

**Kentucky Public Pensions Authority
Ad Hoc Regulation Committee – Special Meeting
April 18, 2023, at 10:00 AM EST (9:00 AM CT)
Live Video Conference/Facebook Live**

AGENDA

- | | |
|--|--|
| 1. Call to Order | Keith Peercy |
| 2. Opening Statement | Legal Services |
| 3. Roll Call | Sherry Rankin |
| 4. Public Comment | Sherry Rankin |
| 5. Approval of Minutes – March 7, 2023* | Keith Peercy |
| 6. Administrative Regulation 105 KAR 1:220* | Carrie Bass
Jessica Beaubien
Jillian Hall |
| 7. Adjourn* | Keith Peercy |

****Committee Action May Be Taken***

**MINUTES OF MEETING
KENTUCKY PUBLIC PENSIONS AUTHORITY
AD HOC REGULATION COMMITTEE MEETING
MARCH 7, 2023, AT 10:00 AM
VIA LIVE VIDEO TELECONFERENCE**

At the Special Called Meeting of the Kentucky Public Pensions Authority Ad Hoc Regulation Committee held on March 7, 2023, the following members were present: Keith Peercy (Chair), Betty Pendergrass, and Jerry Powell. Staff members present were KRS CEO John Chilton, CERS CEO Ed Owens, III, Rebecca Adkins, Erin Surratt, Michael Lamb, Michael Board, Vicki Hale, Carrie Bass, Jessica Beaubien, Jillian Hall, Wendi Pierce, Liza Welch, Ashley Gabbard, Shaun Case, Katie Park, and Sherry Rankin.

Mr. Peercy called the meeting to order.

Ms. Hall read the Legal Public Statement.

Ms. Rankin took Roll Call.

There being no *Public Comment* submitted, Mr. Peercy introduced agenda item *Approval of Minutes – November 22, 2022* (Video 00:05:23 to 00:05:44). Ms. Pendergrass made a motion to approve the minutes from the meeting held on November 22, 2022. Mr. Powell seconded the motion and the motion passed unanimously.

Mr. Peercy introduced agenda item *Administrative Regulation 105 KAR 1:220* (Video 00:05:45 to 00:54:38). Ms. Jessica Beaubien advised the Committee that 105 KAR 1:220 is an amended administrative regulation which details the process for employment and medical staff reviews for recipients of a disability retirement allowance to determine if the recipient's disability retirement allowance should be continued or discontinued. Ms. Beaubien added that this regulation also details time periods for medical and employment review requirements, reporting gainful employment, and appeal rights. Ms. Pendergrass had several questions for the Office of Legal Services regarding periodic reviews. There was discussion of the disability review process and the way in which the process is explained in the administrative regulation. It was decided to add language which clearly states that previously approved disability retirement is subject to medical review and may change a determination. Additionally, that the medical review focuses on the job description/job held by the

recipient of a disability retirement allowance. Ms. Hale suggested that the approval letter be modified to notify recipients that the approval may change pending a medical periodic/annual review and the date their review. The Committee was pleased with this suggestion. Ms. Pendergrass also requested that clarification regarding the difference between an employment review and the review of employment for disability assessment also be added to 105 KAR 1:220. The definition of ‘objective medical evidence’ in the regulation was discussed. Ms. Pendergrass asked if the definition could be modified. Ms. Bass advised that the current definition complies with the statutory language which requires test results, lab work, etc. Mr. Powell asked if the definition of ‘physician’ also includes nurse practitioners or physician assistants. Ms. Beaubien suggested that the language be modified to state ‘licensed healthcare provider’. It was agreed to incorporate this suggestion. Section 9 of 105 KAR 1:220 which discusses discontinuance for retirees in the hybrid cash balance plan was also briefly discussed. Ms. Pendergrass requested that language for a third option be added to state that a retiree may withdraw remaining funds in their account if disability is terminated. Ms. Welch added that should a retiree be permitted to withdraw their remaining funds; they forfeit their ability to apply for the reinstatement of their retirement benefits and would not be eligible for reinstatement at their original hire date. The Committee requested that the changes be highlighted when presented at a future date. There was no vote taken by the KPPA Ad Hoc Regulation Committee. It was decided that the Office of Legal Services would incorporate the discussed changes to 105 KAR 1:220 and present the modified regulation at a future meeting of the KPPA Ad Hoc Regulation Committee.

Mr. Powell made a motion and was seconded by Ms. Pendergrass to *adjourn* the meeting. The motion passed unanimously.

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CERTIFICATION

I do certify that I was present at this meeting, and I have recorded the above actions of the Kentucky Public Pensions Authority Ad Hoc Regulation Committee on the various items considered by it at this meeting.

Recording Secretary

I, the Chair of the Kentucky Public Pensions Authority Ad Hoc Regulation Committee, do certify that the Minutes of Meeting held on March 7, 2023, were approved on April 18, 2023.

KPPA Ad Hoc Regulation Committee Chair

I have reviewed the Minutes of the March 7, 2023, Kentucky Public Pensions Authority Ad Hoc Regulation Committee Meeting for content, form, and legality.

Executive Director, Office of Legal Services

MEMORANDUM

TO: Ad Hoc Regulation Committee (“Committee”) for the Board of the Kentucky Public Pension Authority (“Board”)

FROM: Carrie Bass, Staff Attorney Supervisor, Non-Advocacy Division, Office of Legal Services
Jessica Beaubien, Policy Specialist, Non-Advocacy Division, Office of Legal Services

DATE: April 6, 2023

RE: Committee approval and recommendation of KPPA staff to present an amended administrative regulation, 105 KAR 1:220, Periodic Disability Review, to the full Board for approval to file with the Office of the Regulations Compiler at the Legislative Research Commission (“Regulations Compiler”)

Purpose of amended administrative regulation:

Kentucky Revised Statutes 61.505(1)(g) authorizes the Board to promulgate and amend administrative regulations “on behalf of the Kentucky Retirement Systems and the County Employees Retirement System, individually or collectively” as long as the regulations are consistent with the provisions of Kentucky Revised Statutes 16.505 to 16.652, 61.510 to 61.705, 78.510 to 78.852, and 61.505. 105 KAR 1:220, Periodic Disability Review, is consistent with these provisions of the Kentucky Revised Statutes.

105 KAR 1:220 is an amended administrative regulation detailing the process for employment and medical staff reviews for recipients of a disability retirement allowance to determine if the recipient’s disability retirement allowance should be continued or discontinued. This regulation also details time periods for medical and employment review requirements, reporting gainful employment, and appeal rights.

Definitions for commonly used language found in this administrative regulation can be found in 105 KAR 1:001, Definitions for KAR Title 105, which shall be in effect prior to the amendment of 105 KAR 1:220; therefore, definitions contained within shall be applicable.

Recommendation for changes to Section 6(4)(c), Section 8(3)(d), and Section 9 were made at the Committee meeting held on March 7, 2023. Those changes have been made, along with the addition of a definition in Section 1. Additionally, 105 KAR 1:220 previously had language in Section 2(2)(b) referencing “vocational experts” as a third-party vendor to match the language found in proposed House Bill 49 (HB 49) from the 2023 General Session. Since HB 49 did not pass, this language has been removed. All changes discussed at the March 7, 2023 Committee meeting or made in recognition that HB 49 did not pass are in **red**.

Finally, this new administrative regulation incorporates the following forms:

- Form 8101, Employment and Medical Staff Review Certification, that recipients use to complete their periodic disability review;

- Form 8102, Employment and Medical Staff Review Certification Reinstatement, that recipients whose disability retirement allowance was discontinued, use to apply for reinstatement of his or her disability retirement allowance.
- Form 8130, Disability Retiree Employment Reporting, that recipients use to report employment.
- Form 8191, Authorization to Release Medical Records, that recipients use to authorize an independent medical or psychological examination and who may review his or her medical records;
- Form 8525, Informed Consent and Authorization: Disability Retirement Applications and Review, All Plans, recipients use to authorize disclosure of his or her medical records to the third-party vendor; and
- Form 8846, Travel Voucher for Independent Examination, recipients use to request reimbursement for travel expenses when an independent medical or psychological examination is provided by and required by the agency.

Staff Recommendation:

The Office of Legal Services requests that the Committee review the attached materials and recommend presenting 105 KAR 1:220, Periodic Disability Review, for filing approval to the full Board at the April 27, 2023, meeting.

List of attached materials:

1. 105 KAR 1:220, Periodic Disability Review.
2. 105 KAR 1:001, Definitions for KAR Title 105.
3. Form 8101, Employment and Medical Staff Review Certification.
4. Form 8102, Employment and Medical Staff Review Certification Reinstatement.
5. Form 8130, Disability Retiree Employment Reporting.
6. Form 8191, Authorization to Release Medical Records.
7. Form 8525, Informed Consent and Authorization: Disability Retirement Applications and Review, All Plans.
8. Form 8846, Travel Voucher for Independent Examination.

MEMORANDUM

TO: Ad Hoc Regulation Committee (“Committee”) for the Board of the Kentucky Public Pension Authority

FROM: Carrie Bass, Staff Attorney Supervisor, Non-Advocacy Division, Office of Legal Services
Jillian Hall, Staff Attorney, Non-Advocacy Division, Office of Legal Services
Jessica Beaubien, Policy Specialist, Non-Advocacy Division, Office of Legal Services

DATE: April 6, 2023

RE: Refund of remaining accumulated account balance after disability retirement allowance discontinuance

Background:

At its March 7, 2023 meeting, the Committee engaged in a discussion regarding whether a member whose disability retirement allowance has been discontinued pursuant to KRS 61.615 and 78.5528 could receive a refund of any remaining accumulated account balance, particularly if the member participates in the Tier 3 hybrid cash balance plan established in KRS 16.583, 61.597, 78.5512, and 78.5516.

Relevant Law:

I. Law governing refund of accumulated account balance

KRS 61.625(1)(a) and 78.545(5) state that a member, if living, can request a refund of their “accumulated account balance”ⁱ prior to the member’s effective retirement date:

Prior to the member's effective retirement date, a member if living, or if not living, his designated beneficiary, shall have the right to request a refund of his accumulated account balance if the member's employment has been terminated and the member is not participating in the same system.

