

# Disability



## Employer Subject Spotlight

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Audio Pin: 47020#



# Disability



# Today's Topics

- KPERS Long-Term Disability Plan
- Reporting Disability
- Leave of Absence: Employee's Health
- Application Timeline
- Disability Administrator: Davies Life and Health, Inc.



# KPERS Long-Term Disability Plan

## Plan Sponsor



## Kansas Public Employees Retirement System

Policy Number GLD2006

Effective Date January 1, 2006

## Eligibility

- All active members in a covered position.
- Active Board of Regents employee's
- Eligible employees of the University of KS Hospital Authority
- Legislators and unclassified employees on their staff
- State officers in the State's Deferred Compensation Plan and unclassified employees on their staff

## Plan Administrator



**Davies Life and Health Inc.**



KPERS Long-Term Disability (LTD) plan provides

- Financial protection by replacing a portion of the member's income if he or she becomes disabled as the result of an **injury** or **sickness**.
- A death benefit to the member's beneficiary should the member die while the claim is pending approval or receiving long-term disability benefits.

KPERS Long-Term Disability (LTD) plan provides

- Monthly disability benefits
- Membership protection
- Basic Group Life Insurance coverage
- Optional Group Life Insurance at the current group rate

## Plan Highlights

<b>Disability Definition</b>	<ul style="list-style-type: none"><li>• From own occupation first 24 months</li><li>• From any occupation after 24 months</li></ul>
<b>Benefit Amount</b>	<ul style="list-style-type: none"><li>• 60% of current compensation</li></ul>
<b>Benefit Minimum</b>	<ul style="list-style-type: none"><li>• \$100 per month</li></ul>
<b>Benefit Maximum</b>	<ul style="list-style-type: none"><li>• \$5,000 per month</li></ul>
<b>Rehabilitation Benefit</b>	<ul style="list-style-type: none"><li>• 24-month maximum</li></ul>
<b>Limited Benefit Periods</b>	<ul style="list-style-type: none"><li>• None for biologically-based mental health conditions</li><li>• Other mental health conditions = 24 months</li><li>• Substance abuse conditions = 24 months</li></ul>
<b>Maximum Benefit Period</b>	<ul style="list-style-type: none"><li>• Before age 60, the period remaining to age 65 or retirement, whichever occurs first</li><li>• At or after age 60, a period of five years or retirement, whichever occurs first</li></ul>

## Benefit Payments

Once approved, benefits begin once:

- Employee completes 180 continuous days of total disability
- AND**
- The member ceases to draw compensation from the employer.

## Returning To Work



If employee attempts to return to work for up to **30 working days** during waiting period and again becomes disabled from same cause, waiting period will be **extended** by the number of days worked.

## Benefit Deductions

Disability benefits will be reduced if the member receives or is eligible to receive income from any of the following sources:

- Social Security Primary Disability or Retirement benefits.
- Worker's Compensation benefits
- Railroad Retirement Board Disability or Retirement benefits
- Other disability benefits from any other source by reason of employment.
- Earnings from any form of employment.
- Earnings from eligible rehabilitative employment.

## Disability Payments

### EXAMPLE

**\$3,000/month salary**

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KPERS Disability Benefit	\$1,800
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Social Security Benefit	-\$1,750
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Balance	\$50*
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\*KPERS will pay minimum of \$100

## Benefits Termination

Payments will terminate if member

- Is no longer disabled as defined by the plan.
- Reaches end of maximum benefit period.
- Fails to provide proof of continuing disability.
- Withdraws contributions.



