



Disability Benefits

Presented to the Finance Sub-Committee on Pensions

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Commissioner Bridget Gainer, Chair



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Administration

- A County employee is eligible for disability for injuries that occur outside of work, but impair the ability to perform their job. Injuries that occur at work are handled by the Workers' Compensation process, managed jointly by Risk Management, the States Attorney and the Board of Commissioner's Workers' Compensation Committee, Chaired by Commissioner Timothy Schneider.
- The Pension Fund Board is Responsible for the authorization of Disability benefits and the administration of the fund.
- This power is given to the board under (40 ILCS 5/9-196):
 - Sec. 9-196. To Authorize Payments
To authorize or suspend the payment of any annuity or benefit in accordance with this Article. The board shall have exclusive jurisdiction in all matters relating to the fund, including, in addition to all other matters, all claims for annuities, pensions, benefits or refunds.
- The Pension Fund Board is comprised of 9 members, 7 of which are elected from either active members or retirees of the Fund, and as ex-officio members, the Comptroller and the Treasurer or representative.



Policies: Types of Benefits

Duty Disability Benefit

- An injury occurring on the job
- Amount: 75% of Salary on date of injury or 50% of salary if resulting from defect or disease.
- Time Period: Benefits are paid until employee reaches 65. If the benefit starts after age 60 then the benefit will be paid for up to 5 years.
- Workers Compensation: Disability payment offset by workers comp insurance. Employees must file for workers comp before disability benefits. The applicant must receive compensation or payment for the claim or must be otherwise fully adjudicated. Workers Compensation is paid through the County Budget.

Ordinary Disability Benefit

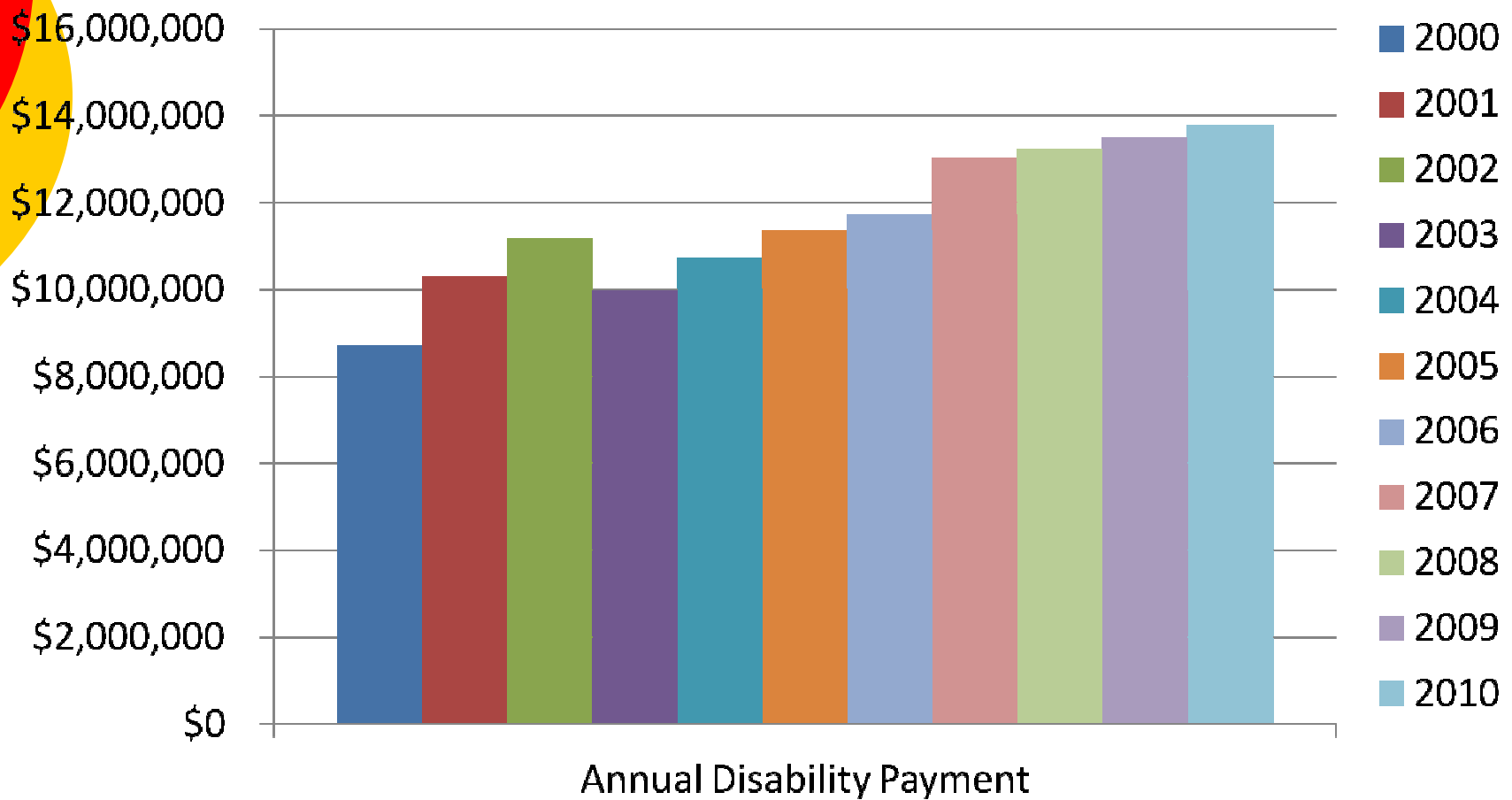
- An injury occurring not related to employment.
- Amount: Payment equal to 50% of salary at the date of actual disability.
- Time Period: A quarter of earned service credit up to a maximum of 5 years.
- Disability benefit begins after last date of compensation from employer.
- County Policy provides that an employee must use all accrued paid leave (sick, personal and vacation) before any disability benefit payment can be made.