Relevant to disability retirement, KRS 61.590(5)(b) and 78.545(4) establish the effective disability retirement date:

The effective date of disability retirement shall be the first month following the month in which the member's last day of paid employment in a regular full-time position occurred, provided the member files the form entitled “Estimated Retirement Allowance” no later than six (6) months following the date the notification of approval for disability retirement benefits is sent by United States first-class mail to the member's last address on file in the retirement office, by electronic mail to the member's last electronic mail address on file in the retirement office, or by other electronic means. If the member fails to file the form entitled “Estimated Retirement Allowance” within six (6) months of the date the notification of approval for disability retirement benefits is sent, then the

member's form entitled "Notification of Retirement" shall be void. The member shall be required to submit a new form entitled "Notification of Retirement" to apply for disability retirement and reestablish eligibility for disability retirement benefits.

If the member follows the foregoing requirements contained in KRS 61.590(5)(b) and 78.545(4), then the member has established as effective (disability) retirement date. After establishing the effective (disability) retirement date, the member is no longer eligible for a refund of their accumulated account balance pursuant to KRS 61.625(1)(a) and 78.545(5).

II. Law governing administrative regulations

It is well-established that administrative regulations cannot modify or vitiate a statute or its intent. *See* KRS 13A.120(2)(i).

Staff Recommendation:

KRS 61.625(1)(a) and 78.545(5) allow a member to request a refund of their accumulated account balance only if the member has not established an effective retirement date. This law applies to members participating in the hybrid cash balance plan as well as members participating in the other two benefit "tiers." A member who has received a disability retirement allowance at any point has established an effective (disability) retirement date under KRS 61.590(5)(b) and 78.545(4); accordingly, a member whose disability retirement allowance has been discontinued pursuant to KRS 61.615 and 78.5528 cannot request a refund of any remaining accumulated account balance.

The Kentucky Public Pensions Authority Board, on behalf of the County Employees Retirement System and the Kentucky Retirement Systems, cannot promulgate an administrative regulation that requires or authorizes a member whose disability retirement allowance has been discontinued pursuant to KRS 61.615 and 78.5528 to request a refund of any remaining accumulated account balance, as this would be contrary to statute.

Notably, a member whose disability retirement allowance has been recommended for discontinuance has the option to appeal that recommendation in accordance with KRS 61.615 and 78.5528, and continue receiving a disability retirement allowance during the appeal process. *See also* Section 8(4) of the proposed amended regulation, 105 KAR 1:220, Periodic disability review. Once a member's disability retirement allowance has been discontinued (not just recommended for discontinuance), the member may apply for reinstatement of their disability retirement allowance in accordance with KRS 61.615(6)(d) and 78.5528(6)(d). *See also* Section 7 of the proposed amended regulation, 105 KAR 1:220, Periodic disability review. Additionally, once a member's disability retirement allowance has been discontinued, if the member is eligible for another type of retirement benefit, the member may commence receiving that retirement benefit immediately following discontinuance of the disability retirement allowance. *See* Section 9 of the proposed amended regulation, 105 KAR 1:220, Periodic disability review. Thus, although the member cannot request a refund of any remaining accumulated account balance following discontinuance of their disability retirement allowance, the member whose disability retirement allowance has been recommended for discontinuance or actually discontinued has several options provided by statute and detailed in the proposed amendments to 105 KAR 1:220, Periodic disability review.

The Office of Legal Services recommends that Section 9 of the proposed amended regulation, 105 KAR 1:220, Periodic disability review, be updated as reflected in the materials provided to the Committee to specifically state that a member whose disability retirement allowance has been discontinued pursuant to KRS 61.615 and 78.5528 cannot request a refund of any remaining accumulated account balance.

ⁱ “Accumulated account balance” means:

- (a) For members who began participating in the system prior to January 1, 2014, the member’s accumulated contributions; or
- (b) For members who began participating in the system on or after January 1, 2014, in the hybrid cash balance plan as provided by KRS 16.583 and 61.597, the combined sum of the member’s accumulated contributions and the member’s accumulated employer credit;

See KRS 16.505(40), 61.510(41), and 78.510(38).

“Accumulated contributions” are defined in relevant part as:

[T]he sum of all amounts deducted from the compensation of a member and credited to his individual account in the members’ account, including employee contributions picked up after August 1, 1982...together with interest credited, on the amounts, and any other amounts the member shall have contributed thereto, including interest credited thereon. ...

See KRS 16.505(7), 61.510(12), and 78.510(12).

“Accumulated employer pay credit” is defined as:

[T]he employer pay credit deposited to the member’s account and interest credited on such amounts as provided by KRS 16.583[, 61.597, 78.5512, and/or 78.5516].

See KRS 16.505(39), 61.510(40), and 78.510(37).

1 FINANCE AND ADMINISTRATION CABINET

2 Kentucky Retirement Systems

3 (Amendment)

4 105 KAR 1:220. **Periodic** [~~Annual~~] disability review.

5 RELATES TO: KRS **16.577, 16.583,** 16.645, **61.592, 61.600,** 61.610, 61.615, **61.630,**
6 **61.637, 61.559, 61.597,** 61.665, 78.545, **78.5510, 78.5512, 78.5514, 78.5516, 78.5522,**
7 **78.5524, 78.5526, 78.5528, and 78.5540**

8 STATUTORY AUTHORITY: KRS **61.505(1)(g)** [~~61.645(9)(e)~~]

9 NECESSITY, FUNCTION, AND CONFORMITY: **KRS 61.505(1)(g) authorizes the**
10 **Kentucky Public Pension Authority to promulgate all administrative regulations on behalf**
11 **of the Kentucky Retirement Systems and the County Employees Retirement System that**
12 **are consistent with KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510 to 78.852.** [~~KRS~~
13 ~~61.645(9)(e) authorizes the Board of Trustees of Kentucky Retirement Systems to promulgate~~
14 ~~all administrative regulations necessary or proper in order to carry out the provisions of KRS~~
15 ~~61.515 to 61.705, 16.510 to 16.652, and 78.520 to 78.852.] KRS 61.610, [and] 61.615, **78.5526,**
16 **and 78.5528** provide for the employment and medical [~~staff~~] review of a recipient of a disability
17 retirement allowance to determine if the recipient's disability retirement allowance should be
18 continued or discontinued. This administrative regulation establishes the process for
19 employment and medical [~~staff~~] reviews.~~

20 Section 1. **Definitions.**

1 (1) “Approved employment” means work in any capacity found by the agency to
2 not require the same, similar, or greater duties, residual functional capacity, or physical
3 exertion as the position from which the recipient was found disabled.

4 (2) “Effective retirement date” means the date upon which a member’s disability,
5 early, or normal retirement benefits began, whichever occurs first.

6 (3) “Employer” means a person, agency, company, organization, or other entity
7 that directs or leads a recipient’s work, whether or not for pay.

8 (4) “Trial basis” means a period of time not to exceed nine (9) months during which
9 a recipient works in a non-approved employment position to allow him or her time to
10 determine if he or she is able to maintain employment; employment during this time
11 period will not affect the recipient’s disability retirement.

12 Section 2. Use of Third-party Vendors.

13 (1) The agency may contract with third-party vendors to act on its behalf
14 throughout the disability retirement application and review process. The agency may also
15 contract with third-party vendors to act on its behalf throughout the periodic review,
16 reinstatement review, and employment review processes.

17 (2)(a) The agency may utilize independent, licensed physicians provided by third-
18 party vendors to serve as medical examiners pursuant to KRS 61.665 and 78.545. Third-
19 party vendors may provide additional persons to fulfill non-physician roles throughout
20 the disability retirement application, periodic review, reinstatement review, and
21 employment review processes.

22 (b) The agency may utilize independent vocational experts provided by third-party
23 vendors to serve as the vocational experts performing the employment reviews for the
24 disability retirement allowance pursuant to KRS 61.615 and 78.5528.

1 (3) Third-party vendors may act on behalf of the agency and the systems with all
2 the rights and responsibilities therein.

3 Section 3. Periodic Review.

4 (1) A recipient of a disability retirement allowance shall have a periodic review of
5 his or her disability status pursuant to KRS 61.610 and 78.5526.

6 (2)(a) When provided by the agency and in accordance with KRS 61.610 and
7 78.5526, recipients shall complete:

8 1. Form 8101, Employment and Medical Staff Review Certification;

9 2. Form 8525, Informed Consent and Authorization: Disability Retirement
10 Applications and Reviews, All Plans; and

11 3. Form 8130, Disability Retiree Employment Reporting, for each of the following
12 that is applicable:

13 a. The recipient is currently gainfully employed; or

14 b. The recipient has gainful employment not previously reported since his or her
15 disability retirement benefits began or since his or her last employment review.

16 ~~[(1) The review form prescribed by the board to be completed and filed by the recipient at~~
17 ~~the retirement office in accordance with KRS 61.610 is the "Form 8101, Employment and~~
18 ~~Medical Staff Review Certification".]~~

19 (b)1. Recipients shall file with the agency or its third-party vendor the completed
20 forms indicated in paragraph (a) of this subsection, and all relevant medical and
21 employment information, by the end of day one hundred eighty (180) calendar days from
22 the day the Form 8101, Employment and Medical Staff Review Certification, is mailed to
23 the recipient's address on file at the retirement office.

1 ~~[(a) The time periods prescribed in KRS 61.610 and 61.615 shall begin on the day the~~
2 ~~"Form 8101, Employment and Medical Staff Review Certification" or the notification of the~~
3 ~~recommendation of the medical examiners is mailed and shall end at close of business on the~~
4 ~~last day of the prescribed time period.]~~

5 2.[(b)] If the last day of the **one hundred eighty (180) day** time period is a Saturday,
6 Sunday, or state or federal holiday, then the **submission** [application] shall be valid if filed **with**
7 **the agency or its third-party vendor** [at the retirement systems] by the **end of day on** [close
8 of] the next business day following the weekend or holiday.

9 **(3) If the recipient fails to complete the requirements of subsection (2) of this**
10 **section, his or her disability retirement benefits shall be discontinued on the first day of**
11 **the month following the expiration of the one hundred eighty (180) day time period.**

12 **(4) If the recipient completes the requirements of subsection (2) of this section, the**
13 **agency or its third-party vendor shall:**

14 **(a) Review and evaluate the medical information and documentation submitted in**
15 **accordance with Section 4 of this administrative regulation; and**

16 **(b) Review and evaluate the employment information and documentation submitted**
17 **in accordance with Section 6 of this administrative regulation.**

18 **(5) A recipient who has reached his or her normal retirement age shall not be**
19 **subject to a periodic review.**

20 **(6) A recipient's disability retirement status that is continued by the Teachers'**
21 **Retirement System may exempt the retiree from the agency's periodic review.**

22 **Section 4. Periodic Medical Review.**

23 **(1)(a) The medical examiner will evaluate the submitted medical information and**
24 **documentation to determine whether the recipient continues to be disabled from the**

1 condition(s) for which he or she was initially granted disability retirement. The agency
2 shall notify the recipient of the medical examiner's findings.

