

FOR IMMEDIATE RELEASE

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COMPTROLLER SEAN SCANLON ANNOUNCES REFORM TO STATE DISABILITY PENSION SYSTEM

(HARTFORD, CT) – Comptroller Sean Scanlon today announced that the State of Connecticut has reached an agreement with the State Employees Bargaining Agent Coalition (SEBAC) to reform the state disability pension system.

After proposing a series of reforms to the system in April, Comptroller Scanlon convened key stakeholders and found consensus on a major change that will allow his office to root out potential abuse of the disability pension system, while protecting the vast majority of deserving retirees.

"The State of Connecticut's disability pension system is vital for ensuring that our former state employees, many of whom became disabled during their dedicated public service, receive the support they need," **said Comptroller Sean Scanlon.** "Any abuse of the system, however rare, is unacceptable. The reforms announced today will help us identify potential fraud and strengthen the system for those who truly need it."

"Many state employees have responsibilities that sometimes put them in dangerous situations, and those workers should absolutely have access to protections in the unfortunate circumstance in which they may get injured while on the job. Taxpayers should also receive protections to ensure that the money being put into the disability pension system is not being abused," **said Governor Ned Lamont.** "These reforms will bring added safeguards to the disability pension system and ultimately help ensure that the money allocated for this system is available to those who are eligible to receive it. I appreciate Comptroller Scanlon for consulting with my office and working with SEBAC to reach this agreement."

"Union members who are disabled and unable to work rely on disability retirement to make ends meet and provide them with critical healthcare benefits," **said Drew Stoner, SEBAC spokesperson.** "And while there is still a lot of work to be done to protect our most vulnerable workers, we are grateful for the work that Comptroller Scanlon has done to ensure fair and equitable processes. We look forward to continued collaboration with his office on these important issues." The Office of the State Comptroller has consistently advocated for reforms to this system for several years, including measures to ensure that retirees fully disclose information affecting their pension eligibility.

Disability retirees are currently required to report relevant information, including additional income and employment, in response to an annual survey. Until today, there were no consequences for failure to fill out this survey.

Under this major reform, each retiree will now receive enhanced communication about their obligation to respond to the survey in full. After three written notifications over the course of 90 days, failure to complete the survey, or to provide all the information and documentation it calls for, will result in a significant reduction of the retirees' pension.

As not to terminate healthcare benefits for a recipient who is unable, due to medical reasons, to respond to the survey, the pension will not be reduced below the amount necessary to continue health insurance coverage. Recipients will receive additional communication regarding the reason for their reduced pension, and full benefits will be restored retroactively upon completion of the survey.

New this year, the survey, historically completed via mail, will have a convenient online option for submission. Additionally, it will include new provisions requiring recipients to confirm their address and designate an alternative contact. This year's survey will be distributed today with a deadline of August 16, 2024. After subsequent communications, any retiree who does not respond by October 21, 2024, will have their benefits reduced.

Comptroller Scanlon first <u>announced</u> his intention to seek reforms to the state disability pension system in April of 2024 and continues to convene state and labor leaders on other aspects of reform.

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