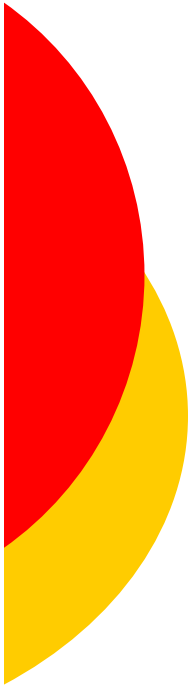
Disability and Pension

- If an employee's disability continues after the maximum ordinary disability benefit, then the employee can withdraw before age 60 from service and receive their maximum benefit allowed. There will be no penalty for withdrawal from service before age 60.
- While on disability pensionable years of service accumulate as if the employee were working and any time spent on disability counts to overall service credit.
- In determining the final average salary, any years spent on disability are credited with the salary the worker was receiving when they were injured.

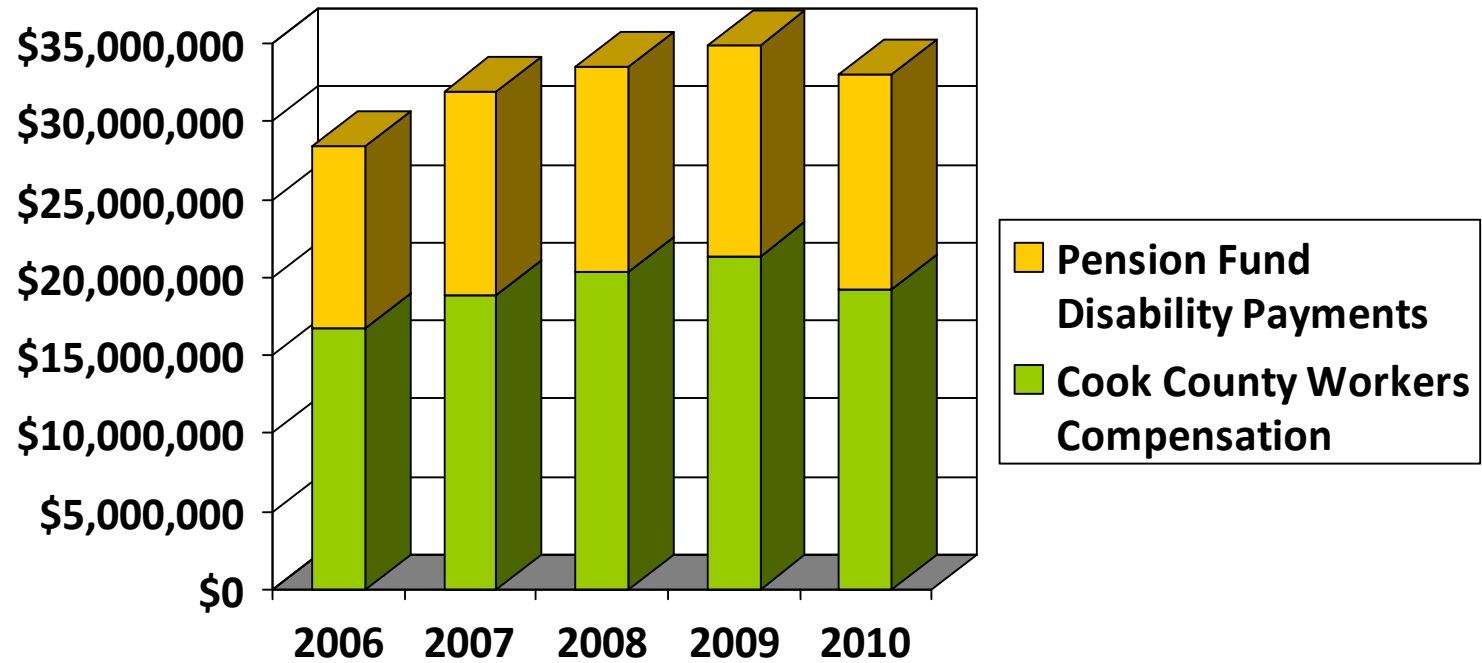
Annual Cashflow from the Pension Fund for Disability