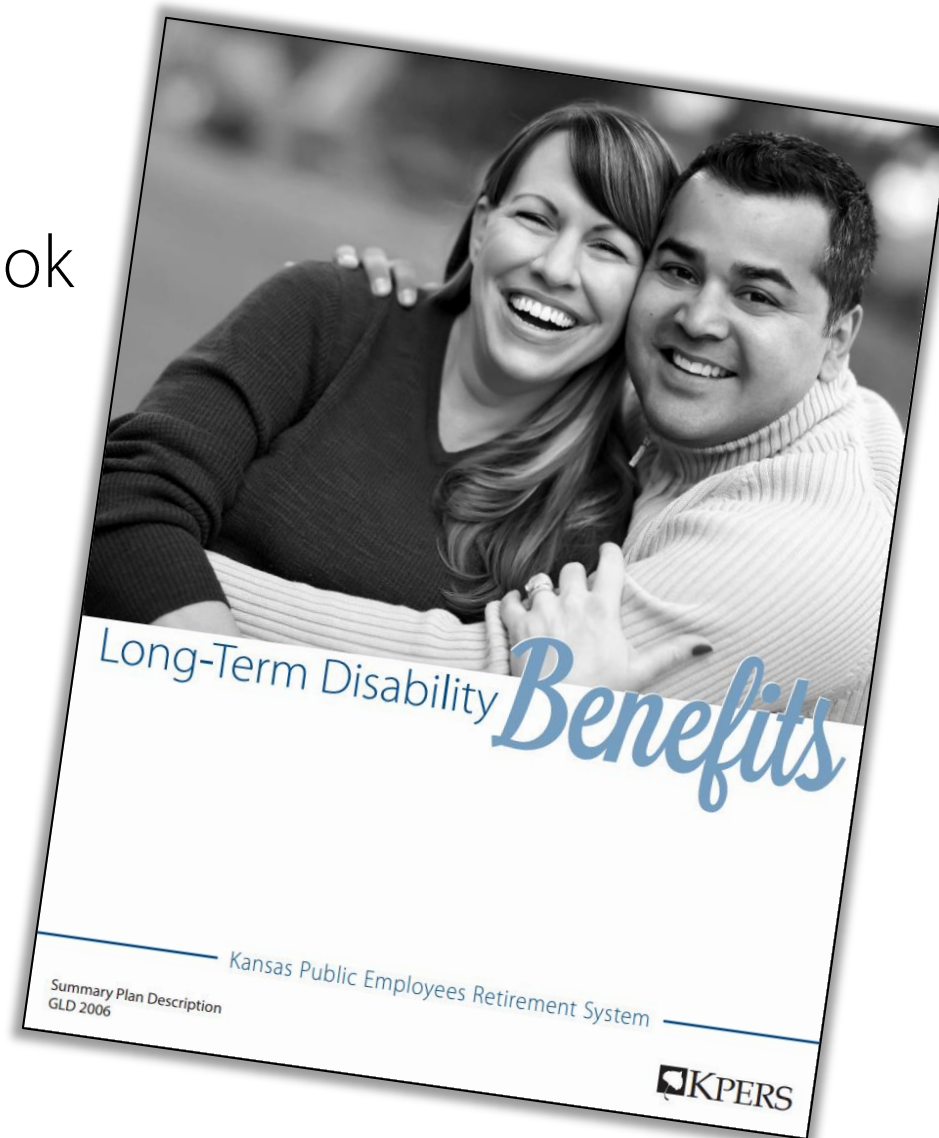
## Benefits Termination

Payments will terminate if member

- Refuses to participate in company-approved rehabilitation plan.
- Not working to capacity in rehabilitative employment.
- Released to return to work by physician.
- Retires
- Dies

## Publications

Long-Term Disability Handbook





# Report Disability

When the member's injury or illness could turn into a disabling event,

- Report the disability on the Employee page in **Employer Web Portal** before putting member on Leave of Absence.
- Illness or injury date starts the **180-day** waiting period.

# Report Disability



7/12/23	Joe Doe was diagnosed with an illness and referred for treatment.
7/13/23- 7/28/23	Joe told HR about his illness and used 12 days of sick leave.
7/31/23-9/15/23	Joe worked a total of 20 hours during this time and used sick leave.
9/18/23	Joe worked a half day, met with his supervisor for an hour and left work for the last time.
12/15/23	Date of Joes' last day on payroll.

