ADMINISTRATION
The following consent item(s) are considered to be routine and will be acted upon by the Board in one motion, without discussion, unless a Board member, staff member or the public requests an item be held for discussion.

1  Approval of Minutes – September 22, 2015 Meeting
2  Introduce Lt. Jason Lehman, new Fire Trustee, and Officer Robert Foesch, new Police Trustee

INTRODUCTION OF VISITORS

PUBLIC COMMENT PERIOD
A sign up sheet for members of the public wishing to make public comments will be available at the meeting. The public comment period will not exceed 30 minutes. Therefore, the Board may limit individual comments to three minutes per person. In addition, a sign up sheet will be available prior to the meeting to allow public members the opportunity to sign up for an agenda item which they wish to provide comment on. When discussion on a specific agenda item is to begin, the public member will be allowed three minutes to provide comments, unless additional time is allowed by the Board.

ACTION ITEMS
1  Resolution No. 505 – Managed Health Northwest Contract Amendment
   o  Issue: Managed Health Northwest contract will expire on December 31, 2015.
   o  Expected Outcome: Board adopts amendments and approves contract extension as proposed by staff and authorizes FPDR to submit the contract to City Council for their approval.
2  Resolution No. 506 – Kaiser Foundation Health Plan of the Northwest
   o  Issue: Kaiser contract will expire on December 31, 2015.
   o  Expected Outcome: Board adopts amendments and approves contract extension as proposed by staff.
3  Update and Discussion on Disability Claims Timeliness
   o  Issue: Whether the time to file a disability claim should be expanded.
   o  Expected Outcome: Board accepts staff recommendation.
# 4  Legal Update (Executive Session) – This item will be the last item discussed on the agenda
   o  Issue: Discussion with legal counsel regarding Miller et al. v. City of Portland.
   o  Expected Outcome (Public Session): If there is a settlement on this matter, Board approves settlement. If not, Board to direct staff on what next steps will be.

INFORMATION ITEMS
The following information items do not require action by the Board and are solely for informational purposes unless a Board member, staff member or the public requests an item be held for discussion.

1  FPDR Retirement and Medicare Eligibility
2  Discussion on Public Meetings
3  2016 Board Meeting Schedule
4  FPDR Updates
5  Future Meeting Agenda Items
6  FPDR Summary of Expenditures

Copies of materials supplied to the Board before the meeting, except confidential items and those referred to Executive Session, are available for review by the public on the FPDR website at www.portlandoregon.gov/fpdr or at the FPDR offices located at: 1800 SW First Avenue, Suite 450, Portland, Oregon 97201

NOTE: If you have a disability that requires any special materials services or assistance call (503) 823-6823 at least 48 hours before the meeting.
*denotes items will be in Executive Session pursuant to ORS 192.660(2)(i) and not open to the public
#denotes items will be in Executive Session pursuant to ORS 192.660(2)(h) and not open to the public
A regular meeting of the Board of Trustees of the Fire and Police Disability and Retirement Fund was called to order on the 22<sup>nd</sup> day of September at 1:05 p.m.

Board Members Present Included:

- Mayor Charlie Hales, Chair (Mayor Hales left the meeting at 2:10 p.m.)
- Mr. Justin Delaney, Citizen Trustee (came into the meeting at 1:20 p.m.)
- Mr. Jason Lehman, Fire Trustee
- Mr. David Dougherty, Citizen Trustee

Board Members Absent Were:

- Mr. Robert Foesch, Police Trustee

Also Present Were:

- Mr. Samuel Hutchison, FPDR Director
- Ms. Kimberly Mitchell, FPDR Claims Manager
- Ms. Nancy Hartline, FPDR Finance Manager
- Ms. Sheri Miller, FPDR Sr. Business Systems Analyst
- Mr. Kenneth A. McGair, Deputy City Attorney
- Mr. Lorne Dauenhauer, FPDR Outside Legal Counsel
- Mr. Gabe Sansone, Fire Liaison
- Mr. Alan Ferschweiler, President PFFA
- Mr. Daryl Turner, President PPA
- Mr. Del Stevens, Retired Fire Member
- Mr. Hank Kaplan, Attorney
- Ms. Haley Rosenthal, Attorney
- Mr. Henry Groepper, Retired Police Member
- Mr. Josh Alpert, Chief of Staff, Office of the Mayor
- Other unknown audience members

Mayor Hales called the meeting to order and asked for approval of the minutes.

