

Minutes  
The Arkansas Local Police and Fire Retirement System  
Disability Advisory Committee Meeting

The Disability Advisory Committee (DAC), composed of members of the Arkansas Local Police and Fire Retirement System (LOPFI) Board of Trustees and representatives from member and employer organizations met by teleconference on Wednesday, April 29, 2020 with the call originating from the LOPFI office at 620 W. 3<sup>rd</sup>, Suite 200, Little Rock, Arkansas.

Members Present: J. Scott Baxter, Police Employee Trustee, Chairman  
Damon Reed, Fire Employee Trustee  
Gary Sipes, Arkansas Association of Chiefs of Police  
Brad Moore, Arkansas State Firefighters Association  
Chad Mosby, Arkansas Fire Chief's Association  
Kevin "Bart" Simpson, Arkansas State Fraternal Order of Police  
Mark Fallis, Arkansas Municipal Police Association  
Wade Marshall, Arkansas Professional Fire Fighters Association  
Danny Bradley, Arkansas Municipal League

Excused Member: Mayor Gary Baxter, Employer Trustee, Vice-Chairman

Staff Present: David Clark, Executive Director  
Laura Nixon, Assistant Director  
Lesley Weaver, Secretary to the Committee

Chairman J. S. Baxter called the meeting to order at 10:02 a.m. and recognized a quorum and notification of the news media. Chairman J. S. Baxter advised Mr. G. Baxter needed to be excused. (Mr. Mosby joined the meeting at 10:06 a.m.)

Approval of Minutes

Mr. Simpson made a motion, seconded by Mr. Mosby, to approve the December 12, 2019 DAC meeting minutes. Chairman J. S. Baxter called roll, with all members voting yes, the motion passed unanimously.

Results of Research Items

At the December 12, 2019 meeting, the DAC requested staff to provide additional information at the next meeting. Mr. Clark reviewed the results as follows:

1. Provide a summary of "best practices" that could be used by LOPFI-covered employers to create a wellness program for their employees.

Staff researched multiple organizations to obtain common components used in various wellness programs. The organizations included police and fire departments across the country and the International Association of Fire Fighters. Some common components included peer support, mental health/behavioral health, wellness/physical fitness, chaplaincy program, and deployed military support unit. Mr. Reed stated the common components listed were very accurate and asked that heart screenings be added to the wellness/physical aspect. (Mr. Marshall joined the meeting at 10:15 a.m.) Mr. Clark advised heart screenings would be added to the wellness/physical

aspect of the common components and stated if approved by the DAC and the LOPFI Board of Trustees, staff will issue the document to all covered employers and explain the importance of utilizing a best practices approach. Chairman J. S. Baxter stated the recommendation is to approve the Common Components of Wellness Programs with the addition of heart screenings and ask the LOPFI Board of Trustees to adopt it at their June meeting. Chairman J. S. Baxter called roll, with all members voting yes, the recommendation passed unanimously.

2. Develop a model for implementing a disability load to the employer contribution rate for locations with a high number of disabilities. LOPFI's actuaries worked with staff to develop the following disability model:
  - All departments would be allowed to experience one (1) disability (duty or non-duty) in any given five (5) year period.
  - Departments would be categorized into one of two groups: Large or Small.
  - Large departments are defined as having 100 or more members and small departments have fewer than 100 members.
  - Once a department experiences a second disability in the five-year measurement period a 1% load would be added to their employer contribution rate at the beginning of the next calendar year.
  - For a large department, the 1% load would remain in place for three (3) consecutive calendar years.
  - A small department would have the 1% load remain in place for five (5) consecutive calendar years.
  - If a third disability occurred within that five-year period, an additional 1% would be added to the employer contribution rate at the beginning of the next calendar year and remain in place three (3) or five (5) consecutive years depending on the large/small designation.
  - The DAC and Board may consider a cap on the disability load of 2%.
  - None of the 1% load(s) would be funded by Premium Tax.

Mr. Clark reviewed the model that was developed for implementing a disability load to the employer contribution rate for locations with a high number of disabilities. After discussion by the DAC, Mr. Fallis made a motion, seconded by Mr. Marshall, requesting the model be presented to the LOPFI Board of Trustees at their June meeting but to show the number of disabilities as a percentage against the total number of employees at a department, a cap amount of \$300,000, and an exception for a tragic event. Chairman J. S. Baxter called roll, with all members voting yes, the motion passed unanimously.

3. Obtain feedback from LOPFI medical advisors to determine if a minimum length of treatment should be a basic requirement for applicants seeking a disability retirement based on psychological matters.

