

SENATE
STATE OF MINNESOTA
EIGHTY-NINTH SESSION

S.F. No. 588

(SENATE AUTHORS: PAPPAS)

DATE	D-PG	OFFICIAL STATUS
02/05/2015	216	Introduction and first reading Referred to State and Local Government
05/17/2016	7062a	Comm report: To pass as amended Joint rule 2.03, referred to Rules and Administration
05/18/2016		Joint rule 2.03 Suspended adopt previous committee report Second reading

A bill for an act

1.1 relating to retirement; general state employees retirement plan of the Minnesota
 1.2 State Retirement System; modifying disability application deadlines in certain
 1.3 instances; amending Minnesota Statutes 2014, section 352.113, subdivisions 2, 4.
 1.4

1.5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.6 Section 1. Minnesota Statutes 2014, section 352.113, subdivision 2, is amended to read:

1.7 Subd. 2. **Application; accrual of benefits.** (a) An employee making claim for a total
 1.8 and permanent disability benefit, or someone acting on behalf of the employee upon proof
 1.9 of authority satisfactory to the director, shall file a written application for benefits in the
 1.10 office of the system on or before the deadline specified in subdivision 4, paragraph (f) or (g).

1.11 (b) The application must be in a form and manner prescribed by the executive director.

1.12 (c) The benefit shall begin to accrue the day following the start of disability or the
 1.13 day following the last day paid, whichever is later, but not earlier than 180 days before the
 1.14 date the application is filed with the director.

1.15 **EFFECTIVE DATE.** This section is effective July 1, 2015.

1.16 Sec. 2. Minnesota Statutes 2014, section 352.113, subdivision 4, is amended to read:

1.17 Subd. 4. **Medical or psychological examinations; authorization for payment of**
 1.18 **benefit.** (a) Any physician, psychologist, chiropractor, or physician assistant providing
 1.19 any service specified in this section must be licensed.

1.20 (b) An applicant shall provide a detailed report signed by a physician, and at least
 1.21 one additional report signed by a physician, chiropractor, psychologist, or physician
 1.22 assistant with evidence to support an application for total and permanent disability. The
 1.23 reports must include an expert opinion regarding whether the employee is permanently

2.1 and totally disabled within the meaning of section 352.01, subdivision 17, and that the
2.2 disability arose before the employee was placed on any paid or unpaid leave of absence or
2.3 terminated public service.

2.4 (c) If there is medical evidence that supports the expectation that at some point
2.5 the person applying for the disability benefit will no longer be disabled, the decision
2.6 granting the disability benefit may provide for a termination date upon which the total and
2.7 permanent disability can be expected to no longer exist. When a termination date is part
2.8 of the decision granting benefits, prior to the benefit termination the executive director
2.9 shall review any evidence provided by the disabled employee to show that the disabling
2.10 condition for which benefits were initially granted continues. If the benefits cease, the
2.11 disabled employee may follow the appeal procedures described in section 356.96 or may
2.12 reapply for disability benefits using the process described in this subdivision.

2.13 (d) Any claim to disability must be supported by a report from the employer
2.14 indicating that there is no available work that the employee can perform with the disabling
2.15 condition and that all reasonable accommodations have been considered. Upon request of
2.16 the executive director, an employer shall provide evidence of the steps the employer has
2.17 taken to attempt to provide reasonable accommodations and continued employment to
2.18 the claimant.

2.19 (e) The director shall also obtain written certification from the employer stating
2.20 whether the employment has ceased or whether the employee is on sick leave of absence
2.21 because of a disability that will prevent further service to the employer and that the
2.22 employee is not entitled to compensation from the employer.

2.23 (f) The medical adviser shall consider the reports of the physicians, physician
2.24 assistants, psychologists, and chiropractors and any other evidence supplied by the
2.25 employee or other interested parties. If the medical adviser finds the employee totally and
2.26 permanently disabled, the adviser shall make appropriate recommendation to the director
2.27 in writing together with the date from which the employee has been totally disabled. The
2.28 director shall then determine if the disability occurred within 18 months of filing the
2.29 application, if the disability occurred while still in the employment of the state, and the
2.30 propriety of authorizing payment of a disability benefit as provided in this section.

2.31 (g) A terminated employee may apply for a disability benefit within 18 months of
2.32 termination as long as the disability occurred while in the employment of the state. The
2.33 fact that an employee is placed on leave of absence without compensation because of
2.34 disability does not bar that employee from receiving a disability benefit.

2.35 (h) Upon appeal, the board of directors may extend the disability benefit application
2.36 deadline in paragraph (f) or (g) by an additional 18 months if the terminated employee

3.1 is determined to have a cognitive impairment that made it unlikely that the terminated
3.2 employee understood that there was an applicable standard deadline or that the terminated
3.3 employee was able to meet the standard deadline.

3.4 (i) Unless the payment of a disability benefit has terminated because the employee is
3.5 no longer totally disabled, or because the employee has reached normal retirement age as
3.6 provided in this section, the disability benefit must cease with the last payment received
3.7 by the disabled employee or which had accrued during the lifetime of the employee unless
3.8 there is a spouse surviving. In that event, the surviving spouse is entitled to the disability
3.9 benefit for the calendar month in which the disabled employee died.

3.10 **EFFECTIVE DATE.** This section is effective July 1, 2015.