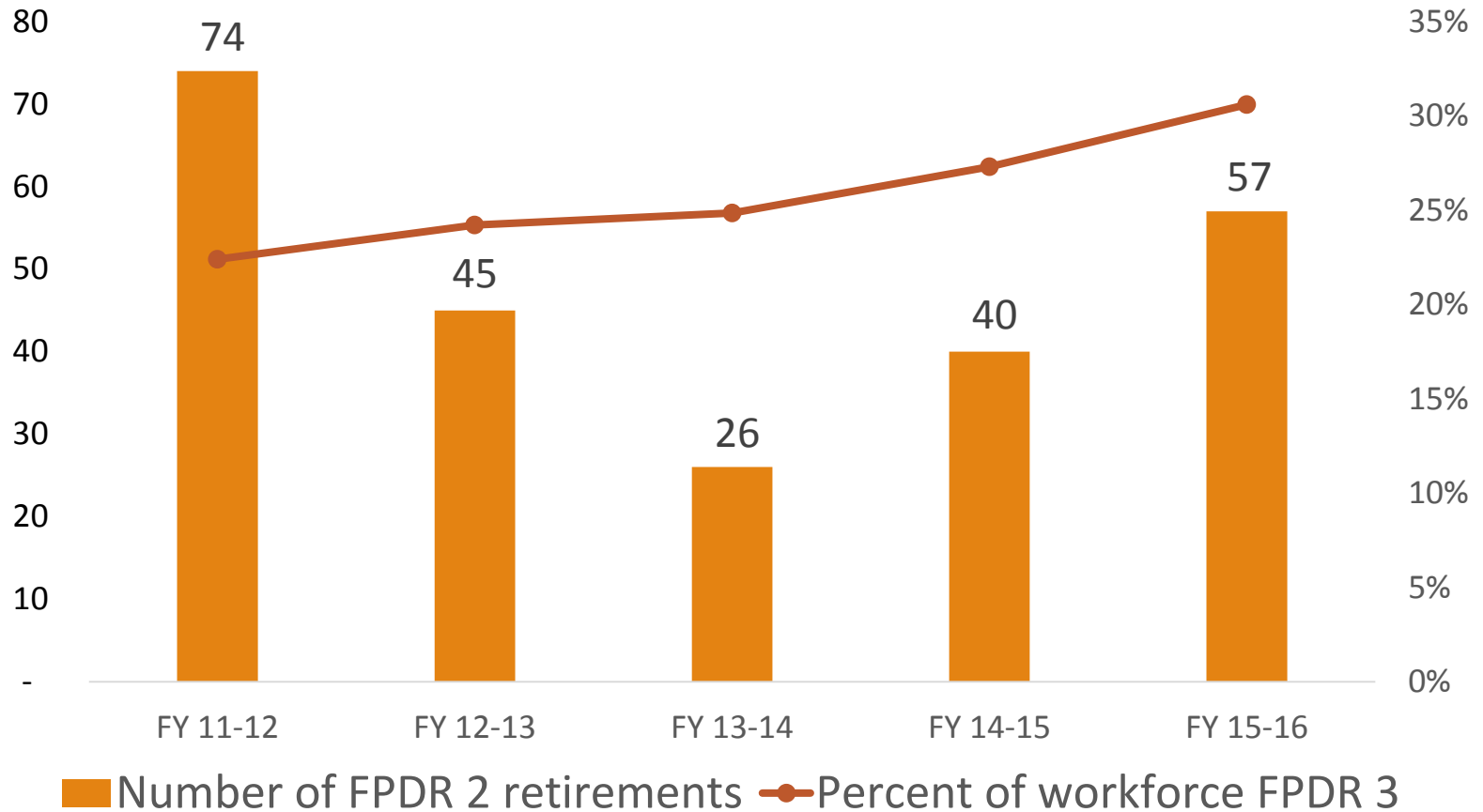
Key Performance Measures

Percent of Workforce on Disability at June 30



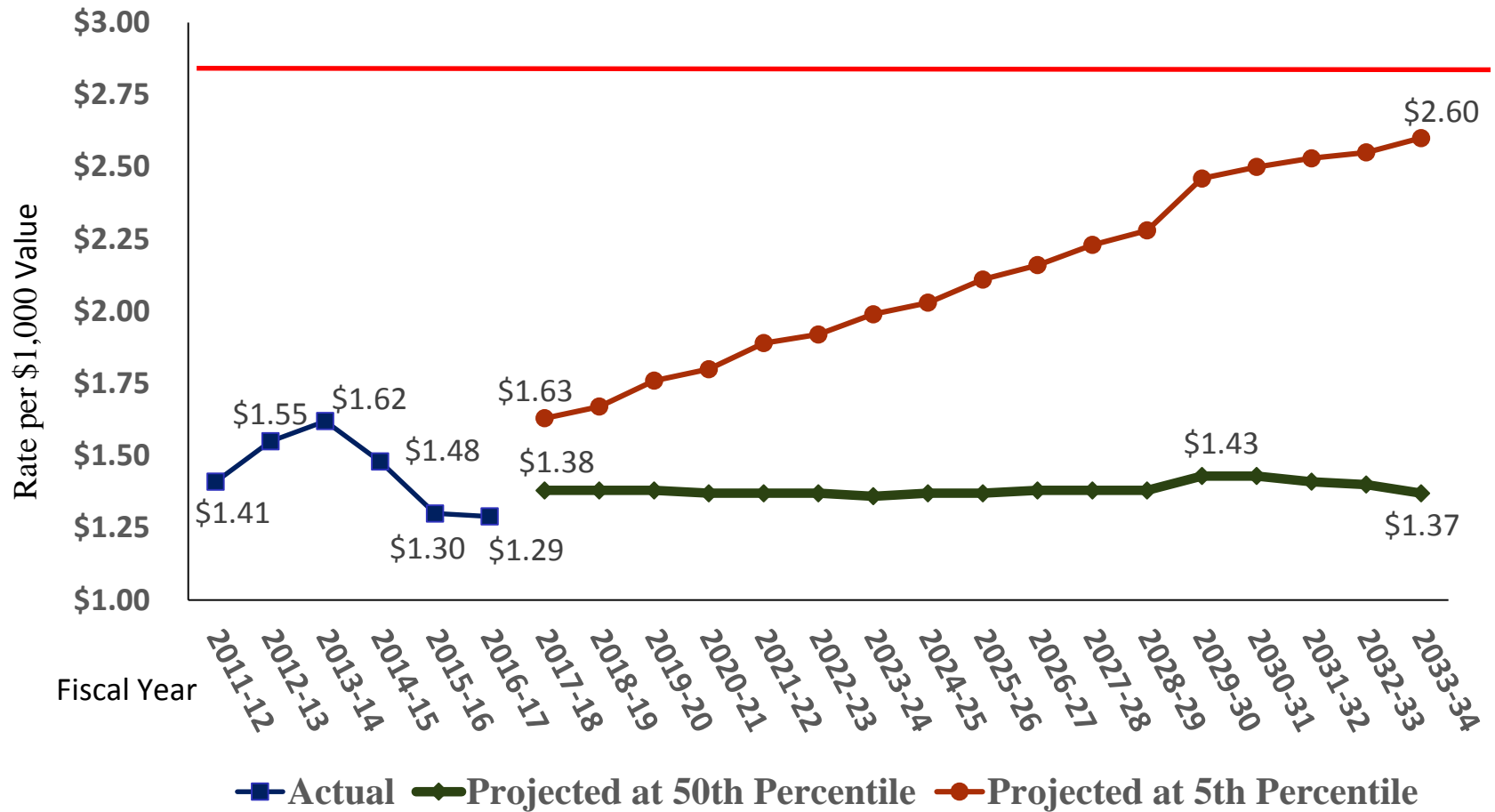
Key Performance Measures

FPDR 2 Retirements & FPDR 3 Percent of Workforce



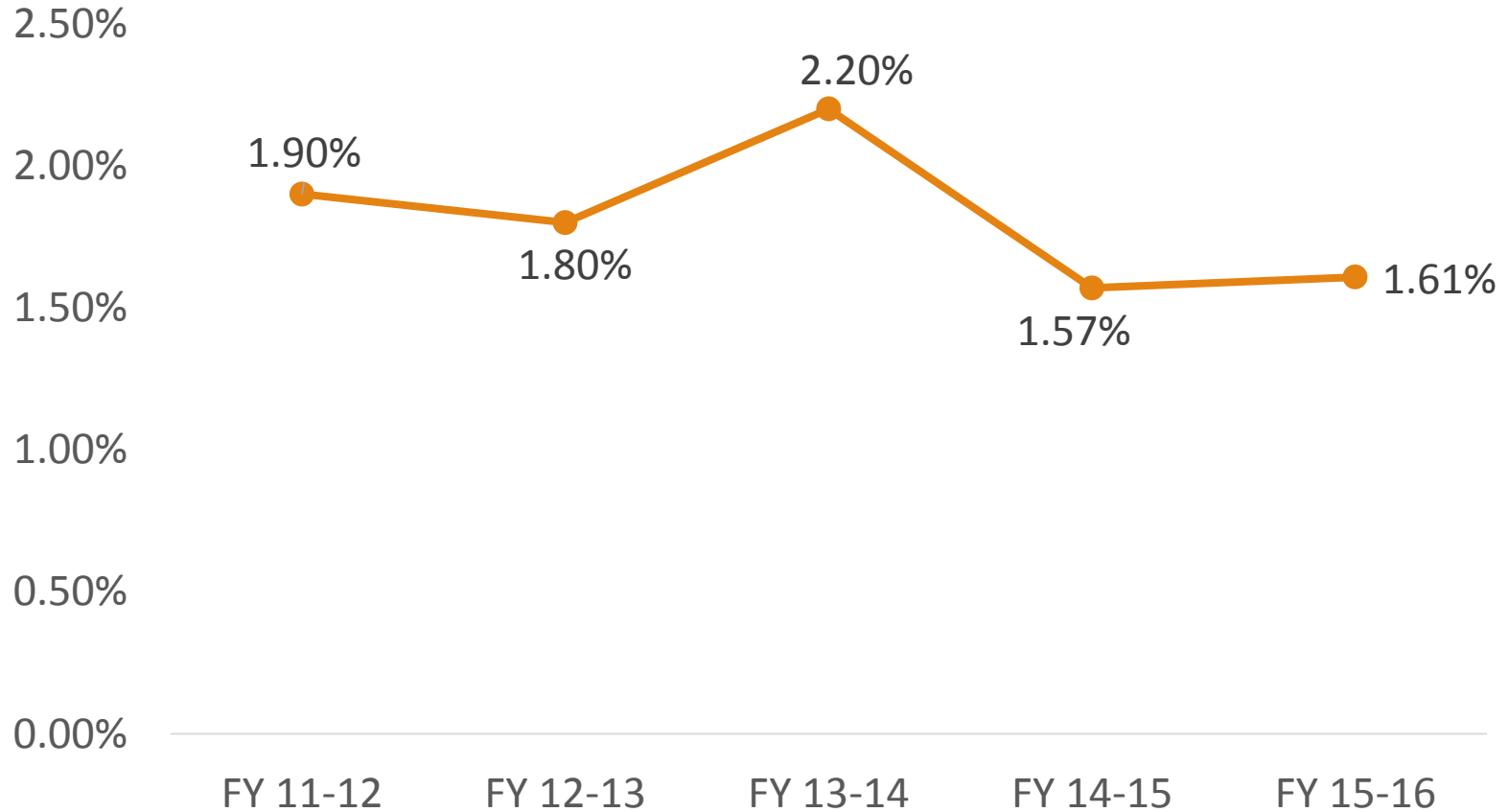
Key Performance Measures

FPDR Tax Levy: Real Market Value Rate



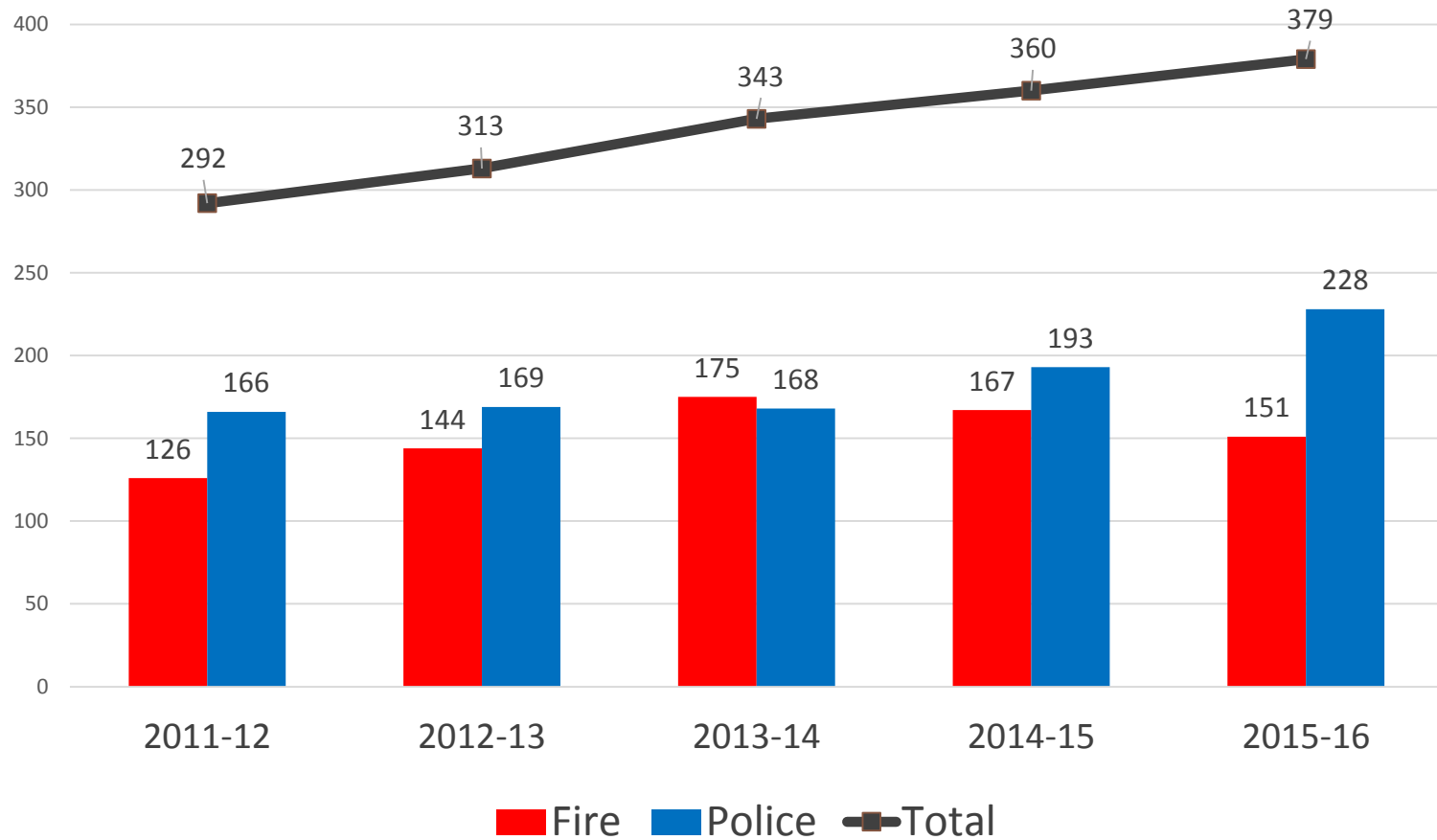
Key Performance Measures

