



Appeals Committee

Item Number 3a – Open Session

Subject: Consideration of Proposed Administrative Decision: In the Matter of the Denial of Disability Benefits of: Ignacio Reynoso

Presenter(s): James Lindsay and Ian Coen

Item Type: Action

Date & Time: April 2, 2021 – 15 minutes

Attachment(s): Attachment 1 – Proposed Decision

PowerPoint(s): None

PURPOSE

Administrative Law Judge (ALJ) Erin R. Koch-Goodman received evidence at an administrative hearing on December 2, 2020 for the above-referenced matter. The matter was submitted, and the record was closed on the date of hearing. On December 30, 2020, ALJ Koch-Goodman issued a Proposed Decision denying Respondent Ignacio Reynoso's appeal and upholding CalSTRS' Determination denying Mr. Reynoso's application for disability retirement benefits (Attachment 1).

POSITIONS OF THE PARTIES

Mr. Reynoso has not submitted a written statement in response to the Proposed Decision. At the hearing, Mr. Reynoso's position was that the Determination should be reversed and his application for disability retirement benefits approved.

Staff recommends that the Appeals Committee adopt the Proposed Decision with the technical or other minor changes referenced below.

DISCUSSION

Mr. Reynoso became a member of CalSTRS on September 1, 2004. Most recently, he taught Spanish/ELD at the Los Angeles School of Global Studies and resigned from his position effective June 30, 2017. His last day of creditable service was June 12, 2017.

Mr. Reynoso submitted two applications for disability retirement to CalSTRS, one on April 8, 2019 and the other on October 28, 2019. Both were denied for the same reasons: failing to submit a timely application; failing to provide the medical documentation requested to substantiate a permanent or continuous disability; and failing to submit documentation as requested. He appealed the second denial, which was the subject of the administrative hearing.

The issues presented during hearing were (1) whether Mr. Reynoso timely submitted his October 2019 application for disability retirement; (2) whether Mr. Reynoso was disabled from performing his usual and customary duties based on his health conditions; and (3) whether Mr. Reynoso provided all documents requested by CalSTRS to support his disability retirement application.

At the hearing, Mr. Reynoso explained that as a result of several medical disorders, he was having difficulty teaching full time. After his employer denied his request for a leave of absence for the 2017-2018 school year, Mr. Reynoso felt he had no choice and voluntarily resigned from LAUSD effective June 30, 2017. When he stopped working, he lost his health coverage and could not afford insurance. He then moved to Oregon where he took on a part-time teaching position at Ashland High School and was provided health insurance. In 2019, his health worsened, and his health care provider suggested he seek assistance from, among others, CalSTRS. In April 2019, he submitted a disability retirement application with CalSTRS. Although Mr. Reynoso provided various medical records from 2018 through 2019, he admitted that he did not have medical records for care and treatment from May 2017 through November 2018 because he could not afford medical insurance or treatment at that time.

In concluding that CalSTRS properly denied Mr. Reynoso's October 2019 disability retirement application, ALJ Koch-Goodman found that he failed to timely file his application pursuant to Education Code section 24102 because he submitted his application 28 months after resigning from LAUSD. She also concluded that Mr. Reynoso failed to provide the requested medical documentation supporting a permanent or continuous disability from the performance of his usual and customary duties from June 2017 through the present pursuant to Education Code section 24103. Lastly, ALJ Koch-Goodman determined that without medical documentation, Mr. Reynoso could not substantiate a disability pursuant to Education Code section 22126. The fact that Mr. Reynoso continued to work as a teacher in Oregon provided further evidence that he was not permanently or continuously disabled from the performance of his usual and customary duties following his June 2017 resignation from LAUSD.

Accordingly, ALJ Koch-Goodman denied Mr. Reynoso's appeal in its entirety and upheld CalSTRS' Determination denying his disability retirement application.

WRITTEN STATEMENT FROM MEMBER

Mr. Reynoso did not submit a written statement in response to the Proposed Decision.

RECOMMENDATIONS

Staff recommends that the Appeals Committee adopt the Proposed Decision with the following technical or other minor changes:

1. On page 3, paragraph 4, line 4, change “Shelia” to “Sheila.”
2. On page 4, paragraph 4, line 3, remove quotations marks.
3. On page 5, paragraph 7, line 5, change “set” to “sent.”
4. On page 8, paragraph 13, line 2, change “tit. 16” to “tit. 5.”
5. On page 10, paragraph 18, lines 8 and 15, change “the present” to “date of application.”
6. On page 11, paragraph 3, line 5, change “CalSTRS agency” to “CalSTRS-covered employer.”
7. On page 13, paragraph 5, lines 2 and 7, change “the present” to “date of application.”
8. On page 13, paragraph 6, line 4, change “the present” to “date of application.”
9. On page 13, paragraph 6, line 5, change “provide” to “provided.”
10. On page 11, Order, line 1, delete “The.”