# Report Disability

EMPLOYER

Home

Employer Info

EMPLOYEE INFO

Enroll

Look Up

Employee Search

Employee SSN

Last Name

Member Type

Employment Status

First Name

Search

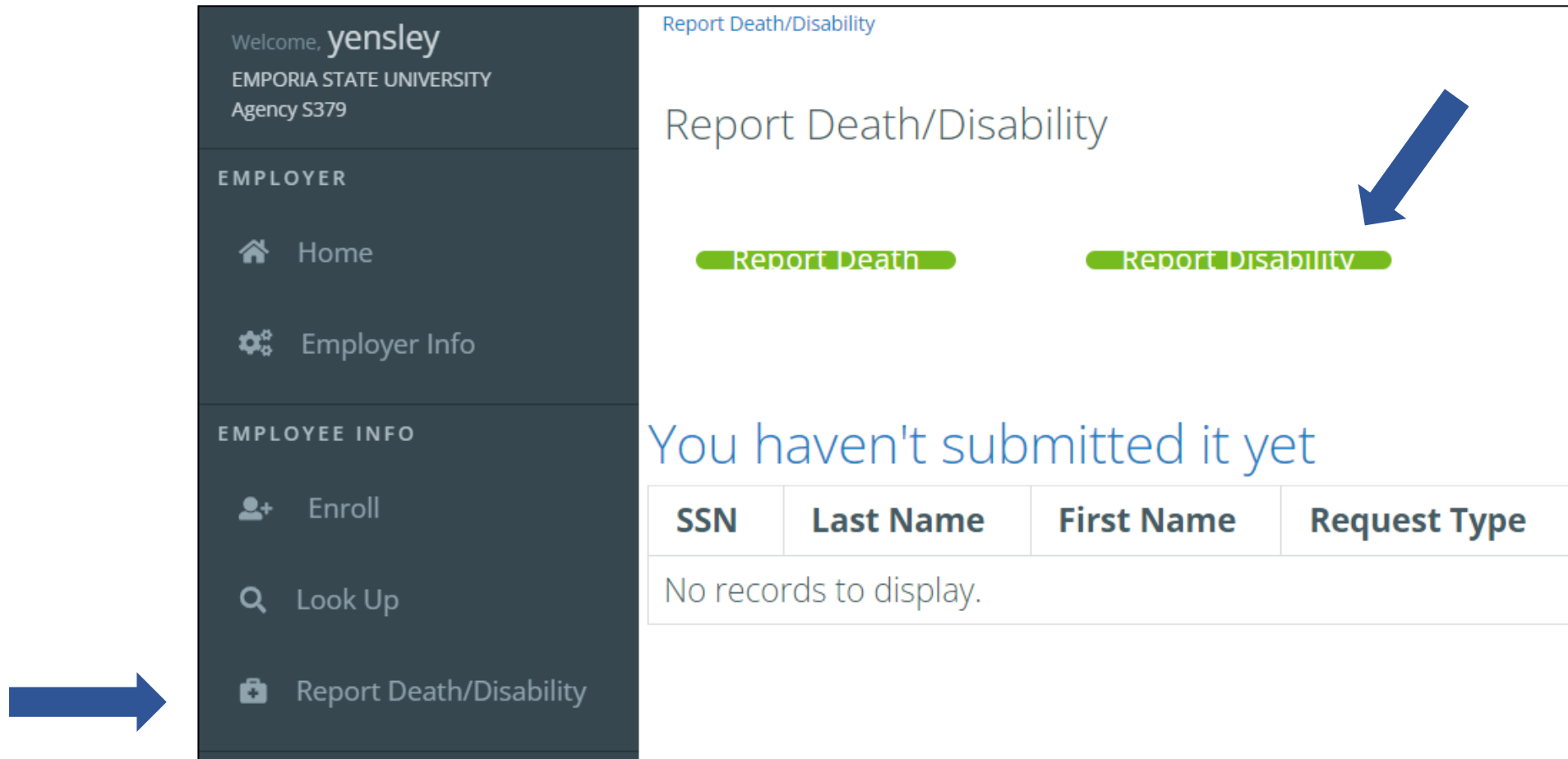
Clear

Search Result

Export To Excel

SSN	First Name	Last Name	Member Type	Start Date	Membership Date	Years of Service
<a href="#">XXX-XX-2023</a>	Joe	Doe	KPERS 3	11/01/2023	11/01/2023	0

# Report Disability - KBOR



Welcome, **yensley**  
EMPORIA STATE UNIVERSITY  
Agency S379

EMPLOYER

- Home
- Employer Info

EMPLOYEE INFO

- Enroll
- Look Up
- Report Death/Disability

Report Death/Disability

Report Death/Disability

You haven't submitted it yet

SSN	Last Name	First Name	Request Type
No records to display.			

# Report Disability

Do NOT enter an end date or leave of absence until disability has been reported.

## Employee Info

Doe, Joe J

XXX-XX-2023

01/15/1998

[Report Death](#)

[Report Disability.](#)





# Report Disability

Step 1

Disability Info

Step 2

Pay Info

Step 3

Other Benefit Info

Step 4

Review & Submit

Step 5

Confirmation

Mailing address

15075 Wyandotte Dr

Zip

66062

Email

Joejdoe@emailcity.org

7/12/23

**John Doe was  
diagnosed with an  
illness and referred  
for treatment.**

Phone

(785) 000-0000

Date of disabling  
event

07/12/2023



Next

# Report Disability

Step 1

Disability Info

Step 2

Pay Info

Step 3

Other Benefit Info

Step 4

Review & Submit

Step 5

Confirmation

Is member salary or  
hourly?

☐ Contract/ Salary

☒ Hourly

Hourly rate

\$29.99

9/18/23

Joe worked a half day,  
met with his supervisor  
for an hour and left  
work for the last time.

12/15/23

Date of Joes' last day on  
payroll.

Last day physically at work

09/18/2023



Last day on payroll



☒ Still on payroll

Back

Next

# Report Disability

Step 1

Disability Info

Step 2

Pay Info

Step 3

Other Benefit Info

Step 4

Review & Submit

Step 5

Confirmation

Did the member have other employment?

☐ Yes ☒ No ☐ Do not know

Has workers' compensation been filed?

☐ Yes ☒ No ☐ Do not know

Will member receive payments from any sources during the 180-day waiting period?