Administrative Costs as Percent of Total Budget



Disability Program

Number of Claims Filed



Disability Program

Approve / Deny Rates

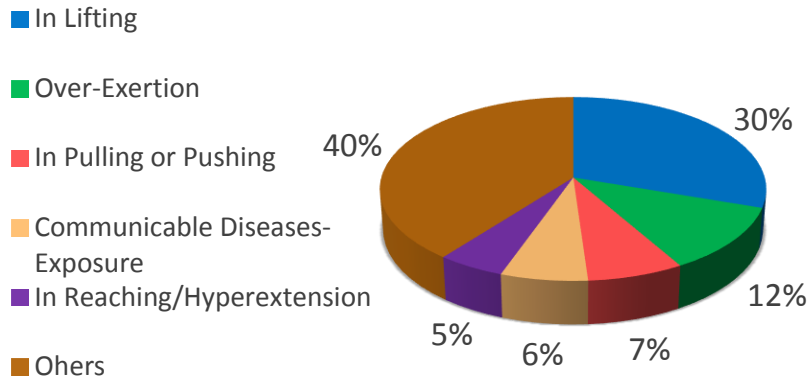
Fiscal year	Denied	Approved
2015-16	3%	93%
2014-15	7%	92%
2013-14	5%	93%
2012-13	4%	91%
2011-12	4%	91%

Remaining percentage represents claims that were incomplete or withdrawn by the member after filing