**BEFORE THE
TEACHERS' RETIREMENT BOARD
STATE OF CALIFORNIA**

In the Matter of the Denial of Disability Benefits:

IGNACIO REYNOSO, Respondent

Agency Case No. STRS20200005

OAH No. 2020080086

PROPOSED DECISION

Erin R. Koch-Goodman, Administrative Law Judge (ALJ), Office of Administrative Hearings (OAH), State of California, heard this matter on December 2, 2020, by videoconference from Sacramento, California.

The California State Teachers' Retirement System (CalSTRS) was represented by Jonathan Lopez, Litigation Counsel.

Ignacio Reynoso (respondent) appeared and represented himself.

Oral and documentary evidence was received, the record closed, and the matter submitted for decision on December 2, 2020.

ISSUES PRESENTED

(1) Did respondent timely submit his October 2019 application for disability retirement?

(2) Was respondent disabled from performing his usual and customary duties as a Spanish/English Language Development (ELD) teacher for the Los Angeles Unified School District (LAUSD) based upon his health (recurring anxiety and depression; pain on limbs, palms, neck, lower back as well as muscles; visual and auditory hallucinations; gastrointestinal problems due to liver disease; and extreme fatigue from sleep apnea) conditions?

(3) Did respondent provide all documents requested by CalSTRS to support his October 2019 disability retirement application?

FACTUAL FINDINGS

Jurisdictional Matters

1. CalSTRS administers the State Teachers' Retirement Plan (Plan) and Teachers' Retirement Fund, which provide retirement, disability, and survivor benefits for California's public-school educators and their beneficiaries. (Ed. Code¹, § 22000 et seq. (Teachers' Retirement Law).) CalSTRS and the Plan are administered by the Teachers' Retirement Board (Board). (Ed. Code, § 22200, subd. (a).) The Board has "the sole power and authority to hear and determine all facts pertaining to application for

¹ All further references will be to the Education Code unless otherwise specified.

benefits under the [P]lan or any matters pertaining to administration of the [P]lan and the system.” (Ed. Code, § 22201, subd. (a).) The Board may hold a hearing to determine any question presented to it involving any right, benefit, or obligation of a person under the Teachers’ Retirement Law. (Ed. Code, § 22219, subd. (a).)

2. Respondent became a member of CalSTRS on September 1, 2004. Most recently, respondent was a Spanish/ELD teacher at the Los Angeles School of Global Studies; he resigned from the position effective June 30, 2017. His last day of paid work was June 12, 2017. On April 8, 2019, and again on October 27, 2019, respondent submitted an application for disability retirement to CalSTRS. Both applications were denied. Respondent appealed the second denial.

3. On July 8, 2020, Cassandra Lichnock, Chief Operating Officer, CalSTRS, made and filed the Statement of Issues in her official capacity. Respondent filed a Notice of Defense, and the matter was set for hearing before an ALJ of the OAH, an independent adjudicative agency of the State of California, pursuant to Government Code sections 11505 and 11506.

Application – April 2019

4. On April 8, 2019, CalSTRS received a disability retirement application from respondent, claiming disability based upon mental and physical (anxiety, depression, sleep apnea, cold sweats, liver disease, panic attacks, lethargic feeling, erectile dysfunction, tremors, urinary incontinence, and acid reflux) conditions. Shelia Lee, Disability Analyst, CalSTRS, was assigned to respondent’s application. On April 24, 2019, Ms. Lee telephoned and spoke to respondent about his application, its deficiencies, and requested additional documentation. The same day, Ms. Lee sent respondent a confirming letter, requesting more supporting documentation by May

24, 2019 and detailing the deficiencies of his application. In the letter, Ms. Lee explained: (1) the application was untimely pursuant to section 24102, because respondent filed his application on April 8, 2019, more than “four months after the last day of actual performance of service for which compensation is payable to the member” or June 12, 2017. However, if respondent provided medical documentation supporting a continuous incapacity “from the last day of actual performance of service which compensation is payable to the member” (i.e., from June 12, 2017 to the present), then his application would be accepted. (*Ibid.*) (2) the medical records and other documentation did not substantiate a permanent or continuous (more than 12 months) disability, thereby preventing respondent from performing his usual teacher duties, with or without reasonable accommodation, from the last day of compensable work. (§§ 22126, 24103 & 22450). (3) Ms. Lee requested medical documentation “for **the period of May 2018² to present and continuing**” (bold in original). The letter also included enclosures: Teachers’ Retirement Law Information for Disability Applicants – Coverage B; Disability Benefits Guide, page 9; Disability Benefits Application, sections 8.2, 8.3, 9.4, 9.4.1, 9.4.2, 9.5, and 10.