☒ Yes, Check all that apply ☐ No ☐ Do not know

☒ Sick or vacation leave

☒ Shared leave

☒ Short-term disability

Benefit Provider

Met Life

☐ Other

Back

Next

# Report Disability

Step 1

Disability Info

Step 2

Pay Info

Step 3

Other Benefit Info

Step 4

Review & Submit

Step 5

Confirmation

Disability Info

Name Joe J Doe

SSN XXX-XX-2023

Date of birth 01/15/1998

Plan KPERS

Mailing address 15075 Wyandotte Dr

City Olathe

State Kansas

Zip Code 66062

Email Joejdoe@emailcity.org

Phone (785) 000-0001

Date of disabling event 07/12/2023

Please type your name as signature

Employer Signature

Back

Submit

### Reporting Disability Practice

Tom had a heart attack on **October 30**. He was off work for 10 days but never fell below 50% of his wages because of paid sick leave.

He came back to work on November 13.

After a week of trying to work, he decided he could no longer do his job and felt he needed to quit.

His last day of employment was **November 17**.

His last day on payroll was January 1.

- What is the date of disabling event? **October 30**
- Last physical day at work? **November 17**
- When should the disability be reported to KPERS? **November 17**

### Reporting Disability Practice

Bill injured his back on his road construction job on December 1 and needs surgery.

He has 5 months of paid sick leave.

After surgery, he states he is unsure if he can come back to work because standing all day would be too painful.

He has been off work since December 1.

- What is the date of disabling event? **December 1**
- Last physical day at work? **December 1**
- When should the disability be reported to KPERS? **As soon as possible**

## Problem-Solving

The disability was reported but the member came back to work full-time.

**Contact KPERS to have the application closed.**

The member was put on LOA before the disability was reported.

**Contact KPERS to remove the end date so the hyperlink will appear again in the member's record.**

The member did not inform the employer of their illness or injury and member's employment was terminated and didn't know they were covered by Long-Term Disability. A month later the employee calls to have the disability reported.

**Contact KPERS and we will email a physical application form.**



# Leave of Absence



# Leave of Absence

Leave of Absence and End Date is not used until employee is earning less than 50% of full pay for **10 consecutive days**.

- Regular pay
- Sick and vacation leave

End date will be the first day the member fell below 50%.

Reason Code: Leave of Absence.

LEAVE OF ABSENCE Checklist	
LEAVING FOR EMPLOYEE HEALTH REASONS	
Situation	Employer Checklist
Member on leave of absence is earning <b>50% or more</b> of full pay*	<input type="checkbox"/> Leave member <b>on payroll</b> <input type="checkbox"/> Deduct KPERs <b>contributions</b> from member's salary <input type="checkbox"/> Deduct <b>optional insurance premiums</b> if member has coverage
Member on leave of absence earning <b>less than 50%</b> of full pay for 10 consecutive days	<input type="checkbox"/> Give member <b>Leaving Employment Flier</b> <input type="checkbox"/> <b>Login</b> to employer web portal (EWP) <input type="checkbox"/> <b>Report</b> disability in EWP <input type="checkbox"/> Enter <b>end date</b> & select " <b>Leave of Absence</b> " when member is no longer receiving compensation <input type="checkbox"/> Give member <b>Optional Life Continuation form</b> (KPERs 79-C)**
Member returns to work after leave of absence	<input type="checkbox"/> <b>Login</b> to EWP <input type="checkbox"/> Enter <b>end date</b> & select " <b>Return to Payroll</b> " - The system will auto-enroll