*Mr. Dougherty made a motion that was seconded by Mr. Lehman and passed by a roll call vote of 3-0 to approve the minutes of the July 28, 2015 Board meeting.*

<table>
<thead>
<tr>
<th>Aye</th>
<th>Mayor Hales, Mr. Lehman, Mr. Dougherty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nay</td>
<td>None</td>
</tr>
<tr>
<td>Abstain</td>
<td>None</td>
</tr>
<tr>
<td>Absent</td>
<td>Mr. Delaney, Mr. Foesch</td>
</tr>
</tbody>
</table>
General Public Comments:
Mr. Del Stevens addressed the Board and stated that he had two issues he wanted to bring up. First, he stated that he understood the Board had taken a position on the taxability of survivor benefits for members who die while on disability. He asked what their interpretation for that position was based on. Secondly, he stated that he was still concerned about the overpayment issue and asked Mayor Hales whether he has heard from Risk Management about whether they can correct that injustice.

In response to Mr. Stevens’ two questions, Mayor Hales stated that he would let FPDR staff answer his questions regarding the taxability issue off-line. As to the question concerning the overpayment issue, Mayor Hales stated that Risk Management has told them that it is not an advisable legal move for the City to make and the issue will go no farther.

Mr. Stevens then shared an article from Nancy Hwa of the Pension Rights Center in Washington about collection of an overpayment. Mayor Hales stated that he would have staff at the FPDR and the City look into the article.

Action Item No. 1 – Resolution No. 501 – Administrative Rule Amendments to Sections 5.3, 5.7, 5.8 and 5.9

Mr. Hutchison explained that Resolution No. 501 was a clean-up of some rule sections. He stated that no public hearing was held on the rule changes but that a preliminary draft of the amendments had been released to the Fire and Police unions on August 7, 2015. He added that he had not received any comments back from the unions.

Mr. Lehman questioned the amendment to Section 5.7.03. After discussion, the Board agreed to strike out the words “and/or the signature of the chief of the bureau affected.” Mr. Lehman also felt that the amendment to Section 5.9.10 was not necessary.

Mr. Lehman made a motion that failed for a lack of a second to leave out the amendments to Section 5.9.10.

Public Comment:
Mr. Stevens addressed the Board. He stated that he was not sure if the Board was aware of ramifications of changing the terminology on disability retirement. He added that there are members who are disabled and have Social Security disability and Medicare and by taking the definition away, the FPDR is jeopardizing their status for other benefits.

Mr. Hutchison stated that Social Security bases their disability decision on medical information obtained from a claimant’s physician or a Social Security recipient’s
Mr. Dougherty made a motion that was seconded by Mr. Delaney and passed by a roll call vote of 3-1 to approve Resolution No. 501 as amended at Section 5.7.03. (Mr. Lehman opposed the motion).

<table>
<thead>
<tr>
<th>Aye</th>
<th>Mr. Delaney, Mr. Dougherty, Mayor Hales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nay</td>
<td>Mr. Lehman</td>
</tr>
<tr>
<td>Abstain</td>
<td>None</td>
</tr>
<tr>
<td>Absent</td>
<td>Mr. Foesch</td>
</tr>
</tbody>
</table>

**Action Item No. 2 – Resolution No. 502 – Administrative Rule Amendments to Section 5.7.14**

Mr. Hutchison explained the process for interim disability payments and the repayment process in the event a claim is not approved. He explained the challenges with the repayment process and the time within which to collect the payments. He stated that staff’s goal is to have a member go through the repayment process without any financial hardship and the rule amendments would extend the repayment time and give staff more flexibility to collect the overpayment without harm to the member.

Public Comment:
Mr. Alan Ferschweiler addressed the Board and stated that he appreciates the move staff has made. He stated that the City provides 24 months to repay an overpayment in pay and perhaps the recommendation in the rule amendment is not enough.

Mr. Delaney felt that 24 months was too much but could support 12 months. Mayor Hales stated that he would be open to 12 months and see how that works.