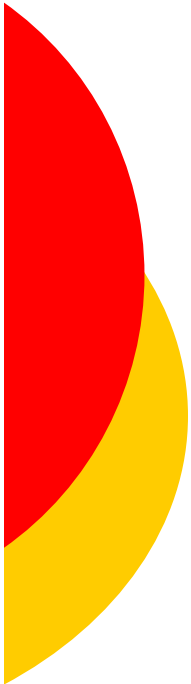


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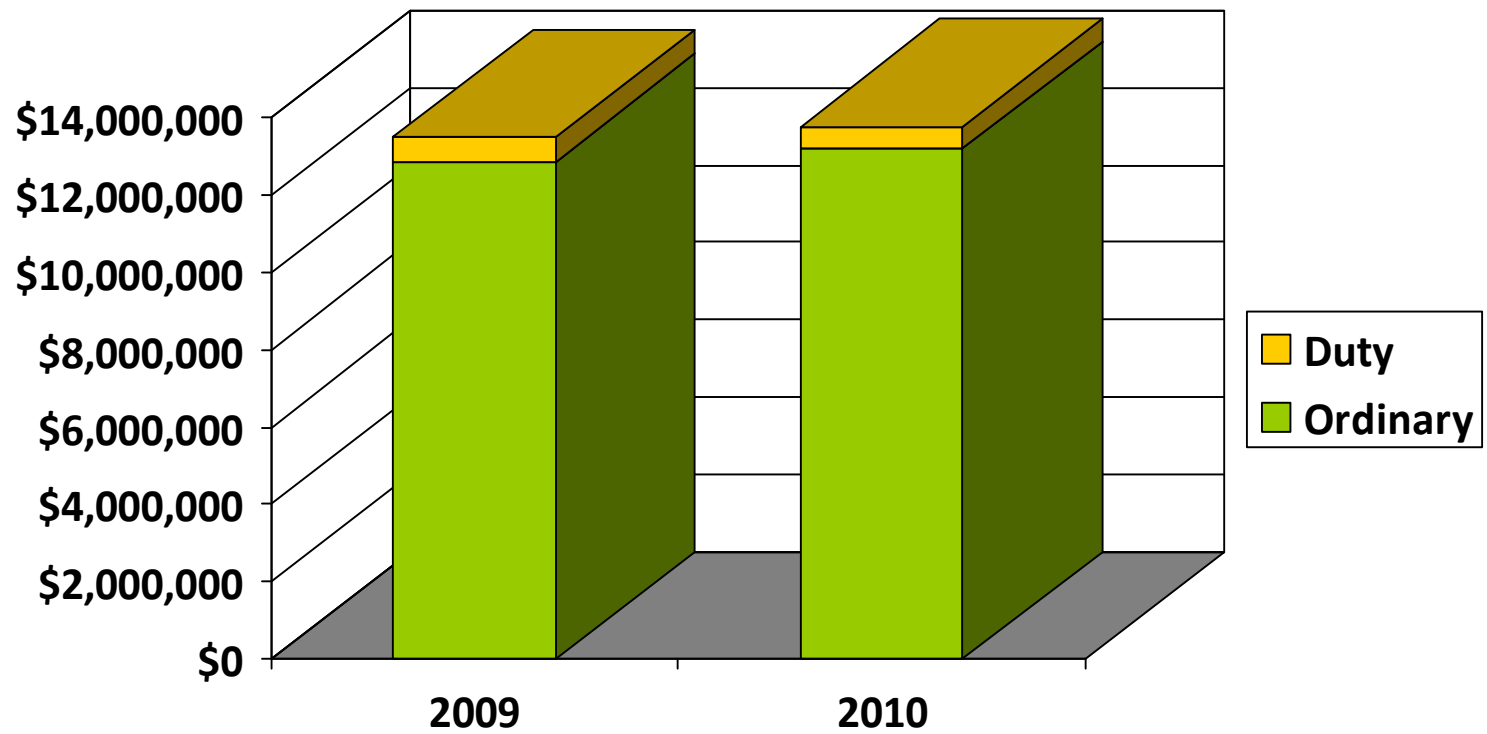