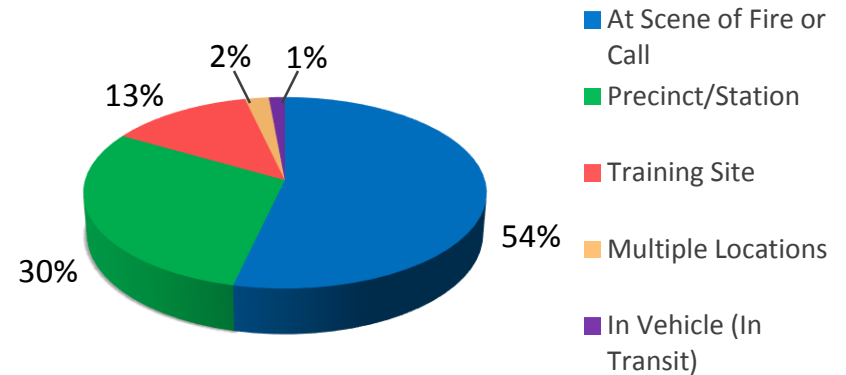
Disability Program

Approved Fire Claims in Fiscal Year 2015-16

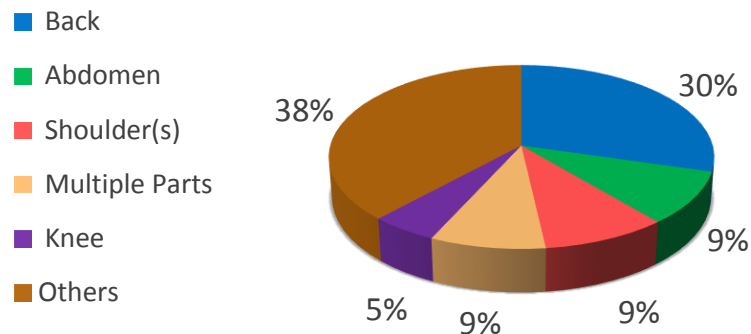
Injury Cause



Injury Location

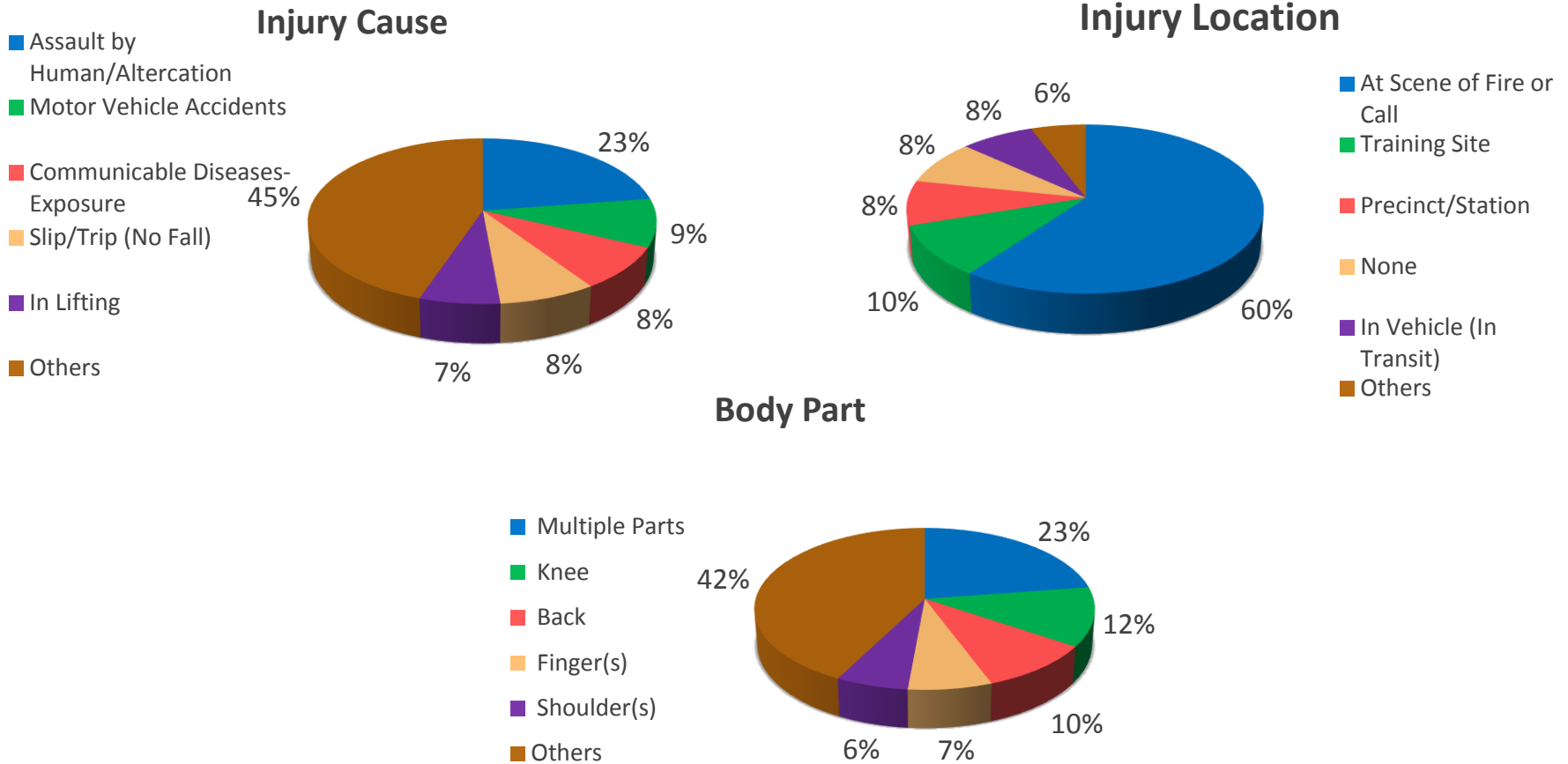


Body Part