Mr. Ferschweiler stated that 12 months would be acceptable as long as the Board is open to discussion if the 12-month period was not working.

Mr. Delaney made a motion that was seconded by Mr. Dougherty and passed by a roll call vote of 4-0 to approve Resolution No. 502 with the repayment period amended to 12 months.

<table>
<thead>
<tr>
<th>Aye</th>
<th>Mr. Lehman, Mr. Dougherty, Mayor Hales, Mr. Delaney</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nay</td>
<td>None</td>
</tr>
<tr>
<td>Abstain</td>
<td>None</td>
</tr>
<tr>
<td>Absent</td>
<td>Mr. Foesch</td>
</tr>
</tbody>
</table>
Action Item No. 3 – Resolution No. 503 – Administrative Rule Amendments to Section 5.2

Mr. Hutchison explained that Resolution No. 503 discusses the election of trustees. He stated that Section 5.2.04 was restructured into three sections: Elected Trustees, Appointed Trustees and Mayor and explained why and went over the changes. He also explained that the Fire election rules were being amended to mirror the Police election process with mail-in ballots. Mr. Hutchison also went over the election timelines. He added that a public session on the election rules was held and comments provided by Mr. Ferschweiler and Mr. Lehman were incorporated into the proposed rules.

Mr. Lehman made a motion that was seconded by Mr. Delaney and passed by a roll call vote of 4-0 to approve Resolution No. 503.

<table>
<thead>
<tr>
<th>Aye</th>
<th>Mr. Dougherty, Mayor Hales, Mr. Delaney, Mr. Lehman</th>
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</thead>
<tbody>
<tr>
<td>Nay</td>
<td>None</td>
</tr>
<tr>
<td>Abstain</td>
<td>None</td>
</tr>
<tr>
<td>Absent</td>
<td>Mr. Foesch</td>
</tr>
</tbody>
</table>

Action Item No. 4 – Resolution No. 504 – Administrative Rule Amendments to Sections 5.4 and 5.5

Mr. Hutchison explained that they were addressing three particular areas of compliance: 1) definition of spouse (Ordinance passed by City Council on December 11, 2014); 2) alternate payee benefits (SB 370 signed by Governor Brown in June 2015); 3) taxability of death benefits. Ms. Hartline then went over the proposed rule changes.

Public Comment:
Mr. Hank Kaplan addressed the Board. He referred to Section 5.5.03(A)(2)(d) and stated that he has spoken to Ms. Hartline and believed it was an issue of clarification and syntax. His suggestion was to change the paragraph to: “...one half the benefit and one half of any children’s allowance to which the Surviving Spouse might be entitled were all the dependent minor children also children of the Surviving Spouse, shall be paid to Alternate Payee as Surviving Spouse.”

Mr. Delaney stated that if their legal counsel was in agreement he had no objection to the change.

Mr. Dougherty made a motion that was seconded by Mr. Lehman and passed by a roll call vote of 3-0 to approve Resolution No. 504 with the amendment to Section 5.5.03(A)(2)(d).
[THE FOLLOWING SUMMARIZED MINUTES WERE CONDUCTED IN PUBLIC SESSION. THERE WAS NO PORTION OF THE MINUTES THAT WERE IN EXECUTIVE SESSION.]

<table>
<thead>
<tr>
<th>Aye</th>
<th>Mr. Delaney, Mr. Lehman, Mr. Dougherty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nay</td>
<td>None</td>
</tr>
<tr>
<td>Abstain</td>
<td>None</td>
</tr>
<tr>
<td>Absent</td>
<td>Mr. Foesch, Mayor Hales</td>
</tr>
</tbody>
</table>

**Information Item No. 1 – State of FPDR**

Staff presented the State of FPDR. Mr. Hutchison provided a recap of the mission statement and values. He also provided a program overview.

Ms. Mitchell went over the disability program and stated that the number of claims filed was slightly up this year over last year. She added that the claim approval rate was 92 percent, denial rate was 4 percent, claims that were incomplete or withdrawn was 2 percent, and five claims were still pended. Ms. Mitchell then went through the comparison of claims filed 2013-2015 and went over the coding criteria.