3 (b) If the medical examiner finds the documentation fails to provide evidence that
4 the recipient continues to be disabled from the condition(s) for which he or she was
5 initially granted disability retirement and recommends discontinuance of the disability
6 retirement allowance, the notification shall include:

7 1. Form 8101, Employment and Medical Staff Review Certification; and

8 2. Form 8191, Authorization to Release Medical Records, if the medical examiner
9 recommended an independent medical or psychological examination in accordance with
10 KRS 61.665(2)(j) and 78.545 or KRS 61.665(3)(c) and 78.545.

11 (2)(a) If the medical examiner recommended discontinuance of the disability
12 retirement allowance, the recipient shall have sixty (60) calendar days from the date the
13 notification in subsection (1) of this section is mailed to file with the agency or its third-
14 party vendor one of the following:

15 1. The completed Form 8101, Employment and Medical Staff Review Certification,
16 and additional supporting medical information;

17 2. The completed Form 8191, Authorization to Release Medical Records, if
18 applicable; or

19 3. Request a formal hearing to appeal the findings in accordance with Section 8 of
20 this administrative regulation.

21 (b) If, at the end of the prescribed time period, the agency or its third-party vendor
22 does not have on file one of the options detailed in subparagraph (a), (b), or (c) of this
23 paragraph, the recipient's disability retirement allowance shall be discontinued on the
24 first day of the month following the expiration of the prescribed time period.

1 (3)(a) If the recipient completes the requirements of subsection (2)(a)1. of this
2 section, the medical examiner shall review and evaluate the additional supporting
3 medical information.

4 (b) If the recipient completes the requirements of subsection (2)(a)2. of this section
5 the agency shall administer the independent medical or psychological examination in
6 accordance with Section 5 of this administrative regulation. The medical examiner shall
7 review and evaluate the findings from the independent medical or psychological
8 examination.

9 (c) Once the medical examiner completes his or her evaluation of the
10 documentation provided from the completion of paragraph (a) or (b) of this subsection,
11 the agency shall notify the recipient of the medical examiner's findings.

12 1. If the medical examiner finds the documentation fails to provide evidence that
13 the recipient continues to be disabled from the condition(s) for which he or she was
14 initially granted disability retirement and recommends discontinuance, the recipient shall
15 have sixty (60) calendar days from the date the notification is mailed to request a formal
16 hearing to appeal the findings in accordance with Section 8 of this administrative.

17 2. If the recipient fails to file an appeal within the prescribed time period, his or her
18 retirement allowance shall be discontinued on the first day of the month following the
19 expiration of the prescribed time period.

20 [~~(2) The recipient shall file a written notice with the retirement systems immediately upon~~
21 ~~beginning employment in any capacity. The recipient shall identify the employer and include a~~
22 ~~written statement from the employer of a detailed list of the duties of the new position.]~~

23 Section 5 [2]. Independent Medical or Psychological Examinations.

1 **(1) If the recipient files the Form 8191, Authorization to Release Medical Records,**
2 **with the agency or its third-party vendor in accordance with Section 2(2)(a)2. of this**
3 **administrative regulation, then the agency shall notify the recipient in writing of the date,**
4 **time, and location of the appointment. Records from the examination shall be used to**
5 **complete the medical review in accordance with Section 4(3) of this administrative**
6 **regulation.**

7 **(2)(a) The agency shall reimburse the recipient for expenses associated with the**
8 **medical or psychological examination in the same manner as prescribed in 105 KAR**
9 **1:210, Section 8.**

10 ~~{(1) If the retirement systems requires a recipient to submit to a medical or psychological~~
11 ~~examination under KRS 61.615(3)(h), the retirement systems shall reimburse the recipient for~~
12 ~~mileage from the recipient's home address as it is on file at the retirement systems, to the place~~
13 ~~of the examination or evaluation, and returning to the recipient's home address on file at the~~
14 ~~retirement systems. The recipient shall be reimbursed for the most direct and usually traveled~~
15 ~~routes.~~

16 ~~(2) Mileage shall be based on the "Kentucky Official Highway Map", mileage software, or~~
17 ~~the most recent edition of the "Rand McNally Road Atlas". The recipient shall complete and~~
18 ~~submit a Form 8846, Independent Examination Travel Voucher indicating the mileage the~~
19 ~~recipient traveled from the recipient's home address as it is on file at the retirement systems, to~~
20 ~~the place of the examination or evaluation, and returning to the recipient's home address on file~~
21 ~~at the retirement systems. The recipient shall use the most direct and usually traveled routes.~~

22 ~~(3) The mileage certified by the recipient shall not be greater than the mileage indicated~~
23 ~~by the "Kentucky Official Highway Map", mileage software, or the most recent edition of the~~
24 ~~"Rand McNally Road Atlas" for the most direct and usually traveled route from recipient's home~~

1 address as it is on file at the retirement systems, to the place of the examination or evaluation,
 2 and returning to the recipient's home address on file at the retirement systems. If the mileage
 3 certified by the recipient is greater than the mileage indicated by the "Kentucky Official Highway
 4 Map", mileage software, or the most recent edition of the "Rand McNally Road Atlas" the
 5 retirement systems shall pay the recipient the mileage indicated by the "Kentucky Official
 6 Highway Map", mileage software, or the most recent edition of the "Rand McNally Road Atlas".

7 (4) ~~Reimbursement for use of a privately owned vehicle shall be made at the IRS~~
 8 ~~established standard mileage rate which changes periodically; and shall not exceed the cost of~~
 9 ~~commercial coach fare.~~

10 (5) ~~Actual costs for parking shall be reimbursed upon submission of receipts. The~~
 11 ~~recipient shall submit the originals of the parking receipts along with a written request for~~
 12 ~~reimbursement.~~

13 (6) ~~Actual bridge and highway toll charges shall be reimbursed if the bridge or highway is~~
 14 ~~on the most direct and usually traveled route. The recipient shall submit the originals of the~~
 15 ~~bridge and highway toll receipts along with a written request for reimbursement.]~~

16 (b) [(7)] The recipient shall file at the retirement office a completed Form 8846, **Travel**
 17 **Voucher for** Independent Examination [Travel Voucher], within fifteen (15) **calendar** days of the
 18 date of the examination or evaluation in order to receive reimbursement for **mileage, actual**
 19 **parking costs, and any actual bridge or highway toll charges as prescribed in 105 KAR**
 20 **1:210, Section 8.** [travel expenses.]

21 (3) **Pursuant to KRS 61.615(3)(h) and 78.5528(3)(h), if the recipient fails or refuses**
 22 **to complete the scheduled medical or psychological examination, the system shall send**
 23 **a notice of discontinuance. The recipient shall have sixty (60) calendar days from the date**
 24 **of the notice to request a formal hearing to appeal the findings in accordance with Section**

1 **8 of this administrative regulation. If the recipient fails to file an appeal within the**
2 **prescribed time period, his or her retirement allowance shall be discontinued on the first**
3 **day of the month following the expiration of the prescribed time period.**

4 **(4) If the recipient fails to appear at the medical or psychological examination, or**
5 **cancel the appointment within the timeframes required in the notice of appointment, the**
6 **recipient shall be responsible for payment of any charges associated with the medical or**
7 **psychological examination.**

8 Section **6** [3]. **Employment review.**

9 **(1) The agency** [~~retirement systems~~] may request financial information from other **local,**
10 **state,** or federal agencies to determine if a recipient is **gainfully employed.** [~~receiving income~~
11 ~~or employed in a new position.~~]

12 **(2) Recipients may at any time file with the agency or its third-party vendor a**
13 **completed Form 8130, Disability Retiree Employment Reporting, to be reviewed for**
14 **potential gainful employment. The agency or its third-party vendor shall complete an**
15 **employment review in accordance with subsection (5) of this section. The anticipated**
16 **start date of employment indicated on the Form 8130 shall be used to determine time**
17 **period requirements indicated in subsection (5) of this section. If the start date of**
18 **employment was unknown on the Form 8130 and at any time becomes known, or if there**
19 **is a change to the date previously indicated, the recipient shall notify the agency in**
20 **writing.**

21 **(3)(a) Pursuant to KRS 61.615(1) and 78.5528(1), recipients of a disability retirement**
22 **allowance shall notify the agency of any gainful employment. When gainful employment**
23 **is reported to the agency outside of the periodic review, or if gainful employment is**
24 **discovered by any other means, the agency shall provide the recipient with a Form 8130,**

1 **Disability Retiree Employment Reporting. The recipient shall file the completed Form**
2 **8130 with the agency or its third-party vendor within sixty (60) calendar days of beginning**
3 **any gainful employment. The agency or its third-party vendor shall use the completed**
4 **Form 8130 to perform an employment review in accordance with subsection (5) of this**
5 **section.**

6 **(b)1. If the recipient does not file with the agency or its third-party vendor the Form**
7 **8130 or written notification that the employment has ceased within nine (9) months of the**
8 **first date of employment, the agency shall have the authority to discontinue the disability**
9 **retirement allowance.**

10 **2. If the agency determines the disability retirement allowance shall be**
11 **discontinued, the agency shall send notification to the recipient, and he or she shall have**
12 **sixty (60) calendar days from the date the notice is mailed to request a formal hearing to**
13 **appeal the findings in accordance with Section 8 of this administrative regulation.**

14 **3. If the recipient fails to file an appeal within the prescribed time period, his or her**
15 **retirement allowance shall be discontinued on the first day of the month following the**
16 **expiration of the prescribed time period.**

17 **(4)(a) During the periodic review, recipients shall complete Form 8101, Employment**
18 **and Medical Staff Review Certification, indicating if he or she is gainfully employed or has**
19 **any previously unreported gainful employment. When indicated, the recipient shall file**
20 **with the agency or its third-party vendor a completed Form 8130, Disability Retiree**
21 **Employment Reporting, for each of the following:**

22 **1. His or her current gainful employment; and**

23 **2. Any gainful employment not previously reported since his or her disability**
24 **retirement benefits began, or since his or her last periodic review.**

1 (b) The agency or its third-party vendor shall complete an employment review for
2 all employment not previously approved in accordance with subsection (5) of this
3 section.