5. On May 3, 2019, CalSTRS received 19 pages of medical records for care and treatment respondent received from August 22, 2018 through April 1, 2019. On May 6, 2019, CalSTRS received the Certification by Principal from Los Angeles School of Global Studies Principal, Christian Quintero. Principal Quintero completed the two-page document, certifying: (1) respondent’s employment and his ability to complete all duties of a teacher; (2) respondent made no requests for reasonable accommodation

² The date is changed in the next two letters to read: June 2016.

or presented any impairment/illness; and (3) in June 2017, respondent resigned and moved to Oregon.

6. On May 14, and June 19, 2019, Ms. Lee telephoned and spoke to respondent about his application, its deficiencies, and requested additional documentation. On June 26, 2019, Ms. Lee sent respondent another letter requesting additional documentation by July 11, 2019 and again detailing the deficiencies of his application. Specifically, Ms. Lee requested medical documentation “for **the period of June 2016 to present and continuing**” (bold in original).

7. On July 9, 2019, CalSTRS received 138 pages of medical documentation for care and treatment respondent received from February 3, 2012 through November 17, 2016. On August 21, 2019, Ms. Lee telephoned and spoke to respondent about his application, its deficiencies, and requested additional documentation. The same day, Ms. Lee set respondent a third and final letter requesting more documentation by September 5, 2019 and again detailing the deficiencies of his application. On September 3, 2019, CalSTRS received 17 pages of documentation regarding his employment with LAUSD, including requests for California Family Medical Leave (CFRA) and leaves of absence and his resignation form. On September 4, 2019, Ms. Lee telephoned and spoke to respondent about his application.

8. On September 10, 2019, Joseph Brusco, Disability Manager, CalSTRS, sent respondent a letter denying his disability retirement application for failing to: timely apply; provide medical documentation substantiating permanent or continuous disability; and submit documentation as requested. Respondent was given two options: “reapply for disability benefits by submitting the previously requested

documentation along with a new application” or request an Executive Review within 45 calendar days from the date of the letter or October 25, 2019.³

Application – October 2019

9. On October 28, 2019, CalSTRS received a disability retirement application from respondent, claiming disability based upon mental and physical (recurring anxiety and depression; pain on limbs, palm, head, neck, lower back, and muscle; urinary incontinence⁴; visual and auditory hallucinations; gastrointestinal problems due to liver disease; and extreme fatigue due to sleep apnea) conditions. Manuel Contreras, Disability Analyst, CalSTRS, was assigned to respondent’s application.

10. On October 31, 2019, Mr. Contreras telephoned and spoke to respondent about his application, its deficiencies, and requested more documentation. The same day, Mr. Contreras sent respondent a confirming letter, requesting more supporting documentation by December 3, 2019. Mr. Contreras also noted: “[y]ou are responsible for providing medical records and other documentation that fully substantiates your impairment and supports you are prevented from continuing to work.” Specifically, Mr. Contreras requested medical documentation “for **the period of May 2016 to present and continuing**” (bold in original). The letter also included enclosures: Teachers’

³ Respondent failed to pursue his administrative remedies following the denial of his first disability retirement application; thereby precluding evaluation of the same in this proceeding. (*Murray v. Alaska Airlines* (2010) 114 Cal.Rptr.3d 241, 251.)

⁴ Respondent also listed urinary incontinence in his April 2019 application. Respondent did not appeal the denial of his April 2019 application. As such, he is precluded from listing a condition already considered and rejected by CalSTRS.

Retirement Law Information for Disability Applicants and Option Election
Acknowledgement Letter.