Mr. Delaney expressed concern that resources from FPDR were spent on exercise equipment at Fire stations with the goal of reducing back injuries, but back claims appeared to still be elevated. He stated that he was interested in preventing injuries by providing proper strength and conditioning equipment and asked Ms. Mitchell to report back to the Board about expenditures made in the past and take a fresh look at the program coordinated by Janet Woodside.

Ms. Mitchell then stated that they continue to experience savings due to utilization of Oregon fee schedules and that there was an additional 5.5 percent savings above the fee schedule reductions allowed on MHN medical provider billings.

Ms. Hartline went over the pension program. She explained that a program performance evaluation was conducted and some recommendations were already implemented or in the process of implementing. She also stated that FPDR Two benefit adjustments were calculated and retro payments made in June. She explained that they have begun work to improve FPDR retirement readiness and went over their goals. Turning to finance and administration, Ms. Hartline stated that they delivered the 2014 valuation and levy adequacy analysis in January and have been working with the City’s finance and accounting staff to implement GASB 68. She added that the FPDR audit schedule has been accelerated to meet a shorter CAFR schedule.

Ms. Miller stated that in technology they have responded to program audits and created an active participant web portal. She also went over goals, explained the enhancements and stated that they will be exploring new technology that will provide additional support for teleworking in a disaster or other event and easy recovery of electronic data.
Mr. Hutchison went over FPDR’s Strategic Plan. He added that when they put together the plan they looked at two areas: 1) what are some opportunities that can take the bureau a little farther; and 2) what can we do to improve the services we offer to members and make the bureau more efficient.

Mr. Alan Ferschweiler and Mr. Daryl Turner addressed the Board. Mr. Ferschweiler requested that Mr. Hutchison relay his comments to Mayor Hales and Mr. Foesch. He started with injury prevention and encouraged the Fire Bureau to come forward and fund return to work positions and bring more people back to work. He went over things that they can work on. He went over issues with independent medical examinations (IMEs) and the perception that a firefighter has that, if he/she is going to an IME, the claim is probably going to be denied. He also raised the issue of mental health and its correlation with the physical health of members.

Mr. Turner wanted to remind the Board that, according to the Charter, the FPDR was created and established for the benefit of sworn members and their beneficiaries. He urged the Board to keep this purpose in front of their minds throughout any discussion about FPDR for the benefit of the sworn employees. He added that Mayor Hales at last meeting said no valid claim should be denied for timeliness. He agreed and urged the Board to extend the timeline for claim filing. Mr. Turner also reiterated Mr. Ferschweiler’s statements on mental health.

Mr. Delaney stated that stress or mental conditions can worsen if not treated and if there is anything the Board can do to get that message to the membership, he would be happy to participate. He added that it is a terrible stigma and should not be, especially for the jobs the members do.

Mr. Hutchison then presented a follow up to his views and opinions in last year’s “As the World Turns” presentation. He covered taxes, pension reform, workers’ compensation, and other changes and why they were important for FPDR.

**Information Item No. 2 – FPDR Updates**

None.

**Information Item No. 3 – Future Meeting Agenda Items**

Mr. Hutchison stated that the November agenda would include discussion on timeliness and review of the 2016 Board calendar. He added that January agenda would include continuity of operations review, budget approval and the financial audit.

There will be no meeting scheduled for October.
[[THE FOLLOWING SUMMARIZED MINUTES WERE CONDUCTED IN PUBLIC SESSION. THERE WAS NO PORTION OF THE MINUTES THAT WERE IN EXECUTIVE SESSION.]]

Mr. Delaney added that he would like to add injury prevention sometime in the next 6 to 9 months.

**Information Item No. 4—FPDR Summary of Expenditures**

There was no discussion on this item.

There being no further business, the meeting was adjourned at 3:27 p.m.