4 (c) During the periodic medical review as prescribed in Section 4 of this
5 administrative regulation, the agency or its third-party vendor shall consider the
6 employment details when determining whether the recipient continues to be disabled
7 from the condition(s) for which he or she was initially granted disability retirement,
8 regardless of whether or not the employment was approved employment.

9 (5) When gainful employment is reported during or outside of the periodic review,
10 or discovered by any other means, the agency or its third-party vendor shall complete an
11 employment review in accordance with KRS 61.610, 61.615, 78.5526, and 78.5528. The
12 reviewer will evaluate the Form 8130, Disability Retiree Employment Reporting, or any
13 other employment information or documentation available to determine whether the
14 position has similar duties or requires the same or greater physical exertion or functional
15 capacity as the position from which the recipient was found disabled. The agency shall
16 notify the recipient of the findings.

17 (a) If findings indicate that a recipient's employment is not approved employment,
18 then pursuant to KRS 61.615(1) and 78.5528(1), the recipient may begin or continue the
19 employment on a trial basis and the recipient's monthly retirement allowance shall
20 continue during the trial basis. The recipient's monthly retirement allowance shall cease
21 effective the month following the end of the trial basis unless within sixty (60) calendar
22 days of the date the notice is mailed, one of the following occurs:

23 1. The recipient requests a formal hearing to appeal the recommendation in
24 accordance with Section 8 of this administrative regulation;

1 **2. The recipient files with the agency or its third-party vendor additional supporting**
2 **employment information. The agency or agency's third-party vendor shall review and**
3 **evaluate the additional employment information, and shall notify the recipient of the**
4 **findings. If the findings indicate the employment is not approved employment, the**
5 **recipient will have sixty (60) calendar days from the date the notification is mailed to**
6 **request a formal hearing to appeal the findings in accordance with Section 8 of this**
7 **administrative regulation; or**

8 **3. The recipient files a written notice with the agency or its third-party vendor in**
9 **one of the following ways:**

10 **a. If the recipient has not yet begun the employment, a written notification with the**
11 **agency that he or she has elected not to start the employment; or**

12 **b. If the recipient begins or continues the employment on a trial basis, prior to the**
13 **conclusion of the trial basis a written notification that he or she has ceased the**
14 **employment.**

15 **(b) If the recipient fails to file an appeal within the prescribed time period, his or her**
16 **retirement allowance shall be discontinued on the first day of the month following the**
17 **end of the trial basis, or upon the expiration of the sixty (60) day time period, whichever**
18 **occurs later.**

19 **(6) Retired members who are reemployed with a participating employer, shall also**
20 **be subject to the requirements of KRS 61.637, 78.5540, and 105 KAR 1:390.**

21 **Section 7. Reinstatement Review.**

22 **(1)(a) A recipient whose disability retirement allowance has been discontinued for**
23 **any reason other than death is eligible to apply for reinstatement and be reevaluated by**
24 **the agency or the agency's third-party vendor until his or her normal retirement age. The**

1 **recipient shall submit new objective medical evidence that was not previously considered**
2 **with his or her application for reinstatement.**

3 **(b) A recipient whose disability retirement allowance was discontinued based upon**
4 **the employment review findings as prescribed in Section 6 of this administrative**
5 **regulation shall also provide:**

6 **1. Employer documentation detailing changes not previously considered that have**
7 **occurred in his or her position if he or she is still employed in the same position; or**

8 **2. Written notification that he or she has ceased the employment that includes the**
9 **date employment ceased.**

10 **(2) Pursuant to KRS 61.615(6)(d) and 78.5528(6)(d), a recipient is only eligible for**
11 **reinstatement for the same bodily injuries, mental illnesses, diseases, or conditions for**
12 **which he or she was originally approved for disability benefits. A recipient cannot be**
13 **reinstated for bodily injuries, mental illnesses, diseases, or conditions for which he or**
14 **she was not approved for disability, or that occurred or became known after his or her**
15 **last day of paid employment prior to the original retirement date.**

16 **(3) A recipient shall apply for reinstatement by filing all of the following:**

17 **(a) A completed Form 8102, Employment and Medical Staff Review Certification**
18 **Reinstatement;**

19 **(b) A completed Form 8525, Informed Consent and Authorization: Disability**
20 **Retirement Applications and Reviews;**

21 **(c) New objective medical evidence not previously considered;**

22 **(d) If filing for reinstatement in accordance with subsection (1)(b) of this section,**
23 **not previously considered employer documentation detailing changes in the position, or**

1 written notification that the employment has ceased that includes the last date of
2 employment; and

3 (e) If there is any new or previously unreported employment, a completed Form
4 8130, Disability Retiree Employment Reporting.

5 (5) Reinstatement reviews shall be conducted in accordance with KRS 61.615(6)(d)
6 and 78.5528(6)(d), considering only those conditions for which the recipient was granted
7 disability.

8 (6) If the agency or the agency's third-party vendor does not recommend
9 reinstatement of a recipient's disability retirement benefits, the recipient may request a
10 formal hearing to appeal the findings in accordance with Section 8 of this administrative
11 regulation.

12 Section 8. Right to Appeal.

13 (1) Any recipient whose disability benefits have been reduced, discontinued, or
14 denied reinstatement may file an appeal of the findings at the retirement office with a
15 written request for a formal hearing within sixty (60) calendar days of the date the
16 notification of discontinuance was mailed. The hearing shall be conducted in accordance
17 with KRS Chapter 13B.

18 (2) The written request for a formal hearing shall include a short and plain
19 statement of the reason the determination is being contested.

20 (3)(a) The hearing officer presiding over an administrative hearing may allow the
21 appealer to introduce, among other evidence, the determination of other state and federal
22 agencies, such as the Kentucky Department of Workers' Claims and the Social Security
23 Administration, approving the applicant for benefits only when accompanied by
24 underlying objective medical evidence or vocational evidence.

1 (b) The hearing officer presiding over an administrative hearing shall consider only
2 objective medical evidence and vocational records contained within or that accompany a
3 determination by another state or federal agency.

4 (c) The hearing officer presiding over an administrative hearing shall not consider
5 or be bound by factual or legal findings of other state or federal agencies.

6 (d) Written statements from medical providers within the administrative record
7 shall not themselves be objective medical evidence, but may be relied upon if
8 accompanied by, and reviewed in concert with, other supporting objective medical
9 evidence.

10 (4) During the pendency of an appeal, the recipient shall continue to receive his or
11 her disability retirement benefit.

12 (5) At the conclusion of the appeal, recipients shall be notified of the final order of
13 the Administrative Appeals Committee (AAC) in accordance with KRS 61.615(3)(g) and
14 78.5528(3)(g).

15 (a)1. If the AAC orders that the disability retirement allowance shall be
16 discontinued, then it shall be discontinued on the first day of the month following the
17 date of the notification except as provided in subparagraph 2. of this paragraph.

18 2. If the recipient's disability retirement allowance is discontinued due to the AAC
19 determination that employment was not approved employment, the effective date of
20 discontinuance shall be the first day of the month following the end of the nine (9) month
21 trial basis or the first day of the month following the date of the notification of the AAC
22 order, whichever occurs later.

23 (b)1. If the recipient fails to notify the agency of gainful employment in accordance
24 with Section 6(3) or (4) of this administrative regulation, then AAC shall have the authority

1 to decide the period for which the agency shall recover any disability retirement
2 allowance payments, health insurance premiums, or both. The earliest date of the period
3 shall not be earlier than the first day of the month following the end of the nine (9) month
4 trial basis.

5 2. If the agency recovers the disability retirement allowance payments, health
6 insurance premiums paid, or both, it shall be from the recipient or the estate of the
7 recipient only.

8 Section 9. Benefits available after discontinuance of a disability retirement
9 allowance.

10 (1) A member with a participation date on or after January 1, 2014 in one or more
11 of the Systems whose disability retirement allowance is discontinued pursuant to KRS
12 61.615 and 78.5528:

13 (a) Shall begin receiving retirement benefits for which he or she qualifies, if eligible.

14 (b) Shall not be eligible for early retirement benefits.

15 (2) A member with a participation date prior to January 1, 2014 in one or more of the
16 Systems whose disability retirement allowance is discontinued pursuant to KRS 61.615
17 and 78.5528:

18 (a) Shall begin receiving normal retirement benefits, if eligible.

19 (b) If not eligible for normal retirement benefits, shall be given the option to begin
20 receiving early retirement benefits, if eligible.

21 (3) A member who received a disability retirement allowance shall have established
22 an effective retirement date and, accordingly, shall not be eligible to request a refund of
23 any remaining accumulated account balance if the member's disability retirement
24 allowance is discontinued pursuant to KRS 61.615 and 78.5528.

1 [Section 4. The retirement systems may not require a medical review if the recipient's
2 disability status is reviewed by the Kentucky Teachers' Retirement System.]

3 **Section 10. Recipient's death during the periodic review process.**

4 **(1) If the recipient dies during the periodic review process, the member's**
5 **beneficiary may be entitled to receive disability retirement benefits pursuant to KRS**
6 **61.630, 78.545(6) and 105 KAR 1:240.**

7 **(2) If a recipient dies after the date of discontinuance as enumerated in Sections 3,**
8 **4, 5, or 6 of this administrative regulation, the disability retirement allowance shall remain**
9 **discontinued and there will be no ongoing disability benefit paid to a beneficiary. This**
10 **shall not affect any other benefits to which the beneficiary may be entitled.**

11 **(3) The beneficiary shall not be permitted to apply for reinstatement on behalf of**
12 **the decedent.**

13 Section 11 [5]. Incorporation by Reference.

14 (1) The following material is incorporated by reference:

15 (a) Form 8101, "Employment and Medical Staff Review Certification", **February 2023**
16 **[May 2008]**;

17 **(b) Form 8102, "Employment and Medical Staff Review Certification**
18 **Reinstatement", February 2023;**

19 **(c) Form 8130, "Disability Retiree Employment Reporting", February 2023;**

20 **(d) Form 8191, "Authorization to Release Medical Records", April 2023;**

21 **(e) Form 8525, "Informed Consent and Authorization: Disability Retirement**
22 **Applications and Reviews, All Plans", February 2023; and**

23 **(f) Form 8846, "[Kentucky Retirement Systems] Travel Voucher for Independent**
24 **Examination", May 2008.**

1 (2) This material may be inspected, copied, or obtained, subject to applicable copyright
2 law, at the Kentucky Retirement Systems, Perimeter Park West, 1260 Louisville Road, Frankfort,
3 Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m. **This material is also available**
4 **on the agency Web site at ky-ret.ky.gov.**
5 (18 Ky.R. 936; eff. 11-8-1991; Am. 27 Ky.R. 1052; 1445; eff. 12-21-2000; 29 Ky.R. 1866, 2276;
6 3-19-2003; 31 Ky.R. 389; eff. 11-5-2004; 35 Ky.R. 115; 541; eff. 10-3-2008; TAm eff. 6-11-2019;
7 Crt eff. 6-11-2019.)

