COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY

PENSION IMPACT NOTE

97TH GENERAL ASSEMBLY

BILL NO: **HB 3334** March 10, 2011

SPONSOR (S): Poe

SYSTEM(S): IMRF

FISCAL IMPACT: HB 3334 reduces the potential for disability fraud and subsequent added costs by requiring the employee applying for a disability annuity to authorize the IMRF board to examine their medical/hospital records and any information regarding compensated employment taken since becoming disabled. This provision should have a positive fiscal impact on IMRF.

<u>SUBJECT MATTER</u>: HB 3334 amends the IMRF Article of the Illinois Pension Code. This legislation removes a provision that requires an employee to apply for credits and creditable service for an authorized leave of absence within 2 years of the end of the leave. It also requires an employee applying for disability to (1) consent to authorize the board to examine/copy their medical records and (2) provide information about any other compensated employment they have had since becoming disabled.

<u>FISCAL IMPACT</u>: HB 3334 reduces the potential for disability fraud and subsequent added costs by requiring the employee applying for a disability annuity to authorize the IMRF board to examine their medical/hospital records and any information regarding compensated employment taken since becoming disabled. This provision should have a positive fiscal impact on IMRF.

<u>COMMENT</u>: HB 3334 would allow employees who have taken a leave of absence to apply for credit for their absence regardless of whether they do so within the current required period of two years after the end of their leave. It also places two new requirements on employees applying for disability. They must consent to and sign an authorization that allows the board to receive copies of the employee's medical and hospital records or to examine them. The employee must also provide complete information regarding any compensated employment they have had since becoming disabled.

AB:dkb LRB097 10851 JDS 51355 b