Samuel Hutchison  
Director

/kk
RESOLUTION NO. 505

WHEREAS, on January 1, 2010, the Fire and Police Disability and Retirement Fund (FPDR) entered into a contract with Managed Healthcare Northwest (MHN) to provide discounted medical services to members of the FPDR;

WHEREAS, without the contracted discounts for the medical services FPDR members receive, the FPDR would have to pay for services generated by non-managed care organization providers and would not take advantage of network savings offered for utilizing managed care organization providers, which will increase FPDR’s overall medical costs;

WHEREAS, the contract with MHN will expire on December 31, 2015;

WHEREAS, FPDR wishes to continue the services under Contract No. 30000931 by extending the contract for an additional five-year period through December 31, 2020 and for additional compensation in an amount not to exceed $215,000.00;

WHEREAS, a copy of an amendment to the contract between FPDR and MHN is attached hereto as Exhibit “A” and by this reference made a part hereof; and

WHEREAS, funds for said amendment are available within the FPDR budget;

WHEREAS, the amendment to the contract will be submitted to City Council upon approval by the FPDR Board of Trustees (Board); and

NOW, THEREFORE, BE IT RESOLVED by the Board of the FPDR that after City Council approves the amendment, the FPDR Director be and hereby is authorized to execute an amendment to the contract substantially in conformance with the amendment to contract which is attached hereto as Exhibit “A”.

BE IT IS FURTHER RESOLVED by the Board of Trustees of the FPDR that the FPDR Director is hereby authorized to pay for said amendment to the contract from the FPDR budget.

ADOPTED by the Board of Trustees on the 17th day of November, 2015.

________________________________________
Samuel Hutchison
Director
AMENDMENT NUMBER 003

CONTRACT NUMBER 30000931

FOR

MANAGED OCCUPATIONAL HEALTH SERVICES

Pursuant to Ordinance Number [Reference ordinance authorizing this amendment, if applicable]

This Contract was made and entered by and between Managed Healthcare Northwest (MHN), hereinafter called Consultant, and the City of Portland, a municipal corporation of the State of Oregon, by and through its duly authorized representatives, hereinafter called City.

1. This contract is hereby extended through December 31, 2020.

2. Additional compensation is necessary and shall not exceed $215,000.00. Total compensation plus reimbursement under the contract shall not exceed $440,000.00. The total compensation allowed for shall include the $225,000 previously provided for and an additional $215,000 by this amendment.

3. Attending physician will include a podiatric physician or surgeon as strictly defined as in Section 5.9 of the FPDR Administrative Rules.

All other terms and conditions shall remain unchanged and in full force and effect.

CONSULTANT SIGNATURE

This contract amendment may be signed in two (2) or more counterparts, each of which shall be deemed an original, and which, when taken together, shall constitute one and the same contract amendment.

The parties agree the City and Consultant may conduct this transaction by electronic means, including the use of electronic signatures.

Consultant Name: Managed Healthcare Northwest

Address: 422 E. Burnside, Suite 215, Portland OR 97205-4629
Portland, OR 97208-4629

Telephone: 503-413-5800

Signature: Dolores Russell Date: 10/29/2015

Name: Dolores Russell

Title: President/CEO

Rev 6/2014
Contract Number: 30000931  Amendment Number: 003

Contract Title: Managed Occupational Health Services

CITY OF PORTLAND SIGNATURES

By: ____________________________ Date: ____________
Chief Procurement Officer

By: ____________________________ Date: ____________
Elected Official

Approved:

By: ____________________________ Date: ____________
Office of City Auditor

Approved as to Form:

By: ____________________________ Date: ____________
Office of City Attorney
RESOLUTION NO. 506

WHEREAS, Section 5-306 of the Fire and Police Disability, Retirement and Death Benefit Plan (Plan) authorizes the Board of Trustees (Board) to limit reimbursement for medical and hospital expenses to providers with which it has made fee arrangements;

WHEREAS, Section 5-306 of the Plan authorizes the Board to join with the City in purchasing medical and hospital services;

WHEREAS, the City offers the Kaiser Foundation Health Plan of the Northwest (Kaiser) as one of several medical plan options available to City employees, including Fire and Police Personnel;

WHEREAS, since 2010 Kaiser has provided Managed Occupational Health Services to Plan members with work-related illnesses or injuries;

WHEREAS, the contract with Kaiser will expire on December 31, 2015;

WHEREAS, the Fire and Police Disability and Retirement Fund (FPDR) wishes to continue the services with Kaiser by extending the current contract for an additional five-year period through December 31, 2020 and for additional compensation in an amount not to exceed $5,000.00.

