



Los Angeles Department of Water & Power

BOARD LETTER APPROVAL

RESOLUTION NO. _____

015 247

JUN 16 2015

- POWER SYSTEM
- WATER SYSTEM
- CAO
- CFO
- LEGAL
- Retirement

RELEASE DATE: JUN 26 2015

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LINDA P. LE
Retirement Plan Manager

M. Edwards
MARCIE L. EDWARDS
General Manager

DATE: June 4, 2015.

SUBJECT: Resolution Approving the Proposed Amendments to the Water and Power Employees' Retirement Plan to Add Medical Professionals Who Can Provide Medical Certification of Temporary and Extended Temporary Disability

SUMMARY

At its Regular meeting on May 13, 2015, the Board of Administration (Retirement Board) of the Water and Power Employees' Retirement Plan (Plan) approved to recommend Plan amendments to extend the list of medical professionals who can provide medical certifications for Temporary Disability and Extended Temporary Disability (Disability) benefits, subject to the member meeting all other eligibility requirements and review processes.

There are three major steps in the Plan amendment process as follows:

1. The Retirement Board adopts a resolution recommending the Board of Water and Power Commissioners (Board of Commissioners) approve the proposed Plan amendment;
2. The Board of Commissioners adopts a resolution approving the proposed Plan amendment; and
3. The Retirement Board adopts a resolution to amend the Plan.

Adoption of the attached resolution by the Board of Commissioners will complete step two of the three step process and will direct the Retirement Plan Manager to transmit same to the Retirement Board.

City Council approval is not required.

RECOMMENDATION

It is recommended that the Board of Commissioners adopt the attached resolution approving amendments to Plan Sections V C (2)(a) and V C (6)(b), and direct the

Retirement Plan Manager to transmit the same to the Retirement Board for final adoption.

ALTERNATIVES CONSIDERED

None.

FINANCIAL INFORMATION

Prior to the adoption of any benefit change, a report from the Plan's actuary must be presented to both the Retirement Board and the Board of Commissioners, analyzing the cost impact of the proposed changes upon the Plan. Additionally, state law requires that the actuary's report be presented in a public meeting at least two weeks prior to adoption of any change in benefits.

In its letter dated April 10, 2015, the Plan's actuary, Segal Consulting, has determined that there will be no material impact on the Plan's Disability Fund.

BACKGROUND

The Retirement Plan Office administers the Disability Fund, which helps to protect Plan members against financial hardships that can occur due to illnesses or injuries. Members may file claims for Disability benefits when the absence from work extends beyond two weeks. To support such claims, members must provide written medical certifications which must include a diagnosis, limitations that justify the absence, dates of treatment, and an expected return to work date. All claims for Disability benefits are reviewed by the Plan's Medical Consultant. Currently, the Plan will only accept medical certifications signed by a licensed physician and, in certain circumstances, a licensed chiropractor. This creates a hardship for Plan members seeking to file claims for benefits, as many medical offices have long wait time for appointments with a licensed physician.

In recognition of changes in the medical profession and in California state law, the Retirement Board directed staff to review the list of acceptable medical professionals, who can provide certifications to support claims for Disability benefits. With the assistance of the Department's Medical Director and the Plan's Medical Consultant, Dr. Leslie Israel, the proposed list of acceptable medical professionals is expanded to include: 1) licensed psychologists, 2) licensed nurse practitioners, 3) licensed physician assistants, and 4) licensed midwives. To ensure that the Plan continues to receive appropriate certifications, the additional medical professionals must be duly licensed or certified in California and must be acting within the scope of his or her license or certification or provision of state law as determined by the Plan's Medical Consultant.

ENVIRONMENTAL DETERMINATION

In accordance with Section 15060 (c)(3) of the California Environmental Quality Act (CEQA) Guidelines, an activity is not subject to CEQA if it does not meet the definition of a project. Section 15378 (b)(2) states that continuing administrative activities, such as approval of Plan amendments, do not meet that definition.

CITY ATTORNEY

The Office of the City Attorney has reviewed and approved the Resolution as to form and legality.

ATTACHMENTS

- Resolution
- Attachment A – Proposed Plan Amendments, Sections V C (2)(a) and V C (6)(b)
- Board Agenda Item No. 9 and Resolution 15-66 from the Retirement Board Regular Meeting of May 13, 2015 (without attachments)
- Segal Consulting Letter Dated April 10, 2015