APPROVED:

DAVID L. EAGER,
EXECUTIVE DIRECTOR
KENTUCKY PUBLIC PENSIONS AUTHORITY

DATE

PUBLIC HEARING AND PUBLIC COMMENT PERIOD: A public hearing to allow for public comments on this administrative regulation shall be held on Thursday, July 27, 2023, at 10:00 a.m. Eastern Time at the Kentucky Public Pensions Authority (KPPA), 1270 Louisville Road, Frankfort, Kentucky 40601. Individuals interested in presenting a public comment at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made.

If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through July 31, 2023. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

KPPA shall file a response with the Regulations Compiler to any public comments received, whether at the public comment hearing or in writing, via a Statement of Consideration no later than the 15th day of the month following the end of the public comment period, or upon filing a written request for extension, no later than the 15th day of the second month following the end of the public comment period.

Contact person: Jessica Beaubien, Policy Specialist, Kentucky Public Pensions Authority, 1260 Louisville Road, Frankfort, KY 40601, email Legal.Non-Advocacy@kyret.ky.gov, telephone (502) 696-8800 ext. 8570, facsimile (502) 696-8615.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation number: 105 KAR 1:220
Contact person: Jessica Beaubien
Phone number: 502-696-8800 ext. 8570
Email: legal.non-advocacy@kyret.ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes the process for employment and medical reviews.

(b) The necessity of this administrative regulation: KRS 61.610, 61.615, 78.5526, and 78.5528 provide for the employment and medical staff review of a recipient of a disability retirement allowance to determine if the recipient's disability retirement allowance should be continued or discontinued. This administrative regulation establishes the process for employment and medical reviews.

(c) How this administrative regulation conforms to the content of the authorizing statutes: This administrative regulation conforms to the authorizing statute because it is necessary to carry out the provisions of KRS 61.610, 61.615, 78.5526, and 78.5528 and establishes the process for employment and medical reviews.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation established the procedures and forms necessary to carry out the provisions of KRS 61.610, 61.615, 78.5526, and 78.5528 for the administration of employment and medical reviews.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This amendment updates the exiting administrative regulation to reflect changes in forms used by the Kentucky Public Pensions Authority, and to establishes previously omitted processes and procedures for the employment and medical staff reviews. This administrative regulation also clarifies the existing regulation.

(b) The necessity of the amendment to this administrative regulation: This amendment is necessary to ensure the regulation includes the current forms, processes and procedures that are consistent with authorizing statutes. This administrative regulation also clarifies the existing regulation.

(c) How the amendment conforms to the content of the authorizing statutes: This administrative regulation conforms to the authorizing statute because it is necessary to carry out the provisions of KRS 61.610, 61.615, 78.5526, and 78.5528.

(d) How the amendment will assist in the effective administration of the statutes: The amendment will assist in the effective administration of the statues because it establishes the forms, processes and procedures required to carry out the provisions of KRS 61.610, 61.615, 78.5526, and 78.5528 and assists the Kentucky Public Pensions Authority with carrying out those provisions.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: The Kentucky Public Pensions Authority,

the Kentucky Retirement Systems, and the County Employees Retirement System, and the members, beneficiaries, and alternate payees of the Kentucky Retirement Systems and the County Employees Retirement System. Number of individuals affected by this administrative regulation is approximately one thousand fifty-eight (1058). Number of businesses, organizations, or state and local governments affected is three (3), the Kentucky Public Pensions Authority, the Kentucky Retirement Systems, and the County Employees Retirement System.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: This regulation establishes the procedures and forms necessary to carry out the provisions of KRS 61.610, 61.615, 78.5526, and 78.5528, and assists the Kentucky Public Pensions Authority, Kentucky Retirement Systems, and County Employees Retirement System in ensuring conformity with these statutes.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): This regulation should not cost any additional funds.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): This regulation establishes the procedures and forms necessary to carry out the provisions of KRS 61.610, 61.615, 78.5526, and 78.5528, and assists the Kentucky Public Pensions Authority, Kentucky Retirement Systems, and County Employees Retirement System in ensuring conformity with the statutes.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: The costs associated with the implementation of this administrative regulation should be negligible.

(b) On a continuing basis: The costs associated with the implementation of this administrative regulation should be negligible.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation?: Administrative expenses of the Kentucky 18 Public Pensions Authority are paid from the Retirement Allowance Account (trust and agency funds).

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: There is no increase in fees or funding required.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: This administrative regulation does not establish any fees or directly or indirectly increase any fees.

(9) TIERING: Is tiering applied? (Explain why or why not) Tiering is not applied. All members are subject to the same processes and procedures.

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation number: 105 KAR 1:220

Contact person: Jessica Beaubien

Phone number: 502-696-8800 ext. 8570

Email: legal.Non-Advocacy@kyret.ky.gov

(1) What units, parts, or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Kentucky Public Pensions Authority, the Kentucky Retirement Systems, and the County Employees Retirement System.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. 61.505(1)(g)

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? None.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? None.

(c) How much will it cost to administer this program for the first year? The cost to Kentucky Public Pension Authority should be negligible.

(d) How much will it cost to administer this program for subsequent years? The cost to Kentucky Public Pension Authority should be negligible.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-):

Expenditures (+/-):

Other Explanation: The cost to Kentucky Public Pension Authority should be negligible because the administration of the employment and medical staff reviews as detailed in this regulation is not changing from existing practice.

(4) Estimate the effect of this administrative regulation on the expenditures and cost savings of regulated entities for the first full year the administrative regulation is to be in effect.

(a) How much cost savings will this administrative regulation generate for the regulated entities for the first year? None.

(b) How much cost savings will this administrative regulation generate for the regulated entities for subsequent years? None.

(c) How much will it cost the regulated entities for the first year? None.

(d) How much will it cost the regulated entities for subsequent years? None.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Cost Savings (+/-):

Expenditures (+/-):

Other Explanation: This administrative regulation will not add a cost to the regulated entities.

(5) Explain whether this administrative regulation will have a major economic impact, as defined below. "Major economic impact" means an overall negative or adverse economic impact from an administrative regulation of five hundred thousand dollars (\$500,000) or more on state or local government or regulated entities, in aggregate, as determined by the promulgating administrative bodies. [KRS 13A.010(13)]

This administrative regulation will not have a major economic impact.

SUMMARY OF MATERIAL INCORPORATED BY REFERENCE

Form 8101, Employment and Medical Staff Review Certification, revised January 2023, is a 1-page form that members of the Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System who receive a disability retirement allowance use to complete their periodic disability review.

Form 8102, Employment and Medical Staff Review Certification Reinstatement, is a 1-page form that members of the Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System, whose disability retirement allowance was discontinued, use to apply for reinstatement of his or her disability retirement allowance.

The Form 8130, Disability Retiree Employment Reporting, revised November 2022, is a 1-page form that members of the Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System who receive a disability retirement allowance use to report employment.

Form 8191, Authorization to Release Medical Records, is a 1-page form that members of the Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System who receive a disability retirement allowance use to authorize an independent medical or psychological examination and the review of his or her medical records.

Form 8525, Informed Consent and Authorization: Disability Retirement Applications and Review, All Plans, is a 1-page form that members of the Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System who receive a disability retirement allowance use to authorize disclosure of his or her medical records to the medical examiner.

Form 8846, Travel Voucher for Independent Examination, is a 1-page form that members of the Kentucky Employees Retirement System, State Police Retirement System, and County Employees Retirement System who receive a disability retirement allowance use to request reimbursement for travel expenses when he or she completes an evaluation by an independent medical or psychological examination that is provided by and required by the agency.



EMPLOYMENT AND MEDICAL STAFF REVIEW CERTIFICATION REINSTATEMENT

Member Information Please provide your Member ID or Social Security number in the Member ID box below.

Member Name:		Member ID:	
Address:	City:	State:	Zip Code:
Phone (select type) <input type="checkbox"/> Mobile <input type="checkbox"/> Home <input type="checkbox"/> Work		Email:	

Employment Status (You must choose one):

<input type="checkbox"/>	Yes , I have been employed (including work in any capacity that is, or may be, performed with regularity and is, or may be, usually done for pay, whether or not pay is received, including seasonal, volunteer, part-time, and on-call work) since the date I was approved for disability retirement benefits or since my last employment and medical staff review. <u>Must also complete and file Form 8130, Disability Retiree Employment Reporting.</u>
<input type="checkbox"/>	No , I have not been employed (including work in any capacity that is, or may be, performed with regularity and is, or may be, usually done for pay, whether or not pay is received, including seasonal, volunteer, part-time, and on-call work) since the date I was approved for disability retirement benefits or since my last employment and medical staff review.
<input type="checkbox"/>	No , I have not been employed (including work in any capacity that is, or may be, performed with regularity and is, or may be, usually done for pay, whether or not pay is received, including seasonal, volunteer, part-time, and on-call work) since the date I was approved for disability retirement benefits or since my last employment and medical staff review, but I have enclosed a Form 8130, Disability Retiree Employment Reporting, for a position I would like to be reviewed for potential future employment.

Certification of Medical and Employment Information

I, _____, hereby certify that the employment information provided on this form and the attached medical information are true, correct, accurate, and complete, meaning the attached information consists of **all** the existing medical information regarding the bodily injury, mental illness, or disease for which I was approved for disability retirement benefits since my last employment and medical staff review or since my benefits were terminated. I further certify that this form and the attached medical information are complete and ready to be reviewed by the medical staff.