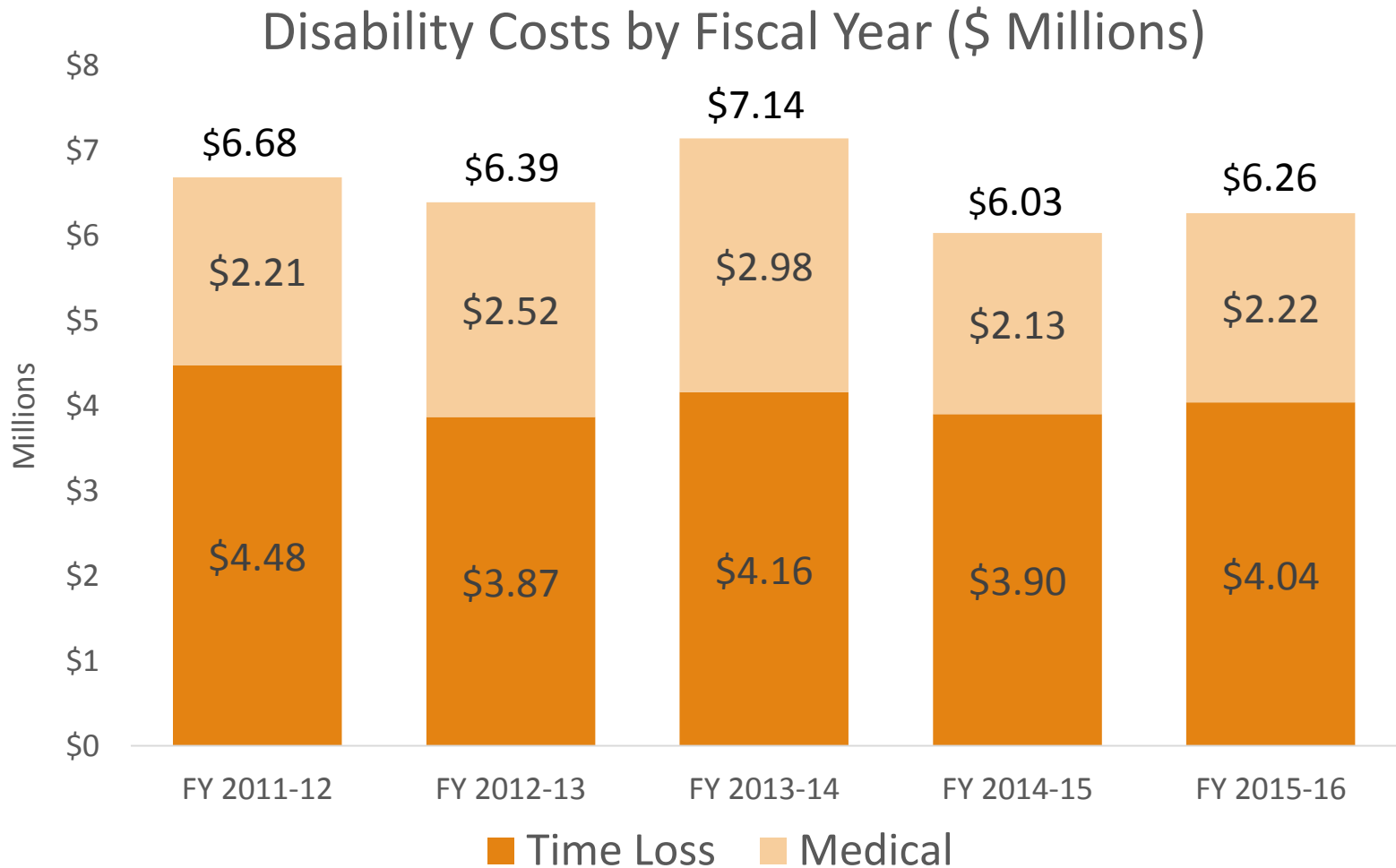


Disability Program

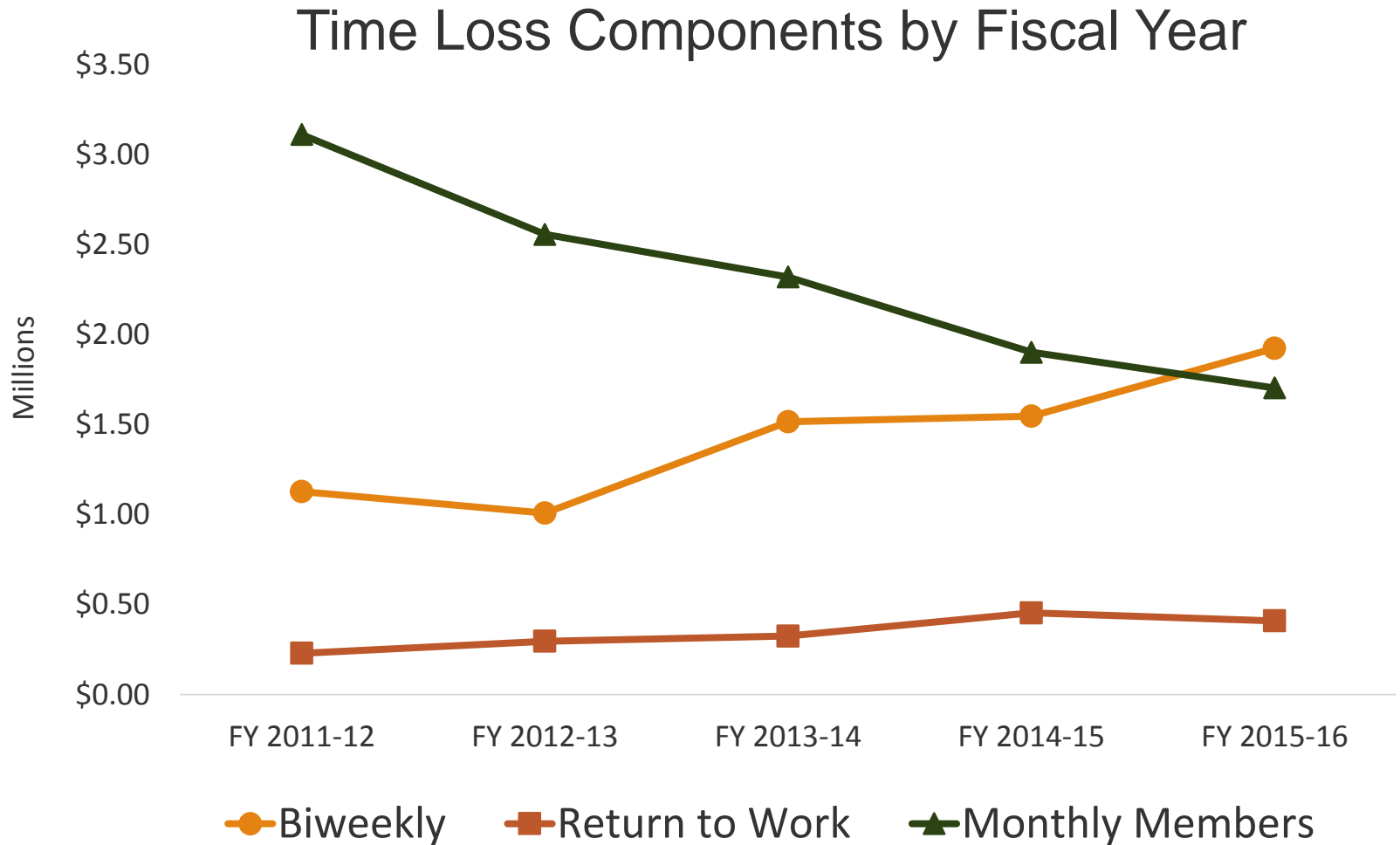
Approved Police Claims in Fiscal Year 2015-16



Disability Program



Disability Program



Disability Program

Medical Savings

