

ORS Look Out

Year 2000

406 Days

November 20, 1998

Volume 2, Issue 9

Public Schools' members statement mailing breaks record!

Annual member statements for active public school employees for school fiscal year 1997-98 are scheduled to begin mailing in the first part of December. This is the first time in several years that these statements have been distributed so early in the fiscal year.

To show the progress we have made, in the latter part of 1996 staff pushed to get member statements for school fiscal years 1993-94 and 1994-95 in the mail.

Public school employees' member statements show the activity which occurred during the previous school fiscal year. This includes wages and hours reported by the schools, service credit purchases or refund repayments the employee made, and interest credited on MIP contributions and other employee contributions.

For those whose service credit has been evaluated, the statement also indicates how many total years of service

the employee has accumulated through working and/or purchases of service credit. Some of the member's personal information on file is also listed, including the beneficiaries named.

Thanks to the hard working team of **Joanne Busley, Don Dimitroff, Carla Price and Alice Semevolos** for getting this project completed so early. Won't our customers be surprised when they check their mailboxes?!

Reengineering the ORS Disability Process

A recent major goal of the Reengineering Team of **Joanne Busley, Angela Gilmore and Judy Simon** was to create a timely, consistent, accurate and fair disability process that consolidated State Employees, Judges, School Employees and State Police procedures where viable. Additionally, the process needed to be as self-executing as possible with heavy reliance on medical and vocational experts to determine disability eligibility.

To achieve those goals, the Reengineering Team asked for input from many people about what the disability process needed to look like. They interviewed the Board members of the various systems as well as the ORS disability staff. In addition, they surveyed 40 other retirement systems and disability retirees. Says Reengineering Team member Judy Simon, "We wanted to identify customer needs and the best disability practices so that we could incorporate them into

the ORS process."

The most frequently received comments from the people interviewed indicated that

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Thought for the Day

You have two ears and one mouth.

Use them proportionately.

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processing time needed to be reduced to four months or less, the application process and forms needed simplification, and applicants needed quick access to application status and wanted to travel less than 40 miles for an independent medical examination.

The Reengineering Team's study of the disability process also indicated subjective decisions were being made by non-medical experts, there was no monitoring of process performance and trends, and that the appeal process was complicated and inconsistent. Additionally, the Team noted that although the four systems have similar statutes, the systems were using different procedures and policies.

The team identified the following reengineering solutions to remedy these problems.

◆ Pursue the transfer of ORS disability tasks to the Disability Determination Services (DDS) agency within the Family Independence Agency (FIA). DDS processes about 140,000 applications for Social Security disability each year. By comparison, ORS processes



only 850 applications annually. DDS has extensively trained staff, including physicians and disability examiners, who evaluate the medical and vocational requirements for disability retirement. Additionally, DDS has software that allows tracking and

monitoring of the disability process, including collection of statistics and has established oversight and audit practices. Upon transfer of the disability tasks, DDS will use ORS eligibility requirements to determine whether the medical and vocational requirements for disability retirement are met. An ORS/DDS work group is being established to develop a work plan and to determine the final feasibility of the transfer of tasks.

◆ Implement a common ORS appeal process. The decision to deny or approve benefits will be based on the recommendation of the first independent medical examiner (IME) and, if an appeal is made, a second IME, usually a specialist, may be used. All denials will be reviewed by a supervisor before the applicant is offered an administrative hearing. Until recently, a school employee could be examined by as many as five IMEs before being offered a hearing; conversely, a state employee could be offered

a hearing before a supervisor even reviewed the case.

◆ Establish policies that define "total" and "permanent" and that explain the roles of accommodation, reasonable remedies and vocational assessments in the disability process. While governing statutes prevent the systems from having a common definition for "total" disability, a common definition for "permanent" has been established. Additionally, common policies regarding accommodation, reasonable remedies and vocational assessments have been adopted. Prior to adoption of these policies, whether accommodations could be made and whether reasonable remedies had been attempted were primarily considerations when state employees applied for disability retirement. Now,

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these factors will also be considerations when members of the School Employees, State Police, and Judges retirement systems apply for disability retirement.

- ◆ Use a common ORS workflow to reduce processing time from seven to nine months to 3.5 months or less. The new workflow reflects collection of only necessary documentation, aggressive follow-up to obtain information needed from the applicant, employer, and independent medical examiner, and use of revised disability forms. Supplementing the new workflow are documented disability procedures and policies.

