

Board of Administration

Agenda Item 8a5

April 16, 2024

Item Name: Proposed Decision – In the Matter of the Reinstatement from Industrial Disability Retirement of SETH D. HORST, Respondent, and CALIFORNIA HIGHWAY PATROL, Respondent.

Program: Disability and Survivor Benefits Division

Item Type: Action

Parties' Positions

Staff argues that the Board of Administration should adopt the Proposed Decision.

Respondent Seth D. Horst's (Respondent) position is included in Attachment C, if any.

Strategic Plan

This item is not a specific product of either the Strategic or Annual Plans. The determination of administrative appeals is a power reserved to the Board of Administration.

Procedural Summary

On December 10, 2020, Respondent submitted an application for industrial disability retirement (IDR) based on an internal condition (left inguinal hernia (repaired) and ilioinguinal nerve pain). On February 10, 2021, CalPERS approved the IDR application and Respondent retired for disability effective April 2, 2021.

On May 26, 2022, Respondent was informed that CalPERS would conduct a review and reevaluation to ensure Respondent was still eligible for IDR. On December 5, 2022, CalPERS informed Respondent that he was no longer considered to be incapacitated from performing the duties of a California Highway Patrol Officer.

On December 13, 2022, Respondent appealed this determination. The matter was heard by the Office of Administrative Hearings on December 14, 2023, and January 25, 2024. The record remained open to allow the parties to submit written closing arguments. The record was closed, and the matter submitted for decision on February 15, 2024. A Proposed Decision was issued on March 11, 2024, affirming CalPERS' determination, and denying the appeal.

Alternatives

A. For use if the Board decides to adopt the Proposed Decision as its own Decision:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System hereby adopts as its own Decision the Proposed Decision dated March 11, 2024, concerning the appeal of Seth D. Horst; RESOLVED FURTHER that this Board Decision shall be effective 30 days following mailing of the Decision.

B. For use if the Board decides not to adopt the Proposed Decision, and to decide the case upon the record:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System, after consideration of the Proposed Decision dated March 11, 2024, concerning the appeal of Seth D. Horst, hereby rejects the Proposed Decision and determines to decide the matter itself, based upon the record produced before the Administrative Law Judge and such additional evidence and arguments that are presented by the parties and accepted by the Board; RESOLVED FURTHER that the Board's Decision shall be made after notice is given to all parties.

C. For use if the Board decides to remand the matter back to the Office of Administrative Hearings for the taking of further evidence:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System, after consideration of the Proposed Decision dated March 11, 2024, concerning the appeal of Seth D. Horst, hereby rejects the Proposed Decision and refers the matter back to the Administrative Law Judge for the taking of additional evidence as specified by the Board at its meeting.

- D. Precedential Nature of Decision (two alternatives; either may be used):
 - 1. For use if the Board wants further argument on the issue of whether to designate its Decision as precedential:

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System requests the parties in the matter concerning the appeal of Seth D. Horst, as well as interested parties, to submit written argument regarding whether the Board's Decision in this matter should be designated as precedential, and that the Board will consider the issue whether to designate its Decision as precedential at a time to be determined.

2. For use if the Board decides to designate its Decision as precedential, without further argument from the parties.

RESOLVED, that the Board of Administration of the California Public Employees' Retirement System, hereby designates as precedential its Decision concerning the appeal of Seth D. Horst.

Budget and Fiscal Impacts: Not applicable

Attachments

Attachment A: Proposed Decision

Attachment B: Staff's Argument

Attachment C: Respondent(s) Argument(s)

Kimberly A. Malm
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Customer Services and Support