County + Pension Fund Disability Costs



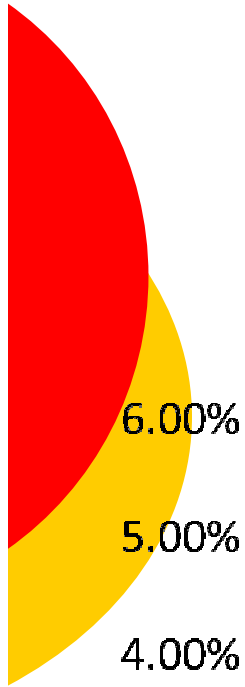


Pension Fund Disability Cost Breakdown

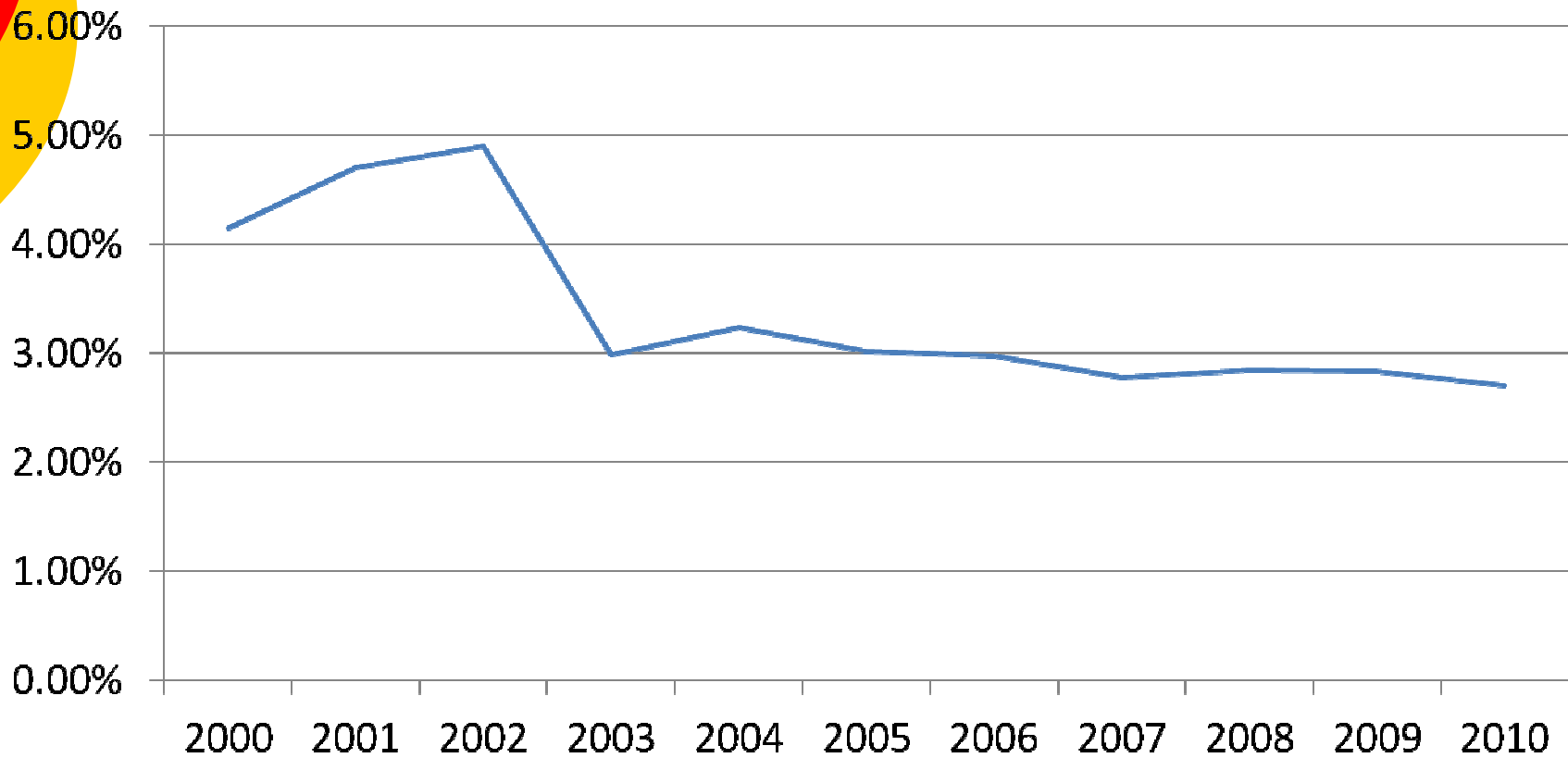


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Disability Annual Cost as % of Total Fund Expenditures



% of Total Expenditures





References

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- 2010 County Employees' and Officers' Annuity and Benefit Fund of Cook County Financial Statements, Dec. 31 2010, prepared by Legacy Professionals LLP
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