WHEREAS, a copy of an amendment to the contract between FPDR and Kaiser is attached hereto as Exhibit “A” and by this reference made a part hereof; and

WHEREAS, funds for said amendment are available within the FPDR budget;

NOW, THEREFORE, BE IT RESOLVED by the Board of the FPDR that the FPDR Director be and hereby is authorized to execute an amendment to the contract substantially in conformance with the agreement which is attached hereto as Exhibit “A”.

BE IT FURTHER RESOLVED by the Board of the FPDR that the FPDR Director is hereby authorized to pay for said amendment to the contract from the FPDR budget.

ADOPTED by the Board of Trustees on the 17th day of November, 2015.

Samuel Hutchison
Director
AMENDMENT NUMBER 001

CONTRACT NUMBER 3000937

FOR

Managed Occupational Health Services

Pursuant to Ordinance Number [Reference ordinance authorizing this amendment, if applicable]

This Contract was made and entered by and between Kaiser Foundation Health Plan, hereinafter called Consultant, and the City of Portland, a municipal corporation of the State of Oregon, by and through its duly authorized representatives, hereinafter called City.

[The following are typical examples of amendments to contracts]

1. This contract is hereby extended through December 31, 2020.

2. Additional compensation is necessary and shall not exceed $5000.00. Total compensation plus reimbursement under the contract shall not exceed $25,000.00. The total compensation allowed for shall include the $20,000 previously provided for and an additional $5,000 by this amendment.

All other terms and conditions shall remain unchanged and in full force and effect.

CONSULTANT SIGNATURE

This contract amendment may be signed in two (2) or more counterparts, each of which shall be deemed an original, and which, when taken together, shall constitute one and the same contract amendment.

The parties agree the City and Consultant may conduct this transaction by electronic means, including the use of electronic signatures.

Consultant Name: Kaiser Foundation Health Plan of the Northwest

Address: 500 NE Multnomah St.

Portland, OR 97232-2099

Telephone: [telephone]

Signature: ___________________________ Date: ___________________

Name: ____________________________

Title: ______________________________
CITY OF PORTLAND SIGNATURES

By: ____________________________ Date: ____________
   Chief Procurement Officer

By: ____________________________ Date: ____________
   Elected Official

Approved:

By: ____________________________ Date: ____________
   Office of City Auditor

Approved as to Form:

By: ____________________________ Date: ____________
   Office of City Attorney
Fire and Police Disability and Retirement
City of Portland, Oregon

Claim Timeliness Study

Follow-up Presentation to FPDR Board of Trustees
November 17, 2015
Objectives

- Update on the claim timeliness discussion started in the July 2015 Board of Trustees meeting
- Board acceptance of FPDR’s Recommendations
Board Guidance for Follow-up Discussion

Balance

Concern with spoilage and prejudicing FPDR’s ability to determine if an injury or illness was caused in the work place

with

Desire to not deny valid claims based on an arbitrary number of days
Claim Timeliness for FPDR Disability Claims

Claims approved or denied in fiscal years 2008 through 2014

(Does not include incomplete or withdrawn claims)

<table>
<thead>
<tr>
<th>Days since injury or start of illness</th>
<th>Decided</th>
<th>% of Total</th>
<th>Approved</th>
<th>%</th>
<th>Denied other than Timely Filing</th>
<th>%</th>
<th>Denied Timely Filing</th>
<th>%</th>
<th>Denied Total</th>
<th>%</th>
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</thead>
<tbody>
<tr>
<td>&gt; one year</td>
<td>4</td>
<td>0.2%</td>
<td>3</td>
<td>75.0%</td>
<td>0</td>
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<td>1</td>
<td>25.0%</td>
<td>1</td>
<td>25.0%</td>
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<tr>
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<td>63.2%</td>
<td>8</td>
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<td>6</td>
<td>15.8%</td>
<td>14</td>
<td>36.8%</td>
</tr>
<tr>
<td>61 – 90</td>
<td>39</td>
<td>1.8%</td>
<td>30</td>
<td>76.9%</td>
<td>9</td>
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<td>5.2%</td>
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<td>92.9%</td>
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<td>6.3%</td>
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<td>91.1%</td>
<td>1,871</td>
<td>94.8%</td>
<td>103</td>
<td>5.2%</td>
<td>0</td>
<td>0.0%</td>
<td>103</td>
<td>5.2%</td>
</tr>
<tr>
<td>Total</td>
<td>2,167</td>
<td>93.8%</td>
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<td>93.8%</td>
<td>127</td>
<td>5.9%</td>
<td>8</td>
<td>0.4%</td>
<td>135</td>
<td>6.2%</td>
</tr>
</tbody>
</table>