I am aware that I am eligible to apply for the reinstatement of my disability benefits pursuant to KRS 61.615 and 78.5528, and that I am responsible for filing supporting medical information to report my current physical and mental condition pursuant to KRS 61.610 and 78.5526. I am also aware that by signing this certification I am certifying to Kentucky Public Pensions Authority that the enclosed medical records represent all the evaluations, examinations, and treatment I have had for the bodily injury, mental illness, or disease for which I was approved for disability retirement benefits, including all reports of diagnostic medical testing performed on me. Written statements from medical providers alone are not medical information unless accompanied by supporting records as discussed in this paragraph.

I am aware that if I have been employed (including work in any capacity that is, or may be, performed with regularity and is, or may be, usually done for pay, whether or not pay is received, including seasonal, volunteer, part-time, and on-call work) since the date I was approved for disability retirement benefits or since my last employment and medical staff review, I must also attach a Form 8130, Disability Retiree Employment Reporting, even if the position has been previously approved by Kentucky Public Pensions Authority.

I acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to the penalty of perjury in accordance with KRS 523.010, et seq. I further acknowledge that if I knowingly submit or cause to be submitted a false or fraudulent claim for the payment or receipt of benefit, I may be liable for repayment of benefits I was not entitled to receive, but also liable for civil payments, legal fees, and costs.

Signature: _____

Date: _____

Printed Name: _____



DISABILITY RETIREE EMPLOYMENT REPORTING

Member Information Please provide your Member ID or Social Security number in the Member ID box below.

Member Name:		Member ID:	
Address:	City:	State:	Zip Code:
Date of Birth:	Phone (select type) <input type="checkbox"/> Mobile <input type="checkbox"/> Home <input type="checkbox"/> Work	Email:	

Position Description

A detailed position description must be included with this form in order for the form to be considered complete. The job description attached must be provided to you by the employer, and at a minimum must include:

- the name of the employing company/organization,
- a list of required job duties, and
- the number of hours that will be worked per week.

Position Information

If you have not yet started in the position, complete the form with as much detail as possible about what you anticipate the job duties will be. Attach additional pages if necessary.

Mark your employment status as of the date this form is signed: Working Hired, not yet working Potential future hire

Employer Name:	Job Title:			
Employer Address:				
Employer Phone:	Employer Contact Person:			
Start Date:	Hours per day:	Hours per week:		
Percentage of hours sitting per work day:	<input type="checkbox"/> up to 25%	<input type="checkbox"/> 25% - 50%	<input type="checkbox"/> 50% - 75%	<input type="checkbox"/> 75% - 100%
Percentage of hours standing/walking per work day:	<input type="checkbox"/> up to 25%	<input type="checkbox"/> 25% - 50%	<input type="checkbox"/> 50% - 75%	<input type="checkbox"/> 75% - 100%
In this position, are you able to alternate between sitting and standing/walking as needed? <input type="checkbox"/> Yes <input type="checkbox"/> No				
Description of job duties:				
What specific physical effort (lift, carry, push, pull, stoop, reach, climb, balance, etc.) is required to perform the job duties:				
What specific mental effort (make decisions, maintain concentration, adapt to changes, handle stress, understand, remember and carry out instructions, etc.) is required to perform the job duties:				
Are you receiving accommodations (modified work schedule, assistive equipment, restructuring, special allowances, etc.), assistance, or help to perform the essential job duties? <input type="checkbox"/> Yes <input type="checkbox"/> No If YES, describe:				

Certification

I certify that all the information completed on this form is true and accurate.
I acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to the penalty of perjury in accordance with KRS 523.010, et seq. I further acknowledge that if I knowingly submit or cause to be submitted a false or fraudulent claim for the payment or receipt of benefit, I may be liable for repayment of benefits I was not entitled to receive, but also liable for civil payments, legal fees, and costs.

Employee Signature: _____ Date: _____



KENTUCKY PUBLIC PENSIONS AUTHORITY

1260 Louisville Road • Frankfort, KY 40601
 Phone: (502) 696-8800 • Fax: (502) 696-8822 • kyret.ky.gov

Print Form

Form 8191
 Revised 04/2023

Authorization for Independent Medical or Psychological Examination and Release of Medical Information

Member Information Please provide your Member ID or Social Security number in the Member ID box below.			
Member Name:		Member ID:	
Address:	City:	State:	Zip Code:
Phone (select type) <input type="checkbox"/> Mobile <input type="checkbox"/> Home <input type="checkbox"/> Work		Email:	

Acknowledgment and Authorization

I hereby acknowledge that the Kentucky Public Pensions Authority, or a third-party vendor on its behalf, has recommended an independent medical or psychological examination in accordance with KRS 61.665 and 78.545.

I understand that once the appointment for the independent medical or psychological examination has been made, I will be notified by mail of the date, time, and location of the appointment. Records from the examination will be used for my disability retirement allowance periodic review.

I understand that I am eligible to receive reimbursement for mileage, actual parking costs, and any actual bridge or highway toll charges by filing a completed Form 8846, Travel Voucher for Independent Examination, with all the necessary receipts at the retirement office within fifteen (15) calendar days of the date of the examination or evaluation.

I understand that if I fail or refuse to appear at a scheduled appointment, my monthly disability retirement allowance may be discontinued.

I understand that if I fail to appear, cancel, or reschedule within the time frames required in the appointment notice, I shall be responsible for payment of any charges associated with the medical or psychological examination.

I authorize the Kentucky Public Pensions Authority to release my medical records to the medical or mental health professional who will perform an independent medical or psychological examination for the Kentucky Public Pensions Authority.

Signature: _____

Date: _____

Witnessed: _____

Date: _____



Form 8525
Revised 02/2023

Informed Consent and Authorization: Disability Retirement Applications and Reviews, All Plans

Member Information Please provide your Member ID or Social Security number in the Member ID box below.

Member Name:	Member ID:
--------------	------------

NOTICE TO MEMBER: Your Kentucky Public Pensions Authority (KPPA) member ID number, social security number, address, birth date, marital status, designated survivor option information, spouse information, and medical information are classified as private data. KPPA will not share your private data with any person or agency except pursuant to your Authorization, or a valid subpoena or court order. If you do not provide the information requested by KPPA and its disability retirement third party administrator, Managed Medical Review Organization, Inc. (MMRO), the processing of your application for disability retirement benefits or periodic disability review may be delayed.

A photocopy or facsimile of this Informed Consent and Authorization shall be as valid as the original.

Authorization for KPPA and MMRO to release information.

I give my informed consent and authorize KPPA and its disability retirement third party administrator, MMRO, to provide the information in my KPPA disability retirement application or periodic review file to any independent medical examiners and consultants retained by KPPA or MMRO to assist in evaluation of my application for disability retirement benefits or periodic review of benefits. This Authorization shall become effective on the date appearing next to my signature below. This consent will remain effective until the evaluation of my disability retirement application or periodic review and any appeals thereof are complete. I understand that I may request a copy of this Authorization. I understand I have the right to revoke this Authorization at any time by notifying KPPA. I understand that revoking this Authorization may impair the processing of my application for disability retirement benefits or periodic review of disability benefits.

HIPAA Authorization for care providers and consultants to release information to KPPA and MMRO.

I hereby authorize the use and disclosure of protected health information about me as described below.

- i. The following specific person/class of person/facility is authorized to disclose information about me to KPPA, MMRO, and my attorney or authorized agent (if applicable): any health care provider, hospital, medical facility, rehabilitation consultant, or agency, or other organization.
- ii. The following person, class of persons, or entity may receive disclosure of protected health information about me: KPPA, MMRO and any independent medical examiners and consultants retained by KPPA or MMRO to assist in evaluation of my application for disability retirement benefits or periodic review of disability benefits.
- iii. The following information may be disclosed: all information with respect to any physical or mental condition and/or treatment of me, including information regarding AIDS/HIV infection, communicable diseases, alcohol and substance abuse and mental health.
- iv. I understand that the information used or disclosed may be subject to re-disclosure by KPPA and MMRO as necessary to evaluate my application for disability retirement benefits or periodic review of benefits.
- v. I may revoke this authorization by notifying KPPA in writing of my desire to revoke it. I understand that any action already taken in reliance on this authorization cannot be reversed, and my revocation will not affect those actions.
- vi. My purpose/use of the information is for my application for KPPA disability retirement benefits or periodic review of disability benefits.
- vii. This authorization expires one year from the date of my signature or upon the final determination of my eligibility for KPPA disability retirement benefits or periodic review of disability benefits, whichever is later.

Signature: _____ Date: _____

Once signed, please return this form, via mail or fax, to:

Managed Medical Review Organization, Inc.
ATTN: KPPA Claims Liaison
44090 W. 12 Mile Road
Novi, MI 48377

Fax: 248-530-7411



Form 8846
Revised 05/2008

Travel Voucher for Independent Examination

Member Information			
Member Name:		Member ID:	
Address:	City:	State:	Zip Code:

Reimbursement Request: Please enter your mileage, cost of tolls and parking below. Our office will enter the mileage rate and calculate the total payment due. You must attach receipts for tolls and parking.

Mileage _____ x IRS Standard Mileage Rate =	
Cost of Tolls: _____	
Parking: _____	
Total Payment Due: _____	

Certification

Mileage shall be based on the Kentucky Official Highway Map, mileage software or the most recent edition of the Rand McNally Road Atlas, whichever is less. Receipts for cost of tolls and parking must be included and returned with this voucher. Written request and receipts for reimbursement must be submitted and received by our office within 15 days of the date of the examination or evaluation.

I _____ certify that the information set out above is true and correct. I further acknowledge that I have full understanding that any person who provides a false statement, report, or representation is subject to penalty of perjury under KRS 523.010 to KRS 522.110.

Signature: _____ Date: _____



EMPLOYMENT AND MEDICAL STAFF REVIEW CERTIFICATION

Member Information Please provide your Member ID or Social Security number in the Member ID box below.

Member Name:		Member ID:	
Address:	City:	State:	Zip Code:
Phone (select type) <input type="checkbox"/> Mobile <input type="checkbox"/> Home <input type="checkbox"/> Work		Email:	

Employment Status (You must choose one):

Yes, I have been employed (including work in any capacity that is, or may be, performed with regularity and is, or may be, usually done for pay, whether or not pay is received, including seasonal, volunteer, part-time, and on-call work) since the date I was approved for disability retirement benefits or since my last employment and medical staff review. Must also complete and file Form 8130, Disability Retiree Employment Reporting.