- Medical Savings for FY 2016
 - Total Billed: \$3,563,725
 - Total Paid: \$2,063,002
 - Savings: \$1.5M, 42% of billed overall

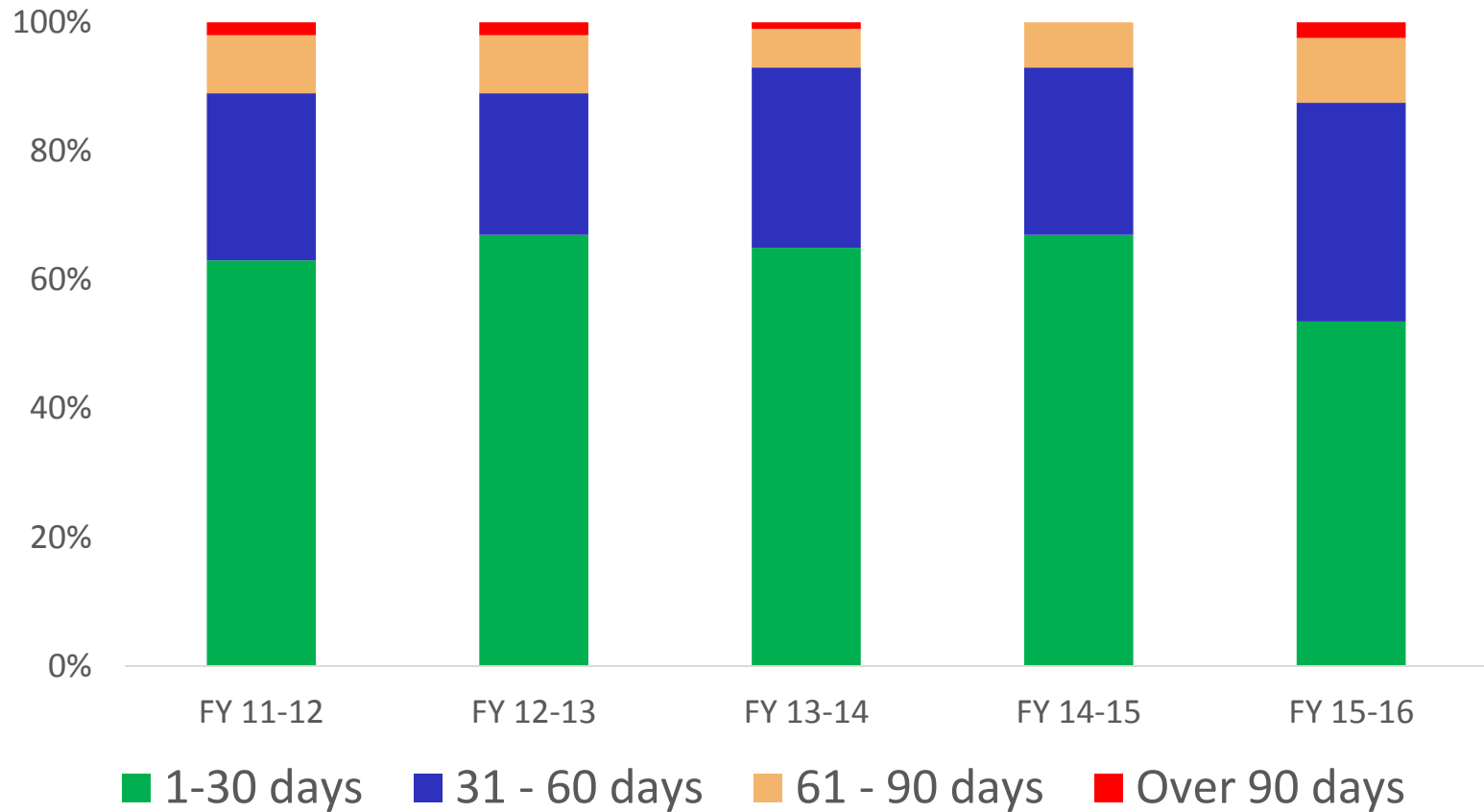
- Savings Breakdown
 - 34%, \$1.2M
Utilization of the Oregon fee schedule

