

PERAC

Pension News

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Looking Back, Moving Forward

By John W. Parsons, Esq.
Executive Director

As I look back on my first year as Executive Director here at PERAC, I want to begin by thanking the numerous board administrators and staff, board members, and the various practitioners who intersect with our agency for your warm welcome, encouragement, and collaboration during 2019. The success of our retirement systems is in significant part due to the strong working relationship that exists amongst the various entities involved in the operation of our 104 systems.

Beginning in March, I was welcomed at approximately 40 boards, and engaged in countless fruitful discussions on the present and future challenges that exist and that we will face going forward. These conversations have been valuable in not only strengthening existing relationships, but have also led to initiatives to further improve the working relationship

between boards and PERAC. It is my goal to visit the remaining boards in 2020.

One of these initiatives is a PROSPER Manual that will aid Administrators, board members, and vendors in navigating the many functions in PROSPER. In addition, PERAC has finalized and will be rolling out updated forms in the areas of mem-



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bership, beneficiaries, and disability. The forms initiative is an example of a collaborative effort between boards and PERAC. Many fields were updated to include the (continued page 6)

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PROSPER Speeds Up Disability Process

By Kate Hogan
Manager of Medical Services

PERAC would like to thank everyone at the Retirement Boards for their knowledge, assistance, and patience during the development of the PROSPER Disability Application.

Creating a secure method of encompassing the entire process while protecting the privacy of the information involved and working toward meeting the needs of each retirement system, large and small, has been at times a herculean task.

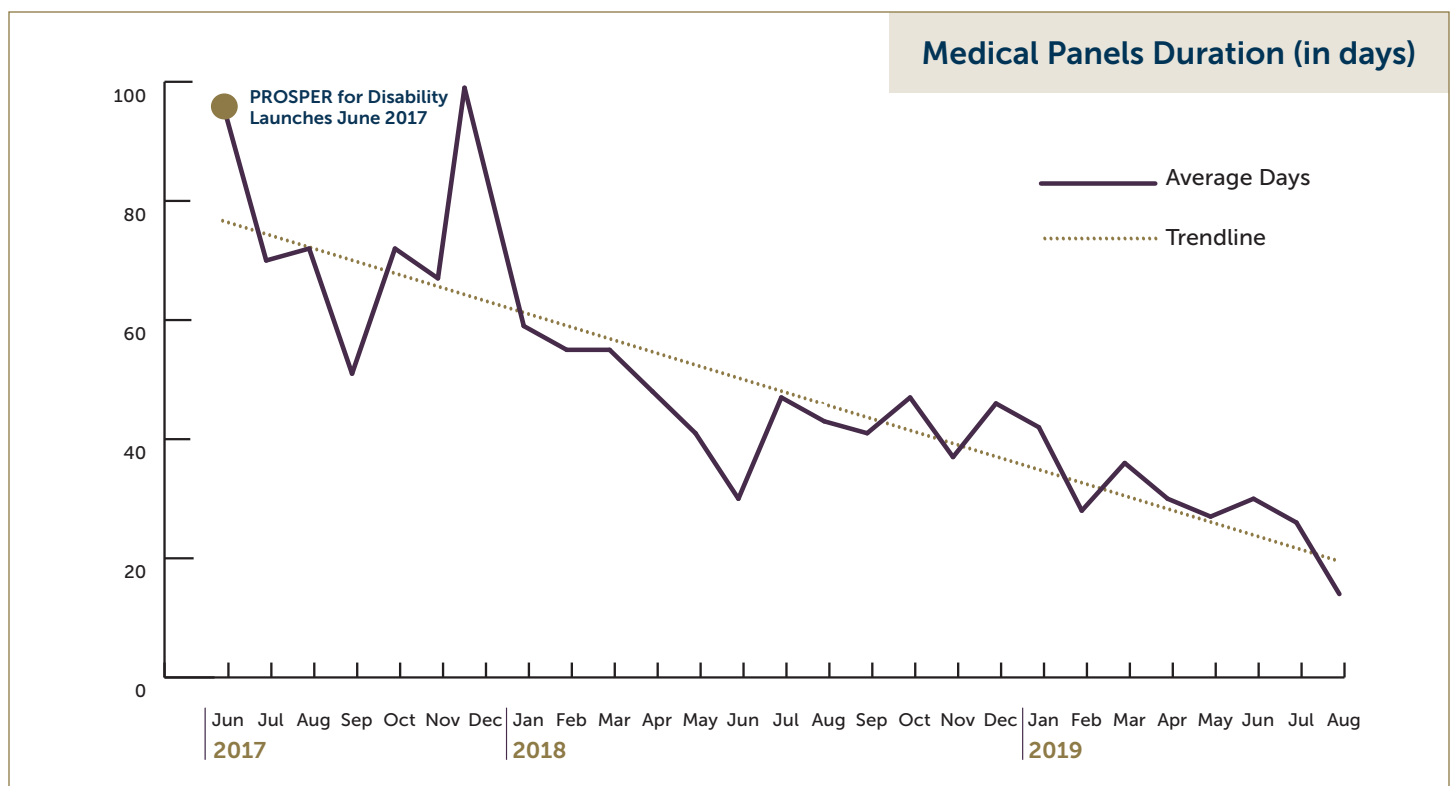
During this process, we have worked on resolving some longstanding issues within the Application for Disability Process for the retirement boards, employers, and applicants.