## Leave of Absence

Compensation above 50% reportable to KPERS

- Salary
- Short-term disability paid by the employer

**Do not report Workman's Compensation payments to KPERS.**

## Leave of Absence- Shared Leave

If employee uses  
**SHARED LEAVE**, call  
Fiscal Services

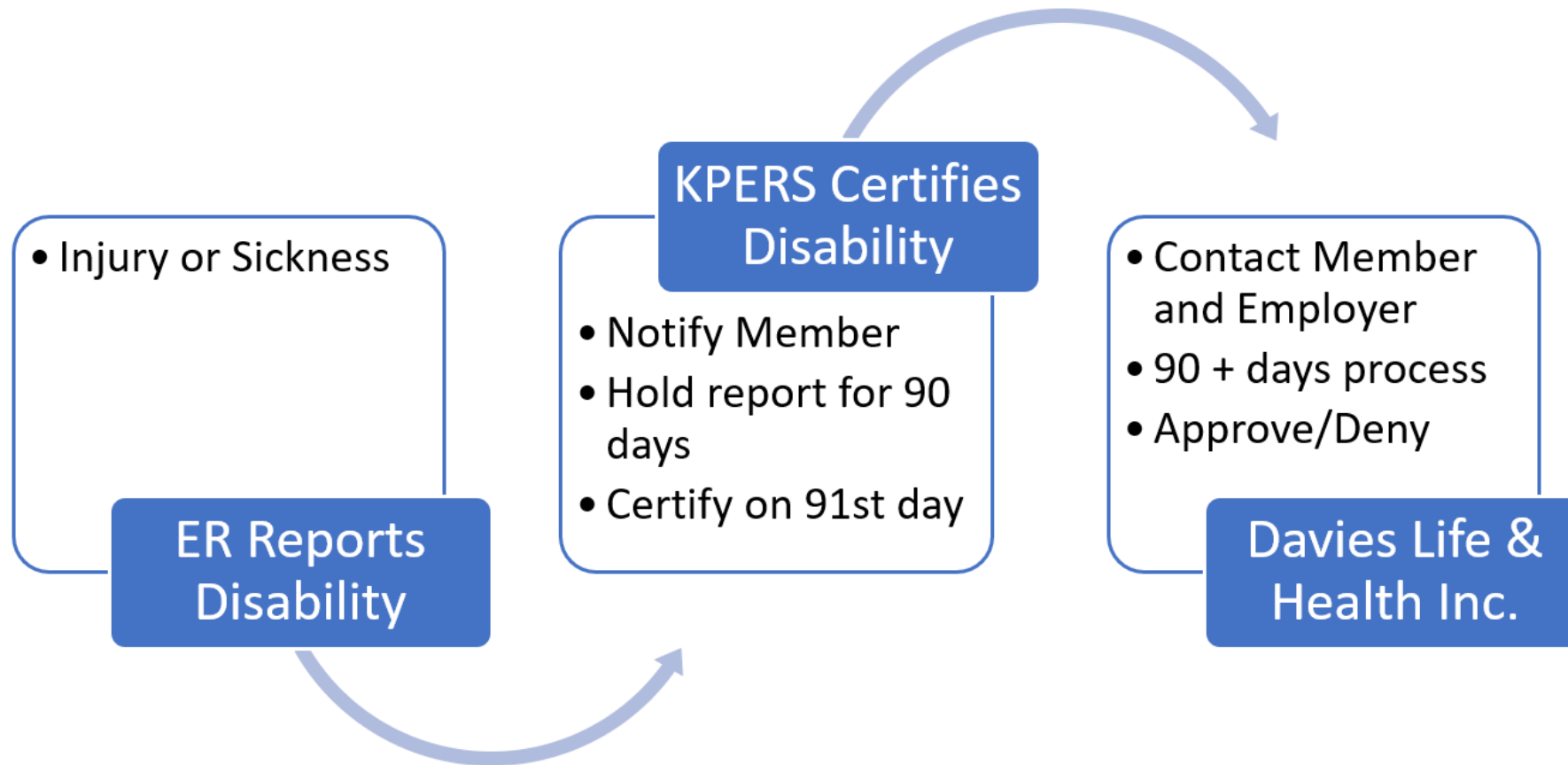
Withhold KPERS:

- Withhold KPERS if shared leave goes back to the first day member was on LOA.
- Do NOT withhold KPERS if shared leave does not go back to the first day member was on LOA.