No, I have not been employed (including work in any capacity that is, or may be, performed with regularity and is, or may be, usually done for pay, whether or not pay is received, including seasonal, volunteer, part-time, and on-call work) since the date I was approved for disability retirement benefits or since my last employment and medical staff review.

No, I have not been employed (including work in any capacity that is, or may be, performed with regularity and is, or may be, usually done for pay, whether or not pay is received, including seasonal, volunteer, part-time, and on-call work) since the date I was approved for disability retirement benefits or since my last employment and medical staff review, but I have enclosed a Form 8130, Disability Retiree Employment Reporting, for a position I would like to be reviewed for potential future employment.

Certification of Medical and Employment Information

I, _____, hereby certify that the employment information provided on this form and the attached medical information are true, correct, accurate, and complete, meaning the attached information consists of **all** the existing medical information regarding the bodily injury, mental illness, or disease for which I was approved for disability retirement benefits since the date I was approved for disability retirement benefits or since my last employment and medical staff review. I further certify that this form and the attached medical information are complete and ready to be reviewed by the medical staff.

I am aware that, pursuant to KRS 61.610 and 78.5526, I am responsible for filing supporting medical information to report my current physical and mental condition. I am also aware that by signing this certification, I am certifying to Kentucky Public Pensions Authority that the enclosed medical records represent **all** the evaluations, examinations, and treatment I have had for the bodily injury, mental illness, or disease for which I was approved for disability retirement benefits, including all reports of diagnostic medical testing performed on me. Written statements from medical providers alone are not medical information unless accompanied by supporting records as discussed in this paragraph.

I am aware that if I have been employed (including work in any capacity, paid or unpaid, such as self-employment, part-time, on-call, seasonal, occasional, and volunteer work) since the date I was approved for disability retirement benefits or since my last employment and medical staff review, I must also attach a Form 8130, Disability Retiree Employment Reporting, even if the position has been previously approved by Kentucky Public Pensions Authority.

I acknowledge that I have full understanding that any person who provides a false statement, report, or representation to a governmental entity such as KPPA is subject to the penalty of perjury in accordance with KRS 523.010, et seq. I further acknowledge that if I knowingly submit or cause to be submitted a false or fraudulent claim for the payment or receipt of benefit, I may be liable for repayment of benefits I was not entitled to receive, but also liable for civil payments, legal fees, and costs.

Signature: _____

Date: _____

Printed Name: _____

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MEMORANDUM

TO: Jessica Beaubien, Policy Specialist, Kentucky Public Pensions Authority

FROM: Emily Caudill, Regulations Compiler

RE: Proposed Amendment or New Regulation –105 KAR 1:001 & 105 KAR 1:360.

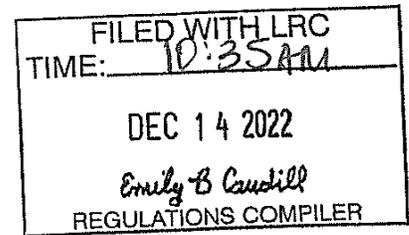
DATE: December 14, 2022

A copy of each administrative regulation listed above is enclosed for your files. These regulations are tentatively scheduled for review by the Administrative Regulation Review Subcommittee at its **MARCH 2023** meeting. We will notify you of the date and time of this meeting once it has been scheduled.

Pursuant to KRS 13A.280, *if* comments are received during the public comment period, a Statement of Consideration or a one-month extension request for these regulations is due **by noon on March 15, 2023**. Please reference KRS 13A.270 and 13A.280 for other requirements relating to the public hearing and public comment period and Statements of Consideration.

If you have questions, please contact us at RegsCompiler@LRC.ky.gov or (502) 564-8100.

Enclosures



1 FINANCE AND ADMINISTRATION CABINET

2 Kentucky Retirement Systems

3 (New Administrative Regulation)

4 105 KAR 1:001 Definitions for Title 105 of the Kentucky Administrative Regulations.

5 RELATES TO: KRS 16.505 to 16.652, 61.510 to 61.705, and 78.510 to 78.852

6 STATUTORY AUTHORITY: KRS 61.505(1)(g)

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 61.505(1)(g) authorizes the
8 Kentucky Public Pension Authority on behalf of the Kentucky Retirement Systems and
9 the County Employees Retirement System to promulgate all administrative regulations
10 that are consistent with the provisions of KRS 16.505 to 16.652, 61.510 to 61.705, and
11 78.510 to 78.852. This administrative regulation establishes definitions for Title 105 of the
12 Kentucky Administrative Regulations.

13 Section 1. Definitions as used in Title 105 of the Kentucky Administrative
14 Regulations, unless otherwise required by context or otherwise defined in a specific
15 administrative regulation:

16 (1) "AAC" means:

17 (a) Prior to April 1, 2021, the Administrative Appeals Committee of the Board of
18 Trustees of the Kentucky Retirement Systems.

19 (b) Beginning April 1, 2021, the separate or joint Administrative Appeals
20 Committees of the Board of Trustees of the Kentucky Retirement Systems and the Board

1 of Trustees of the County Employees Retirement System in accordance with KRS
2 61.645(16) and 78.782(16).

3 (2) "Accumulated employer credit" is defined in KRS 16.505(39), 61.510(40), and
4 78.510(37)

5 (3) "Accumulated account balance" is defined in KRS 16.505(40), 61.510(41), and
6 78.510(38)

7 (4) "Accumulated contributions" is defined in KRS 16.505(7), 61.510(12), and
8 78.510(12).

9 (5) "Act in line of duty" or "in line of duty" is defined in KRS 16.505(19) and
10 78.510(48).

11 (6) "Active member" means a member who is participating in the systems.

12 (7) "Actuarial equivalent" is defined in KRS 16.505(13), 61.510(17), and
13 78.510(17).

14 (8) "Agency" means:

15 a. Prior to April 1, 2021, the Kentucky Retirement Systems, which administered
16 the State Police Retirement System, the Kentucky Employees Retirement System, and
17 the County Employees Retirement System; and

18 b. Beginning April 1, 2021, the Kentucky Public Pensions Authority, which is
19 authorized to carry out the day-to-day administrative needs of the Kentucky Retirement
20 Systems (comprised of the State Police Retirement System and the Kentucky Employees
21 Retirement System) and the County Employees Retirement System.

22 (9) "Agency reporting official" is defined in KRS 78.510(20).

23 (10) "Alternate payee" is defined in KRS 16.505(38), 61.510(39), and 78.510(36).

- 1 (11) "Authorized leave of absence" is defined in KRS 16.505(14).
- 2 (12) "Beneficiary" is defined in KRS 16.505(25), 61.510(26), and 78.510(25).
- 3 (13) "Boards" means the Board of Trustees of the Kentucky Retirement Systems
4 and the Board of Trustees of the County Employees Retirement System.
- 5 (14) "Bona fide promotion or career advancement" is defined in KRS 61.598(1)
6 and 78.545(22).
- 7 (15) "Career threshold" is defined in KRS 61.702(4)(e).9.a. and 78.5536(4)(e)9.a.
- 8 (16) "County" is defined in KRS 78.510(3).
- 9 (17) "Creditable compensation" is defined in KRS 16.505(8), 61.510(13), and
10 78.510(13).
- 11 (18) "Current rate of pay" is defined in KRS 16.505(24), 61.510(25), and
12 78.510(24).
- 13 (19) "Current service" is defined in KRS 16.505(4), 61.510(10), and 78.510(10).
- 14 (20) "DAC" means:
- 15 (a) Prior to April 1, 2021, the Disability Appeals Committee of the Board of
16 Trustees of the Kentucky Retirement Systems.
- 17 (b) Beginning April 1, 2021, the separate or joint Disability Appeals Committees
18 of the Board of Trustees of the Kentucky Retirement Systems and the Board of Trustees
19 of the County Employees Retirement System in accordance with KRS 61.665(4) and
20 78.545(11).
- 21 (21) "Department" is defined in KRS 61.510(3).
- 22 (22) "Dependent child" is defined in KRS 16.505(17) and 78.510(49).

1 (23) "Disability retirement date" is defined in KRS 16.505(16), 61.590(5)(b), and
2 78.510(51).

3 (24) "Duty-related injury" is defined in KRS 61.621(2) and 78.545(20).

4 (25) "Early retirement date" is defined in KRS 16.505(20), 61.590(5)(c), and
5 78.545(4).

6 (26) "Employee" is defined in KRS 61.510(5) and 78.510(6).

7 (27) "Employer" is defined in KRS 16.505(3), 61.510(6), and 78.510(7).

8 (28) "Employer's effective cessation date" is defined in KRS 61.522(1)(c) and
9 78.535(1)(c).

10 (29) "End of day" means 11:59 p.m. Eastern Time, on the date referenced.

11 (30) "Examiner" means the medical examiners as provided in KRS 61.665 and
12 78.545(11).

13 (31) "File" means a form or document has been received at the retirement office
14 by mail, fax, secure email, in-person delivery, or via Self Service on the Web site
15 maintained by the agency (if available).

16 (32) "Final compensation" is defined in KRS 16.505(9), 61.510(14), and
17 78.510(14).

18 (33) "Final rate of pay" is defined in KRS 16.505(10), 61.510(15), and 78.510(15).

19 (34) "Fiscal year" is defined in KRS 16.505(32), 61.510(19), and 78.510(19).

20 (35) "Gainful employment" means work in any capacity that is, or may be,
21 performed with regularity and is, or may be, usually done for pay, whether or not pay is
22 received, including seasonal, volunteer, part-time, and on-call work.

23 (36) "Grandfathered service" is defined in KRS 61.552(9)(b) and 78.545(7).

1 (37) "Hazardous disability" is defined in KRS 16.505(23) and 78.510(47).

2 (38) "Hazardous position" means a regular full-time officer as defined in
3 16.505(22), or a "hazardous position" as defined in 61.592(1)(a), 78.510(42), and
4 78.5520(1).

5 (39) "Hospital and medical insurance plan" is defined in KRS 61.702(1)(a) and
6 78.5536(1)(a).

7 (40) "In line of duty" or "act in line of duty" is defined in KRS 16.505(19) and
8 78.510(48).

9 (41) "Inactive member" means a member who is not participating in the system.

10 (42) "Increment" is defined in KRS 61.510(29) and 78.510(44).

11 (43) "Instructional staff" is defined in KRS 61.510(48).

12 (44) "Invalid," when used in reference to a form, means that the form does not
13 meet the requirements to be valid, and shall not be processed by the agency.