Spoilage

For a disability claim to be approved, the member must show causation. They must show that there was an accident or injury that occurred during or as a result of an employment related event and that the employment related event was cause of the member’s need for treatment and disability.

Spoilage occurs when too much time has passed between the work event and need for treatment or disability and the filing of the claim. As time passes, it becomes more difficult to link the need for treatment to a work related cause. Memories become fuzzy and key facts are lost. Attending physicians become reluctant to connect the need for treatment to a workplace incident. Any intervening events complicate the claim evaluation.
Spoilage – The Cliff

Claim Approval Rate by Date Claim Filed

Days from injury or start of illness and date claim filed

<table>
<thead>
<tr>
<th>Days</th>
<th>0 - 30</th>
<th>31 - 60</th>
<th>61 - 90</th>
<th>91 - 364</th>
<th>&gt; one year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approvals</td>
<td>94.8%</td>
<td>92.9%</td>
<td>76.9%</td>
<td>63.2%</td>
<td>75.0%</td>
</tr>
<tr>
<td>Percentages</td>
<td>95.0%</td>
<td>90.0%</td>
<td>85.0%</td>
<td>80.0%</td>
<td>75.0%</td>
</tr>
</tbody>
</table>
Member Education

- New hire training
- Charter – given to new members
- Injured Worker Packets, posters and contact cards at each precinct/station
- Liaisons
- FPDR staff

- FPDR Website
- Advisories
- Pamphlets
- Member letters
- Union publications
- Plan summary document – coming soon
Recommendation

- No change to the current claim application filing timeline or rules.

- Monitoring by the Director, Claims Manager to ensure consistency in administering the claim timeliness rules [5.7.03(D) and 5.8.03(D)]

- Return to the board in 2-years to provide a claim timeliness report update.

- Review current means of providing information and education to members to determine which is most effective and expand upon it.
November 4, 2015

To: FPDR Board of Trustees
From: Sam Hutchison, Director
Re: FPDR Retirement and Medicare Eligibility

During the September 2015 Board meeting, Del Stevens asked the Board to understand the ramifications of changing a member’s status from “disability” to “retirement”. He said that when FPDR makes this terminology change, we are jeopardizing the disabled member’s status for other benefits specifically Social Security Disability Income (SSDI) and Medicare.

In response to Mr. Steven’s comments, both Justin and I said that the Social Security Administration (SSA) makes their SSDI and Medicare eligibility decisions independently according to their own criteria. Their decisions are independent of any other government entity’s actions including FPDR’s.

After the Board meeting, I spoke with Alan Edwards, Senior Public Affairs Specialist for the Social Security Administration. Mr. Edwards said the information Justin and I provided you during the Board meeting was correct, the SSA’s disability determinations are independent of programs of any other government or private entity. He also said that any change in member’s FPDR status, such as from “disability” to “retirement”, will have no impact on a member’s eligibility for SSDI or Medicare. Below is the follow up email I received from Mr. Edwards.

Subject: Medicare based on Social Security Disability
November 2, 2015

Good morning, Sam.

It’s been a busy few weeks for me with presentations and travel, but I wanted to provide the references you requested about Medicare continuation for those found eligible under Social Security’s Disability program rules.

Social Security’s disability determinations are independent of programs of any other government or private entity. Medicare entitlement is based on certain categories defined in statute. If an individual is under age 65, Social Security must make a determination of disability before Medicare and/or cash benefits may be awarded. Everyone eligible for Social Security Disability Insurance (SSDI) benefits is also eligible for Medicare after a 24-month qualifying period.
Medicare coverage continues as long as a person remains disabled under Social Security's regulations (or attains age 65) and premium payments are made. If working, a disabled individual may lose Medicare coverage after a certain length of time. Other medical coverage may also affect whether Medicare is a primary or secondary payer.