- ◆ Provide the independent medical examiner with a copy of the position description. The independent medical examiner will be provided with a copy of the position description so there is a clearer understanding of the physical and mental requirements of the employee's job. A position description has always been used by the examiner for State Employees. However, in the past, the examiner's knowledge of the position requirements for a School employee was based only upon information volunteered by the employee. There is a standard list of duties

for State Police; this list will be forwarded to the IME in place of a position description. Due to the fact that only one disability application from a judge has been received in the last 10 years, the Reengineering team considered this an exception and, therefore, it was not included as part of the reengineering process.

- ◆ Have IMEs provide narratives for all examinations. Narratives are detailed reports that provide justification for why the applicant does or does not meet the requirements for disability retirement. These justifications will be especially helpful when applicants are denied benefits.

- ◆ Use a common ORS policy on replacing the IME examination with a review of medical documentation. If the personal physician indicates the applicant is unable to travel, the IME may decide to review medical documentation and waive the requirement that the applicant receive a personal examination. Previously, examinations were waived only if the applicant brought to the attention of the disability processor that travel was difficult.

Consequently, many applicants who probably should not have traveled did so anyhow.

- ◆ Use a common ORS tracking/monitoring system so staff can quickly obtain status and statistics on ORS disability cases. All ORS disability applicants are now being tracked using the public school employees tracking system and statistics are collected and then maintained through use



of Access software. Among the statistics being tracked are the processing time, primary disabling condition, approval/denial rate, and the number of denied applicants requesting a hearing.

- ◆ Use standard supporting documentation guidelines. ORS staff will review supporting documentation received from the applicant and the employer to ensure that it is timely, readable, and pertinent. However, no other documentation will be requested unless the independent medical examiner determines it is needed to make the disability determination. Previously, documentation was automatically collected from third parties, even though this information often was not crucial or was identical to information provided by the applicant or employer.

- ◆ Establish a board subcommittee

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on disabilities consisting of representatives from the retirement boards, an IME representative and the ORS director and/or designee. The subcommittee will review statistical trends, monitor quality assurance, define the ORS position on issues such as fibromyalgia and chronic fatigue syndrome, and evaluate legislation affecting disability benefits.

◆ Institute an annual disability certification process for State Employees, Judges and State Police similar to that now in place for School Employees. The certification process will allow easier identification of disability retirees who are no longer disabled, who are exceeding earnings limitations, or who have obtained Medicare coverage.

◆ Change the ORS process for board approval. In the short-term, a new table will be

provided to the boards that includes the same types of information on disability applications previously received in a paragraph format. These tables will help ensure that standard and consistent information is provided on each applicant. Additionally, these tables are quick and easy to prepare and board members may find them easier to read and review. Long-term, when the retirement boards are comfortable with the new disability process, approval of individual disability cases will be replaced with group approval of the cases as recommended by the ORS director. This change will reduce disability processing time by as much as 30 days and allow the boards to focus on



broad-based disability issues such as trend predictions and goal setting.

A major implementation milestone was met on November 5 when the recommended changes were presented to the full State Employees Retirement Board. The new process was presented to the School Employees Retirement Board in October. Based on the feedback provided by both boards, only minor modifications in the new disability process have been necessary. The revised disability application forms, including a new brochure explaining disability retirement, are now being distributed. ORS disability staff have already been provided with training, procedures, and policies on the reengineered disability process.

Report Processing Unit Completes Reconciliation

An extensive reconciliation of Detroit public school retirees was recently completed. Staff validated wage, service and contribution records from March 31, 1992 through December 31, 1995.

During the automated

retirement management system development project, as other goals were met, the Report Processing unit turned its attention to this cleanup project. **Jon Brown** worked on the initial design for the reconciliation until he was reassigned to other projects.

Angela Brown was selected to replace him as the full-time lead for the project. Angela was instrumental in completing the project with assistance from **Angela Sanborn** and **Rebecca Campbell**. Congratulations to all on a job well done!

Comings and goings in ORS!



Fred Doll



Dan Harry



Carol Johnson



Steve Larson



Brenda Moore



Pamela White



Jackie Schraft



Jamin Schroeder



Linda Stevens



Terry Weller



Phyllis Winston



Gretchen Wojtysiak

Michelle Twichell has transferred from her position as Finance secretary to departmental tech in Operations.

Nancy Quick will be working out of class as a supervisor in Claims Processing.

Cindee Clouse, who has been a job share in Claims Processing, is now a full-time employee.

Mary Lowry, who was a general office assistant, is now a departmental tech in Claims Processing.

Phyllis Winston is a temporary employee in Defined Contribution.

Fred Doll is a departmental tech working in the Customer Information Center.

Pam Kenney, formerly an employee in the Transactions Unit, is now a departmental tech in the CIC.

Steve Larson is working in Finance and Administration as ORS Internal Audit Manager. He previously worked with the Michigan State Police as an internal auditor, and prior to that was employed with the Auditor General's Office.