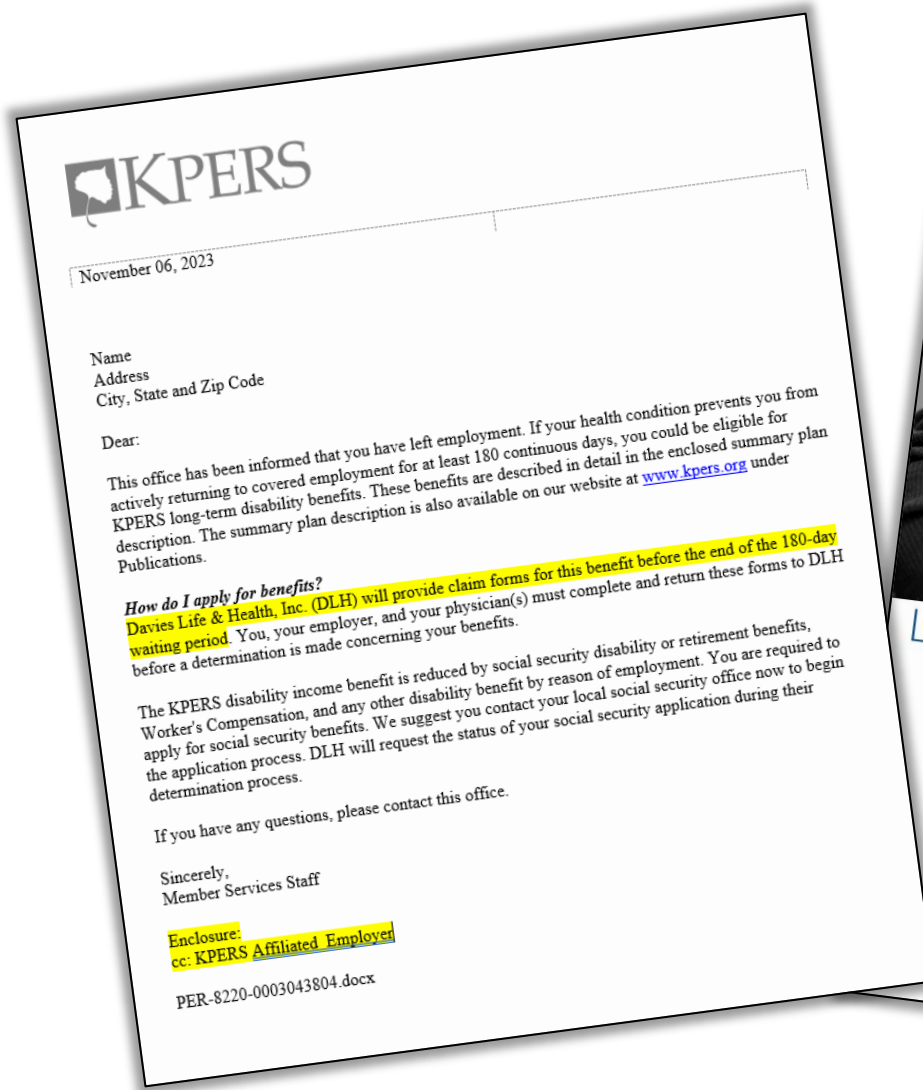


# Application Timeline

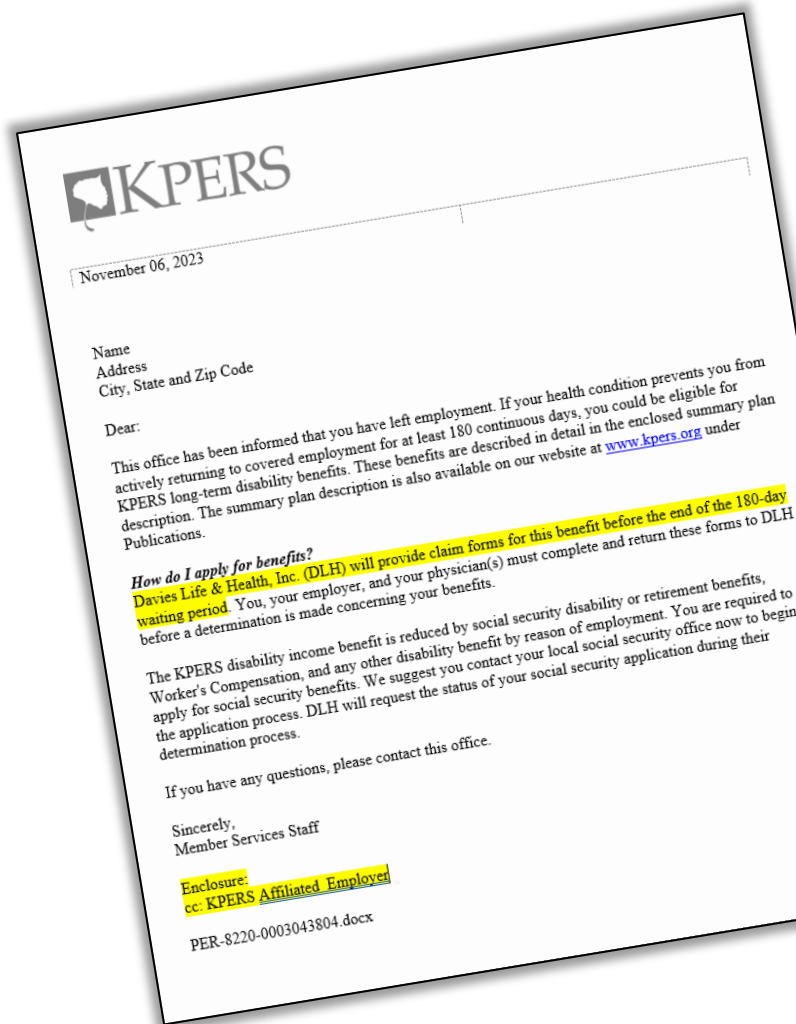
## 180 Day Waiting Period



# Application Timeline



# Application Timeline



This office has been informed that you have left employment. If your health condition prevents you from actively returning to covered employment for at least 180 continuous days, you could be eligible for KPERS long-term disability benefits. These benefits are described in detail in the enclosed summary plan description. The summary plan description is also available on our website at [www.kpers.org](http://www.kpers.org) under Publications.

## *How do I apply for benefits?*

Davies Life & Health, Inc. (DLH) will provide claim forms for this benefit before the end of the 180-day waiting period. You, your employer, and your physician(s) must complete and return these forms to DLH before a determination is made concerning your benefits.