14 (45) "Last day of paid employment" is defined in KRS 16.505(30), 61.510(32), and
15 78.510(45).

16 (46) "Level percentage of payroll amortization method" is defined in KRS
17 61.510(28) and 78.510(43).

18 (47) "Medical information" as used in KRS 61.610, 61.615, 61.665, 78.5526 and
19 78.5528, means reports of examinations or treatments; medical signs which are
20 anatomical, physiological, or psychological abnormalities that can be observed;
21 psychiatric signs which are medically demonstrable phenomena indicating specific
22 abnormalities of behavior, affect, thought, memory, orientation, or contact with reality; or
23 laboratory findings which are anatomical, physiological, or psychological phenomena that

1 can be shown by medically acceptable laboratory diagnostic techniques, including but not
2 limited to chemical tests, electrocardiograms, electroencephalograms, X-rays, and
3 psychological tests. Written statements from medical providers alone are not medical
4 information unless accompanied by supporting contemporaneous records as discussed
5 in this subsection.

6 (48) "Member" is defined in KRS 16.505(21), 61.510(8), and 78.510(8).

7 (49) "Membership date" is defined in KRS 16.505(35), 61.510(36), and 78.510(33).

8 (50) "Month" is defined in KRS 16.505(34), 61.510(35), and 78.510(32).

9 (51) "Monthly average pay" is defined in KRS 16.505(41), 61.510(45), and
10 78.510(52).

11 (52) "Monthly contribution rate" is defined in KRS 61.702(1)(b) and 78.5536(1)(b).

12 (53) "Nominal fee" is defined in KRS 61.510(43) and 78.510(40).

13 (54) "Non-core services independent contractor" is defined in KRS 61.5991(9).

14 (55) "Nonhazardous position" is defined in KRS 61.510(44) and 78.510(41).

15 (56) "Normal retirement age" means the age at which the member meets the
16 requirements for his or her normal retirement date.

17 (57) "Normal retirement date" is defined in KRS 16.505(15), 61.510(18),
18 61.590(5)(a), and 78.510(18).

19 (58) "Objective medical evidence" is defined in KRS 16.505(31), 61.510(33), and
20 78.510(46).

21 (59) "Officers and employees of the General Assembly" is defined in KRS
22 61.510(20).

23 (60) "Optional allowance" is defined in KRS 16.505(18).

1 (61) "Participant" is defined in KRS 16.505(36), 61.510(37), and 78.510(34).

2 (62) "Participating" is defined in KRS 16.505(33), 61.510(34), and 78.510(31).

3 (63) "Participating employer" means any employer that participates in one (1) of
4 the systems operated by the agency.

5 (64) "Participation date" means the earlier of "membership date" as defined in this
6 section or the date on which the member began participating in another state-
7 administered retirement system if the member has not retired or taken a refund from the
8 other state-administered retirement system.

9 (65) "Past service" is defined in KRS 61.552(5)(a) and 78.545(7).

10 (66) "Person" means a natural person.

11 (67) "Premium" means the monthly dollar cost required to provide hospital and
12 medical insurance plan coverage for a recipient, a recipient's spouse, or a disabled or
13 dependent child.

14 (68) "Prior service" is defined in KRS 16.505(5), 61.510(11), and 78.510(11).

15 (69) "Provide," when used in reference to a form or other document, means the
16 agency makes a form or document available on its Web site (if appropriate) or by mail,
17 fax, secure email, or via Self Service on the Web site maintained by the agency (if
18 available).

19 (70) "Qualified domestic relations order" is defined in KRS 16.505(37), 61.510(38),
20 and 78.510(35).

21 (71) "Recipient" is defined in KRS 16.505(26), 61.510(27), and 78.510(26).

22 (72) "Reemployment" means the retired member's first date of employment with a
23 participating employer following his or her most recent retirement date.

1 (73) "Regular full-time officers" is defined in KRS 16.505(22),

2 (74) "Regular full-time position" is defined in KRS 61.510(21) and 78.510(21).

3 (75) "Retired member" is defined in KRS 16.505(11), 61.510(24), and 78.510(23).

4 (76) "Retirement allowance" is defined in KRS 16.505(12), 61.510(16), and
5 78.510(16).

6 (77) "Retirement office" is defined in KRS 16.505(28), 61.510(31), and 78.510(29).

7 (78) "School board" is defined in KRS 78.510(4).

8 (79) "School term or year" is defined in KRS 78.510(28).

9 (80) "Service" is defined in KRS 16.505(6), 61.510(9), and 78.510(9).

10 (81) "State" means the Commonwealth of Kentucky.

11 (82) "Systems" means the State Police Retirement System (KRS 16.505 to 16.652),
12 the Kentucky Employees Retirement System (KRS 61.510 to 61.705), and the County
13 Employees Retirement System (KRS 78.510 to 78.852).

14 (83) "Total and permanent disability" is defined in KRS 16.582(1)(a) and
15 78.5524(1)(a)1.

16 (84) "Valid," when used in reference to a form, means that all required sections of
17 a form are filled out, the form has been fully executed by the required person or the
18 person's legal representative, and all supporting documentation required by the form is
19 included with the form.

20 (85) "Volunteer" is defined in KRS 61.510(42) and 78.510(39).

APPROVED:



DAVID L. EAGER,
EXECUTIVE DIRECTOR
KENTUCKY PUBLIC PENSION AUTHORITY

12/7/2022
DATE

PUBLIC HEARING AND PUBLIC COMMENT PERIOD: A public hearing to allow for public comment on this administrative regulation shall be held on Thursday, February 23, 2023, at 2:00 p.m. at the Kentucky Public Pension Authority (KPPA), 1270 Louisville Road, Frankfort, Kentucky 40601. Individuals interested in presenting a public comment at this hearing shall notify this agency in writing no later than five workdays prior to the hearing of their intent to attend. If no notification of intent to attend the hearing was received by that date, the hearing may be cancelled. A transcript of the public hearing will not be made unless a written request for a transcript is made.

If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted until Tuesday, February 28, 2023. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

KPPA shall file a response with the Regulations Compiler to any public comments received, whether at the public comment hearing or in writing, via a Statement of Consideration no later than the 15th day of the month following the end of the public comment period, or upon filing a written request for extension, no later than the 15th day of the second month following the end of the public comment period.

CONTACT PERSON: Jessica Beaubien, Policy Specialist, Kentucky Public Pension Authority, 1260 Louisville Road, Frankfort, KY 40601, email Legal.Non-Advocacy@kyret.ky.gov, telephone (502) 696-8800 ext. 8570, facsimile (502) 696-8615.

REGULATORY IMPACT ANALYSIS
AND TIERING STATEMENT

Regulation number: 105 KAR 1:001
Contact person: Jessica Beaubien
Phone number: 502-696-8800 ext. 8570
Email: Legal.Non-Advocacy@kyret.ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation establishes definitions for Title 105 of the Kentucky Administrative Regulations.

(b) The necessity of this administrative regulation: This administrative regulation is necessary to establish the definitions for Title 105 of the Kentucky Administrative Regulations.

(c) How this administrative regulation conforms to the content of the authorizing statutes: This administrative regulation conforms to the authorizing statute by establishing definitions for Title 105 of the Kentucky Administrative Regulations, which contains administrative regulations for the Kentucky Public Pensions Authority and the systems for which it provides operations.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation will assist in the effective administration of the statutes by establishing definitions for the administrative regulations in Title 105 of the Kentucky Administrative Regulations.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This is a new regulation.

(b) The necessity of the amendment to this administrative regulation: This is a new regulation.

(c) How the amendment conforms to the content of the authorizing statutes: This is a new regulation.

(d) How the amendment will assist in the effective administration of the statutes: This is a new regulation.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: This administrative regulation may affect over 400,000 members of the systems for which the Kentucky Public Pensions Authority provides operations as well as their spouses, dependent children, and beneficiaries. Additionally, this administrative regulation may affect 1,452 employers that participate in the State Police Retirement System, the Kentucky Employees Retirement System, and the County Employees Retirement System. Finally, this administrative regulation will affect the Kentucky Public Pensions Authority and the three (3) systems for which it provides operations, the State Police Retirement System, the Kentucky Employees Retirement System, and the County Employees Retirement System.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: None.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): This regulation will not cost any additional funds.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): This administrative regulation will assist all entities identified in question (3) with understanding the administrative regulations in Title 105 of the Kentucky Administrative Regulations.

(5) Provide an estimate of how much it will cost to implement this administrative regulation:

(a) Initially: None.

(b) On a continuing basis: None.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: There is no funding needed.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: There is no increase in fees or funding required.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: This administrative regulation does not establish any fees or directly or indirectly increase any fees.

(9) TIERING: Is tiering applied? (Explain why or why not) Tiering is not applied.

FISCAL NOTE

Regulation number: 105 KAR 1:001
Contact person: Jessica Beaubien
Phone number: 502-696-8800 ext. 8570
Email: Legal.Non-Advocacy@kyret.ky.gov

(1) What units, parts, or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? 1,452 employers that participate in the State Police Retirement System, the Kentucky Employees Retirement System, and the County Employees Retirement System may be impacted by this administrative regulation.

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 61.505(1)(g).

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. None.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? None.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? None.

(c) How much will it cost to administer this program for the first year? None.

(d) How much will it cost to administer this program for subsequent years? None.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-): None.

Expenditures (+/-): None.

Other Explanation: There is no fiscal impact associated with this administrative regulation.

(4) Estimate the effect of this administrative regulation on the expenditures and cost savings of regulated entities for the first full year the administrative regulation is to be in effect.

(a) How much cost savings will this administrative regulation generate for the regulated entities for the first year? None.

(b) How much cost savings will this administrative regulation generate for the regulated entities for subsequent years? None.

(c) How much will it cost the regulated entities for the first year? None.

(d) How much will it cost the regulated entities for subsequent years? None.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Cost Savings(+/-): None.

Expenditures (+/-): None.

Other Explanation: There is no fiscal impact associated with this administrative regulation.

(5) Explain whether this administrative regulation will have a major economic impact, as defined below. "Major economic impact" means an overall negative or adverse economic impact from an administrative regulation of five hundred thousand dollars (\$500,000) or more on state or local government or regulated entities, in aggregate, as determined by the promulgating administrative bodies. [KRS 13A.010(13)]. This administrative regulation will not have a major economic impact.