Mary Barrett and **Phyllis Bradley** have been promoted to departmental techs in Claims Processing.

Angela Brown, formerly a temporary employee, now works for the State in Report Processing. **Linda Stevens**, who formerly worked in Treasury, is also in Report Processing.

Cathleen Curran, **Jeffrey**

Dumroese, Sandy Elstro, Mary McGlashen, Brenda Moore, Dan Norberg, Pamela White and **Gretchen Wojtysiak** were temporary employees now working in Claims Processing

John Ellis, who was a temporary employee, is now working on the insurance team. **Dan Harry, Ruth Rollins** and **Jamin Schroeder** were temps now working in the Transactions Unit.

Terry Weller, who was with the Department of Treasury, has joined Claims Processing.

Carol Johnson and **Jackie Schraft** are Accountemps employees in Operations.

Michael Gearhart has left the Reporting Unit. **Jim Block, Jan Bowlin** and **John Van Asperen** have left the Defined Contribution plan project.

'Tis the season to Adopt-A-Family

The Employee Activity Committee, EMPAC, has organized this year's Adopt-A-Family program. "It will be very similar to last year's," explains EMPAC member **Lisa Schmidt**. "We will have a tree set up on the

afternoon of Friday, November 20 in the main entrance where the reception area formerly was," she says, "so people will have the tags for the Thanksgiving weekend shopping spree. Just like last year, the tags on the tree each list a gift. Staff are invited to

pick a tag and return the item on the tag with the tag," Lisa says, adding, "The gift should be wrapped and may be placed under the tree." EMPAC members will collect the gifts as needed. A tree will be set up in Finance, also, to assure that staff on 1A will get a tag.

"The difference this year," says Lisa, "is we will not be accepting groceries or money. We have four families this year," she notes. "EMPAC is recruiting volunteers to deliver the gifts to the families. Please contact Lisa if you are interested in helping with this."

So be sure to choose a tag prior to the biggest shopping weekend of the year so you can share your holiday joy with others.

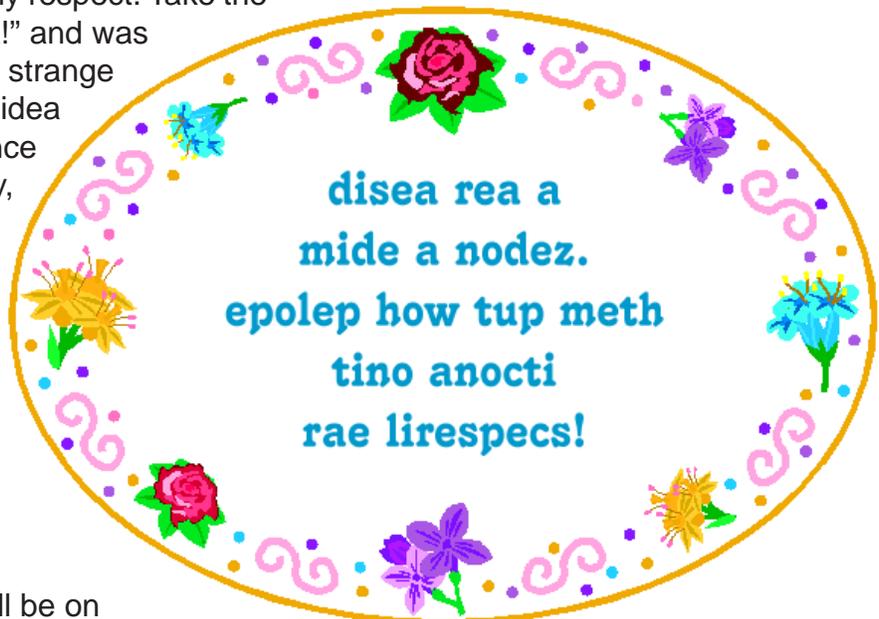
ORS Calendar for November and beyond

ORS Casual Day	November 25
State Employees Board meets	December 3
ORS Holiday Party at Tony M's	December 11
Public Schools Board meets	December 18
Pension Paydate	December 18
EFT Notices mailed to all systems	December 18
ORS Casual Day	December 30
State Employees Interest Posted	December 31

Solving this Scramble will earn you respect!

Like Rodney Dangerfield, your friendly Scramble Reporter often doesn't get any respect. Take the time he said, "I have an idea!" and was told, "Treat it kindly; it's in a strange place." Be that as it may, the idea of this issue's Scramble is, once you've unlocked the mystery, to put the nugget of wisdom to use in your work situation. So go to it!

disea rea a
mide a nodez.
epolep how tup meth
tino anocti
rae lirespecs!



The unscrambled posters will be on display next week.