The KPERS disability income benefit is reduced by social security disability or retirement benefits, Worker's Compensation, and any other disability benefit by reason of employment. You are required to apply for social security benefits. We suggest you contact your local social security office now to begin the application process. DLH will request the status of your social security application during their determination process.

If you have any questions, please contact this office.

Sincerely,  
Member Services Staff

Enclosure (1/17)  
cc: Affiliated Employer



# Disability Administrator

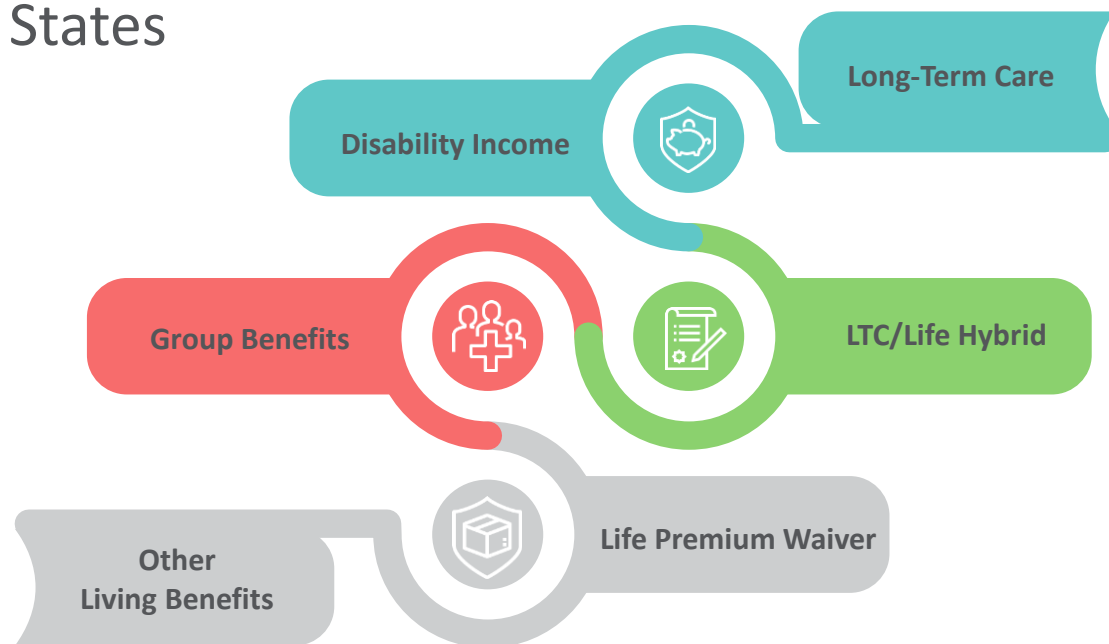




Davies Life and Health, Inc.  
1500 Main Street, Suite 1400  
Springfield, Massachusetts 01115

# Who is Davies Life & Health

**Davies Life & Health (DLH)** specializes in Third Party Administration of Paid Leave, Disability Income and Long-Term Care Insurance in the United States



## Paid Leave Administration

Manage Paid Leave for caregiver, bonding and military

Administration of employer reimbursement product for paid leave

Experienced in integrated STD and PFL administration

## Short Term Disability Administration

Expedited claim handling for claims such as pregnancy

Clinical case management as needed to assist with return to work

Seamless integration to Long Term Disability as needed

## Long Term Disability Administration

Stand alone or integrated new notice process

Coordination with other income benefits

Individualized action plans for ongoing claim management

# Claim Administration Partnership with KPERS

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## **Davies Life & Health began partnership with KPERS in 2017**

- DLH provides full claim administration for the self-insured Long Term Disability (LTD) plan
- DLH issues monthly LTD benefit payments via ACH or check
- DLH issues life insurance benefits for members on LTD
- DLH issues W-2's and 1099's

## **The claim system was customized to meet KPERS specific requirements**

- Customized claim forms & correspondence
- Customized reporting
- Tax reporting
- Dedicated toll free line 1-844-762-6447 Monday through Friday 8:00 am – 6:00 pm ET

## **DLH began administration of the Police & Firemen program in 2019**

- DLH provides new claims recommendation for the disability portion of the plan
- KPERS provides benefit payments and correspondence
- DLH can provide ongoing review as needed and requested by KPERS

# The Roles of the Claim Management Team

## Claim Consultants

- Decision maker of the claim
- Gather and review medical and financial information
- Provide communications to members, employers and KPERS staff
- Develop an action plan for the ongoing management of the claim

## Clinical Services

- Review complex medical information
- Assess restrictions & limitations
- Provide consultation for Medical and/or Mental Health Physician Reviews and Independent Medical Examinations

## Vocational Services

- Assist with assessing job duties and physical demands of a job
- Assess ability to perform other types of work
- Develop Individualized Rehabilitation Plans for return to work