11. On November 12, 2019, CalSTRS received 230 pages of medical records for care and treatment respondent received from February 3, 2012 through May 26, 2017, as well as other documentation. On December 3, 2019, Mr. Contreras telephoned and spoke to respondent about his application, its deficiencies, and requested additional documentation. The same day, Mr. Contreras sent respondent another letter requesting additional documentation by December 18, 2019, and noting the lack of medical records indicating “that any medical doctor took you off work at the time of your last day of employment with the [LAUSD] on June 12, 2017 [or] that your impairment has kept you off work continuously since you (*sic*) last day of actual performance with the [LAUSD], as well.” In December 2019, CalSTRS received 773 pages of medical records for care and treatment respondent received from February 2012 through May 2017, and again from August 2018 through November 2019.

12. On January 14, 2020, Mr. Brusco sent respondent a letter denying his October 2019 disability retirement application for failing to: timely apply; provide medical documentation substantiating permanent or continuous disability; and submit documentation as requested. Again, respondent was given two options: “reapply for disability benefits by submitting the previously requested documentation along with a new application” or request an Executive Review within 45 calendar days from the date of the letter, or February 28, 2020. On February 11, 2020, respondent sent an email to CalSTRS requesting an Executive Review.

13. On March 5, 2020, William Perez, Benefits and Services Executive Officer, sent respondent a letter denying his request for Executive Review, because respondent did not provide “additional information or legal basis for review beyond the facts

and/or documentary evidence previously provided to or obtained by the program area.” (Cal. Code Regs., tit. 16, § 27101, subd. (c).) “If you disagree with the denial of your request in this Determination, you may request an administrative hearing . . . within 90 calendar days from the date of this letter.” On April 9, 2020, respondent sent an email to CalSTRS requesting an administrative hearing.

Respondent’s Testimony

14. In 2012, following a motor vehicle accident, respondent was diagnosed with an anxiety disorder, an adjustment disorder with anxiety, and major depression. In 2013, he was diagnosed with a panic disorder. At the same time, respondent was teaching full time for the LAUSD and work gradually became more and more difficult. In Spring 2017, he requested a leave of absence for the 2017-2018 school year, but the request was denied. Respondent felt he had no choice, and so he resigned effective June 30, 2017. However, when he stopped working, he lost his health coverage and he could not afford to pay for insurance. He moved to Oregon, because he could not afford to remain in California.

15. In Oregon, respondent got a part-time teaching position at Ashland High School; he was provided health insurance in 2018, and he sought further treatment. In 2019, his health worsened and work again became difficult. His health care provider suggested he seek assistance from the Social Security Administration and/or CalSTRS. Respondent made inquiries at Social Security but was not eligible. In March 2019, he travelled to the CalSTRS Redding, California office and was told he could submit a disability retirement application. In April, he filed a disability retirement application with CalSTRS.

On June 30, 2019, at the end of the school year, he left his teaching position at Ashland High School. He could not apply for disability retirement in Oregon, because Oregon does not have a retirement system. In September, CalSTRS denied his April 2019 application, but said he could reapply. In October 2019, respondent applied for disability benefits through the California Department of Social Services and again filed a disability retirement application with CalSTRS.

16. Respondent admitted he has no medical records for care and treatment from May 2017 through November 2018; because he could not afford health insurance or treatment at the time. Nonetheless, he is not hiding anything from CalSTRS. He has provided CalSTRS all of his medical records from 2012 through 2019. He believes CalSTRS should have sent him for a medical examination to confirm he qualified for disability retirement. He does not know CalSTRS law or his rights under the same. In 2017, he was too young for retirement, so he did not contact CalSTRS. He was unaware he could file an application for disability retirement with CalSTRS rather than resign.

17. Currently, respondent is unemployed and living in Oregon. He feels lost and abandoned and thinks no one really cares about him. He is falling through every crack in the system and needs help.

Discussion

18. The CalSTRS system is controlled by the Teachers' Retirement Law; a set of specific laws governing the administration and distribution of the Teachers' Retirement Fund. CalSTRS employees are charged with the administration of the same; comparing information provided by applicants to the requirements of the Teachers' Retirement Law for Fund distribution. Based upon the information respondent

provided, CalSTRS properly denied his October 2019 application for disability retirement.

First, respondent failed to timely file his application pursuant to section 24102. Respondent submitted a disability retirement application in October 2019, 28 months after resigning from his position as a Spanish/ELD teacher for the LAUSD. Second, respondent failed to provide requested medical documentation supporting a permanent or continuous disability from the performance of his usual and customary duties as a Spanish/ELD teacher for LAUSD from June 2017 through the present pursuant to section 24103. Third, without medical documentation, respondent cannot substantiate a disability pursuant to section 22126.