 - 3.3%, \$118,311
Additional fee schedule reduction allowed on MHN medical providers billings

 - 4.7%, \$170,649
Our in-house bill payer's ability to negotiate savings for treatment with an out of state non-MCO provider

Disability Program

Days to Claim Decision by Fiscal Year

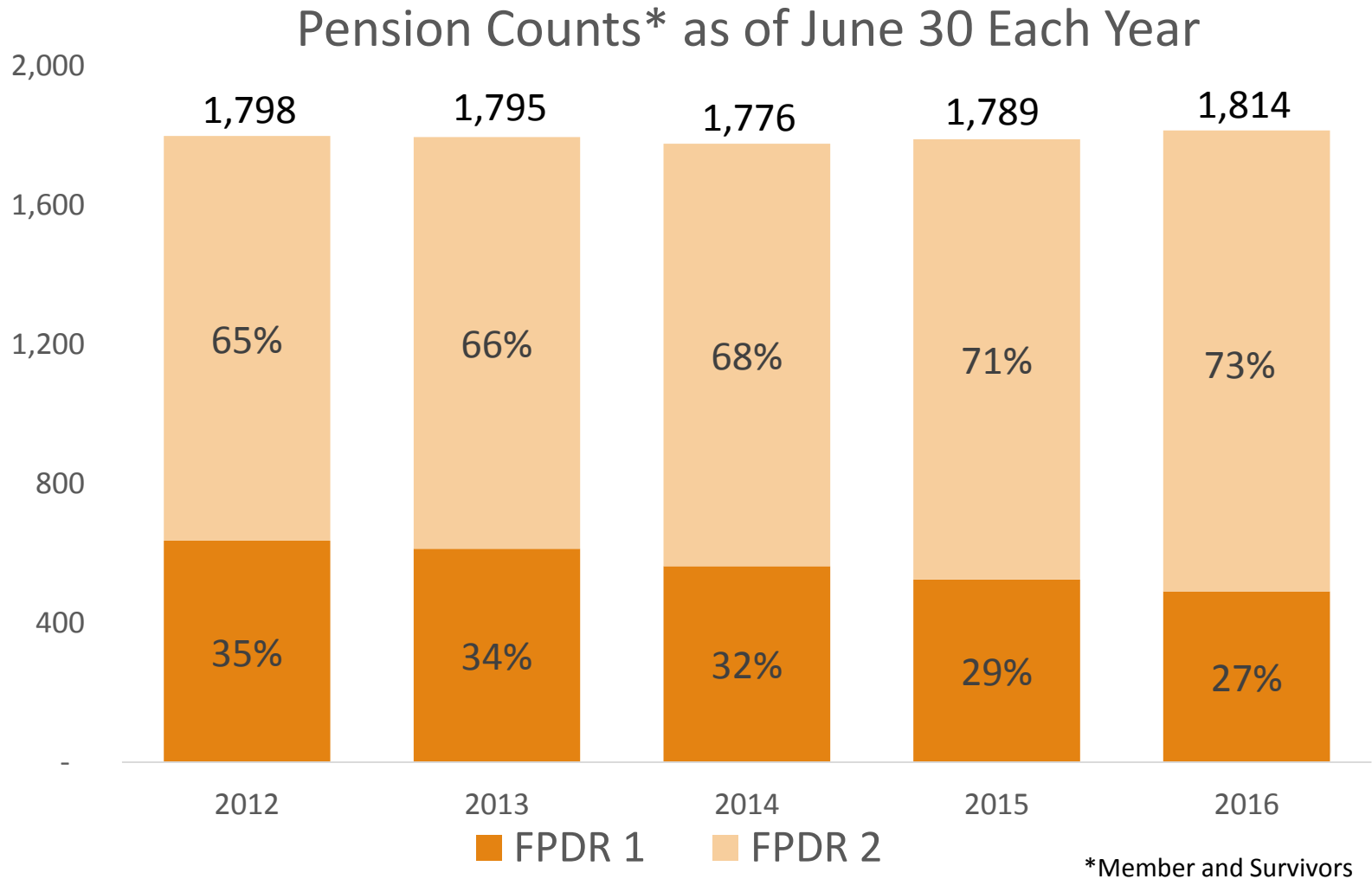


Disability Program

Other Services

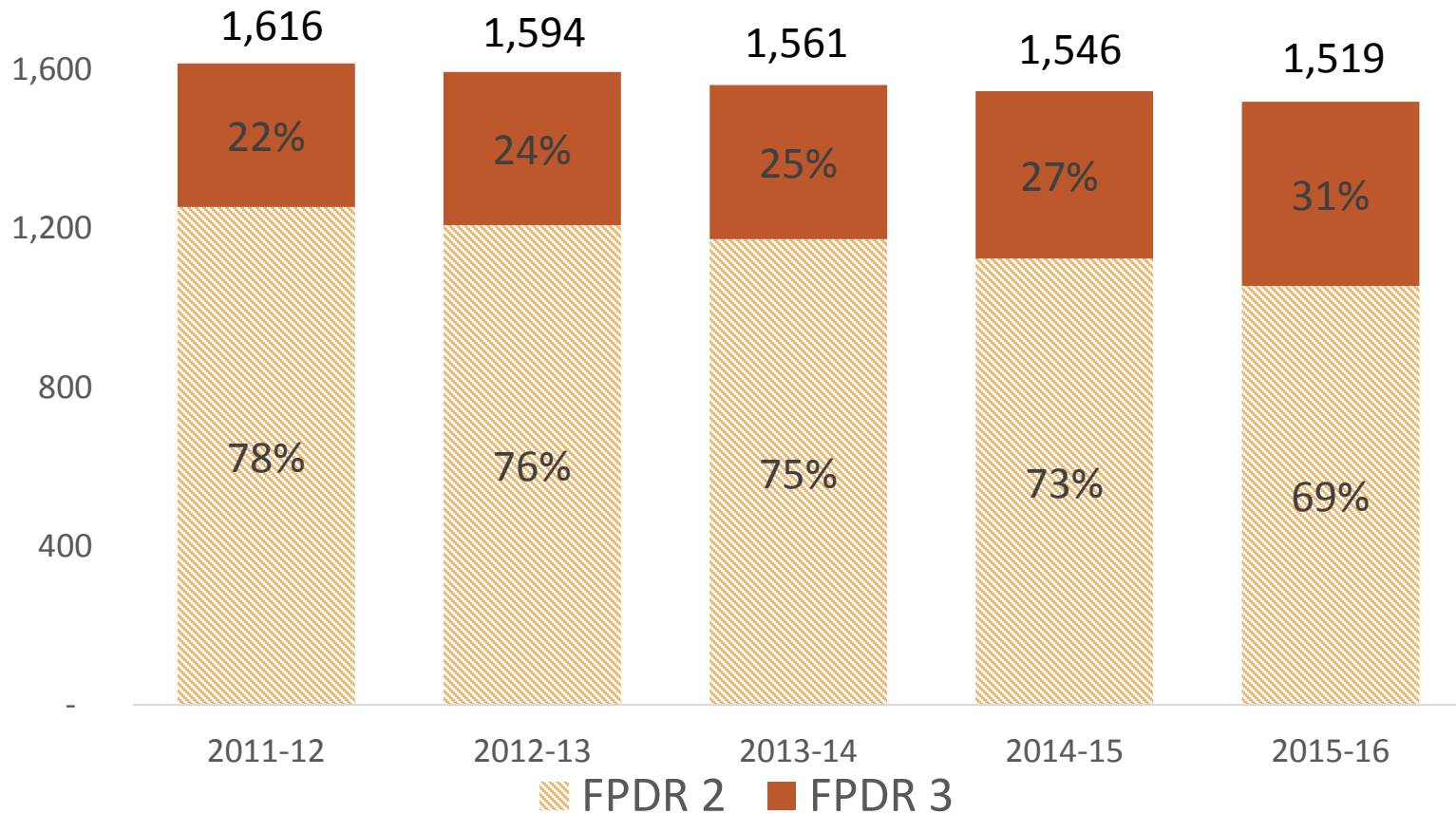
- Loss Prevention/Reduction
 - Financial support and data collaboration with Portland Fire and Rescue's Stability & Mobility program aimed at injury prevention and reduction
