

Testimony by Executive Director John J. Gallagher, Jr.
Ohio Police & Fire Pension Fund
Before the House Financial Institutions Committee
On HB Bill 542
November 2020

Introduction:

Chairman Jordan, Vice-Chair Hudson, Ranking Minority Member Crossman, and members of the House Financial Institutions Committee, thank you for the opportunity to offer testimony on House Bill 542, which is an administrative change to the Ohio Police & Fire Pension Fund disability procedures that would provide broader options to assist police and firefighters, facing a medical condition which impacts their ability to serve.

What you are considering today are administrative changes to modernize and update language in the statute pertaining to health care delivery.

Introduction:

The Ohio Police & Fire Pension Fund is committed to securing the future for Ohio police and firefighters. Created by the legislature in 1965, the Fund is one of five (5) public retirement systems in Ohio. It has provided pension and disability benefits to the state's full-time firefighters and police officers for more than 50 years.

Currently, the Fund serves approximately **27,000** active members and more than **30,000** retirees and their beneficiaries. The Fund's investment portfolio is currently valued at **\$15.7 billion**. The Fund's disability benefit program and investment portfolio management has routinely been recognized for excellence. It is a model among retirement systems, providing a high level of customer service and peace of mind to our members.

The Core Values of the Ohio Police & Fire Pension Fund are Empathy, Integrity, and Prudence. Prudence is cautious, sound judgement in the operational practices of delivering benefit services. Fulfillment of this core value is what brings us here today.

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On behalf of the Board of Trustees of the Ohio Police & Fire Pension Fund, we are here today asking for a change in statute to provide better operational efficiency to our members.

Background:

Currently, on entry into a police or fire department, a prospective employee takes a pre-employment physical exam. The physical includes a health history and checks for conditions like heart disease, cancer for firefighters and/or any cardiovascular or respiratory disease of a chronic nature for all members. This sets a base line demonstrating the origin of member disease or injury during their careers. Upon an application for disability by an OP&F member, our process requires a demonstration of the injury, extent of the impairment and whether the condition is duty related or not, and the effect of the injury on the applicants earnings capacity. Under the current statute, only a licensed physician must conduct these member exams.

Proposed Change:

The Ohio Police & Fire Pension Fund is requesting updated language which could allow physicians, or other licensed, competent, and disinterested health care professionals, to conduct the OP&F exams. The current language limits the fund, members and employers by only allowing physician. Members are often required to travel hours with a disabling condition due to the lack of physicians available to OP&F.

The change is necessary due to the changing health care landscape and we support the change to reflect the current situation and future needs.

The Ohio Police & Fire Pension Fund has increasing difficulty in finding independent physicians to perform these physical examinations, for a number of reasons.

First, there is a shortage of physicians, which is expected to increase. Nationwide, the Association of American Medical Colleges estimates a shortage of more than 55,000 primary care physicians by 2032.

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But this is not a challenge a decade into the future. In Ohio, the need for physicians is growing faster than the supply. And before the pandemic, the U.S. Department of Health and Human Services projected Ohio would be short 1200 primary care physicians by 2025. This situation is more pronounced in the area of psychiatry.

In addition, health care itself is trending away from the independent, private practice physicians and increasingly toward practice groups, hospital organizations, and the like. Some of these organizations utilize specifically-trained and licensed health care professionals, known as physician extenders, to provide basic medical services like physicals. Physician Assistants and Nurse Practitioners are examples of physician extenders. They are licensed and qualified to perform examinations, order tests and prescribe medication under the supervision of a licensed physician. In addition, over fifty per cent of OP&F first responder members' disabilities are granted on the basis of muscular skeletal and orthopedic injuries (neck, back, hips, knees, shoulders) which preclude them for continuing to lift people and objects, and interfere with peace officers qualifying for carrying a weapon. Most of these injuries are divined by MRI and X-ray. Licensed physical therapists, occupational therapists and sports medicine specialists specialize in this filed and can be included under the new bill when appropriate. A licensed physician will always do the file review and OP&F will always retain its Medical Advisor. (Currently Dr. Greg Jewell, formerly of the BWC).

While population growth and aging are driving the physician shortage, that shortage is driving OP&F's challenge.

The language change in the statute preserves the current model, where possible and practical, while allowing a transition- over time- as necessary. We anticipate a measured phase-in, using our current physicians for as long as we can while supplementing with new opportunities like telehealth, in -home visits and use of health care extenders.

Conclusion:

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The health, welfare and future security of our members is paramount. We support the brave police and firefighters who exemplify service to our Ohio communities every day.

The proposed language change modernizes the statute to reflect both a current and future need to serve our members efficiently and effectively in their time of health crises.

Thank you for your time. I would be happy to answer any questions.