

June 4, 2019 Minutes
NHRS Board of Trustees - Benefits Committee

NOTE: These minutes from the June 4, 2019 Benefits Committee meeting were approved and executed at the August 7, 2019 meeting of the Board of Trustees.

**Benefits Committee
Board of Trustees
June 4, 2019**

Public Minutes

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

Committee Members present: Trustees George Walker and Bill Hart

Telephonically: Trustees Christopher Coates and Don Roy

Absent: Trustee Friese

Staff: George Lagos, *Executive Director*; Mark Cavanaugh, Esq., *Associate Counsel & Compliance Officer*; Diana Crichton, Esq., *Hearings Examiner*; Marty Karlon, *PIO Officer*; Nancy Miller, *Director of Member Services*; and Margaret Astles, *Executive Assistant*.

Chair George Walker called the Benefits Committee meeting to order at 10:10 a.m.

Having established a quorum, Chair Walker called for a motion to accept the public and non-public minutes of the April 2, 2019 Benefits Committee meeting. On a motion by Trustee Hart, seconded by Trustee Coates, the Committee voted to approve the public and non-public minutes of the April 2, 2019 Benefits Committee meeting, as presented. A Roll Call vote was taken with Trustees Coates and Hart voting in the affirmative, and Trustees Walker and Roy abstaining.

Executive Director George Lagos provided information for the Benefits Committee concerning how State Retiree Medical Subsidy payments are applied now that a recent Legislature change requiring a 10 percent of out-of-pocket contribution applied to the cost of the retiree's health care coverage, in particular, married couple double subsidies. Staff met with Risk Management and the Attorney General's office to explain the medical subsidy process used

by NHRS for the few retirees this would apply to. Risk Management is expected to respond to Staff.

Executive Director Lagos explained an issue regarding active members that are known as “refilers”, who file for and withdraw applications for retirement in order to preserve a survivor option benefit in the event that the retiree dies while in service. This only affects members who are old enough for early retirement age but not for an unreduced full retirement benefit. It is possible that Staff will determine that a change in process or in the law is necessary.

Executive Director Lagos updated the Committee on the ongoing review of electronic direct deposit or (EDD) of retirement checks. Retirees are actively encouraged to use EDD, but a small portion still prefer a paper check and NHRS provides it to them. Staff will continue efforts encouraging all retirees to use EDD and review the possibility of making EDD mandatory as in other states.

Executive Director Lagos then briefed the Committee on a situation of what occurs if one beneficiary dies in the case involving multiple survivor options beneficiaries. Reviews would include whether the benefit of the deceased beneficiary lapses, or whether it is added to the benefit of other beneficiaries or, and, what would happen if a member had selected a pop-up option.

Associate Counsel & Compliance Officer Mark Cavanaugh reported on HB 116, which transfer the authority to reclassify certain line personnel at the Dept. of Corrections (DOC) from Group I to Group II. HB 116 was passed and is waiting for the Governor’s signature. A separate bill, HB 110, would sunset the law after one year, and it is in House for concurrence and Staff anticipates a significant number of requests for reclassification. Staff will be reaching out to DOC to develop a process. This reclassification could be coming to the Benefits Committee first, for recommendations to the Board of Trustees.

On a motion by Trustee Hart, seconded by Trustee Coates, the Committee voted to enter in non-public session under RSA 91-A:3, II(c) to discuss a matter that would likely adversely affect the reputation of a person other than a member of this public body. A Roll Call vote was taken, with Trustees Walker, Coates, Hart and Roy voting in the affirmative.

On a motion by Trustee Hart, seconded by Trustee Coates, the Committee voted to conclude the non-public session. A Roll Call vote was taken with Trustees Walker, Coates, Hart and Roy voting in the affirmative.

With no further business to discuss, on a motion by Trustee Coates, seconded by Trustee Hart, the Committee voted to adjourn the meeting. A Roll Call vote was taken with Trustees Walker, Coates, Hart and Roy voting in the affirmative.

Respectfully submitted,

Margaret M. Astles
Executive Assistant