- Retiree Post-Retirement Benefits
 - Created and implemented an application for benefit form/process for members who are eligible for post-retirement medical benefits
- Medical Management
 - Approved and supported members through 45 surgeries from simple outpatient procedures to those complex in nature requiring specialty physicians

Pension Program



Pension Program

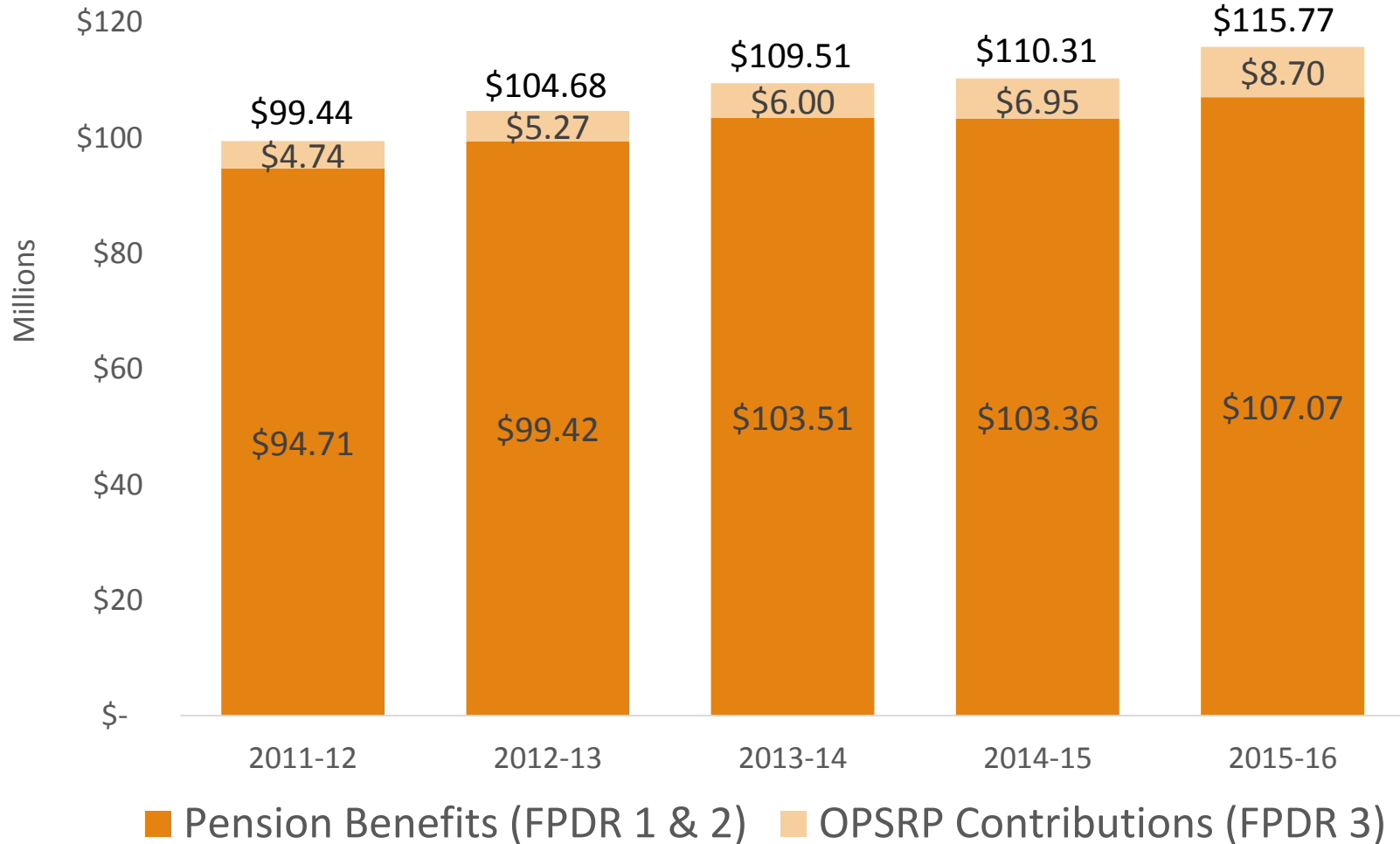
Active Members as of June 30 Each Fiscal Year