During the development of PROSPER, PERAC's IT and Disability staff have been in constant contact with our PROSPER users – the Retirement Board members and staff, as well as our examining physicians and Medical Vendor Organizations. The feedback we have received from the retirement boards and physician-vendors has been extremely favorable.

Impact upon processing time line since PROSPER implementation:

The PROSPER Disability Application launched in June, 2017, and since that time the processing has decreased significantly, as indicated in the steady downward trend in the graph below, from an average of 96 days when we began.

(continued next page)



PROSPER (continued from previous page)

Since the launch of PROSPER:

- Boards are no longer required to copy and mail three sets of medical records for each application to the physicians.
 - ↳ This information is now scanned and securely relayed to the physicians without the cost of paper and mailing, plus any additional costs if the examination is cancelled.
- Boards are now uploading the medical records at the time the panel appointments are requested.
 - ↳ PERAC staff is no longer required to inform the boards that medical records have not been

received by the physician. Medical exams are no longer cancelled due to the lack of medical information in time for the exam.

- Medical panel vendors and physicians receive the medical information immediately upon scheduling.
 - ↳ They can review this information at any time up until they submit their completed report to PERAC.
- All information on PROSPER is in real time and ensures timely notification of any activity to the retirement board and medical vendors.

This reduction in processing time is positively impacting our ability to provide better service to the retirement community, including the member/applicants who spend less time waiting for their disability applications to be processed. We expect that in the long run, this reduction in processing time will ultimately result in a positive impact on municipality and employer bottom lines!

If you have suggestions on ways we can continue to improve upon the PROSPER application, please let us know! ■

Users Weigh in on PROSPER

“The completed reports are sent to the board in a timely fashion, and mailing costs have been eliminated.”

“Very user friendly and easy to upload documents and payment vouchers.”

“Board members are able to review information prior to the board meeting in preparation.”

“Biggest advantage of PROSPER is the elimination of the need for copying medical records. **So much easier and cost efficient.** Receiving medical reports electronically saves the board the cost of scanning and they are easily downloaded.”

“Having the complete medical record at the time of scheduling is a huge time saver for us.”

“PROSPER requires board staff to upload required information, **streamlining the process.**”

PERAC Legislative Update

All bills reported favorably

By Bill Keefe
Assistant Deputy Director
of Research, Planning, and Public Affairs

All six of the bills PERAC filed for the 2019-20 legislative session have been reported favorably by the Joint Committee on Public Service and, as of this writing, are with the House Committee on Ways and Means.

An Act Relative to Veterans' Buyback

In October, the committee reported out H 22 An Act Relative to Veterans' Buyback with amendments and a new bill number, H 4143. This bill would extend, from 180 days to within one year following vesting, the time which veterans working in public service have to purchase up to four years of military time as creditable service time. Additionally, House Chairman Jerald Parisella in working with PERAC, included a provision creating a one-year, one-time, grace period for veterans to buy back their military service who missed their initial opportunity.

An Act Relative to Pension Forfeiture

In December, the committee reported out H 21 An Act Relative to Pension Forfeiture. This bill is a result of the work of the Special



Commission on Pension Forfeiture created by Chapter 133 of the Acts of 2016 following the Supreme Judicial Court decision in the Bettencourt case that pension forfeiture can constitute a violation of the 8th Amendment to the United States Constitution as an excessive fine. The bill would remove misdemeanors from crimes that trigger pension forfeiture. It also creates tiers of forfeiture ranging from full, to 2/3, to 1/3 to a minimum allowance equal to a group 1 member with 10 years of service at the minimum retirement age.

At the end of January ahead of the deadline for reporting bills from committee, the Public Service Committee favorably reported out PERAC's remaining four bills:

An Act Relative to the Recovery of Overearnings (H 23)

This bill would allow retirement boards to pursue recoupment of

overearnings up to the amount of the retirement allowance paid.

An Act Relative to Wages (H 24)

This bill would include sick and vacation leave taken in conjunction with workers' compensation as wages and part of an employee's base compensation for retirement purposes.

An Act Relative to Modifications of Retirement Allowances (H 25)

This bill would alter PERAC's statutory directive to modify allowances of members with overearnings to make it more effective and efficient.

H 26 An Act Relative to Accidental Disability and Group 1 Emotional Distress (H 26)

This bill would bring Group 1 employees in line with other groups in permitting the use of employer incident records to satisfy the injury report requirement when filing for disability based on emotional injury.

