

NOTE: The draft of these minutes from the June 5, 2015 Benefits Committee meeting were approved at the July 2, 2015 Committee meeting.

**Benefits Committee
Board of Trustees
June 5, 2015**

Public Minutes

**New Hampshire Retirement System
54 Regional Drive
Concord, NH 03301**

Committee Members: George Walker, *Chair*; Germano Martins and David McCrillis. John Beardmore and Don Roy *absent*.

Staff: George Lagos, *Executive Director*; Tim Crutchfield, Esq., *Chief Legal Counsel*; Denise Call, *Director of Employer Services*; Mark Cavanaugh, Esq., *Associate Counsel and Compliance Officer*; Tamre McCrae, *Employer Auditing Team Lead*; Kathy DeNutte, *Employer Reporting Team Lead*; and, Shannan Hudgins, *Administrative Coordinator*.

Committee Chair Walker called the NHRS Benefits Committee meeting to order at 10:32 a.m. Executive Director Lagos expressed congratulations to Chair Walker on behalf of all staff for his recent promotion to Deputy Chief of the Nashua, New Hampshire Fire Department.

On a motion by Trustee Martins, seconded by Trustee McCrillis, the Committee approved the public and non-public minutes from the April 10, 2015, Benefits Committee meeting, as follows:

Ayes: Trustees Walker and Martins.

Nays: None.

Abstention: Trustee McCrillis

On a motion by Trustee Martins, seconded by Trustee McCrillis, the Committee voted to enter into non-public session under RSA 91-A:3, II(e) to discuss pending legal matters on a roll call vote, as follows:

Ayes: Trustees Walker, Martins, and McCrillis.

Nays: None.

On a motion by Trustee McCrillis, seconded by Trustee Martins, the Committee unanimously voted to conclude the non-public session.

No votes were taken during the non-public session.

Chief Legal Counsel Crutchfield discussed retroactive Medicare authorizations received recently by a limited number of NHRS retirees, explaining that because the retroactive authorizations occurred through no prior action by the retirees regular recoupment procedures were not applicable to them. A brief discussion followed.

The Committee next reviewed Staff-recommended revisions to the Recoupment and Hardship Policies. Atty. Crutchfield stated that because the current Policies were three years old and that there had been a number of recoupments acted upon under the Policies, a timely review was in order. He explained that the recoupment practice of “twice as long for half as much” was in the Recoupment Policy but not in RSA 100-A. Mr. Lagos noted that any interest accrual was not included in the recoupment practice and suggested extending repayment terms over many years could be construed as an interest-free loan from the System. There was further discussion about what interest rate would be appropriate. Following which, Mr. Lagos stated that Staff would prepare an interest-rate proposal, tied to the option of an extended repayment schedule, for the Committee’s consideration and review.

Atty. Crutchfield further suggested changing the term “waiver” to “consideration” in the Hardship Policy to clarify to all applicants that a full waiver of monies owed to NHRS was an unlikely outcome.

On a motion by Trustee Martins, seconded by Trustee McCrillis, the Committee voted to enter into non-public session under RSA 91-A:3, II(c) to discuss disability examinations on a roll call vote, as follows:

Ayes: Trustees Walker, Martins, and McCrillis.

Nays: None.

On a motion by Trustee Martins, seconded by Trustee McCrillis, the Committee unanimously voted to conclude the non-public session.

No votes were taken during the non-public session.

The closing discussion was focused on the definition of earnable compensation as confirmed by the most recent New Hampshire Supreme Court decisions. Atty. Cavanaugh indicated that considerable staff time had been spent focusing on the interpretation of the statutory provisions and the

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phrase “as determined by the employer.” The purpose of the discussion was to let the Committee know that staff would be issuing guidance to employers in the near future in an effort to promote clarity and consistency in the reporting of earnable compensation.

On a motion by Trustee McCrillis, seconded by Trustee Martins, the Benefits Committee meeting was adjourned at 11:46 a.m.

Respectfully submitted,
Shannan Hudgins