In addition, following his resignation from LAUSD, respondent continued to work as a teacher for the Ashland Unified School District; providing further evidence respondent was not permanently or continuously disabled from the performance of his usual and customary duties as a Spanish/ELD teacher for LAUSD following his resignation in June 2017 and continuing through the present. Consequently, respondent failed to establish that his disability retirement application submitted in October 2019 should be granted based upon his medical conditions.

LEGAL CONCLUSIONS

1. The Board "shall have the sole power and authority to hear and determine all facts pertaining to application for benefits under the [P]lan or any matters pertaining to administration of the [P]lan and the system." (Ed. Code, § 22201, subd. (a).) Evidence Code section 500 provides that "[e]xcept as otherwise provided by law, a party has the burden of proof as to each fact the existence or nonexistence of

which is essential to the claim for relief or defense that he is asserting." "As in ordinary civil actions, the party asserting the affirmative at an administrative hearing has the burden of proof, including . . . the burden of persuasion by a preponderance of the evidence....." (*McCoy v. Bd. of Retirement*(1986) 183 Cal. App. 3d 1044, 1051.) Here, respondent is seeking approval of his disability retirement application. Therefore, respondent must prove he meets all applicable requirements for disability retirement.

Timeliness of Application

2. Pursuant to section 24102, the Board may authorize payment of a disability retirement allowance to any member who is qualified, if the application is submitted: (1) while the member is employed and has worked within the last four months or the member is on a compensated leave of absence; (2) while the member is physically or mentally incapacitated from work and the incapacity has been continuous since the last day of paid work; (3) on a leave of absence without compensation, granted for reasons other than mental or physical incapacity from work, and within four months from the last day of paid work, or within 12 months of the last day of paid work, if the member was on an employer-approved leave to study at an approved college or university; or (4) within four months after the termination of the member's employment subject to coverage under the Defined Benefit Program, if the application was not made under paragraph (2) and was not made more than four months after the last day of paid work.

3. In this case, respondent resigned from his position with the LAUSD effective June 30, 2017. His last day of paid work for LAUSD was June 12, 2017. On October 26, 2019, he submitted to CalSTRS a disability retirement application. When he applied, he was not employed or on a leave absence, compensated or uncompensated, with a qualified CalSTRS agency. Thus, respondent must prove he was

disabled, physically or mentally incapacitated from performing his usual duties, and the incapacity has been continuous since the last day of paid work.

Disability

4. The member shall provide medical documentation substantiating the impairment qualifying the member for the disability retirement (Ed. Code, § 24103, subd. (a).) The Board "shall make a determination on the basis of competent medical documentation" to determine whether a member meets the definition of disability pursuant to section 22216. (Ed. Code, § 24103, subd. (g).) Section 22126 provides:

"Disability" or "disabled" means any medically determinable physical or mental impairment that is permanent or that can be expected to last continuously for at least 12 months, measured from the onset of the disability, but no earlier than the day following the last day of actual performance of service that prevents a member from performing the member's usual duties for the member's employer, the member's usual duties for the member's employer with reasonable modifications, or the duties of a comparable level position for which the member is qualified or can become qualified within a reasonable period of time by education, training, or experience.

5. Respondent submitted medical documentation from February 2012 through May 2017, and from August 2018 through November 2019. However, to prove incapacity, respondent must submit medical documentation supporting a finding of permanent or continuous incapacity from the performance of his usual duties, with or

without reasonable accommodation, from June 12, 2017 continuously through the present. Respondent did not submit medical documentation, nor does he possess medical documentation from June 2017 through August 2018. Without the same, respondent did not prove he was disabled or medically incapacitated from the performance of his usual duties on June 12, 2017; nor was he continuously incapacitated from performing his usual and customary duties from June 12, 2017 through the present.

6. Given the above, respondent did not prove, by a preponderance of the evidence, he: (1) timely filed a disability retirement application; (2) was permanently or continuously disabled from performing his normal and usual employment duties as a Spanish/EDL teacher for LAUSD on June 12, 2017 and continuously to the present; or (3) provide medical documentation to CalSTRS to substantiate a disability. Accordingly, as set forth in the Factual Findings and Legal Conclusions as a whole, CalSTRS properly denied respondent's disability retirement applications.

ORDER

The CalSTRS' denial of respondent Ignacio Reynoso's October 2019 application for disability retirement is UPHeld. Respondent Ignacio Reynoso's appeal of the same is DENIED.

DATE: December 30, 2020



ERIN R. KOCH-GOODMAN

Administrative Law Judge

Office of Administrative Hearings