OPSRP Contributions are Paid on FPDR 3 Member Wages

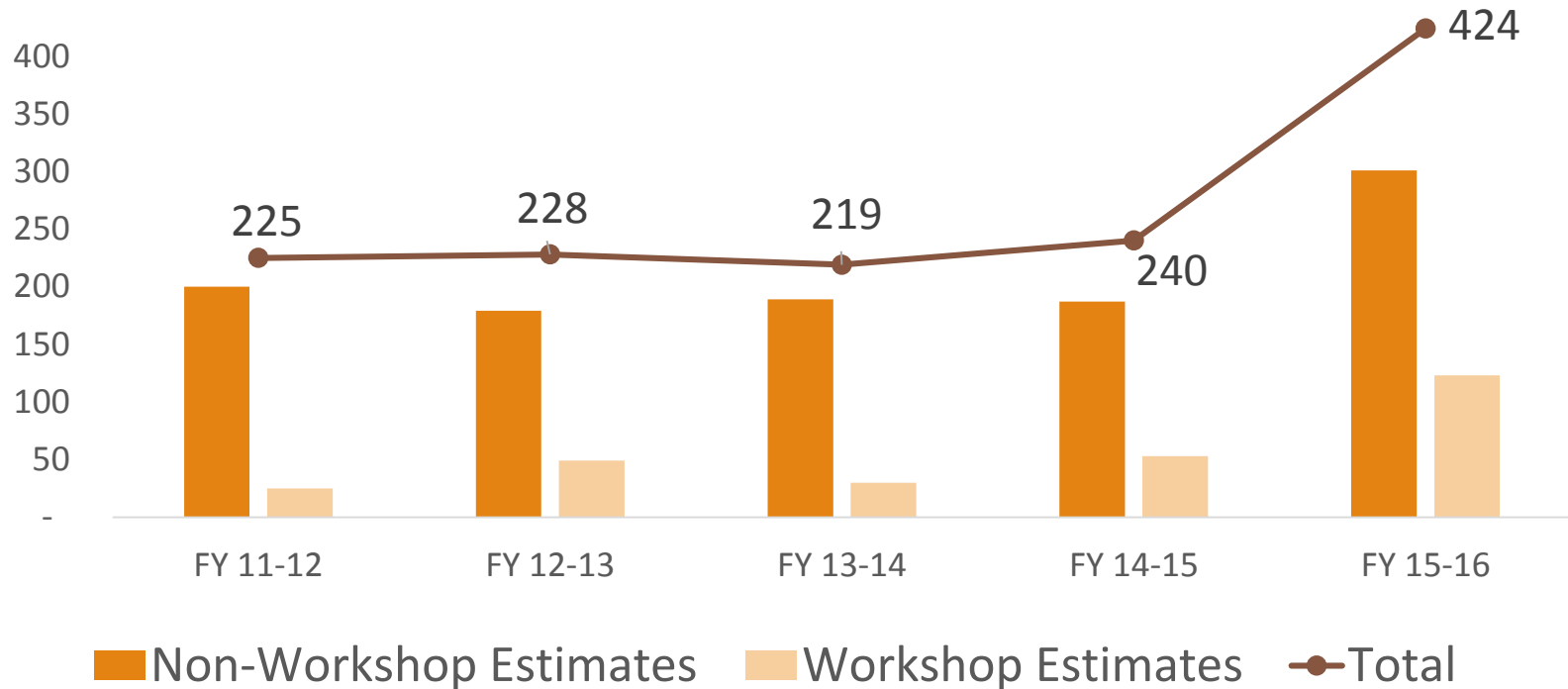
Pension Program

Pension Costs by Fiscal Year (\$ Millions)



Pension Program

Number of Pension Estimates



- FPDR prepared 77% more pension estimates this year
- Workshop attendance increased 132%

Pension Program

Estimate and Workshop Demand

- Why the Increase in Demand?
 - 27 Pay Date Interest
 - Liaison outreach
 - FPDR outreach
 - Impending retirement wave
- The Good
 - ↑ Readiness: Up from 50% to 71% (percent of members at or near retirement eligibility with recent estimates)
 - ↑ Timeliness: Up from 73% to 82%, despite growth (percent of members who receive pension estimates within one week)
 - ↔ Accuracy: remains 100% (Actual benefit at least 99% of estimated benefit)
- The Bad
 - ↓ Struggled to fit everyone into workshops

Pension Program

Other Highlights

- Published and distributed new Plan Summary document
- Began providing illustrative 27 pay date estimates for PPA members
- Focus on retirement readiness
 - Ensure members at or near retirement receive updated estimates
 - Redesigned retirement information:
 - ✓ Highlight survivor benefit options
 - ✓ Show percent of pay replaced by benefit
- Implemented new FPDR 2 COLA Methodology

Technology

- Active Participant web portal
 - Phase 1 on City devices in use
 - View personal data and claim status
 - Add or modify contact information and family members
 - Upload documentation
 - Use Contact form on a variety of subjects

- Enhanced Active & Retiree Participant web portal
 - Phase 2 on all devices
 - Security requires a POG (PortlandOregon.gov) account
 - Communication going out soon

Survey Results

Sent separate surveys to active members and retirees.

	Active Members (Online survey)	Retirees (Paper survey with online option)	2014 Combined
Sent	1364	1921	3085
Responses	202	160	317
(%)	14.8%	8.3%	10.3%

2016 Survey Results

Member Satisfaction

Active Members	Retirees	2014 Combined
68%	91%	74%
Above average or Excellent on 5-point scale	Above average or Excellent on 5-point scale	Excellent on 3-point scale

2016 Survey Results

Active Members

Over 50 respondents provided comments; many expressed dissatisfaction with FPDR's service

Comments focused on:

- Claims
 - Claim investigations too onerous and take too long
 - Denying too many/all claims
- Pensions
 - Not providing 27 pay period pension estimates
- Not looking out for the members
- Lot of input and feedback on our website

2016 Survey Results

Retirees

Survey responses submitted by mail: 129 (80%)

20 respondents provided comments regarding FPDR's service

- 15 said they do not have access to internet
- Half the comments were positive
- Two said FPDR was not looking out for retirees
- Others covered various topics

Customer Service

Service Enhancements

- Member Portal Now Available for Active Members
 - Retiree portal coming soon
- Improved and streamlined the application process for post retirement medical benefits
- Published and distributed new Plan Summary document
- Increased focus on retirement readiness
 - Ensure members at or near retirement receive updated estimates
 - Redesigned retirement information on estimate form

Customer Service

Excellent Service

- Personally visited 14 surviving spouses after their husbands died
 - Attended Retired Police & Widows Association meeting
- Supported members through 45 surgeries
- Pension estimate requests were up 77%; 82% processed within one week versus 73% last year; retained 100% accuracy
- Worked closely with members and City Payroll to create easy and fair repayment plans for interim benefits overpayment

Customer Service

Excellent Service

- Retired multiple members on just a few hours notice
- Sent liaisons out to conduct welfare checks when members and surviving spouses were unreachable
- For those who can't attend a retirement workshop:
 - Provided one-on-one retirement education appointments
 - Posted workshop presentations to our web site for on-demand viewing

Labor Comments

Questions