## Financial Consultants

- Conduct recalculations due to other income
- Code and collect overpayments on a claim
- Calculate partial disability earnings

# Claim Team

**Timothy J. O'Connor**  
Vice President, Claim Operations

**Jennifer LeBlanc**  
Vice President, Claims Administration

**AUDIT/CLINICAL/  
VOC/LEGAL**

**Nicole Bitzas**  
Claim Director

**Melanie Avdoulos**  
Senior Claim Consultant

**Lisa Baxer**  
QA Director

**Miriam Steinberg**  
Nurse Consultant

**Amanda Dziedzinski**  
Claim Consultant

**Patti Cocuzzo**  
Claim Consultant

**Annette Jung**  
Auditor

**Melissa Rios**  
Nurse Consultant

**Ben Bonsall**  
Claim Consultant

**Katherine Wyse**  
Senior Financial Claim  
Consultant

**Aida Cruz**  
Auditor

**Diane Kean**  
Vocational Rehabilitation  
Consultant

**Melissa Rumble**  
Claim Consultant

**Yaritza Vasquez**  
Claim support Representative

**Elvis Cruz**  
Claim Support Representative

**Andrew Lynn**  
Counsel

# New Notice Claim Documentation

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## Information from the Member

Completed Member Statement

Signed Authorization

Financial Information about other  
income

Claimant Interview



## Information from the Employer

Completed Employer Statement

Job Description with Physical Demands

Other Employer Benefit Information such  
as workers' compensation, short term  
disability

Last day on payroll

Return to work periods

Performance issues



## Information from the Physician

Completed Physician Statement

Medical Records

Restrictions and Limitations

Potential Return to Work Date

# Long Term Disability Claim Administration

## Receipt of claim from KPERS

- Load claim in system
- Review certification provided by KPERS
- Send claim acknowledgement letter with forms to member
- Conduct call to introduce examiner, set expectations & answer questions

## Review

- Gather additional information as needed (employment info, medical records, financial information)
- Refer to ancillary services as needed (clinical and/or vocational services)
- Team file with recommendation for decision

## Decision

- Provide decision letter to member
- Diary system for follow up according to management plan
- Call member to advise of decision as needed
- Issue payments due and set up future payments

### What you can expect:

- ✓ An acknowledgement letter for new claims
- ✓ A request for an Employer Statement
- ✓ A request for a Job Description
- ✓ Decision notice

### What may be requested from you:

- Last day on payroll
- Performance issues
- Return to work periods
- Info on Workers' Compensation Carrier

# Keep This in Mind

## The KPERS LTD plan provides for coordination of benefits:

- Can receive LTD in conjunction with Workers' Compensation
- Is coordinated with any private Short Term or Long Term Disability plans you may be offering your employees
- Members will be required to apply for Social Security Disability if their disability will last greater than 12 months
- Receipt of other income can create overpayments on the claim which need to be paid back

## Davies can provide assistance to employers/members for return to work:

- Assist with what is reasonable and needed
- Can work to coordinate accommodations in accordance with your return to work policies

## Timing is important:

- If employment ends while a claim is pending, the member will be covered as long as the disability began prior to employment ending
- A member may have prior periods out of work due to their own health condition which may affect the date of disability
- Important to file the claim timely and while the member is out of work
- Decisions are not made overnight



# Return to Work

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## PLAN INCENTIVES FOR RETURN TO WORK

### During the Benefit Waiting Period:

- Up to 30 days without having to meet a new Benefit Waiting Period
  - Period of return to work days extends the Benefit Waiting Period and when benefits will start

### While on claim:

- Rehabilitative employment & vocational assistance
  - Allows member to return to their job or another form of employment
  - Can earn up to 80% in the first 2 years of benefits & up to 60% after

### Vocational assistance:

- Help with accommodations to return to employer
- Help with resume building and job placement
- Help with developing additional skills to return to the labor market

# Keys to Success

## Provide exceptional customer service

- Member is provided direct contact information for their examiner
- DLH provides member with clear and detailed communications and statuses on their claim
- DLH provides timely and accurate benefit payments

## Strong commitment to training and compliance

- Adherence to statutory regulations for Kansas
- Compliance with service level agreements
- Internal quality assurance review and feedback

## Transparency

- KPERS access to the claim system
- Open communication with members
- Weekly meetings with KPERS staff

## Partnership

- Open dialog with KPERS on claim recommendations
- KPERS agreement to transition benefits
- KPERS commitment to vocational rehabilitation
- Ample opportunity and time to perfect claim



**Toll-Free**

**1-888-275-5737**

**Email**

**employers@kpers.org**



**Toll-Free**

**1-844-762-6447**

**Mail**

**1500 Main St. Suite 400  
PO Box 15189  
Springfield, MA 01115-5189**

# Thank You!



## Questions