For additional details, please see information and examples at our website: www.socialsecurity.gov/disabilityresearch/wi/medicare.htm

I trust this information is useful.

Thank you,

Alan Edwards
Senior Public Affairs Specialist
Social Security Administration
TEL: 866-331-6402 x 18362
FAX: 503-761-4855
alan.edwards@ssa.gov

Plan for your “Someday;” create your own my Social Security account at www.socialsecurity.gov/myaccount

In addition to the link in Mr. Edwards’ email, here are links to SSA pamphlets on SSDI and Medicare. Both explain the application process and of the criteria for eligibility.


I will put the discussion of this memo on the November 17th Board meeting agenda. If you would like to discuss the memo before then, please call me (503 823-550) or email me.
**Proposed**

**2016 FPDR Board of Trustees Meeting Schedule**

Agenda items subject to change

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<tr>
<th>Date</th>
<th>Agenda Items</th>
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<td>January 26th</td>
<td>Financial&lt;br&gt;  - Budget approval&lt;br&gt;  - Financial audit results&lt;br&gt;  - Review FPDR Continuity of Operations Plan&lt;br&gt;  - General business</td>
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<tr>
<td>February 23rd</td>
<td>Meet at Board’s Discretion</td>
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<tr>
<td>March 22nd or March 15th</td>
<td>FPDR Two benefit adjustment&lt;br&gt;  - General business</td>
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<tr>
<td>April 26th</td>
<td>Meet at Board’s Discretion</td>
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<td>May 24th</td>
<td>Tax anticipation notes&lt;br&gt;  - FPDR Two benefit adjustment, if necessary&lt;br&gt;  - General business</td>
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<tr>
<td>June 28th</td>
<td>Meet at Board’s Discretion</td>
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<td>July 26th</td>
<td>General business</td>
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<td>August 23rd</td>
<td>Meet at Board’s Discretion</td>
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<td>September 27th</td>
<td>Rule amendment adoption (proposed rule changes, if any)&lt;br&gt;  - State of FPDR&lt;br&gt;  - Review progress on FPDR Strategic Plan&lt;br&gt;  - General business</td>
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<tr>
<td>October 25th</td>
<td>Meet at Board’s Discretion</td>
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<tr>
<td>November 15th</td>
<td>General business</td>
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<td>December</td>
<td>No Meeting</td>
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<tr>
<td>Description</td>
<td>Original Budget</td>
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<td><strong>FPDR Fund July 2015 - September 2015</strong></td>
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**Revenues**
- 173,507,441.00- 173,507,441.00- 768,223.04- 25,079,992.23- 389,322.34- 26,237,537.61
- 18,465,039.00- 18,465,039.00- 1,159,002.00- 758,535.17- 418,795.95- 1,550,749.04
- 121,159,002.00- 121,159,002.00- 31,885,000.00- 31,885,000.00- 24,637,338.90- 24,637,338.90
- 9,184,399.32- 723,809.94- 9,675,757.44- 19,583,966.70

**Expenses**
- 173,507,441.00- 173,507,441.00- 9,184,399.32- 723,809.94- 9,675,757.44- 19,583,966.70
- 500.00- 500.00- 600.00- 600.00- 1,200.00

**Net Total**
- 8,416,176.28- 24,356,182.29- 9,286,435.10- 6,653,570.91

**Other**
- 193,200.00- 193,200.00
- 5,000.00- 5,000.00
- 7,000.00- 7,000.00
- 3,700.00- 3,700.00
- 1,200.00
- 500.00
- 5,000.00
- 193,200.00
- 108,553,215.00- 108,553,215.00- 8,896,373.42- 30,076.19- 8,905,003.37- 17,831,452.98
- 6,937,600.00- 6,937,600.00- 8,247,732.67- 459,665.27- 468,597.61- 945,600.02

**Contingency**
- 1,130.07- 1,130.07- 1,130.07
- 1,130.07
- 1,130.07
- 1,130.07
- 1,130.07