LOPFI's medical advisors suggested that at minimum the retirement system should:

- Require a disability applicant's treating professional(s) be a specialist in the field of PTSD. This would give more credibility to the opinions expressed by the applicant's physician(s) as to the total and permanent and duty/non-duty aspects of the application.
- LOPFI should require no less than six (6) consecutive months of treatment for PTSD, depression, etc. and have at least three (3) treatment/counseling sessions in each month. This is because such conditions are treatable and do not have to be totally and permanently disabling.
- LOPFI should conduct follow up reviews after a person has entered retirement. It is entirely possible that the person recovered from the psychological condition and would no longer be considered totally and permanently disabled. Current law allows LOPFI to review an approved disabiltant at least one time each year during the first five (5) years after retirement and then at least one time in each three (3) year period thereafter for a person who has not yet attained age 55. Staff recommends requesting a legislative change to remove the "three-year period" aspect and permit follow-up reviews at least one time each year after retirement until the age of 55.

Chairman J. S. Baxter stated that with proper treatment in a timely manner, upwards of 80% of police officers and firefighters can be healed. The DAC agreed that everyone has an interest in members recovering and returning to work. After further discussion, Mr. Reed made a motion, seconded by Mr. Moore, to approve that a disability applicant's treating professional(s) must be a specialist in the field of PTSD, require no less than six (6) consecutive months of treatment for PTSD, depression, etc., including at least three treatment/counseling sessions in each month, and to request a legislative change to remove the three-year period aspect and permit follow-up reviews at least one time each year and asked that this be presented to the LOPFI Board of Trustees at their June meeting. Chairman J. S. Baxter called roll, with all members voting yes, the motion passed unanimously.

Mr. Clark briefly reviewed the option to categorize newly awarded duty disabilities as catastrophic or ordinary. Catastrophic duty disability cases would be restricted to a sudden/traumatic event such as a traffic accident, falling through a roof/floor at an active fire scene, being shot, and cancer cases that are covered in the "presumptive disability" section of code. This would require a legislative change; however, this structure may encourage members to seek robust rehabilitative measures and remain employed as a police officer/firefighter. Catastrophic duty disability cases would be awarded 65% of final average pay or higher amount if the accrued service credit produced a benefit greater than 65%. Ordinary duty disability would apply to all other cases such as psychological, degenerative disc disease, slip/fall while carrying an object, falling out of a recliner, injured playing basketball on-duty, knee failure attributable to morbid obesity, etc. Ordinary duty disability cases would be awarded 15% of final average pay or higher amount if the accrued service credit produced a benefit greater than 15%. After discussion by the DAC, Mr. Moore made a motion, seconded by Mr. Mosby, to not move forward with categorizing a duty disability as catastrophic or ordinary. Chairman J. S. Baxter called roll, with all members voting yes, the motion passed unanimously.

The DAC discussed how the comparative retirement systems apply an earnings limitation to disabilitants. Mr. Reed and Mr. Moore expressed their concerns regarding limiting other sources of income for LOPFI disabilitants since many police officers and firefighters own a private business or have a second job. After further discussion, Mr. Moore made a motion, seconded by Mr. Fallis, to not move forward with implementing an earnings limitation. Chairman J. S. Baxter called roll, with all members voting yes, the motion passed unanimously.

Mr. Clark reviewed the final area of enhancement in LOPFI's Board Rule 16. This rule has a provision that allows a disability application/case to be administratively closed if the applicant fails to provide all required items for the case to move forward. Currently, an administratively closed case can be reopened at any point in the future - even years later. The proposed change is to place a time limit of six (6) months after a case is administratively closed for it to be reopened. The reduced timeframe adds an element of protection for LOPFI by ensuring a disability case is medically/psychologically reviewed as close to the alleged disabling event as possible. After discussion by the DAC, Mr. Mosby made a motion, seconded by Mr. Reed, to request the Board to update Board Rule 16 to place a limit of six (6) months for an administratively closed case to be reopened. Chairman J. S. Baxter called roll, with all members voting yes, the motion passed unanimously.

In summary, the DAC directed staff to present the following to the LOPFI Board of Trustees at their June meeting:

- Common Components of Wellness Programs
- An employer load model showing the number of disabilities as a percentage of the total number of employees at a department, a cap amount of \$300,000, and an exception for a tragic event.
- A disability applicant's treating professional(s) are to be specialists in the field of PTSD, require no less than six (6) months of treatment for PTSD, depression, etc., including at least three treatment/counseling sessions in each month, and to pursue a legislative change to allow follow-up reviews at least one-time each year after retirement until the attainment of age fifty-five (55).
- Update Board Rule 16 to place a limit of six (6) months for an administratively closed case to be reopened.

#### Set Date/Time for Next Meeting

The DAC decided not to schedule another meeting at this time.

With no further business to discuss, the DAC adjourned at 12:04 p.m.

Respectfully submitted,

Approved 06/11/2020

Lesley Weaver  
Recording Secretary to the DAC