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Joint Committee on Public Service Members

Senate Members

Barry R. Finegold, Chair
Anne M. Gobi, Vice Chair
Walter F. Timilty
John F. Keenan
Rebecca L. Rausch
Ryan C. Fattman

House Members

Jerald A. Parisella, Chair
Gerard J. Cassidy, Vice Chair
Marcos A. Devers
Russell E. Holmes
Mike Connolly
Jack Patrick Lewis
Natalie M. Blais
Peter Capano
Tommy Vitolo
Timothy R. Whelan
David F. DeCoste

Senator Barry Finegold Appointed Senate Public Service Chair

Senator Barry Finegold was appointed the Senate Chair of the Joint Committee on Public Service in November. Senator Finegold is from Andover and was elected in 2018 to represent the Second Essex and Middlesex district, a seat he held from 2011 to 2015. He served in the House of Representatives from 1997 to 2011. Currently, Senator Finegold is also the Senate Chair of the Joint Committee on Election Laws and the Senate Vice Chair of the Joint Committee on State Administration and Regulatory Oversight.



PERAC Executive Director John Parsons and other PERAC staff recently met with Chairman Finegold and his Chief of Staff MaryRose Mazzola to discuss retirement and pension issues. "Chairman Finegold displayed a great knowledge of the public pension system and the legislation that is before his committee despite

his late appointment and his other responsibilities," Parsons said. "We appreciate the Chairman's intention to work collaboratively with us and look forward to a very positive and productive working relationship." ■

Legislative Update (continued from page 4)

PERAC appreciates and acknowledges the work and support of House Public Service Chairman Parisella and Senate Public Service Chairman Barry Finegold (more on him above) and the Committee staff in moving these important bills forward in the legislative process. PERAC will continue to work for their passage and will provide updates in future issues of Pension News. ■

Looking Back, Moving Forward (continued from page 1)

information that boards need to collect from their members and the content of the forms was updated to address outdated provisions and also strengthen the accuracy and efficiency of these important forms.

Additionally, we are planning to bring the electronic benefits of PROSPER to online retirement calculations processing, and have begun the be-

hind the scenes work necessary to implement this. As you can see from the chart on page 2, PROSPER has led to a significant time reduction in the medical panel process and we are confident that we can bring these same efficiencies to the retirement application process.

Finally, the significant changes to our audit approach and scope, insti-

tuted in 2019, will result in timelier and more focused audits during 2020.

I want to conclude by thanking my colleagues at PERAC and the members of the Commission for their partnership during this transition and for their continuing efforts on behalf of our systems' members. ■

PROSPER

R O L L S A L O N G

Updates are coming to the PROSPER Application in 2020!



01

SECURITY

Security was our top priority as we developed PROSPER. With the increased prevalence of cyber crimes and malware, our IT staff and team of developers are constantly on alert for the next threat



SECURITY

02

MANUAL

Be on the lookout later this year for the release of the PROSPER Manual with step-by-step instructions and answers to the most common questions received by the HelpDesk



HELP

03

NEW FEATURES

Coming soon!
More Compliance Capabilities
Online Retirement Calculations Processing
Improved Vendor Portals



PROCESSING

04

FEEDBACK

The Application has only improved with your constant feedback and suggestions. We welcome your input as we continue to develop PROSPER



FEEDBACK

New & Noteworthy

Did you know?

PERAC posts retirement job openings on our website as a service to the 104 public retirement systems in the Commonwealth.

You can submit a job opening to the communications unit by emailing a Word or pdf document to nadunker@per.state.ma.us. Please include information on how to apply for the position along with the application deadline, if any. You can find job openings in the “About PERAC” section of our website.



It's TAX season!

That means it's also SFI season!
Retirement board members
should have received their
Statement of Financial Interest
form by now.

Forms are due
May 1st

(for most board members)

Memos released last quarter:

#23: Mandatory Retirement Board Member Training - 4th Quarter

Reviews guidelines for board member education as well as provides the schedule of upcoming training.

#24: Appropriation Data Due October 31, 2019

This data is required in order for PERAC to provide the amounts to be appropriated by governmental units for FY21.

#25: New Fraud Prevention Poster

This biennial campaign generates publicity for PERAC's Fraud Hotline, where the public can make reports of suspected pension fraud. This year's campaign is "Blow the Whistle on Pension Fraud."

#26: 2019 Disability Data

Retirement Boards must submit updated information on their disability retirees on an annual basis in order for PERAC to make an accurate determination on the statutory limits of post retirement earnings.

Upcoming Meetings

March 11, 11:00 a.m.
 Commission Meeting

April 8, 11:00 a.m.
 Commission Meeting

May 13, 11:00 a.m.
 Commission Meeting

June 10, 11:00 a.m.
 Commission Meeting

Meetings are held at our Somerville office unless otherwise noted and are open to the public.

PERAC

2020 Education Schedule

first quarter

Credits
board members
must earn

18
per term

3
Minimum
per term year

9
Maximum
per term year

Date:	Location:	Topic:
February 13	Webinar	Open Meeting Law
February 26	Springfield	Public Pensions: Federal & MA Law
March 18	Webinar	Annual Statements/ Cash Books
March 26	Boston	Conflict of Interest

SAVE THE DATE:

Spring MACRS Conference, May 31 - June 3

More details coming soon!

See our website for additional educational opportunities and registration information.

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